
5 Vocational education and training

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Attachment tables

Attachment tables are identified in references throughout this chapter by an 'A' suffix (for example, table 5A.3). A full list of attachment tables is provided at the end of this chapter, and the attachment tables themselves are available on the CD-ROM enclosed with the Report or from the Review website at <www.pc.gov.au/qsp>.

This chapter reports performance information about the equity, effectiveness and efficiency of government funded vocational education and training (VET) in Australia in 2007. The VET system delivers employment related skills across a wide range of vocations. It provides Australians with the skills to enter or re-enter the labour force, retrain for a new job or upgrade skills for an existing job. The VET system includes government and privately funded VET delivered through a number of methods by a wide range of training institutions and enterprises.

The focus of this chapter is on VET services delivered by providers receiving government funding, and which relate directly to training activity funded under the *Commonwealth–State Agreement for Skilling Australia's Workforce*. These services

include the provision of VET programs in government owned technical and further education (TAFE) institutes and universities with TAFE divisions, other government and community institutions, and government funded activity by private registered training organisations (RTOs). The scope of this chapter does not extend to VET services provided in schools (which are within the scope of school education in chapter 4) or university education (some information on university education is included in preface B).

This year, the chapter has been enhanced by:

- reporting of participation in certificate level III qualifications and above (high level qualifications), by target age groups
- reporting of VET and TAFE graduates who improved their employment circumstances after training, by Indigenous status
- reporting of TAFE graduates who improved their employment circumstances after training, by selected target groups.

5.1 Profile of vocational education and training

Service overview

The VET system involves the interaction of students, employers, the Australian, State, Territory and local governments (as both purchasers and providers), and an increasing number of private and community RTOs. Students have access to a diverse range of programs and qualification levels, with course durations varying from a module or unit of competency (a stand-alone course component or subject) of a few hours to full courses of up to four years (box 5.1).

Box 5.1 Diversity of the VET system

VET programs range from a single module or unit of competency (which can involve fewer than 10 contact hours) to advanced diplomas (which can involve up to four years of study). All training in the VET system needs to be assessed, because many students complete modules or units of competency without intending to complete a course or qualification.

The types of training range from formal classroom learning to workplace-based learning, and may include flexible, self-paced learning and/or online training, often in combination. The availability of distance education has increased, with off-campus options such as correspondence, Internet study and interactive teleconferencing.

(Continued on next page)

Box 5.1 (Continued)

The types of training organisation include: institutions specialising in VET delivery, such as government owned TAFE institutes, agricultural colleges and private training businesses; adult community education (ACE) providers; secondary schools and colleges; universities; industry and community bodies with an RTO arm; and businesses, organisations and government agencies that have RTO status to train their own staff. Group Training Organisations are RTOs and some RTOs may also be Australian Apprenticeship Centres (formerly New Apprenticeship Centres). Schools and universities provide dual award courses that combine traditional studies with VET, with an award from both the VET provider and the secondary school or university. In addition to formal VET delivered by an RTO, many people undertake on-the-job training in the workplace or attend training courses that do not lead to a recognised VET qualification.

The general roles of the VET system, and the main reasons that students participate in VET programs, are to:

- obtain a qualification to enter the labour force
- retrain or update labour force skills
- develop skills, including general education skills such as literacy and numeracy, that enhance students' ability to enter the labour force
- provide a pathway to further tertiary education, including entrance to higher education.

Expenditure

Recurrent expenditure on VET by Australian, State and Territory governments totalled \$4.0 billion in 2007 — an increase of 1.0 per cent (in real terms) from 2006 (table 5A.1). Government recurrent expenditure was equal to \$282.88 per person aged 15–64 years across Australia in 2007 (table 5A.2). Further information on the breakdown of real funding by jurisdictions over a five year period is available in the attachment tables.

Government funded activity is the primary focus of the Report. However, not all data can be limited to government funded activity. A representation of data used for statistical reporting is provided in figure 5.1.

Figure 5.1 Scope of reporting

| Training Funding Type ^a | Registered Training Organisations | | |
|--|-------------------------------------|---------------------|-------------------|
| | TAFE and other government providers | Community providers | Private providers |
| Government Funded (Agreement) | | | |
| Government Funded (specific purpose outside Agreement) | | | |
| Fee-for-Service (domestic and international) | | | |

- Data available for reporting and used to report government funded activity
- Data available for reporting and used to report VET activity
- Data not available for reporting

^a 'Agreement' refers to the *Commonwealth–State Agreement for Skilling Australia’s Workforce*.

Source: Department of Education, Employment and Workplace Relations (DEEWR) (2008).

Where the Report refers to ‘government funded’ activity, it refers only to VET activity that is recurrently funded under the *Commonwealth–State Agreement for Skilling Australia’s Workforce*. Where the Report refers to ‘VET’ activity, it is referring to all VET data available for reporting. Where activity is not specified to be VET or government funded, reporting relates to government funded activity. A detailed explanation of data inclusions and exclusions is provided in box 5.2.

Box 5.2 Scope of reporting

Data on student participation, efficiency measures, student achievement, qualifications completed and competencies/modules completed presented in this Report are limited to services that are recurrently funded under the *Commonwealth–State Agreement for Skilling Australia’s Workforce*. These include VET services provided by:

- TAFE and other government providers, including multi-sector higher education institutions
- registered community providers and registered private providers.

Data on student outcomes and student satisfaction includes information on VET activity and includes training from the following funding sources:

- *Commonwealth–State Agreement for Skilling Australia’s Workforce* (government recurrent)
- government specific purpose outside the Agreement
- domestic fee-for-service (TAFE only).

(Continued on next page)

Box 5.2 (Continued)

The discussion in the chapter of student outcomes and student satisfaction focuses on students undertaking government funded (that is, both recurrent and specific) TAFE activity. Additional data relating to all VET providers are available in the attachment tables.

Data on employer engagement and satisfaction is on all nationally recognised training, from all provider types, regardless of the funding.

Size and scope

In 2007, 31.1 per cent of Australians aged 15–64 years held a certificate or diploma as their highest level qualification (table BA.12). These qualifications could have been completed in schools, VET institutions or higher education institutions.

The VET sector is large and varied. Qualifications vary significantly by length, level and field. Approximately 1.7 million people were reported as participating in VET programs at 12 427 locations across Australia in 2007 (DEEWR 2008) (table 5A.3). This represented 11.3 per cent of the population aged 15–64 (DEEWR 2008). The number of VET students decreased by 0.7 per cent between 2006 and 2007, and decreased by 3.6 per cent between 2003 and 2007 (DEEWR 2008).

Of the approximately 1.7 million VET students who were reported as participating in VET programs in 2007, 1.2 million students (71.9 per cent) were funded by the *Commonwealth—State Agreement* (government recurrent expenditure) and 46 000 students (2.8 per cent of all VET students) were funded through specific purpose government programs (DEEWR 2008). The remaining 421 100 students participated on a fee-for-service basis as domestic students (23.2 per cent of all VET students) or international students (2.1 per cent of all VET students). The proportion of domestic fee-for-service students decreased from 26.3 per cent of all VET students in 2003 to 23.2 per cent in 2007 (DEEWR 2008).

Students

Student participation data presented in this chapter refer only to VET students who were funded by government recurrent expenditure and where the program was delivered by TAFE or other government providers (including multi-sector higher education institutions), registered community providers or registered private providers. The data do not include students who participated in VET programs in

schools or undertook 'recreation, leisure or personal enrichment' education programs.

Nationally, 1.2 million students participated in VET programs funded by government recurrent expenditure through State and Territory agencies (table 5A.4). Between 2006 and 2007, the number of government funded students decreased by 0.02 per cent (approximately 200 students) and the number of government funded annual hours increased by 3.6 per cent (table 5A.5). Over the longer term, the number of government funded annual hours increased by 8.3 per cent between 2003 and 2007, although the number of government funded VET students declined by 0.9 per cent over the same period (implying that a smaller number of students studied more hours on average in 2007 compared to 2003) (table 5A.9 and NCVET unpublished).

Of the 1.2 million government funded VET students who participated in government funded VET programs in 2007, 4.1 per cent, or 49 286, gained some sort of recognition of prior learning (RPL) (table 5A.4).

Hours

Government funded VET students participated in 307.4 million government funded annual hours in 2007. On average, each government funded VET student in 2007 received 256.6 hours of VET (table 5A.4).

Courses

VET qualifications range from non-award courses to certificates (levels I–IV), diplomas and advanced diplomas. In 2007, 11.5 per cent of government funded VET students were undertaking a diploma or advanced diploma, 46.6 per cent were enrolled in a certificate level III or IV, 25.5 per cent were enrolled in a certificate level I or II or lower, and 16.5 per cent were enrolled in a course that did not lead directly to a qualification (table 5A.5).

Fields of study also varied greatly. In 2007, 22.7 per cent of units of competency or modules completed by government funded VET students were in management and commerce, 18.4 per cent were in engineering and related technologies, 15.0 per cent were in mixed field programs, 9.4 per cent were in health, 8.6 per cent were in society and culture and 7.0 per cent were in architecture and building. Other fields studied by government funded VET students included agriculture, environment and related studies, information technology, education, creative arts, food, hospitality and personal services, and natural and physical sciences (DEEWR 2008).

Institutions

In 2007, there were 163 TAFE and other government providers. Government funded programs were delivered at 12 427 locations (that is, TAFE, government funded locations and the locations of all other registered training providers, including private providers that receive government recurrent funding for VET delivery) (tables 5A.3 and 5A.4).

The infrastructure (noncurrent physical assets) of government owned TAFE institutions and TAFE divisions of universities was valued at \$8.5 billion in 2007, of which 93.6 per cent comprised the value of land and buildings (table 5A.18). The value of net assets of government VET providers was \$611.24 per person aged 15–64 years across Australia in 2007. Asset values per person varied across jurisdictions (table 5A.6).

Roles and responsibilities in 2007

The *Commonwealth–State Agreement for Skilling Australia’s Workforce*, which commenced 1 July 2005, continued until 31 December 2008. This will be replaced by the *National Agreement on Skills and Workforce Development* agreed by COAG on 29 November 2008. Australian and State/Territory government ministers, through the Ministerial Council for Vocational and Technical Education (MCVTE), provide direction on national policy, strategy, priorities, goals and objectives, in partnership with industry, and private and public training providers.

National Training System Framework in 2007

One of the guiding principles for the training system is that industry needs to drive training priorities and delivery. Industry advice is provided to the MCVTE through the National Industry Skills Committee (NISC) (figure 5.2). The NISC advises MCVTE on workforce planning, future training priorities and other critical issues facing Australian industry.

The National Quality Council (NQC), a committee of MCVTE (figure 5.2), oversees quality assurance, ensures national consistency in the application of the Australian Quality Training Framework (AQTF) standards for the audit and registration of training providers, and endorses training packages.

The National Senior Officials Committee (NSOC) is the administrative arm of MCVTE and is responsible for implementing MCVTE decisions (figure 5.2). NSOC can establish National Action Groups on an as needs basis, to advance the work of MCVTE and complement NISC. Protocols are in place to ensure that

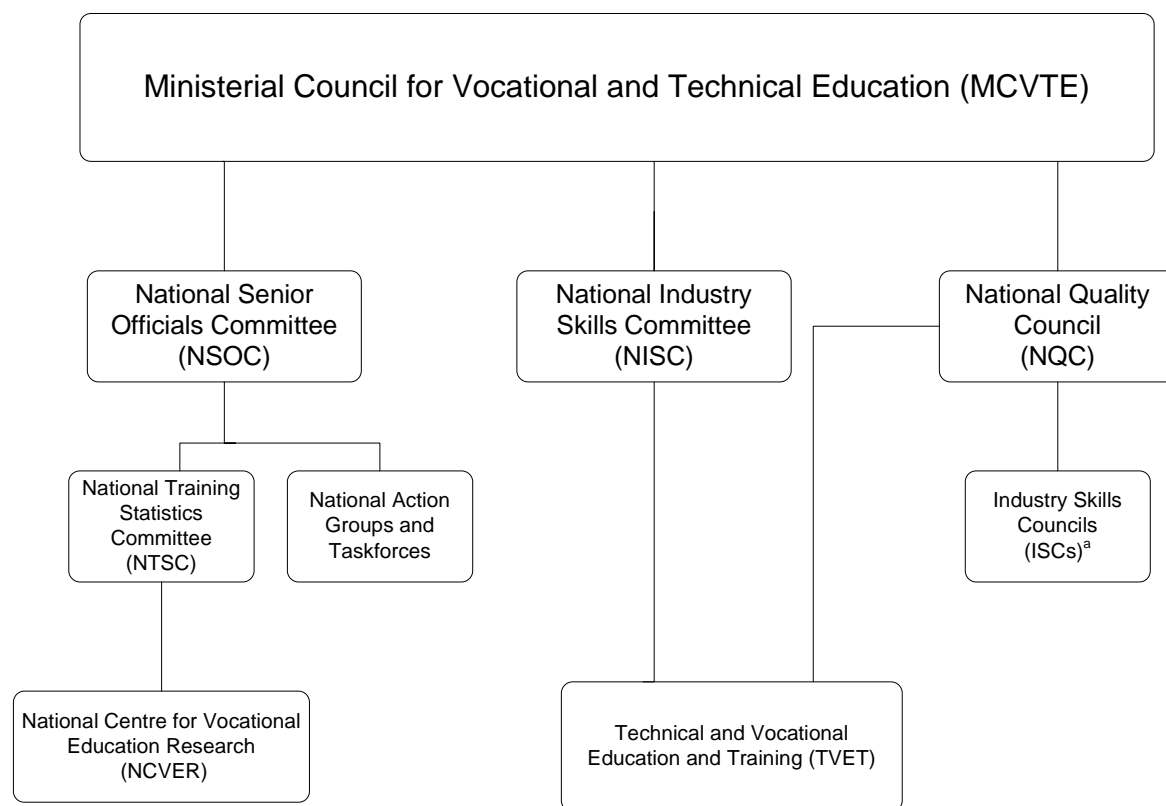
Action Groups have appropriate and balanced memberships, including representatives from government, training providers, and businesses.

The National Training Statistics Committee (NTSC) is the key strategic and policy advisory forum for data collection and reporting (figure 5.2). The National Centre for Vocational Education Research (NCVER), a ministerial company, provides secretariat services to the NTSC, and manages a VET research programme and VET statistical services.

Technical and Vocational Education and Training (TVET) (figure 5.2) is a ministerial company, whose functions under the *Commonwealth–State Agreement for Skilling Australia’s Workforce* include:

- providing the secretariat for the NQC and the NISC
- providing to users of the national training system an integrated service to:
 - identify and acquire training materials
 - identify copyright requirements
 - enter licenses for use of that material, consistent with the scope and direction of the NQC.

Figure 5.2 National reporting relationships within the VET system in 2007



^a ISCs are funded by the Department of Education, Employment and Workplace Relations (DEEWR). ISCs deliver Training Packages to the NQC for endorsement.

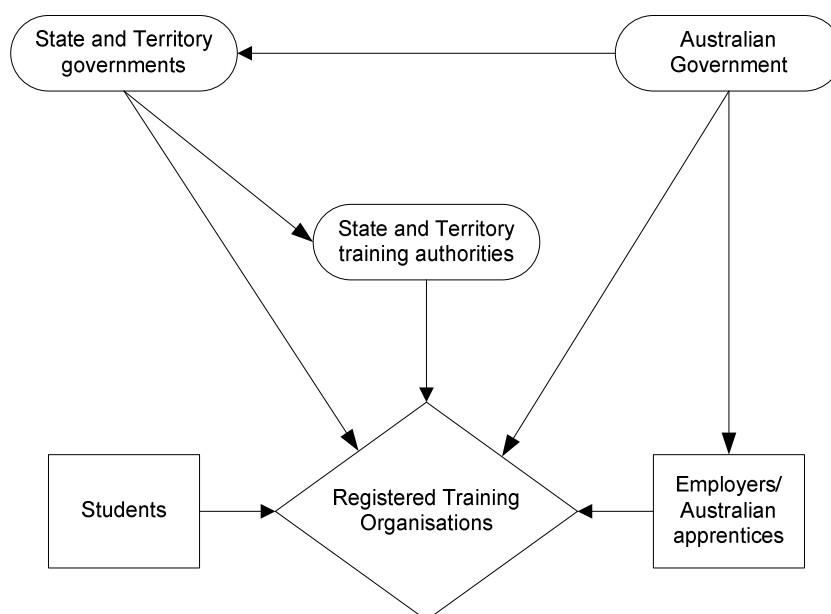
Source: DEEWR (2008).

VET funding flows

State and Territory governments provide funding for VET services through the State and Territory training authorities. They provided \$3.0 billion in 2007 — 74.4 per cent of government recurrent funding. The Australian Government provided the remainder of government recurrent funding (\$1.0 billion) (table 5A.8).

RTOs also receive revenue from individuals and organisations for fee-for-service programs, ancillary trading revenue, other operating revenue and revenue from Australian, State and Territory government specific purpose funds (figure 5.3). The Australian Government also provides funding for Australian Apprenticeship Centres and employer incentives for Australian Apprenticeships.

Figure 5.3 Major funding flows within the VET system



Allocation of VET funding

The bulk of government VET funds are allocated to government VET providers based on the planned activity set by State and Territory training authorities. The disbursement of a component of VET funding on a competitive basis was introduced in the early 1990s to allocate additional Australian Government funds. Processes used to allocate funds on a competitive basis include:

- *competitive tendering*, whereby government and private RTOs compete for funding contracts from State and Territory training authorities in response to government offers (tenders)
- *user choice*, whereby the employer and apprentice/trainee choose a registered training provider and negotiate key aspects of their training, and then government funds flow to that provider
- *preferred supplier arrangements*, an extension of competitive tendering, whereby a contract is awarded to providers (chosen by the tender process) to provide training on a longer term basis.

An estimated \$830.2 million (20.6 per cent) of government VET funding was allocated on a competitive basis in 2007 (including user choice arrangements) — 0.6 per cent more in real terms than in 2006 (table 5A.8). \$414.0 million went to non-government providers — a 6.7 per cent increase in real terms on 2006 (table 5A.7). The degree of competition in the tendering process varies across jurisdictions and within jurisdictions, depending on the program. Some tenders can

be contested by any RTOs (open competitive tendering), while some tenders are restricted to RTOs able to deliver a specific type of training, for example in a selected industry or to a certain client group (limited competitive tendering).

Similarly, the scope for competition, in terms of the size of the market of potential providers, varies across jurisdictions. TAFE institutes and universities with TAFE divisions may be subject to factors that affect their ability to compete effectively for funding allocated by competitive tendering. The House of Representatives Standing Committee on Employment, Education and Training found a number of factors impede the competitive position of TAFE institutes (HRSCEET 1998).

5.2 Framework of performance indicators

This chapter provides information on the equity, effectiveness and efficiency of government funded VET services. For example, ‘VET participation by target group’ is a measure of equitable access to VET, ‘student employment and further study outcomes’ is a measure of the effect of VET on equipping Australians for participation in the workforce, and ‘government recurrent expenditure per annual hour’ is an indicator of the extent to which the value of government VET expenditure is maximised. The performance indicator framework is developed around the VET objectives established under the national strategy for 2004–2010 (box 5.3).

Box 5.3 Objectives for VET, 2004–2010

The objectives established in *Shaping our Future — Australia’s National Strategy for Vocational Education and Training 2004–2010*, are:

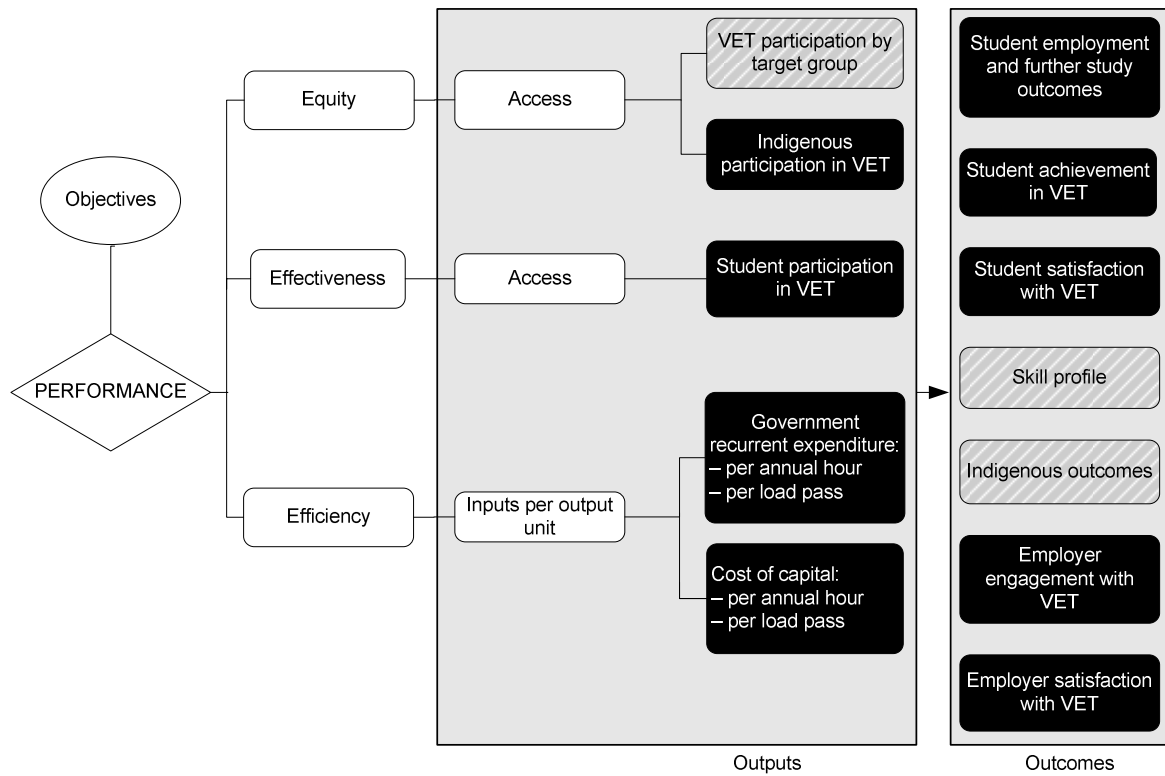
- industry will have a highly skilled workforce to support strong performance in the global economy
- employers and individuals will be at the centre of vocational education and training
- communities and regions will be strengthened economically and socially through learning and employment
- Indigenous Australians will have skills for viable jobs and their learning culture will be shared.

Source: ANTA (2004).

The performance indicator framework (figure 5.4) distinguishes the outputs and outcomes of VET services, and shows which data are comparable in the 2009 Report. For data that are not directly comparable, the text includes relevant

caveats and supporting commentary. Chapter 1 discusses data comparability from a Report-wide perspective (see section 1.6).

Figure 5.4 Performance indicators for VET services



Key to indicators

- Text** Data for these indicators comparable, subject to caveats to each chart or table
- Text** Data for these indicators not complete or not directly comparable
- Text** These indicators yet to be developed or data not collected for this Report; chapter contains explanatory text

5.3 Key performance indicator results

The equity, effectiveness and efficiency of VET services may be affected by different delivery environments, locations and types of client. Appendix A contains detailed statistics and short profiles on each state and territory, which may help in interpreting the performance indicators presented in this chapter.

Outputs

Outputs are the actual services delivered (while outcomes are the impact of these services on the status of an individual or group) (see chapter 1, section 1.5).

Equity

A key national goal of the VET system is to increase opportunities and outcomes for disadvantaged groups. The designated equity groups are females, residents of remote and very remote areas, Indigenous people, people with a disability and people speaking a language other than English at home. This section includes indicators of access to VET by these target groups in 2007.

VET participation by target group

‘VET participation by target group’ is an indicator of equitable access to the VET system by target groups (females, residents of remote and very remote areas, people with a disability, and people speaking a language other than English at home), compared with that of the general population, and reflects performance against the objective of achieving equitable outcomes in VET (box 5.4). (Indigenous participation in VET is reported as a separate indicator.)

Box 5.4 VET participation by target group

‘VET participation by target group’ is defined as the number of government funded participants in the VET system who self-identified that they are from a target group, as a proportion of the total number of people in the population in that group.

It is desirable that ‘VET participation by target group’ reaches a level that is comparable to that for all students. A lower participation rate means the target group is under-represented in VET; a higher participation rate means the group is over-represented in VET.

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Box 5.4 (Continued)

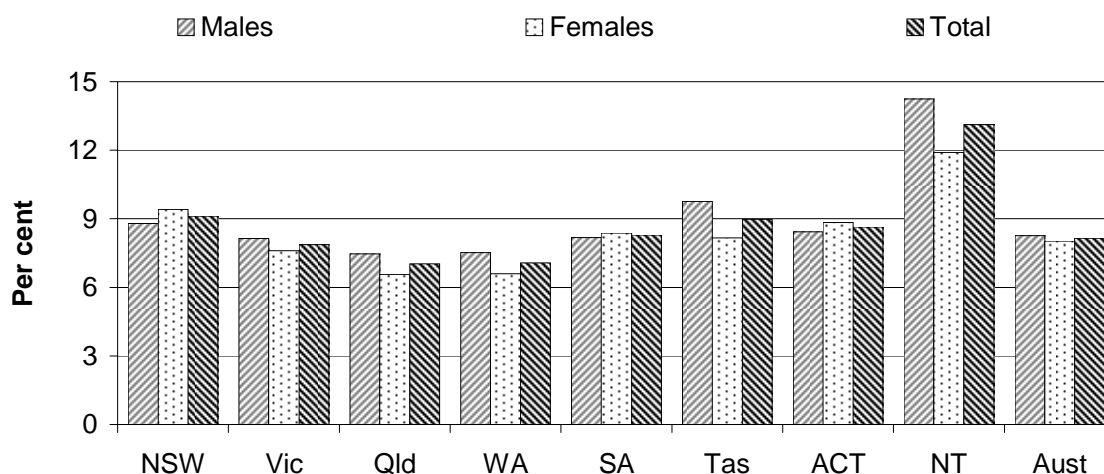
Care needs to be taken in interpreting the participation rates presented for people with a disability and people speaking a language other than English at home because (1) the data depend on self-identification at the time of enrolment, (2) the number of non-responses (that is, students who did not indicate whether they belong to these groups) varies across jurisdictions, and (3) appropriate denominators were not available to calculate the participation rates of students reporting a disability or people speaking a language other than English at home. Data on participation (apart from disaggregation by gender) have not been limited to students identified as aged 15–64, due to the variable number of students across target groups for whom age is unknown. Data on participation are limited to students who have participated in Australia's government funded VET system.

Data reported for this indicator are not directly comparable.

VET participation by target group — females

In recent years, the national VET participation rates for females and males have been comparable (table 5A.10). In 2007, male student participation was 8.3 per cent and female participation was 8.0 per cent (figure 5.5).

Figure 5.5 VET participation rate for people aged 15–64 years, by sex, 2007^{a, b}



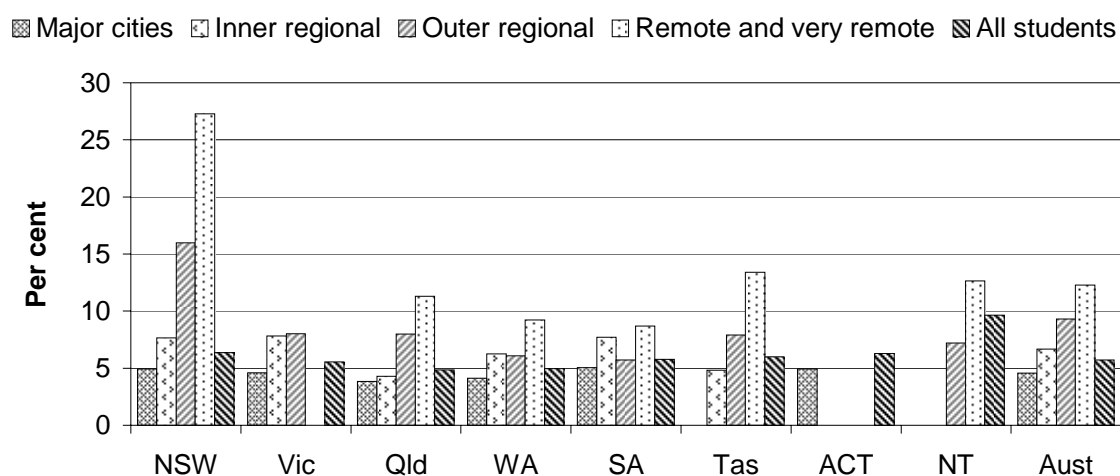
^a Data are for government recurrent funded VET students. ^b The participation rate is the number of 15–64 year old students participating in VET expressed as a proportion of the population (of that sex) aged 15–64 years, as at 30 June 2007.

Source: ABS (unpublished), derived from *Australian Demographic Statistics, December Quarter 2007*, Cat. No. 3101.0; NCVET National VET provider collection (unpublished); table 5A.10.

VET participation by target group — people from remote and very remote areas

VET student data by region are based on students' home postcode using the Accessibility and Remoteness Index for Australia (ARIA) classification system currently used by the Australian Bureau of Statistics (ABS). Nationally, the VET participation rate increased with remoteness. Participation was higher for people from remote and very remote areas (12.3 per cent) than for people from other geographic regions (9.3 per cent for outer regional areas, 6.7 per cent for inner regional areas and 4.6 per cent for major cities) compared to 5.7 per cent for all students (figure 5.6). Employment opportunities and the availability of alternative education services in regional and remote areas may affect the level of VET participation in these areas.

Figure 5.6 **VET participation rate for people of all ages, by region, 2007^{a, b, c}**



^a Data are for government recurrent funded VET students. ^b The participation rate for students from the various regions is the number of students participating in VET (based on students' home postcode) as a proportion of the total population that resides in that region. ^c There are no very remote areas in Victoria, no major cities in Tasmania, no outer regional areas, remote areas or very remote areas in the ACT, and no major cities or inner regional areas in the NT. Data for Victorian remote areas and ACT inner regional areas are not published due to a high proportion of these areas sharing postcodes with NSW that cannot be disaggregated, but are included in the Australia totals.

Source: ABS (unpublished), derived from *Regional Population Growth, Australia, 2006-07*, Cat. No. 3101.0 (table AA.6); NCVET National VET provider collection (unpublished); table 5A.11.

VET participation by target group — people with a disability

Nationally, 7.2 per cent of government funded VET students in 2007 reported having a disability, impairment or long-term condition (figure 5.7). Based on 2003 ABS data, an estimated 16.8 per cent of all 15–64 year olds in the population and

20.0 per cent of the total population reported having a disability (derived from ABS 2004a). The proportion of VET students reporting a disability is not directly comparable with the proportion of the population reporting a disability, as the classifications of disabilities differ. Within the VET system, the focus is on identifying students that require additional teaching and learning support.

Figure 5.7 VET students, by disability status, 2007^{a, b}



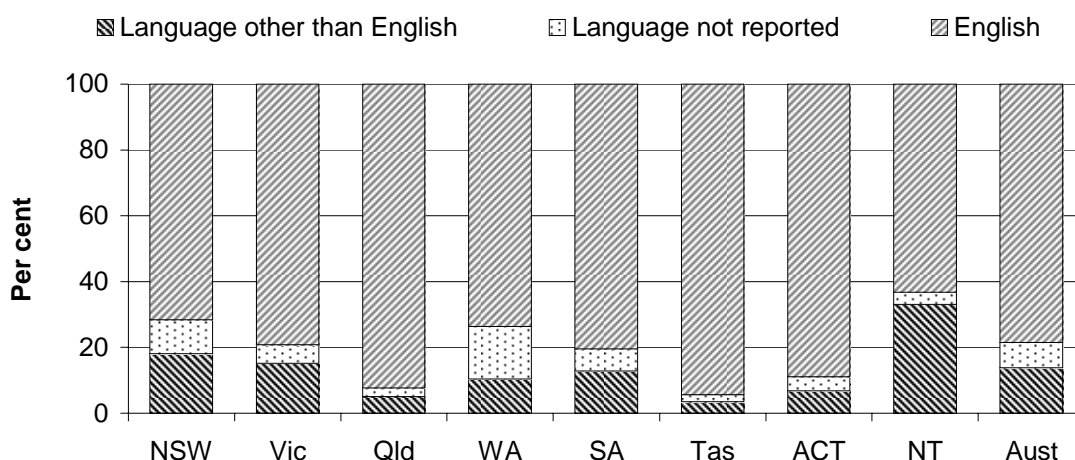
^a Data are for government recurrent funded VET students. ^b Students reported as having a disability are defined as those who self-identify on enrolment forms that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities

Source: NCVET National VET provider collection (unpublished); table 5A.12.

VET participation by target group — students speaking a language other than English at home

In 2007, 13.8 per cent of government funded VET students reported speaking a language other than English at home (figure 5.8). By comparison, 15.8 per cent of the total population of Australia spoke a language other than English at home (derived from ABS 2006 Census of Population and Housing, table AA.5).

Figure 5.8 VET students, by language spoken at home, 2007^a



^a Data are for government recurrent funded VET students.

Source: NCVET National VET provider collection (unpublished); table 5A.13.

Indigenous participation in VET

‘Indigenous participation in VET’ is an indicator of equitable access to the VET system by Indigenous people (box 5.5).

Box 5.5 Indigenous participation in VET

‘Indigenous participation in VET’ is defined as the number of all government funded participants in the VET system who self-identified as Indigenous, as a proportion of the total number of Indigenous people aged 15–64 years, compared with that of the general population.

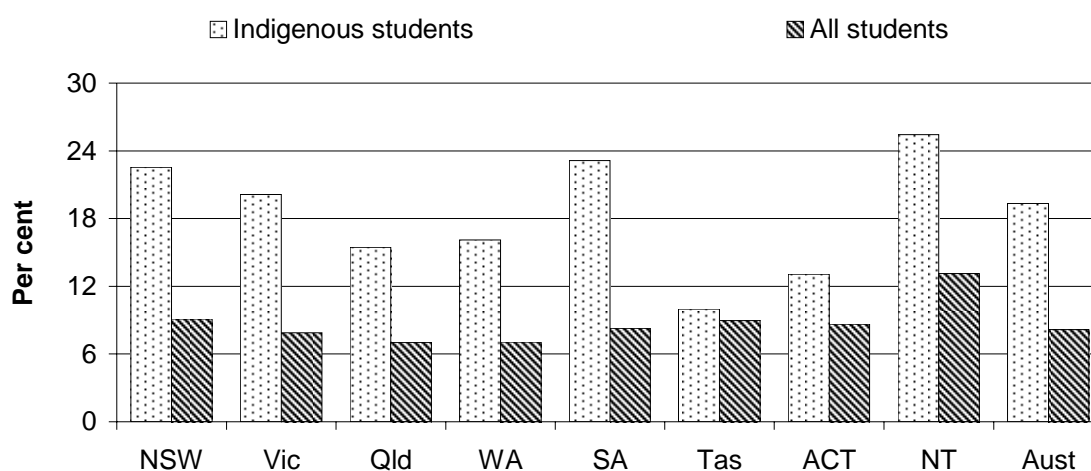
A lower participation rate means Indigenous people are under-represented in VET; a higher participation rate means Indigenous people are over-represented in VET.

Care needs to be taken in interpreting the participation rates presented for Indigenous people because (1) the data depend on self-identification at the time of enrolment and (2) the number of non-responses (that is, students who did not indicate whether or not they were Indigenous) varies across jurisdictions. Data are for government funded VET students.

Data reported for this indicator are comparable.

Nationally, the VET participation rate for all Indigenous students (the number of all Indigenous students as a percentage of Indigenous people aged 15–64) was 19.4 per cent. The participation rate for all 15–64 year old students (the number of 15–64 year old students as a percentage of the 15–64 year old population) was 8.2 per cent (figure 5.9). These student participation data are not age standardised, so the younger age profile of the Indigenous population relative to all Australians is likely to affect the results.

Figure 5.9 VET participation rate, by Indigenous status, 2007^{a, b, c, d}

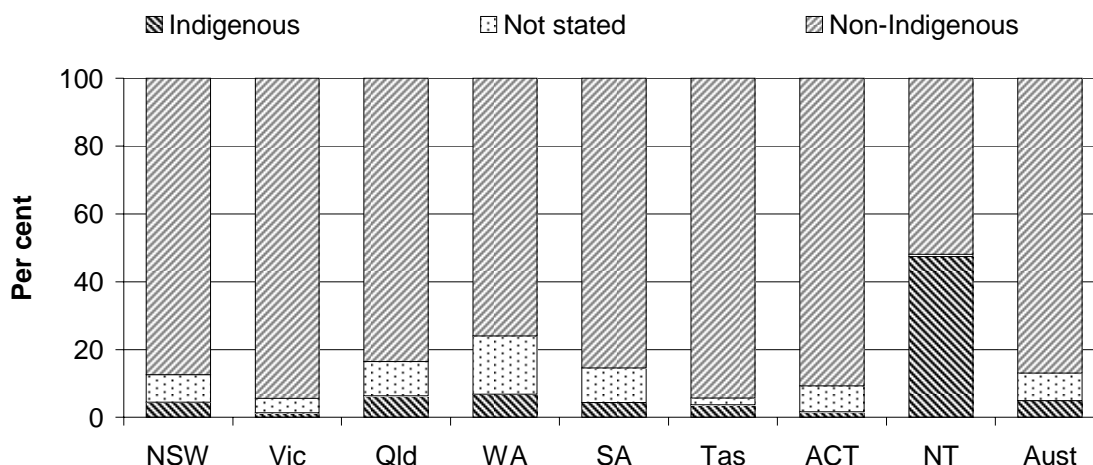


^a Data are for government recurrent funded VET students. ^b The scope of Indigenous students covers all age groups who reported being Indigenous and the scope of all students covers those aged 15–64 years. ^c The Indigenous participation rate is the number of Indigenous students as a percentage of the experimental estimates of Indigenous people aged 15–64 years for 30 June 2007 (ABS 2004b; low series, tables 25–34, pp. 53–62). The all students participation rate is the number of students as a percentage of the estimated resident population aged 15–64 as at 30 June 2007. ^d Care needs to be taken in interpreting these data because the Indigenous population's age profile is younger than that of the non-Indigenous population. Participation rates for all ages are likely to differ from participation rates for working age populations.

Source: ABS (unpublished), *Australian Demographic Statistics, December Quarter 2007*, Cat. No. 3101.0; NCVET National VET provider collection (unpublished); table 5A.14.

In 2007, 4.9 per cent of government funded VET students in Australia identified themselves as Indigenous, while 8.2 per cent of students did not report their Indigenous status (figure 5.10). The proportion of government funded VET students who identified themselves as Indigenous (4.9 per cent) was higher than the proportion of Indigenous people in the total population nationally (2.4 per cent) (table 5A.14).

Figure 5.10 VET students, all ages, by Indigenous status, 2007^a



^a Data are for government recurrent funded VET students.

Source: NCVET National VET provider collection (unpublished); table 5A.14.

Effectiveness

Student participation in VET

‘Student participation in VET’ is an indicator of the level of access for people aged 15–64 years to the VET system. It reflects the performance of the VET system in meeting its objective of having a highly skilled workforce (box 5.6).

Box 5.6 Student participation in VET

‘Student participation in VET’ is defined by two measures:

- the number of 15–64 year olds participating in VET expressed as a proportion of the population aged 15–64 years
- the number of 15–64 year olds participating in certificate level III qualifications and above expressed as a proportion of the population aged 15–64 years.

High VET participation rates indicate high levels of access to the VET system by the general population. High proportions of VET students in certificate level III qualifications and above indicate greater participation in higher skill level courses, which is desirable.

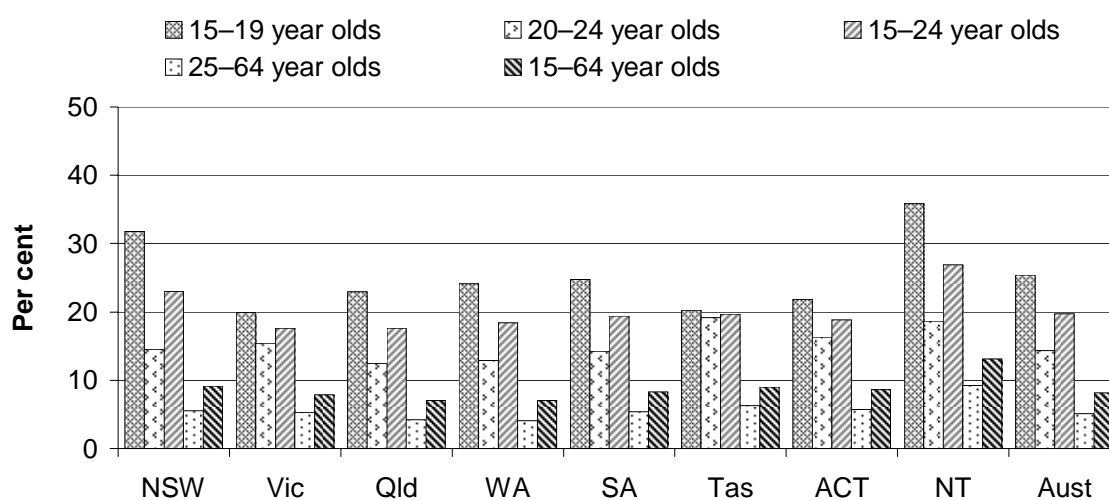
Data are for government funded VET students.

Data reported for this indicator are comparable.

In 2007, 1.2 million people aged 15–64 years participated in government funded VET programs. This is equivalent to 8.2 per cent of people aged 15–64 years nationally. The proportion of people participating in VET declined in older age groups. The 1.2 million government funded VET students include:

- 365 400 or 25.4 per cent of people aged 15–19 years
- 213 800 or 14.3 per cent of people aged 20–24 years
- 576 400 or 5.1 per cent of people aged 25–64 years (figure 5.11).

Figure 5.11 VET participation rates, by target age groups, 2007^a

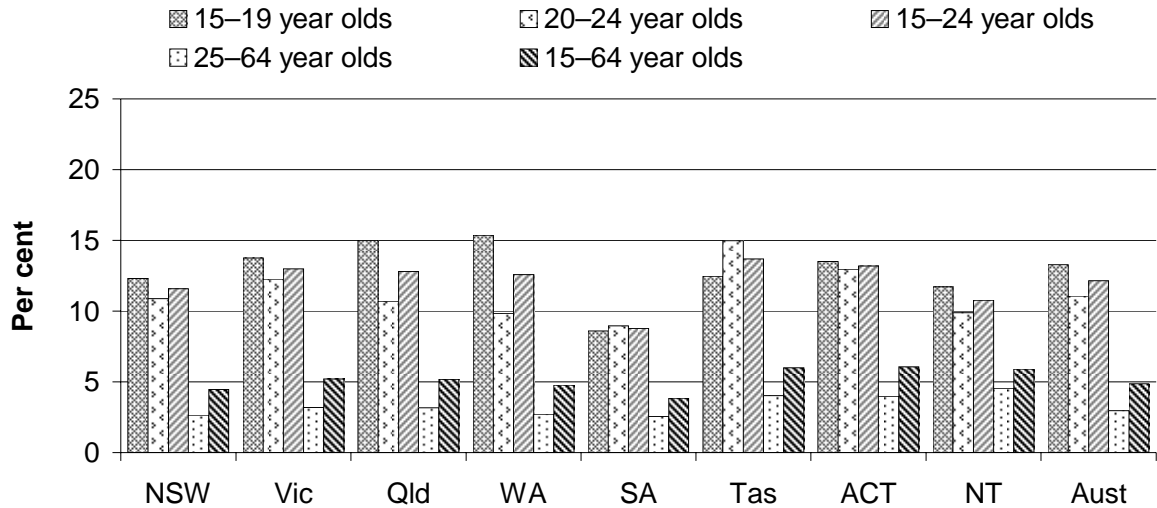


^a Data are for government recurrent funded VET students.

Source: NCVET National VET provider collection (unpublished); ABS (unpublished), derived from *Australian Demographic Statistics, December Quarter 2007*, Cat. No. 3101.0; table 5A.9.

In 2007, approximately 688 600 people aged 15–64 years participated in a government funded VET program at the certificate III level or higher, representing 4.9 per cent of the population aged 15–64 years (figure 5.12). The national proportion was also 4.9 per cent in 2003 (table 5A.15).

Figure 5.12 VET participation in Certificate III and above, by target age group, 2007^a



^a Data are for government recurrent funded VET students.

Source: NCVET National VET provider collection (unpublished); ABS (unpublished), *Australian Demographic Statistics, December Quarter 2007*; table 5A.15.

Efficiency

A proxy indicator of efficiency is the level of government inputs per unit of output (unit cost). The indicator of unit cost reported here is 'recurrent expenditure per annual hour'. The Steering Committee has identified issues that may reduce the comparability of cost estimates across jurisdictions in VET. To promote accuracy and comparability of reported efficiency measures some adjustments are made to improve the data (box 5.7).

Box 5.7 **Comparability of cost estimates**

Government recurrent expenditure is calculated using data prepared by states and territories under the Australian Vocational Education and Training Management Information Statistical Standard (AVETMISS) for VET financial data. These data are prepared annually on an accrual basis and are audited. Supplementary information is also provided by the Department of Education, Employment and Workplace Relations (DEEWR). The method for calculating government recurrent expenditure was changed for the 2009 Report. Government recurrent expenditure is deemed as being equivalent to the recurrent funds provided by the Australian and State and Territory governments. It is calculated by summing the following AVETMISS financial statements revenue items: Commonwealth General Purpose Recurrent revenue (net of VET in Schools revenue), State Recurrent revenue, and revenue for VET expenditures of State/Territory training departments or public providers undertaken by another department or public agency and reported as Assumption of Liabilities.

To promote comparability of the financial data between states and territories, as well as comparability between the financial and activity data, expenditure is adjusted by course mix weights to recognise the different proportions of relatively more expensive and less expensive training programs that occur in jurisdictions. Expenditure data for 2003–2006 are adjusted to real dollars (2007 dollars) using the gross domestic product (GDP) chain price index (table 5A.76).

Annual hours are adjusted for invalid enrolment rates based on formal advice of the NCVET auditors. Invalid enrolments are those student enrolments reported in the national collection as participating in a module or unit of competency but for which the auditors could find no confirmed evidence that the student had participated in that enrolment within the collection period.

In 2007, Victoria adopted standard nominal hour values for common units of competency as the basis of calculating total annual hours of delivery, thereby achieving consistency with all other states and territories. To enable comparison over time, standard nominal hour values have been used to revise the time series back to 2003, except for Victoria, for which data prior to 2007 can not be rebased from scheduled hours to standard nominal hours .

In Reports prior to the 2009 Report, annual hours were not calculated on an enrolment activity end date reporting, and Recognition of Prior Learning (RPL) was discounted on an agreed formula. As a result, care should be taken in making comparisons between reports.

(Continued on next page)

Box 5.7 (Continued)

The Steering Committee has addressed four areas that could improve the comparability of efficiency indicators: superannuation; depreciation; user cost of capital; and payroll tax (see chapter 2). The user cost of capital is not included in estimates of recurrent expenditure, although it is reported separately as the 'cost of capital per annual hour' (box 5.10) and, 'cost of capital per load pass (box 5.11)'. The user cost of capital represents the opportunity cost to government of the funds tied up in VET assets. Not reporting the user cost of capital underestimates the cost to government service provision. Comparability can be improved by adding the reported user cost of capital to accrued costs if debt servicing costs and State/Territory-based capital asset charges are deducted from accrual costs.

Source: DEEWR (2008); SCRCSSP (1998, 1999).

Government recurrent expenditure per annual hour and per load pass

'Government recurrent expenditure per annual hour' is an indicator of the efficiency of VET services. It is the cost to government to deliver VET services per unit of output. Recurrent cost per annual hour of training measures the average cost of producing a training output of the VET system (a unit cost) (box 5.8).

Box 5.8 Government recurrent expenditure per annual hour

'Government recurrent expenditure per annual hour' is defined as total government recurrent expenditure (excluding capital costs) per annual hour. Expenditure is adjusted for course mix differences across jurisdictions.

Low unit costs may indicate efficient delivery of VET services.

'Government recurrent expenditure per annual hour' needs to be interpreted carefully because low unit costs may not necessarily reflect a lessening of quality. The factors that have the greatest impact on efficiency include:

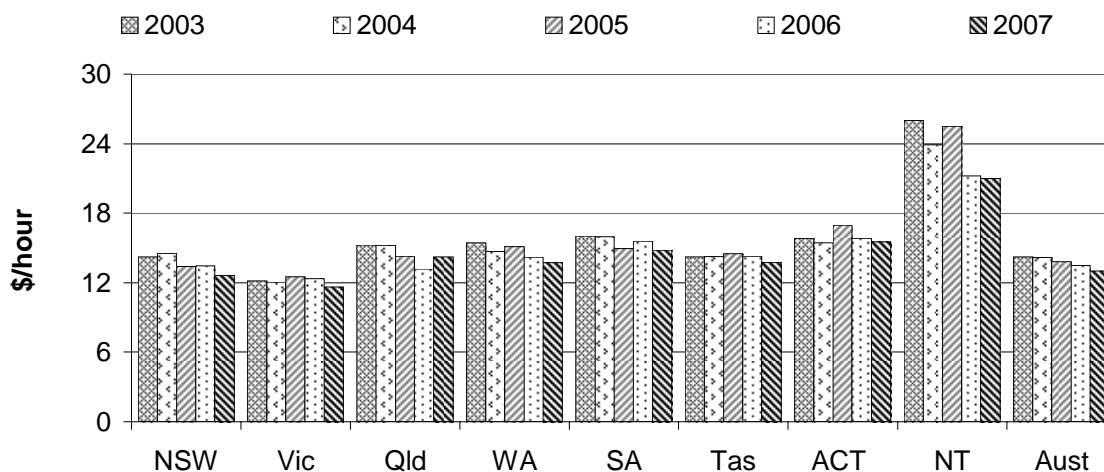
- training related factors, such as class sizes, teaching salaries, teaching hours per full time equivalent staff member, and differences in the length of training programs
- differences among states and territories, including socio-demographic composition, administrative scale, and dispersion and scale of service delivery
- VET policies and practices, including the level of fees and charges paid by students.

Data reported for this indicator are comparable.

Financial and activity data from states and territories are reported here within an agreed scope to ensure unit costs accurately reflect the relative efficiency of government service provision across jurisdictions. Data used to calculate unit cost are derived from data that comply with the AVETMIS Standard.

Government real recurrent expenditure per annual hour of government funded VET programs in 2007 was \$13.03 nationally. Government real recurrent expenditure per annual hour decreased from \$14.23 in 2003 (figure 5.13).

Figure 5.13 **Government real recurrent expenditure per annual hour (2007 dollars)^{a, b, c}**



^a The ACT is the only jurisdiction not to levy payroll tax on its VET employees. A payroll tax estimate based on the ACT payroll tax rate has been included in the expenditure data for the ACT. ^b Data for Australia exclude the ACT payroll tax estimate. ^c Historical data have been adjusted to 2007 dollars using the GDP chain price index (table 5A.76).

Source: DEEWR (2008); NCVET National financial and VET provider collections (unpublished); table 5A.16.

‘Government recurrent expenditure per load pass’ is an indicator of the efficiency of VET services. It is the cost to government of each successfully completed VET module or unit of competency (that is, the cost per successfully achieved output) (box 5.9).

Box 5.9 Government recurrent expenditure per load pass

'Government recurrent expenditure per load pass' is defined as the total government recurrent expenditure divided by the number of hours successfully completed from assessable modules or units of competency. 'Load pass' is based on assessable enrolments of modules and units of competency achieved/passed and RPL, and does not include non-assessable enrolments.

Low unit costs may indicate efficient delivery of VET services per successfully completed load pass hour.

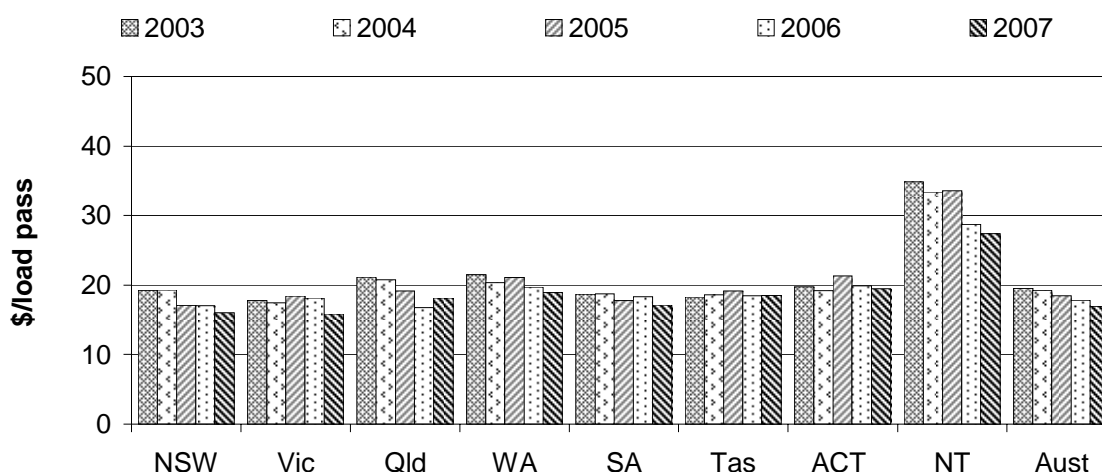
The factors that have the greatest impact on efficiency include:

- training related factors, such as class sizes, teaching salaries, teaching hours per full time equivalent staff member, and differences in the length of training programs
- differences among states and territories, including socio-demographic composition, administrative scale, and dispersion and scale of service delivery
- VET policies and practices, including the level of fees and charges paid by students.

Data reported for this indicator are comparable.

Government real expenditure per load pass hour of government funded VET programs in 2007 was \$16.90 nationally. Government real recurrent expenditure per load pass hour decreased from \$19.52 in 2003 (figure 5.14).

Figure 5.14 **Government real recurrent expenditure per hour of publicly funded load pass (2007 dollars)^{a, b, c, d}**



^a The ACT is the only jurisdiction not to levy payroll tax on its VET employees. A payroll tax estimate based on the ACT payroll tax rate has been included in the expenditure data for the ACT. ^b Data for Australia exclude the ACT payroll tax estimate. ^c Load pass is based on assessable enrolments of modules and units of competency achieved/passed and RPL and it does not include non-assessable enrolments. ^d Historical data have been adjusted to 2007 dollars using the GDP chain price index (table 5A.76).

Source: NCVET National financial and VET provider collections (unpublished); table 5A.17.

Cost of capital per annual hour and per load pass

‘Cost of capital per annual hour’ is an indicator of the efficiency of VET services. The cost of capital is included in estimates of the cost of government services because it reflects the opportunity cost of government assets that could otherwise be used to provide other services or to retire debt. Not reporting the user cost of capital underestimates the cost to government of service provision (box 5.10).

Box 5.10 Cost of capital per annual hour

The 'cost of capital per annual hour' is defined as the cost of capital (adjusted for course mix weight) divided by annual hours. The cost of VET service delivery includes both the cost of capital and recurrent costs. Annual hours are the total hours of delivery based on the standard nominal hour value for each subject undertaken. These represent the hours of supervised training under a traditional delivery strategy.

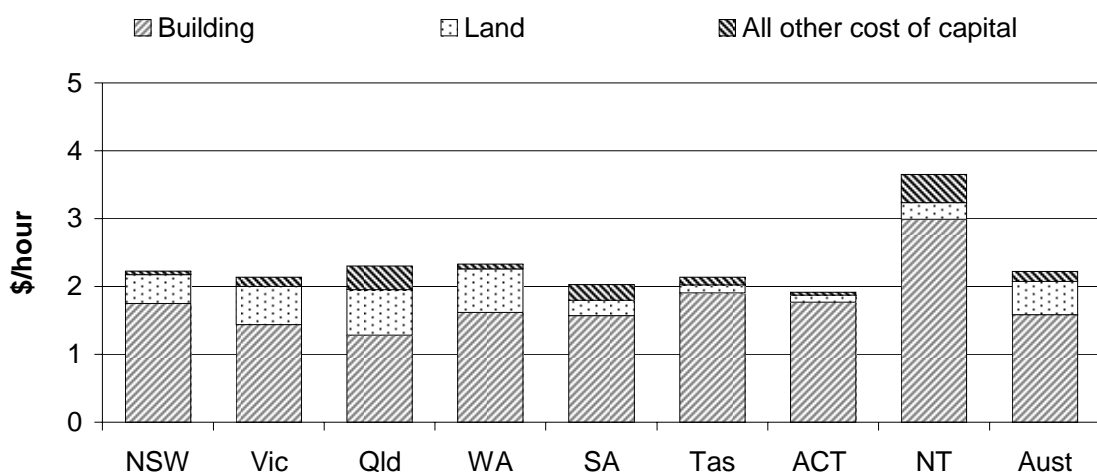
Lower total costs per annual hour may reflect higher efficiency in the delivery of VET services.

The 'cost of capital per annual hour' needs to be interpreted carefully because low unit costs may not necessarily reflect a lessening of quality. Differences in some input costs (for example, land values) could affect reported costs across jurisdictions without necessarily reflecting the efficiency of service delivery. The cost of capital for land is presented separately from the cost of other assets, to allow users assessing the results to consider any differences in land values across jurisdictions. The Steering Committee has adopted a nominal user cost of capital rate of 8 per cent, although the actual rate may vary across jurisdictions. The basis for the 8 per cent capital charge is discussed in chapter 2.

Data reported for this indicator are comparable.

Nationally, the cost of capital per annual hour in 2007 was \$2.22. The largest components of cost of capital per annual hour were building costs (\$1.58) followed by land costs (\$0.50) (figure 5.15).

Figure 5.15 Cost of capital per annual hour, 2007^a

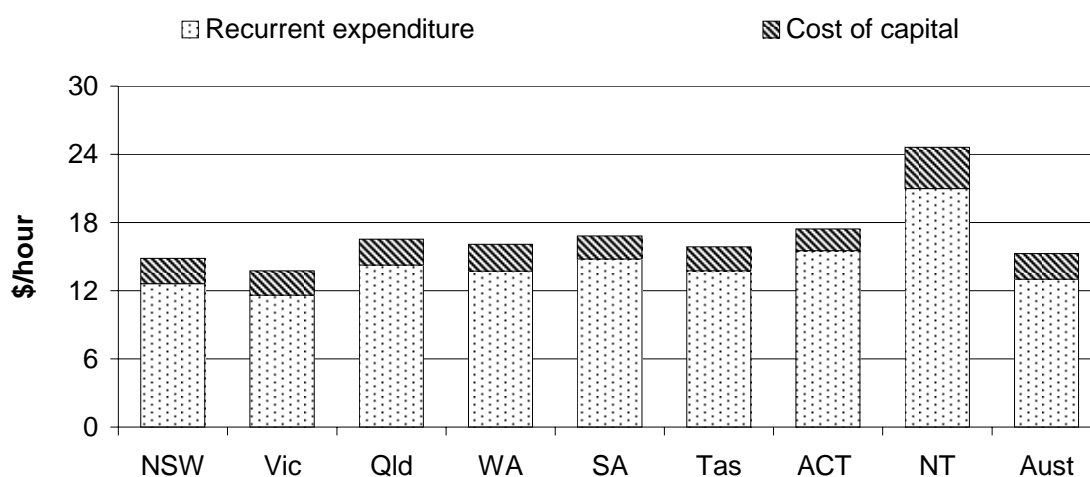


^a Cost of capital includes a user cost of capital rate of 8 per cent for all jurisdictions. 'All other cost of capital' includes plant, equipment, motor vehicles and other capital.

Source: NCVET National financial and VET provider collections (unpublished); table 5A.18.

The total cost of VET service delivery includes both the cost of capital and recurrent costs. Nationally, the total cost to government of funding VET per annual hour in 2007 was \$15.25, comprising \$13.03 in recurrent costs and \$2.22 in capital costs (figure 5.16). These results need to be interpreted carefully, because the asset data used to calculate the cost of capital are less reliable than the recurrent cost data.

Figure 5.16 Total government VET costs per annual hour, 2007^{a, b}



^a The ACT is the only jurisdiction not to levy payroll tax on its VET employees. A payroll tax estimate based on the ACT payroll tax rate has been added to the recurrent expenditure data presented for the ACT. ^b Cost of capital includes a user cost of capital rate of 8 per cent for all jurisdictions. 'Cost of capital' includes buildings, land, plant, equipment, motor vehicles and other capital.

Source: NCVET National financial and VET provider collections (unpublished); table 5A.19.

'Cost of capital per load pass' is an indicator of the efficiency of VET services. The cost of capital is included in estimates of the cost of government services because it reflects the opportunity cost of government assets that could otherwise be used to provide other services or to retire debt. Not reporting the user cost of capital underestimates the cost to government of service provision (box 5.11).

Box 5.11 Cost of capital per load pass

The 'cost of capital per load pass' is defined as the cost of capital divided by hours of publicly funded load pass. 'Load pass' is based on assessable enrolments of modules and units of competency achieved/passed and RPL, and does not include non-assessable enrolments.

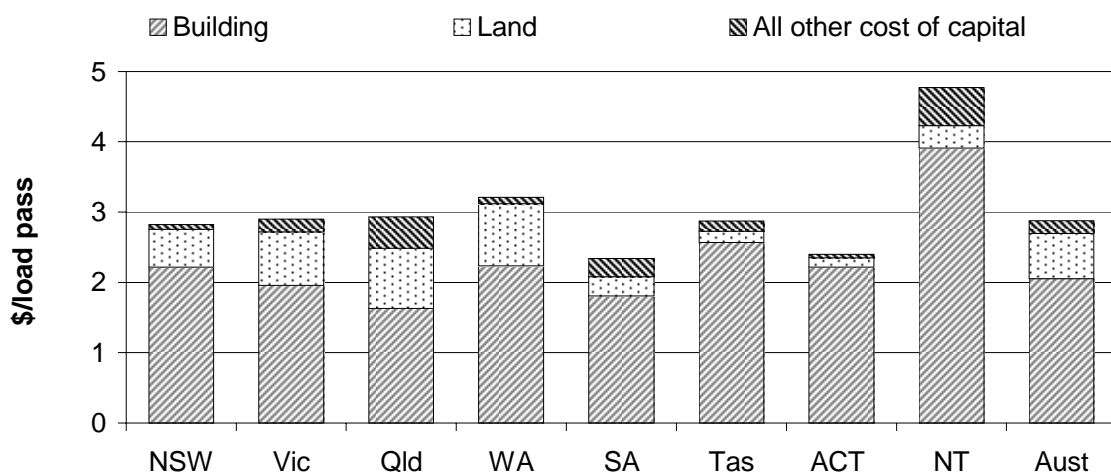
Lower total costs per load pass hour may reflect higher efficiency in the delivery of VET services.

The 'cost of capital per load pass' needs to be interpreted carefully because differences in some input costs (for example, land values) could affect reported costs across jurisdictions without necessarily reflecting the efficiency of service delivery. The cost of capital for land is presented separately from the cost of other assets, to allow users assessing the results to consider any differences in land values across jurisdictions. The Steering Committee has adopted a nominal user cost of capital rate of 8 per cent, although the actual rate may vary across jurisdictions. The basis for the 8 per cent capital charge is discussed in chapter 2.

Data reported for this indicator are comparable.

In 2007, the cost of capital per load pass hour was \$2.88 nationally, the largest components were building (\$2.05) and land (\$0.64) costs (figure 5.17).

Figure 5.17 Cost of capital per hour of publicly funded load pass, 2007^{a, b}



^a Load pass is based on assessable enrolments of modules and units of competency achieved/passed and RPL, it does not include non-assessable enrolments. ^b Cost of capital includes a user cost of capital rate of 8 per cent for all jurisdictions. 'All other cost of capital' includes plant, equipment, motor vehicles and other capital.

Source: NCVET National financial and VET provider collections (unpublished); table 5A.20.

Outcomes

Outcomes are the impact of services on the status of an individual or group (while outputs are the actual services delivered) (see chapter 1, section 1.5). The objectives for VET services are to achieve a range of outcomes for students and employers (box 5.3). A range of indicators relating to student and employer outcomes have been identified.

Student outcomes

The annual 'Student Outcomes Survey' conducted by the NCVET identifies training outcomes for students who graduated with a qualification from a course (graduates) and students who successfully completed some training below the level of full qualification and who were no longer engaged in training when the survey was undertaken (module completers). The students must have been undertaking activity within the VET system in Australia in the previous year (box 5.12).

Box 5.12 Student Outcomes Survey

The data collected about graduates and module completers describes their general characteristics, fields of study, employment outcomes, occupations, industries of employment, satisfaction with their course of study, and further study outcomes.

The survey collects the opinions of a sample of VET students, so the results are estimates of the opinions of the total VET student population. The sample is randomly selected and stratified for graduates and module completers by TAFE institute, field of study, gender and age. Responses are weighted to population benchmarks to minimise non-response bias.

The precision of survey estimates depends on the sample size and the distribution of sample responses. Consequently, jurisdictional comparisons need to be made with care. To assist with making comparisons across jurisdictions, error bars representing the 95 per cent confidence intervals associated with each point estimate are presented in the survey figures. These confidence intervals can be used to test whether the estimates are statistically different across jurisdictions. When comparing the estimates, if the confidence intervals for the jurisdictions overlap, then no statistical difference is detected between the estimates (at the 95 per cent confidence level). Confidence intervals are also included in the relevant tables of the attachment.

In the 2005 survey year, the Student Outcomes Survey underwent a broadening in scope. While the survey in the past was limited to TAFE students, the expanded survey yields data on all VET providers, capturing government funded students (TAFE, private and community education providers), as well as those training on a fee-for-service basis (TAFE and some private and community education providers).

(Continued on next page)

Box 5.12 (Continued)

Additional data relating to all VET providers are provided in the attachment tables. Comparisons between TAFE outcomes and all VET provider outcomes must take into account the demographic characteristics of students as well as the level of qualifications offered across training provider types. The discussion of student outcomes in the chapter focuses on TAFE graduates, that is, students who undertook government funded TAFE activity.

Care needs to be taken when comparing student outcomes across states and territories, because each jurisdiction has different economic, demographic and social profiles that are likely to have an effect on a range of training related outcomes. In particular, economic parameters beyond the control of the VET system may affect employment outcomes for graduates (see appendix A).

Source: NCVET (2007a); DEEWR (2008).

Student employment and further study outcomes

‘Student employment and further study outcomes’ is an indicator of the VET system’s ability to meet individual students’ objectives. It reports on the benefits students gained from the VET system. These benefits include employment, improved employment circumstances, a pathway for further study/training, and personal development (box 5.13).

Box 5.13 **Student employment and further study outcomes**

'Student employment and further study outcomes' is defined by four measures:

- the proportion of graduates who were employed and/or continued on to further study after completing their course
- the employment rate after participating in VET for students who were unemployed before the course
- the proportion of graduates who improved their employment circumstances after completing their training. The definition of 'improved employment circumstances' is at least one of :
 - employment status changing from not employed before training (both unemployed and not in the labour force) to employed either full-time or part-time after training
 - employed at a higher skill level after training
 - received a work-related benefit after completing their training, including set up or expanded their own business, got a promotion, increased earnings, or other job-related benefits
- the proportion of graduates who undertook their course for employment-related reasons and who reported at least one work-related benefit from completing the course.

Holding other factors constant, high or increasing proportions indicate positive employment or further study outcomes after training and a high level of students who received at least one work-related benefit from completing the course. The proportion of students who improved their employment outcomes or were engaged in further study may overlap, since students may realise the two outcomes simultaneously.

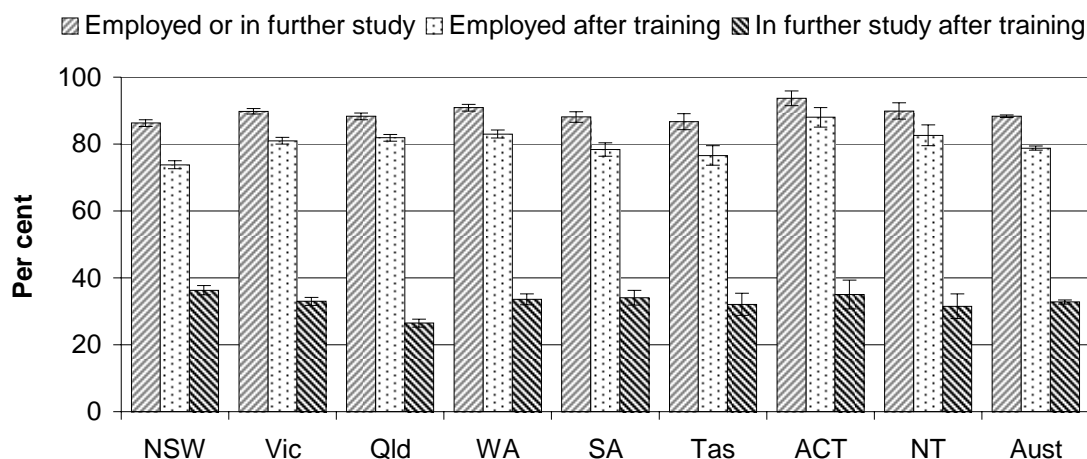
Comparison of labour market outcomes must also account for the general economic conditions in each jurisdiction (see appendix A).

Data reported for this indicator are comparable.

Student employment and further study outcomes — Students who were employed and/or continued on to further study after completing their course

Nationally, 88.3 per cent of TAFE graduates surveyed indicated that they were either in employment and/or pursuing further study after completing a VET course in 2007 — compared with 86.7 per cent in 2006 (table 5A.21). Of all TAFE graduates in 2007, 78.8 per cent said they were in employment while 32.8 per cent continued on to further study (figure 5.18).

Figure 5.18 Proportion of TAFE graduates in employment and/or who continued on to further study after completing a course, 2007^{a, b}



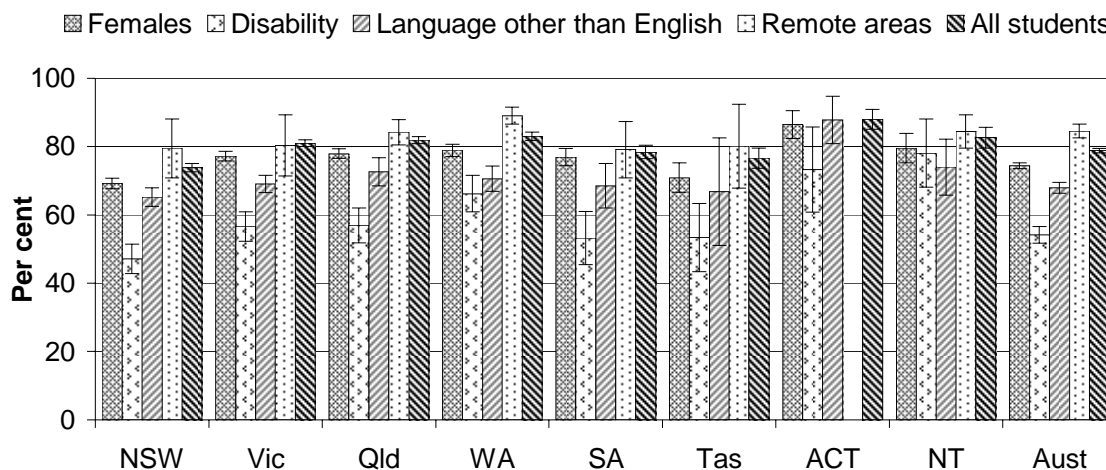
^a Graduates 'employed after training' and graduates 'in further study after training' are subsets of graduates who are 'employed or in further study'. Graduates can be both employed and in further study. ^b The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); table 5A.21.

The proportion of graduates by target groups who improved their employment circumstance (figure 5.19) or continued onto further study (figure 5.20) can also indicate the equity of outcomes for these groups. (Indigenous student outcomes are reported in a separate indicator.)

Nationally, 84.5 per cent of TAFE graduates from remote and very remote areas, 74.4 per cent of female graduates, 67.9 per cent of graduates who spoke a language other than English at home, and 54.1 per cent of graduates with a disability were employed after completing a course in 2006, compared with 78.8 per cent of all TAFE graduates (figure 5.19). Further information on graduates in employment and/or who continued on to further study after completing a course in 2003–2007 for target groups and geolocation disaggregations are reported in tables 5A.21–5A.28.

Figure 5.19 Proportion of TAFE graduates in employment after completing a course, by target groups, 2007^{a, b, c, d}

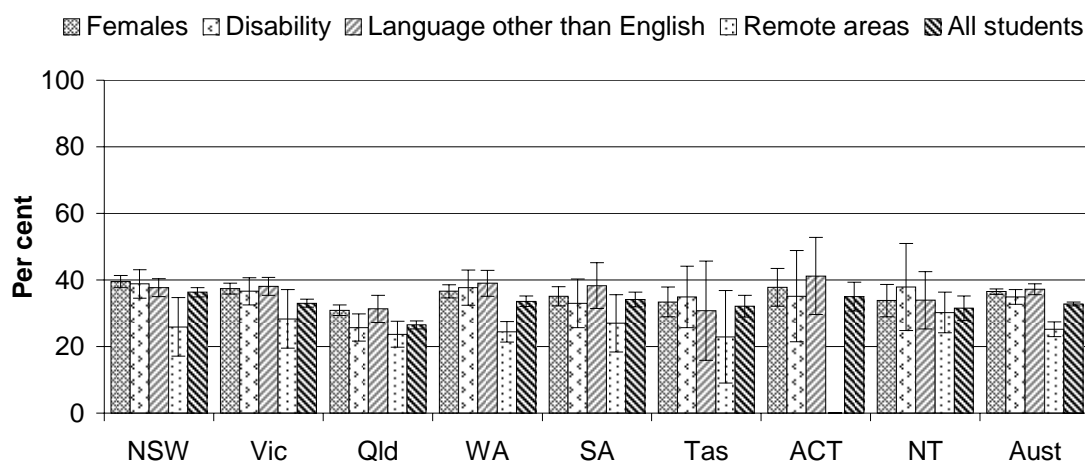


^a Students reported as having a disability are defined as those who self-identify that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities. ^b Care needs to be taken in comparing outcomes for students reporting a disability and students speaking a language other than English at home because of the high non-identification rates for these groups. ^c There are no very remote areas in Victoria and no remote or very remote areas in the ACT. The remote data for Victoria are for students from remote areas throughout Australia studying in the jurisdiction. The remote data for the ACT was not published due to 5 or fewer responses. ^d The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); tables 5A.21–22 and 5A.26–28.

Nationally, in 2007, a higher proportion of female students (36.5 per cent) and students speaking a language other than English at home (37.2 per cent) continued on to further study after completing a course, compared to all TAFE students (32.8 per cent), students with a disability (34.9 per cent) and students from remote and very remote areas (25.2 per cent) (figure 5.20).

Figure 5.20 Proportion of TAFE graduates who continued on to further study after completing a course, by target groups, 2007^{a, b, c, d}

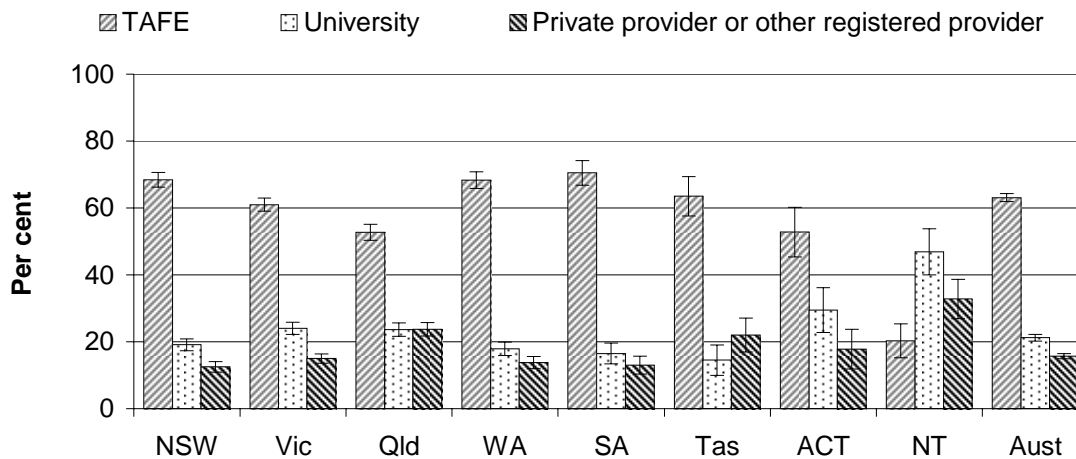


^a Students reported as having a disability are defined as those who self-identify that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities. ^b Care needs to be taken in comparing results for students reporting a disability and students speaking a language other than English at home because of the high non-identification rates for these groups. ^c There are no very remote areas in Victoria and no remote or very remote areas in the ACT. The remote data for Victoria are for students from remote areas throughout Australia studying in the jurisdiction. The remote data for the ACT was not published due to 5 or fewer responses. ^d The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. The Tasmania 'Remote areas' estimate has a relative standard error greater than 25 per cent and needs to be used with caution.

Source: NCVET Student Outcomes Survey (unpublished); tables 5A.21–22 and 5A.26–28.

Of those TAFE graduates who continued on to further study, 63.1 per cent pursued their further study within the TAFE system, while 21.2 per cent went on to further study at universities and 15.7 per cent went on to further study at private providers or other registered providers (figure 5.21).

Figure 5.21 TAFE graduates who continued on to further study after completing a course, by type of institution, 2007^a



^a The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); table 5A.21.

Student employment and further study outcomes — Students who were employed after completing their course

Nationally, of the TAFE graduates surveyed in 2007 who were unemployed before the course, 52.5 per cent indicated they were employed after the course, 38.6 per cent were unemployed and 8.5 per cent were not in the labour force (figure 5.22).

Figure 5.22 Labour force status after the course of TAFE graduates who were unemployed before the course, 2007^a

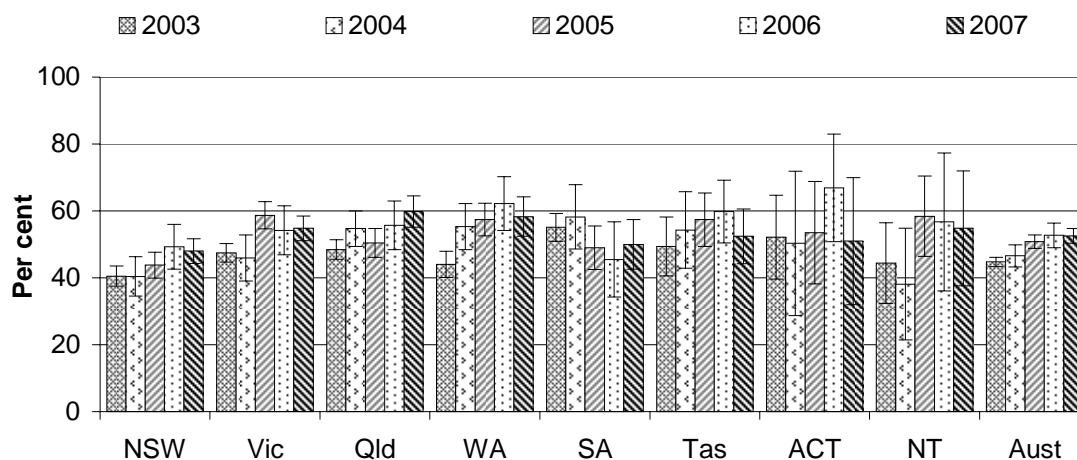


^a The 95 per cent confidence intervals for the percentage estimates are reported in table 5A.29. The 'Not in the labour force' estimates for Tasmania, ACT and NT, and 'Unemployed' estimates for ACT and NT have relative standard errors greater than 25 per cent and need to be used with caution.

Source: NCVET Student Outcomes Survey (unpublished); table 5A.29.

Between 2003 and 2007, the proportion of TAFE graduates who were unemployed before the course and who became employed after the course increased by 7.7 percentage points (from 44.8 to 52.5 per cent) (figure 5.23).

Figure 5.23 Proportion of TAFE graduates who were unemployed prior to commencing a course and were employed after completing a course^a



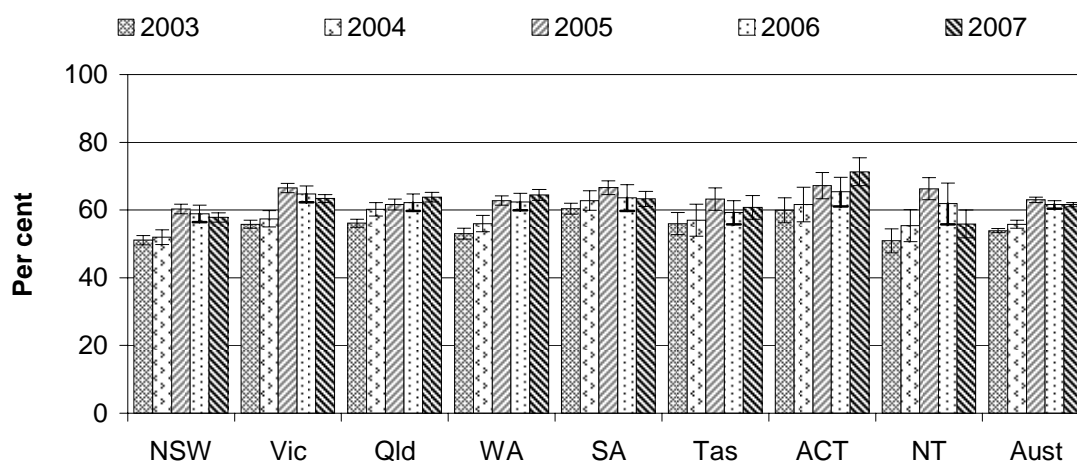
^a The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); table 5A.29.

Student employment and further study outcomes — Students who improved their employment circumstances after completing their course

Nationally, 61.6 per cent of all TAFE graduates in 2007 indicated they had improved their employment circumstances after completing their course (figure 5.24), an increase of 7.7 percentage points from 2003 (53.9 per cent). Table 5A.34 includes national data for female graduates, graduates who spoke a language other than English at home, graduates with a disability, and graduates from remote and very remote areas. Of these groups, TAFE graduates who reported a disability were the least likely to indicate that they had improved employment circumstances (42.9 per cent).

Figure 5.24 TAFE graduates who improved their employment circumstances after training, 2007^a



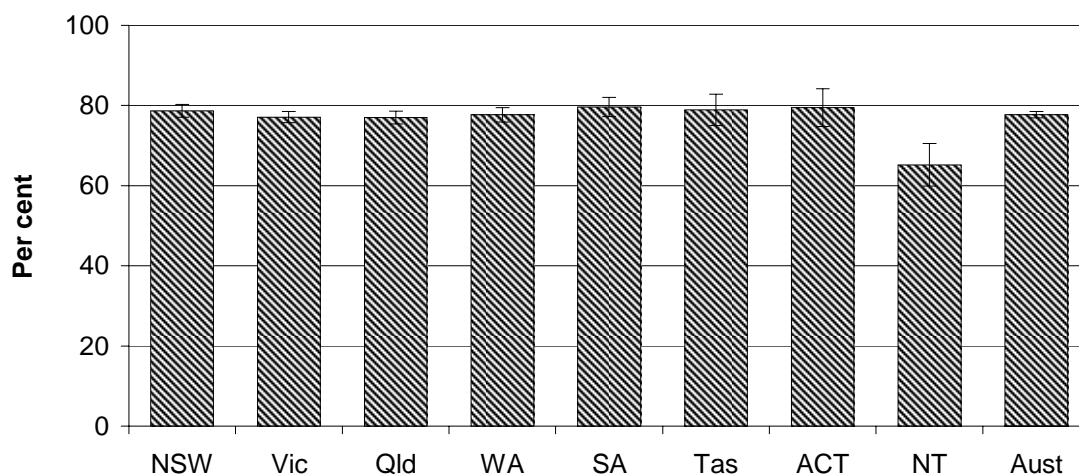
^a The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); table 5A.33.

Student employment and further study outcomes — Students receiving work-related benefit

Nationally, of the TAFE graduates who undertook their course for employment-related reasons in 2007, 77.7 per cent indicated they had gained at least one work-related benefit from completing the course (figure 5.25).

Figure 5.25 **TAFE graduates who undertook their course for employment-related reasons and who received at least one work-related benefit from completing the course, 2007^a**



^a The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); table 5A.32.

Individual graduates could receive more than one benefit. The benefits reported by graduates included:

- obtained a job (33.4 per cent)
- achieved an increase in earnings (27.0 per cent)
- achieved a promotion or an increased status at work (27.0 per cent)
- a change of job or new job (17.2 per cent)
- gaining the ability to start their own business (6.9 per cent) (table 5A.32).

Information on students who were employed before undertaking a course and who took the course for employment-related reasons and students rating of the relevance of their completed course to their main job (by jurisdiction and over a five year time series) is available in the attachment (tables 5A.30-31).

Further information on VET employment outcomes is available from the *Down the Track* survey of long term VET outcomes for 15–24 year olds, which is available in the 2006 Report (SCRGSP 2006, box 4.13) and *Down the track: TAFE outcomes for young people two years on* (NCVER 2006).

Student achievement in VET

‘Student achievement in VET’ is an indicator of students’ success in VET. Achievement by VET target groups (females, residents of remote and very remote areas, people with a disability and people speaking a language other than English at home) can also indicate the equity of outcomes for these groups (box 5.14). (Indigenous student outcomes are reported in a separate indicator.)

Box 5.14 Student achievement in VET

‘Student achievement in VET’ is defined by two measures:

- ‘Load pass rate’ is the ratio of hours attributed to students who gained competencies/passed assessment in an assessable module or unit of competency to all hours of students who were assessed and either passed, failed or withdrew. The calculation is based on the annual hours for each assessable module or unit of competency and includes competencies achieved/units passed through recognition of prior learning (RPL).
- ‘Number of students who commenced and completed’ is defined as the number of VET students in a given year who commenced a course and eventually completed their course, expressed as a proportion of all course commencing enrolments in that year.

‘Load pass rate’ is a measure of students’ success, which has an impact on a student’s attainment of skills. High ‘load pass rates’ and ‘number of students who commenced and completed’ indicate that student achievement is high, which is desirable. The rates for target groups, relative to those for the general student population, indicate whether target groups are as successful as other students.

Care needs to be taken in comparing data across jurisdictions because average module durations vary across jurisdictions.

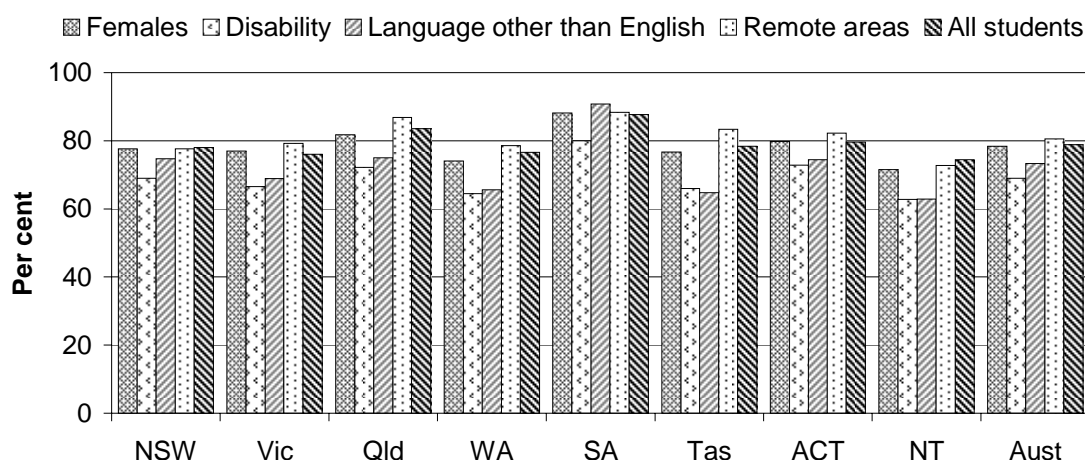
Reporting on the ‘number of students who commenced and completed’, expressed as a proportion of all course commencing enrolments in that year is dependent on the capacity to track individual students over more than one calendar year. Data were not available for the 2009 Report.

Data reported for this indicator are comparable.

Student achievement in VET — Load pass rate

In 2007, the ‘load pass rate’ for all government funded students was 78.8 per cent, similar to load pass rates for female students (78.4 per cent) and students from remote and very remote areas (80.5 per cent). The load pass rates for students reporting a disability (69.0 per cent) and students speaking a language other than English at home (73.3 per cent) were lower than for all students (figure 5.26).

Figure 5.26 Load pass rates, by target groups, 2007^{a, b, c, d}



^a Data are for government recurrent funded hours. ^b Students reported as having a disability are defined as those who self-identify on enrolment forms that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities. ^c Care needs to be taken in comparing load pass rates for students reporting a disability and students speaking a language other than English at home because the non-identification rates for these groups are high. ^d There are no very remote areas in Victoria and no remote or very remote areas in the ACT. Data for these geolocation disaggregations are for students from these areas throughout Australia studying in the jurisdiction.

Source: NCVET National VET provider collection (unpublished); tables 5A.35–38.

Nationally, between 2003 and 2007, the load pass rates increased for:

- female students by 0.6 percentage points (from 77.8 to 78.4 per cent) (table 5A.35)
- students from remote and very remote areas by 2.7 percentage points (from 77.8 to 80.5 per cent) (table 5A.36)
- students with a disability by 0.1 percentage points (from 68.9 per cent to 69.0 per cent) (table 5A.37)
- students speaking a language other than English at home by 2.7 percentage points (from 70.6 to 73.3 per cent) (table 5A.38)
- all students by 1.7 percentage points (from 77.1 to 78.8) (table 5A.35).

Student achievement in VET — Number of students who commenced and completed

Data for this measure were not available for the 2009 Report.

Student satisfaction with VET

‘Student satisfaction with VET’ is an indicator of students’ satisfaction with their training program. It measures whether students achieved their main reason for doing a course and whether they were satisfied or very satisfied with the overall quality of their VET training program. Satisfaction by VET target groups (females, residents of remote and very remote areas, people with a disability and people speaking a language other than English at home) can also indicate the equity of outcomes for these groups (box 5.15). (Indigenous student outcomes are reported in a separate indicator.)

Box 5.15 Student satisfaction with VET

‘Student satisfaction with VET’ is defined by two measures:

- ‘proportion of students who achieve their main reason for doing a VET course’ is defined as the proportion of graduates in the Student Outcomes Survey who indicate that they achieved or partly achieved their main reason for doing the course
- ‘proportion of students who were satisfied with the quality of their completed VET course’ is defined as the proportion of graduates in the Student Outcomes Survey who indicate that they were satisfied or very satisfied with their VET training program.

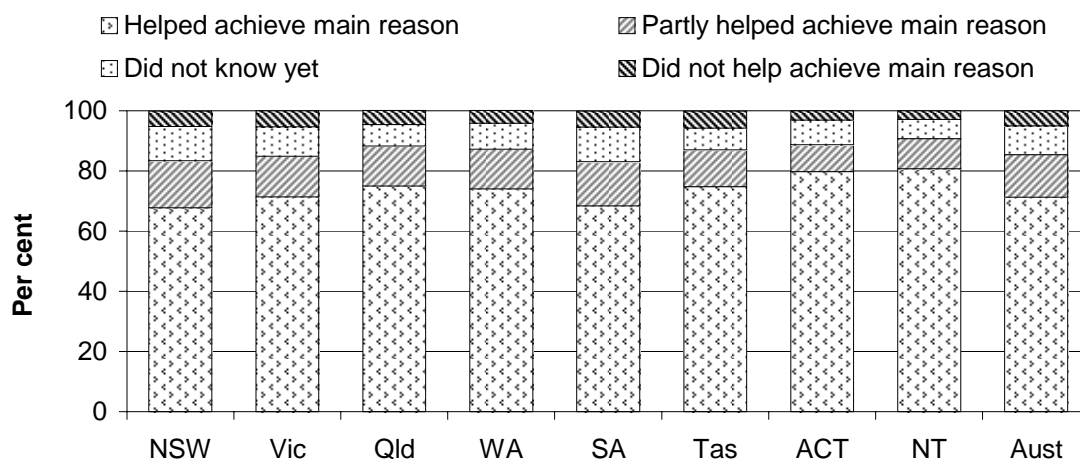
A higher percentage indicates a higher level of satisfaction. The proportion of graduates who achieve their training objectives varies according to their objectives — employment related, further study and/or developmental — so it is useful to distinguish amongst types of student objectives.

Data reported for this indicator are comparable.

Student satisfaction with VET — Students who achieve their main reason for doing a course

In 2007, 85.4 per cent of TAFE graduates surveyed nationally indicated that their course helped (71.3 per cent) or partly helped (14.1 per cent) them achieve their main reason for doing the course — slightly higher than the 77.8 per cent total reported in 2003. Of those graduates surveyed in 2007, 5.0 per cent indicated their course did not help them achieve the main reason they did the course, compared with 9.2 per cent in 2003 (table 5A.39, figure 5.27).

Figure 5.27 Proportion of TAFE graduates who achieved their main reason for doing the course, 2007^a

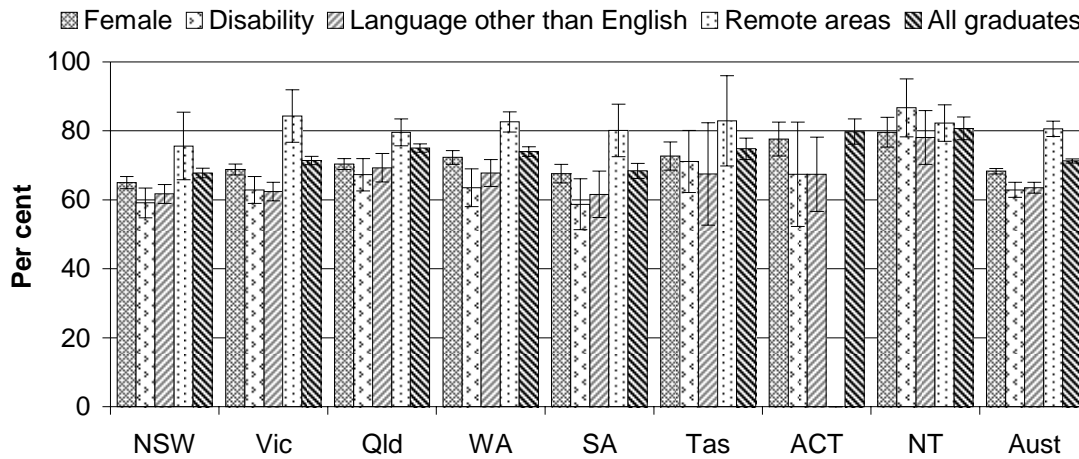


^a The 95 per cent confidence intervals for the percentage estimates are reported in table 5A.39. The NT 'Did not help achieve main reason' estimate has a relative standard error greater than 25 per cent and needs to be used with caution.

Source: NCVET Student Outcomes Survey (unpublished); table 5A.39.

Nationally in 2007, of the target groups, students from remote and very remote areas were the most likely to indicate that the course helped them achieve their main reason for doing the course (80.6 per cent), while graduates reporting a disability were the least likely to do so (62.9 per cent). Of all TAFE graduates surveyed, 71.3 per cent indicated that the course helped them achieve their main reason for doing the course (figure 5.28).

Figure 5.28 Proportion of TAFE graduates who achieved their main reason for doing the course, by target groups, 2007^{a, b, c}



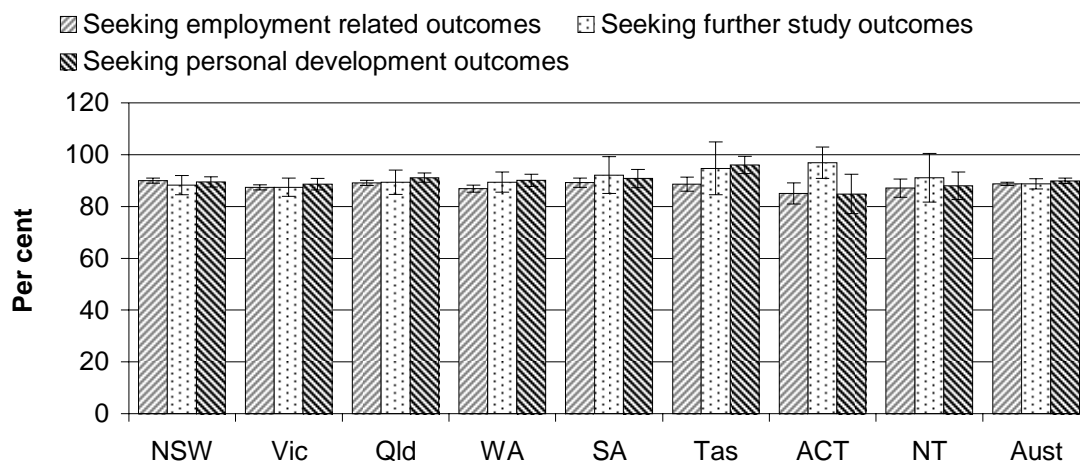
^a The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^b Students reported as having a disability are defined as those who self-identify that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities. ^c There are no very remote areas in Victoria and no remote or very remote areas in the ACT. The remote data for Victoria are for students from remote areas throughout Australia studying in the jurisdiction. The remote data for the ACT not published due to 5 or fewer responses.

Source: NCVET Student Outcomes Survey (unpublished); tables 5A.39–40 and 5A.44–46.

Student satisfaction with VET — Students who were satisfied with the quality of their completed training

In 2007, 89.0 per cent of TAFE graduates surveyed nationally indicated that they were satisfied with the quality of their completed training (table 5A.47). The satisfaction levels across students undertaking training with different objectives were very similar — students seeking employment related outcomes (88.7 per cent), seeking further study outcomes (88.7 per cent) and seeking personal development outcomes (89.9 per cent) (figure 5.29).

Figure 5.29 Proportion of TAFE graduates who were satisfied with the quality of their completed course, by purpose of study, 2007^{a, b}



^a Satisfaction with overall quality of training was rated as satisfied or very satisfied (4 or 5 on a 5 point scale).
^b The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

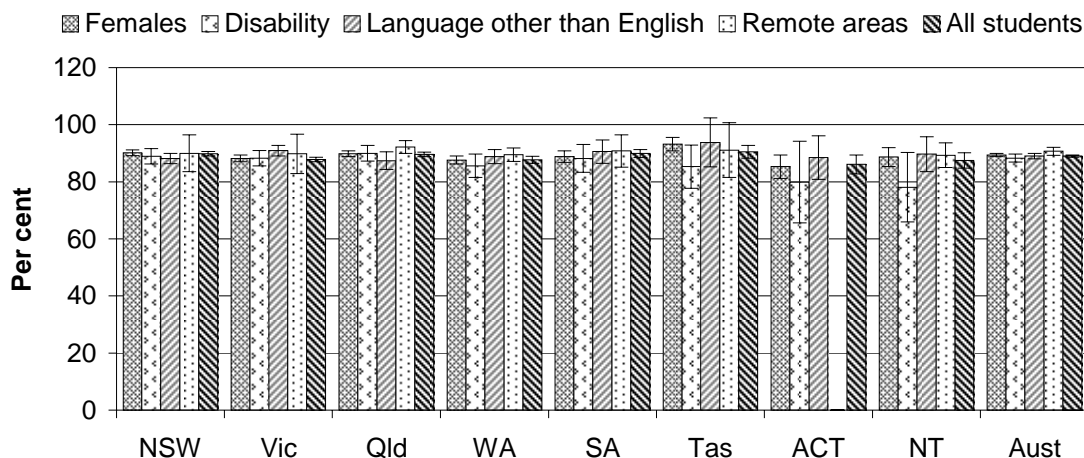
Source: NCVET Student Outcomes Survey (unpublished); table 5A.47.

The satisfaction level across target groups were also very similar (figure 5.30):

- female graduates (89.4 per cent) (table 5A.48)
- graduates speaking a language other than English at home (89.0 per cent) (table 5A.54)
- graduates reporting a disability (88.3 per cent) (table 5A.53)
- graduates from remote and very remote areas (90.7 per cent) (table 5A.52).

A further breakdown of graduates by target groups and graduates by Accessibility and Remoteness Index for Australia (ARIA) geographical classifications, by the purpose of study, can be found in attachment tables 5A.48–54.

Figure 5.30 Proportion of TAFE graduates who were satisfied with the quality of their completed course, by target groups, 2007^{a, b, c, d}



^a Satisfaction with overall quality of training was rated as satisfied or very satisfied (4 or 5 on a 5 point scale). ^b The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^c Students reported as having a disability are defined as those who self-identify that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities. ^d There are no very remote areas in Victoria and no remote or very remote areas in the ACT. The remote data for Victoria are for students from remote areas throughout Australia studying in the jurisdiction. The remote data for the ACT were not published due to 5 or fewer responses.

Source: NCVET Student Outcomes Survey (unpublished); tables 5A.47–48 and 5A.52–54.

Skill profile

‘Skill profile’ is an indicator of the VET system’s ability to create and maintain a national pool of skilled Australian workers that is sufficient to support internationally competitive commerce and industry. It measures the stock of VET skills held by Australians (box 5.16).

Box 5.16 Skill profile

There are currently no indicators for ‘skill profile’, and in the interim ‘skill outputs from VET’ are reported under this indicator.

‘Skill outputs from VET’ measures students’ skill outputs from the VET system in a given year.

(Continued on next page)

Box 5.16 (Continued)

'Skill outputs from VET' is defined by four measures:

- 'Qualifications completed' is defined as the number of qualifications completed each year by both government and non-government funded students in VET, where a qualification is a certification to a person on successful completion of a course in recognition of having achieved particular knowledge, skills or competencies.
- 'Units of competency' is defined as the number of units of competency achieved each year by government recurrent funded VET students, where a unit of competency is defined as a component of a competency standard and/or a statement of a key function or role in a particular job or occupation.
- 'Modules completed' is defined as the number of modules (outside training packages) achieved/passed each year by government recurrent funded VET students, where a module (also called a subject) is a unit of education or training which can be completed on its own or as part of a course. Modules may also result in the attainment of one or more units of competency.
- 'Annual change in qualifications completed, units of competency and modules achieved/passed' is defined as the percentage change of qualifications, units of competency or modules achieved/passed from year to year.

Holding other factors constant, high or increasing numbers of qualifications completed and units of competency or modules achieved/passed results in a greater increase in the stock of VET skills.

Qualifications completed in 2006 are counted in 2008 and are included in the 2009 Report.

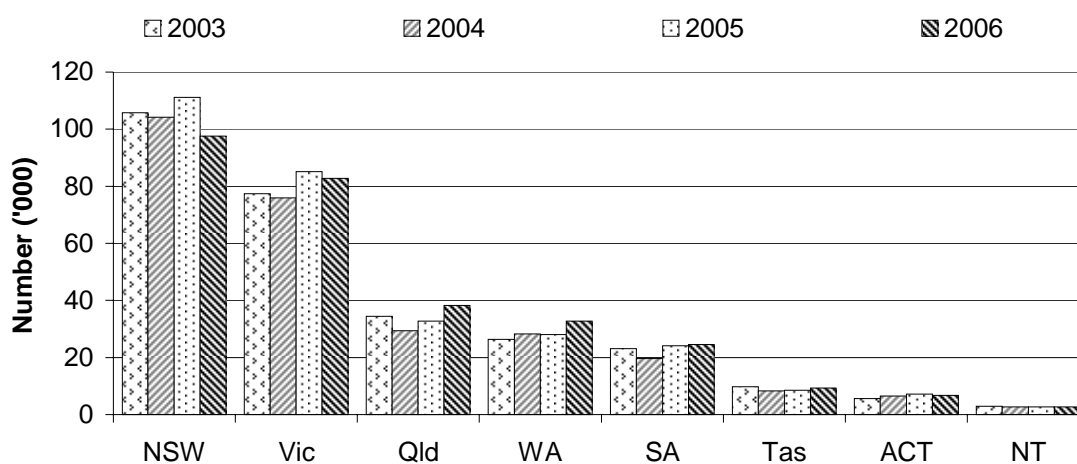
Data reported for this indicator are not directly comparable.

The VET sector is focussed on delivering nationally recognised training through training packages (qualifications and units of competency) and accredited courses (and their associated modules). Most accredited courses and modules have been phased out over the last five years as more industry training packages are endorsed. However, there are some niche markets where accredited courses will be maintained and new ones developed, for example, English proficiency courses, courses in viticulture and performing arts, dance and professional writing. Typically these are in training areas not covered by the 10 Industry Skills Councils.

Skill outputs from VET — qualifications completed

Nationally, approximately 294 600 VET qualifications were completed in 2006 (table 5A.55). The number of qualifications completed includes both government and non-government funded VET students. The number of qualifications completed varied across jurisdictions (figure 5.31).

Figure 5.31 Qualifications completed, all graduates^{a, b, c, d}

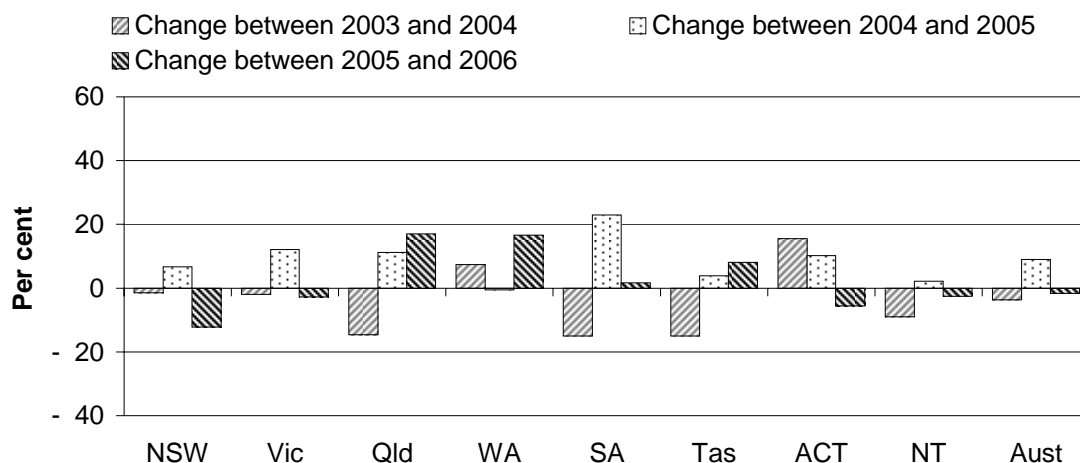


^a Qualifications completed includes courses accredited or approved by a local State/Territory authority, and represents students eligible to be awarded a qualification. ^b The number of qualifications completed includes both government funded and non-government funded VET students. ^c In 2006, WA reported additional awards completed in 2003. ^d SA data include VET in schools which has been assessed by TAFE. To enable comparability of data, SA data for 2003-2005 have been adjusted to include SA VISA (VET in Schools Assessment) data.

Source: NCVET National VET provider collection (unpublished); table 5A.55.

The number of qualifications completed fell by 1.7 per cent between 2005 and 2006 after having increased by 9.0 per cent between 2004 and 2005 (figure 5.32). Overall, VET qualifications increased by 3.3 per cent between 2003 and 2006 (table 5A.55).

Figure 5.32 **Qualifications completed, by change from previous year, all graduates^{a, b, c, d}**



^a Qualifications completed includes courses accredited or approved by a local State/Territory authority, and represents students eligible to be awarded a qualification. ^b The number of qualifications completed includes both government funded and non-government funded VET students. ^c In 2006, WA reported additional awards completed in 2003. ^d SA data includes VET in schools which has been assessed by TAFE. To enable comparability of data, SA data for 2003-2005 have been adjusted to include SA VISA (VET in Schools Assessment) data.

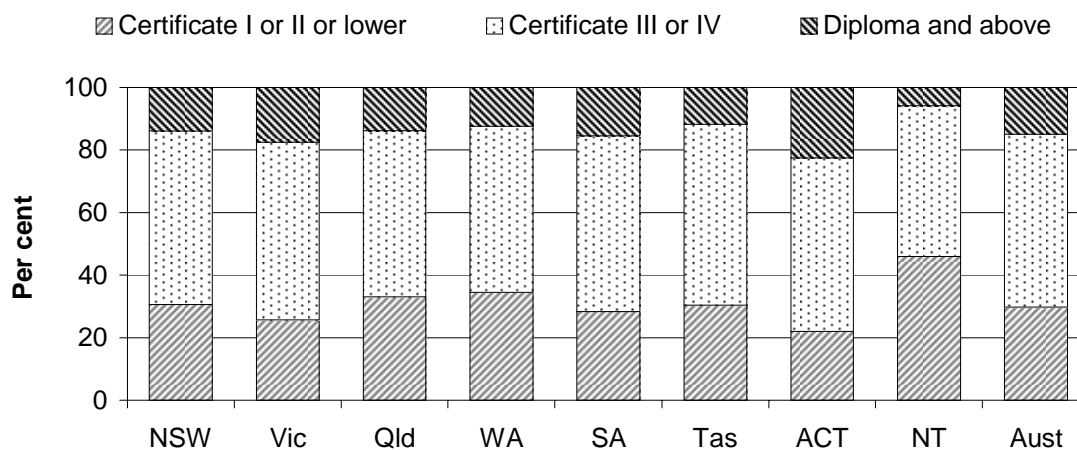
Source: NCVET National VET provider collection (unpublished); table 5A.55.

Amongst the VET target groups, between 2003 and 2006 the number of qualifications completed nationally increased by:

- 1.0 per cent for female students (table 5A.55)
- 20.9 per cent for students with a disability (table 5A.57)
- 14.5 per cent for students speaking a language other than English at home (table 5A.58)
- 7.7 per cent for students from remote and very remote areas (table 5A.56). (Indigenous student outcomes are reported in a separate indicator.)

In 2006, 14.9 per cent of qualifications completed were at the diploma or advanced diploma level, 55.3 per cent at certificate level III or IV and 29.7 per cent at certificate level I or II or lower (figure 5.33).

Figure 5.33 Qualifications completed, by course level, 2006^{a, b, c, d}



^a Qualifications completed include courses accredited or approved by a local State/Territory authority, and represents students eligible to be awarded a qualification. ^b The number of qualifications completed includes both government funded and non-government funded VET students. ^c In 2006, WA reported additional awards completed in 2003. ^d SA data includes VET in schools which has been assessed by TAFE.

Source: NCVET National VET provider collection (unpublished); table 5A.59.

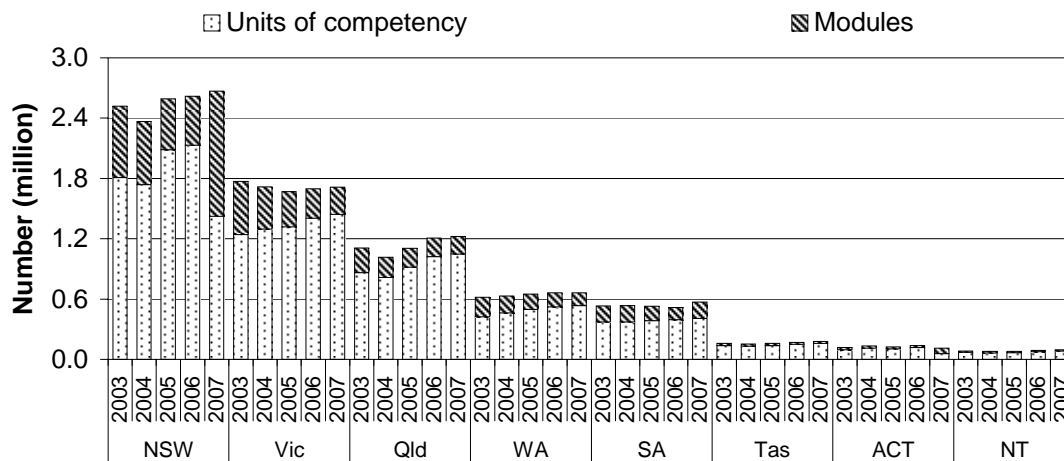
Skill outputs from VET — Units of competency and modules completed

Due to changes in the AVETMIS reporting standard and the method of implementation of these changes by some training providers and states, a large number of units of competency that the ACT and NSW reported in previous years have not been reported in 2007. In addition, a large number of modules that would not have been reported in previous years have been reported in 2007 by the ACT and NSW. As a result, reported units of competency have significantly decreased and the number of modules have significantly increased in 2007.

Nationally, students achieved 5.2 million units of competency in 2007, an increase from 5.0 million in 2003. This was a 2.9 per cent increase in units of competency achieved/passed over this period (table 5A.60).

Nationally, students achieved 2.1 million modules in 2007, an increase from 1.9 million modules in 2003. This was a 8.9 per cent increase in modules achieved/passed over this period (table 5A.64). The number of units of competency and number of modules achieved/passed varied across jurisdictions (figure 5.34).

Figure 5.34 Units of competency and modules achieved/passed, all students^{a, b, c, d}

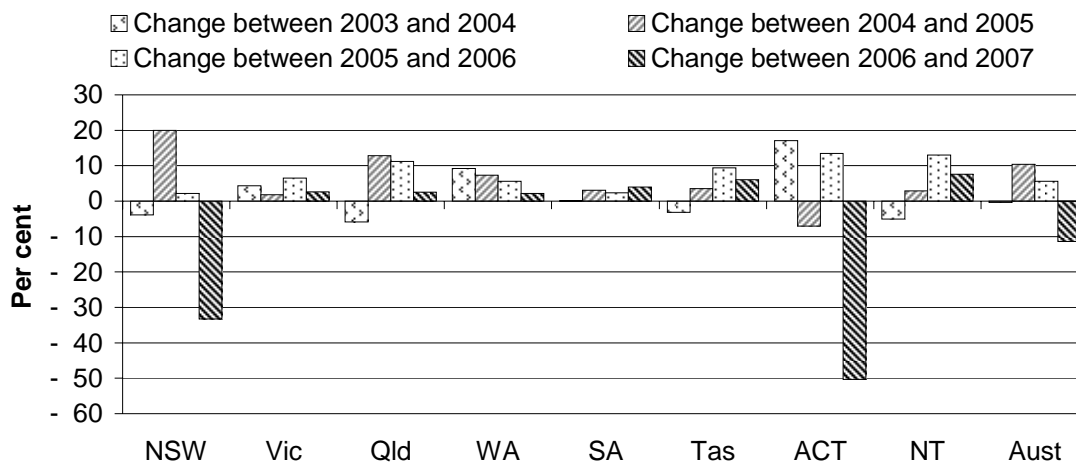


^a Data are for government recurrent funded VET students. ^b NSW reported data on two additional programs for the first time in 2006. ^c SA data include VET in schools which has been assessed by TAFE. To enable comparability of data, SA data for 2003–2005 have been adjusted to include SA VISA (VET in Schools Assessment) data. ^d Due to changes in the AVETMISS reporting standard and the method of implementation of these changes, a large number of Units of Competency that the ACT and NSW reported in previous years have not been reported in 2007. In addition, a large number of modules that would not have been reported in previous years have been reported in 2007 by the ACT and NSW.

Source: NCVET National VET provider collection (unpublished); tables 5A.60 and 5A.64.

Figure 5.35 shows the annual changes in the number of units of competency achieved/passed since 2003, indicating that the national number of units of competency achieved/passed decreased by 11.4 per cent from 2006 to 2007.

Figure 5.35 Units of competency achieved/passed, by change from previous year^{a, b, c, d, e}



^a Data are for government recurrent funded VET students. ^b NSW reported data on two additional programs for the first time in 2006. ^c SA data includes VET in schools which has been assessed by TAFE. To enable comparability of data, SA data for 2003-2005 have been adjusted to include SA VISA (VET in Schools Assessment) data. ^d The Australia data for 2003-2005 have been revised due to changes to SA and NT reporting. ^e Due to changes in the AVETMIS reporting standard and the method of implementation of these changes, a large number of Units of Competency that the ACT and NSW reported in previous years have not been reported in 2007. In addition, a large number of modules that would not have been reported in previous years have been reported in 2007 by the ACT and NSW.

Source: NCVET National VET provider collection (unpublished); table 5A.60.

Amongst the VET target groups, between 2003 and 2007 the number of units of competency achieved/passed nationally changed as follows:

- decreased 4.3 per cent for female students, while for males, it increased by 10.4 per cent (table 5A.60)
- decreased by 5.4 per cent for students speaking a language other than English at home (table 5A.63)
- increased by 10.7 per cent for students from remote and very remote areas (table 5A.61)
- increased by 12.3 per cent for students reporting a disability (table 5A.62).

The number of modules achieved/passed by students nationally decreased annually from 2003 to 2006, while it increased by 61.6 per cent from 2006 to 2007 (figure 5.36).

Figure 5.36 Modules achieved/passed, by change from previous year^{a, b, c, d, e}



^a Data are for government recurrent funded VET students. ^b NSW reported data on two additional programs for the first time in 2006. ^c SA data now include VET in schools which has been assessed by TAFE. To enable comparability of data, SA data for 2003-2005 have been adjusted to include SA VISA (VET in Schools Assessment) data. ^d The Australia data for 2003-2005 have been revised due to changes to SA and NT reporting. ^e Due to changes in the AVETMISS reporting standard and the method of implementation of these changes, a large number of Units of Competency that the ACT and NSW reported in previous years have not been reported in 2007. In addition, a large number of modules that would not have been reported in previous years have been reported in 2007 by the ACT and NSW.

Source: NCVET National VET provider collection (unpublished); table 5A.64.

Amongst the VET target groups, the number of modules achieved/passed nationally between 2003 and 2007 decreased for students from remote and very remote areas by 1.9 per cent (tables 5A.65), and increased for other groups by:

- 16.4 per cent for female students, and by 3.5 per cent for males (table 5A.64)
- 15.7 per cent for students who reported a disability (table 5A.66)
- 52.9 per cent for students speaking a language other than English at home (table 5A.67).

Indigenous outcomes

'Indigenous outcomes' is an indicator of the extent to which Indigenous people achieve positive outcomes from VET services (box 5.17).

Box 5.17 Indigenous outcomes

'Indigenous outcomes' is defined by three measures:

- 'Indigenous students' achievement in VET' measures Indigenous students' success in VET. It reports on load pass rates achieved by Indigenous students and the number of Indigenous students who commenced and completed expressed as a proportion of all course commencing enrolments by Indigenous students in that year.
- 'Skill outputs of Indigenous students' measures the level of skill outputs achieved in a given year by Indigenous students from the VET system. It reports on the number of qualifications completed by Indigenous students, the number of units of competency and the number of modules (outside training packages) achieved/passed by Indigenous students.
 - 'Qualifications completed by Indigenous students' is defined as the number of qualifications completed by both government and non-government funded Indigenous students each year in VET, where a qualification is a certification awarded to a person on successful completion of a course in recognition of having achieved particular knowledge, skills or competencies.
 - 'Units of competency achieved by Indigenous students' is defined as the number of units of competency achieved/passed by Indigenous government recurrent funded VET students, where a unit of competency is defined as a component of a competency standard and/or a statement of a key function or role in a particular job or occupation.
 - 'Modules completed by Indigenous students' is defined as the number of modules (outside training packages) achieved/passed each year by Indigenous government recurrent funded VET students, where a module (also called a subject) is a unit of education or training which can be completed on its own or as part of a course. Modules may also result in the attainment of one or more units of competency.
- 'VET outcomes for Indigenous students' measures the VET system's ability to meet Indigenous students' objectives. It reports on the proportion of Indigenous students who were satisfied with the quality of their completed course; the proportion of Indigenous graduates who were employed and/or continued on to further study after completing a course (compared to those of the general population); and the proportion of Indigenous graduates who improved their employment circumstances after completing training (compared to those of the general population).

(Continued on next page)

Box 5.17 (Continued)

High 'load pass rates' and 'number of students who commenced and completed' indicate that student achievement is high, which is desirable. Holding other factors constant, high or increasing numbers of qualifications completed, and units of competency or modules achieved/passed results in a greater increase in VET skills. Higher proportions of Indigenous student satisfaction indicates higher levels of satisfaction. The proportion of graduates who achieve their training objectives varies according to their objectives — employment related, further study and/or developmental — so it is useful to distinguish amongst types of student objective. High or increasing proportions of employment or further study outcomes after training are positive.

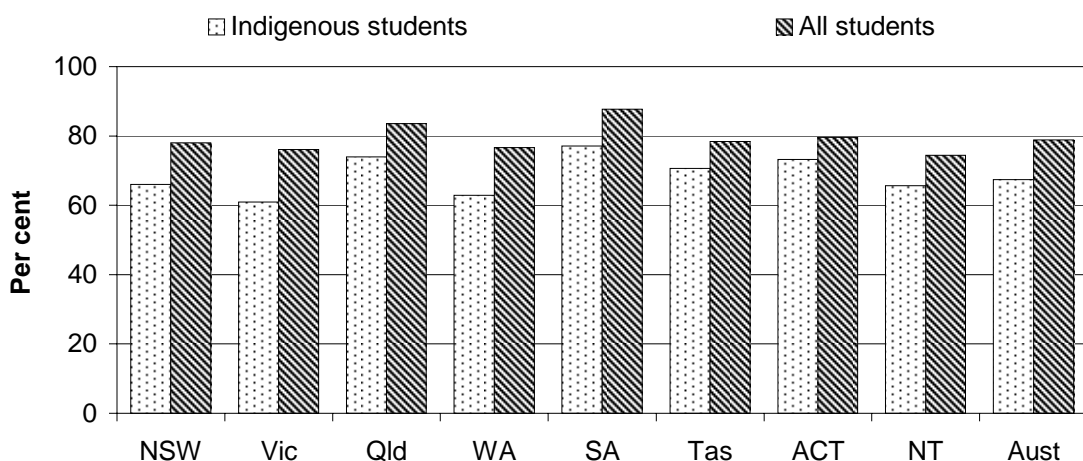
Reporting on students who commenced and completed is dependent on the capacity to track individual students over more than one calendar year and the data are not yet available. Qualifications completed in 2006 are counted in 2008 and are included in the 2009 Report.

Data reported for this indicator are not directly comparable.

Indigenous students' achievement in VET

In 2007, the national 'load pass rate' for Indigenous government funded students (67.4 per cent) was lower than the national load pass rate for all government funded students (78.8 per cent) (figure 5.37).

Figure 5.37 Indigenous students' load pass rate, 2007^a

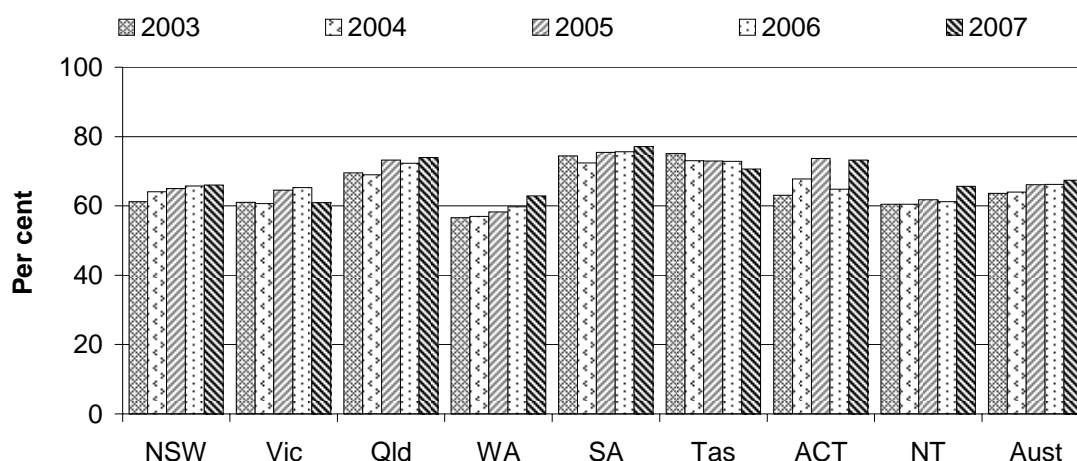


^a Data are for government recurrent funded hours.

Source: NCVET National VET provider collection (unpublished); table 5A.68.

Nationally, the load pass rate for Indigenous government funded students increased from 63.6 per cent in 2003 to 67.4 per cent in 2007 (figure 5.38).

Figure 5.38 Indigenous students' load pass rate^a



^a Data are for government recurrent funded hours..

Source: NCVET National VET provider collection (unpublished); table 5A.68.

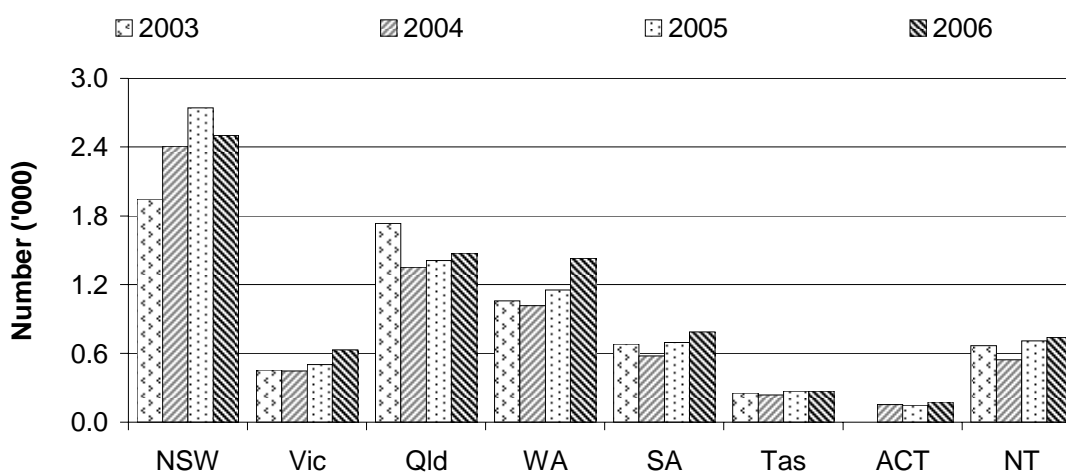
Indigenous students' skill outputs

The measure 'skill outputs of Indigenous students' reports on the number and proportion of qualifications completed, units of competency and modules (outside training packages) achieved/passed in a given year.

Indigenous students' skill outputs — Qualifications completed

Nationally, Indigenous students completed 8007 VET qualifications in 2006, an increase of 4.9 per cent from 7632 in 2005. Indigenous students accounted for 2.7 per cent of all the qualifications completed in 2006 (table 5A.69). The number of qualifications completed by Indigenous students varied across jurisdictions (figure 5.39).

Figure 5.39 Qualifications completed by Indigenous students^{a, b, c, d}



^a Qualifications completed includes courses accredited or approved by a local State/Territory authority, and represents students eligible to be awarded a qualification. ^b The number of qualifications completed includes both government funded and non-government funded VET students. ^c In 2006, WA reported additional awards completed in 2003. The 2003 ACT data were rounded to zero. ^d SA data now include VET in schools which has been assessed by TAFE. To enable comparability of data, SA data for 2003–2005 have been adjusted to include SA VISA (VET in Schools Assessment) data.

Source: NCVET National VET provider collection (unpublished); table 5A.69.

Indigenous students' skill outputs — Units of competency and modules completed

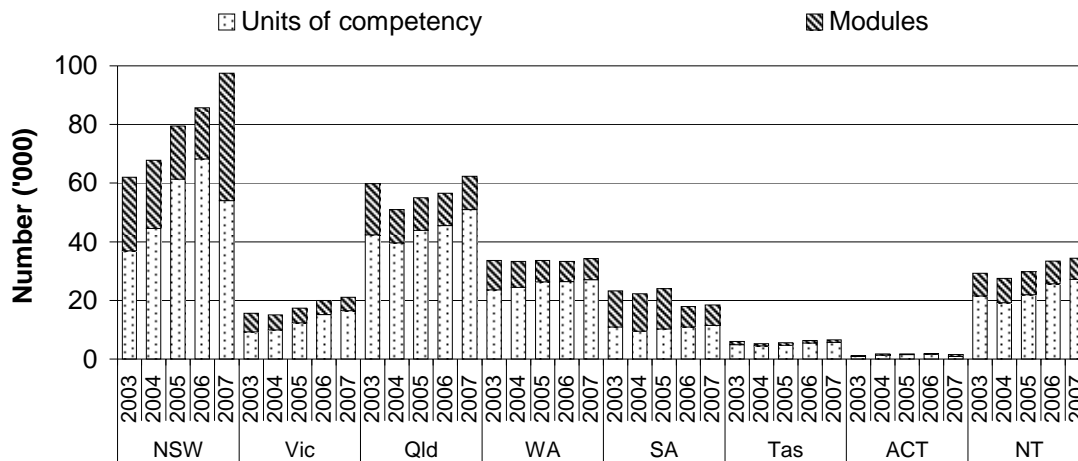
Due to changes in the AVETMIS reporting standard and the method of implementation of these changes by some training providers and states, a large number of Units of Competency that the ACT and NSW reported in previous years have not been reported in 2007. In addition, a large number of modules that would not have been reported in previous years have been reported in 2007 by the ACT and NSW. As a result, reported units of competency have significantly decreased and the number of modules have significantly increased in 2007.

Nationally, Indigenous government funded students achieved/passed 193 823 units of competency in 2007, a decrease of 2.6 per cent from 198 899 units in 2006. Units of competency achieved/passed increased by 29.0 per cent from 150 221 units in 2003 (table 5A.70).

The VET sector is focussed on delivering nationally approved training package qualifications and units of competency as opposed to modules. Nationally, the number of modules achieved/passed by Indigenous government funded students increased by 46.5 per cent from 56 096 in 2006 to 82 182 in 2007. The number of modules achieved/passed increased by 2.2 per cent from 80 404 in 2003

(table 5A.70). The number of units of competency and number of modules achieved/passed varied across jurisdictions (figure 5.40).

Figure 5.40 Units of competency and modules achieved/passed, by Indigenous students^{a, b, c, d}



^a Data are for government recurrent funded VET students. ^b NSW reported data on two additional programs for the first time in 2006. ^c SA data now include VET in schools which has been assessed by TAFE. To enable comparability of data, SA data for 2003–2005 have been adjusted to include SA VISA (VET in Schools Assessment) data. ^d Due to changes in the AVETMISS reporting standard and the method of implementation of these changes, a large number of Units of Competency that the ACT and NSW reported in previous years have not been reported in 2007. In addition, a large number of modules that would not have been reported in previous years have been reported in 2007 by the ACT and NSW.

Source: NCVET National VET provider collection (unpublished); table 5A.70.

VET outcomes for Indigenous students

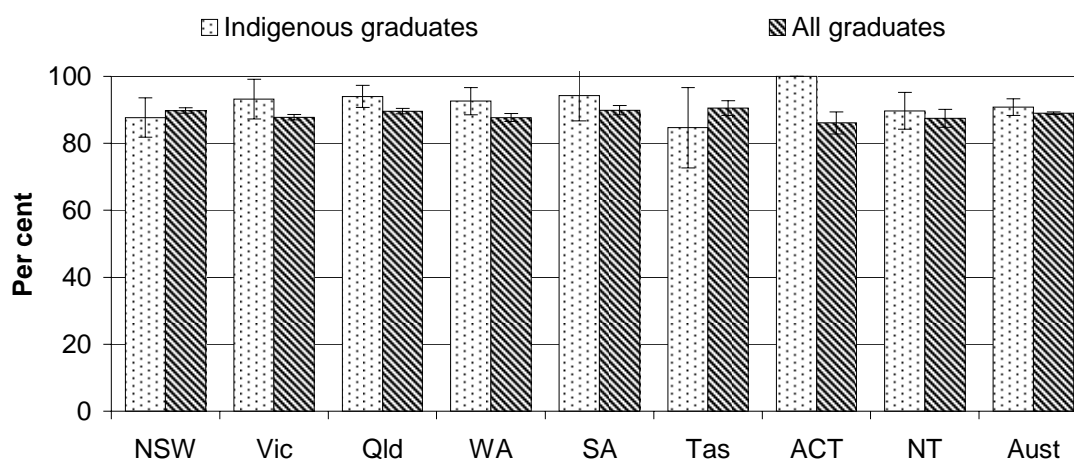
The measure ‘VET outcomes of Indigenous students’ reports on Indigenous students’ satisfaction with VET and Indigenous employment and further study outcomes.

VET outcomes for Indigenous students — satisfaction with VET

The measure ‘Indigenous students’ satisfaction with VET’ reports on the proportion of Indigenous graduates who indicated they were satisfied with the quality of their completed VET course.

Nationally, 90.8 per cent of Indigenous TAFE graduates surveyed in 2007 indicated that they were satisfied with the quality of their completed course, compared with 89.0 per cent for all TAFE graduates (figure 5.41).

Figure 5.41 **Proportion of TAFE graduates who were satisfied with the quality of their completed course, by Indigenous status, 2007^{a, b}**



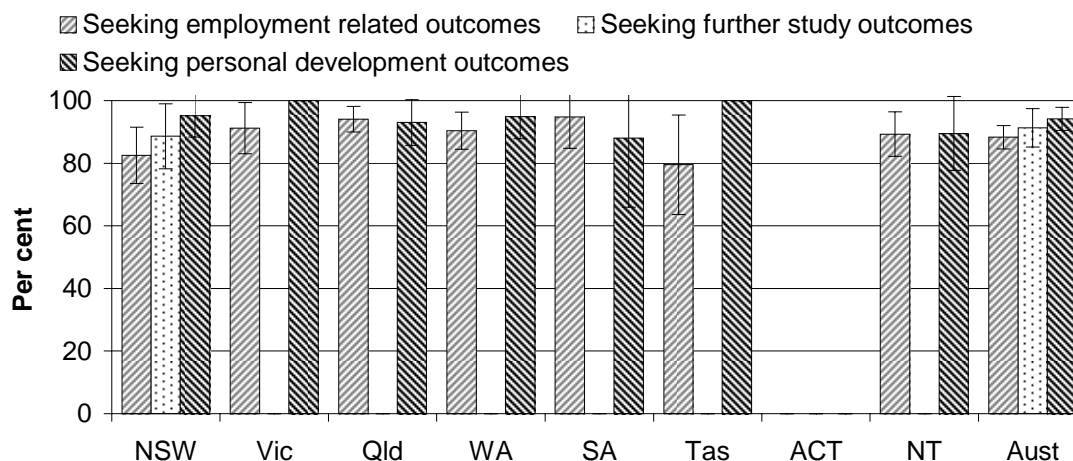
a Satisfaction with overall quality of training was rated as satisfied or very satisfied (4 or 5 on a 5 point scale).
b The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); tables 5A.47 and 5A.71.

Of those Indigenous TAFE graduates who completed courses in 2007, the proportion of those who indicated that they were satisfied with their courses was:

- 88.3 per cent of those seeking employment related outcomes
- 91.3 per cent of those seeking further study outcomes
- 94.2 per cent of those seeking personal development (figure 5.42).

Figure 5.42 Proportion of Indigenous TAFE graduates who were satisfied with the quality of their course, by purpose of study, 2007^{a, b, c, d}



^a Satisfaction with overall quality of training was rated as satisfied or very satisfied (4 or 5 on a 5 point scale).
^b The seeking further study outcomes data for ACT were nil or rounded to zero. Data for Victoria, Queensland, WA, SA, Tasmania, the ACT and the NT are not published due to 5 or fewer responses. ^c The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.
^d Due to insufficient sample size it was not possible to calculate an estimate of the variance for some proportions.

Source: NCVET Student Outcomes Survey (unpublished); table 5A.71.

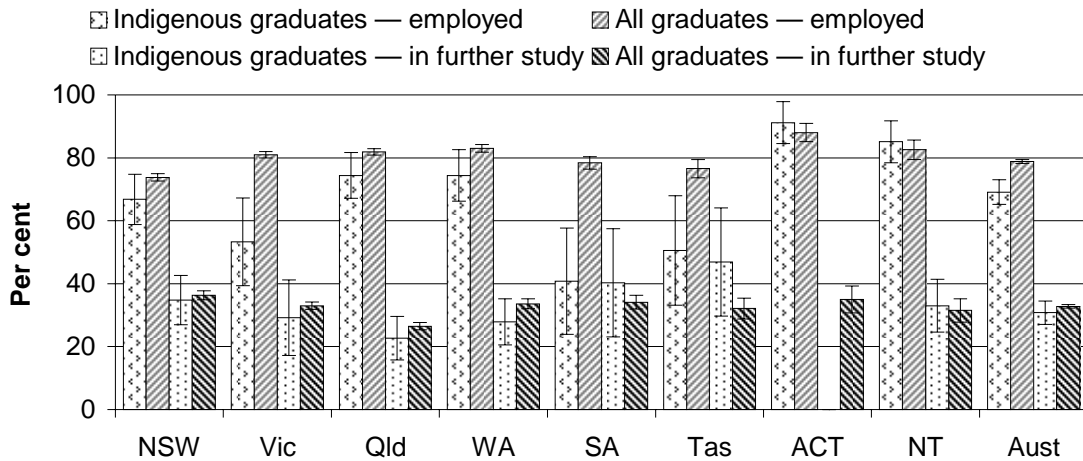
Further information on Indigenous students' views of their VET courses is available in the 2006 Report (SCRGSP 2006, box 4.18) and in the NCVET publication, *Indigenous Australians' training experiences 2004 – First findings* (NCVET 2005).

VET outcomes for Indigenous students —employment and further study outcomes

'Indigenous students' employment and further study outcomes' measures the proportion of Indigenous graduates who improved their employment circumstances or continued on to further study after completing training.

In 2007, 81.9 per cent of Indigenous TAFE graduates surveyed nationally indicated that they were employed and/or in further study after completing a course (table 5A.72). The proportion of students who improved their employment outcomes or were engaged in further study may overlap, since students may realise the two outcomes simultaneously. Of Indigenous TAFE graduates, 69.1 per cent indicated that they were employed after completing a course (compared with 78.8 per cent of all TAFE graduates) and 30.8 per cent continued on to further study (compared with 32.8 per cent of all TAFE graduates) (figure 5.43).

Figure 5.43 Proportion of TAFE graduates who were in employment and/or continued on to further study after completing a course, by Indigenous status, 2007^{a, b, c}

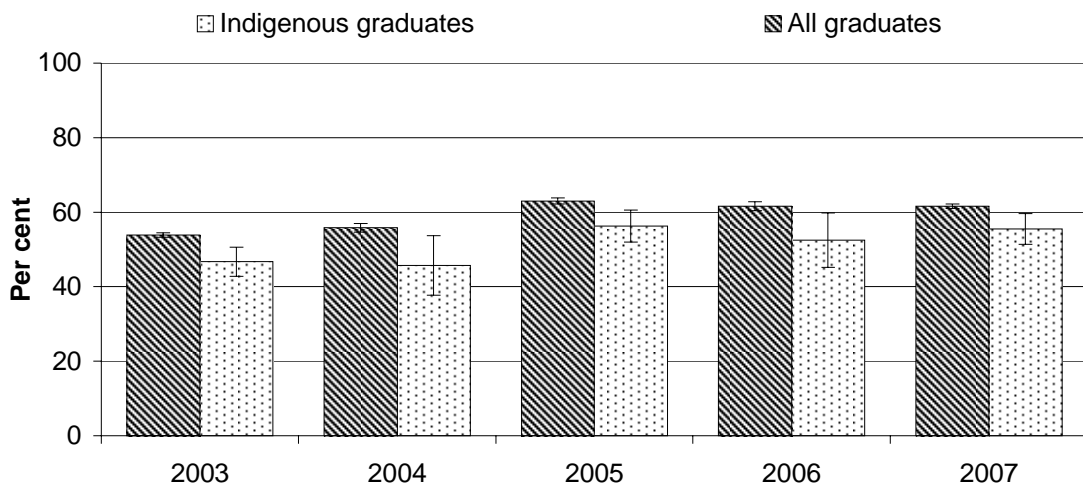


^a Graduates 'employed' and graduates 'in further study' are subsets of graduates who are 'employed or in further study'. Graduates can be both employed and in further study. ^b The ACT 'Indigenous graduates — in further study' data are not published due to 5 or fewer responses. ^c The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); tables 5A.21 and 5A.72.

Nationally, 55.5 per cent of all Indigenous TAFE graduates in 2007 indicated they had improved their employment circumstances after completing their course (compared with 61.6 per cent of all TAFE graduates) (figure 5.44).

Figure 5.44 Indigenous TAFE graduates who improved their employment circumstances after training, 2007^a

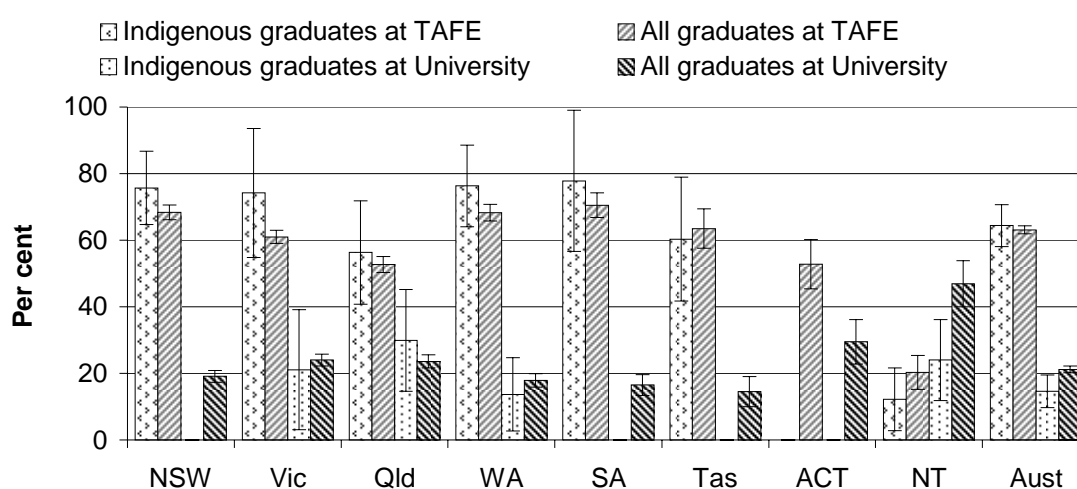


^a The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); table 5A.33 and table 5A.73.

Of those Indigenous TAFE graduates who went on to further study, 64.4 per cent continued on to further study within the TAFE system (compared with 63.1 per cent for all TAFE graduates) and 14.6 per cent went to university (compared with 21.2 per cent for all TAFE graduates) (figure 5.45).

Figure 5.45 TAFE graduates who continued on to further study after completing a course, by Indigenous status, by type of institution, 2007^{a, b}



^a The 'Indigenous graduates at TAFE' data for the ACT and the 'Indigenous graduates at University' data for NSW, SA, Tasmania and the ACT are not published due to 5 or fewer responses. The NT Indigenous graduates at TAFE estimate for the NT, and the Indigenous graduates at University estimates for the NT, Victoria, Queensland and WA, have relative standard errors greater than 25 per cent and should be used with caution. ^b The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); tables 5A.21 and 5A.72.

Employer outcomes

The biennial Survey of Employers' Use and Views of the VET System captures the extent to which employers make use of, and are satisfied with, aspects of the VET system. The latest survey was conducted in 2007. The survey reveals the reasons why employers make the choices they do in order to meet their skill needs, and their levels of satisfaction with the products and services of the VET system. The findings represent the responses of all employers with at least one employee and their training experiences in the 12 months prior to the survey.

The Survey of Employers' Use and Views includes responses from employers in relation to satisfaction with 'formal vocational qualifications as a job requirement' where their employees in that category may have completed their required 'formal vocational qualifications' prior to the last 12 months (that is, earlier than the survey

period), and irrespective of the timing, the training may have been provided by a non-VET provider. This presents a difference in scope to the current Report, which aims to report data relating to government funded VET programs for specific reporting periods.

Employer engagement with VET

‘Employer engagement with VET’ is an indicator of governments’ objective that employers and individuals will be at the centre of VET (box 5.18).

Box 5.18 Employer engagement with VET

‘Employer engagement with VET’ is defined as the proportion of Australian employers who in the last 12 months:

- had employees undertaking apprenticeships/traineeships
- arranged or provided nationally recognised training (other than apprenticeships/traineeships) for employees
- had employees with formal vocational qualifications as a requirement of their job.

A high or increasing proportion of employers who had employees undertaking apprenticeships/traineeships, who arranged or provided nationally recognised training (other than apprenticeships/traineeships) for employees or who had employees with formal vocational qualification as a requirement of their job is desirable, indicating greater employer engagement with VET.

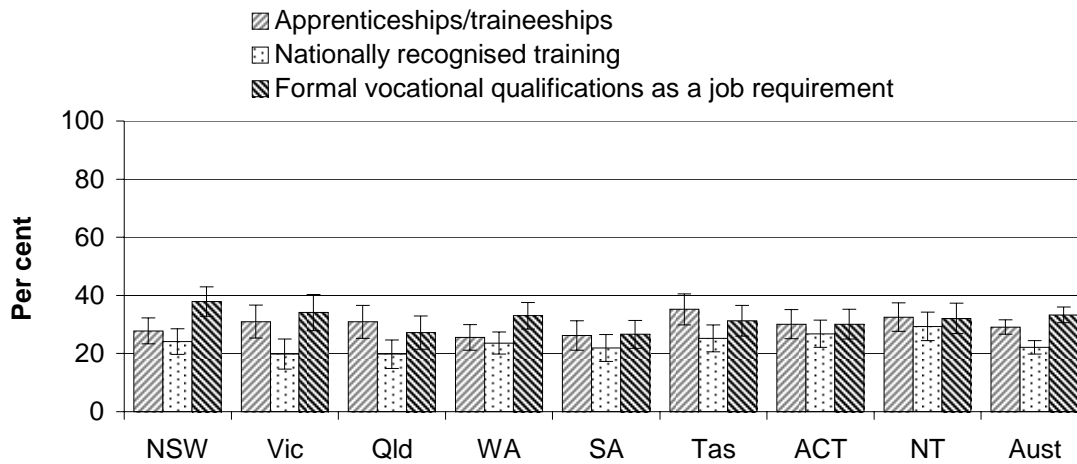
Data reported for this indicator are comparable.

The percentage of employers engaged with apprenticeships or traineeships in the past 12 months was 29.1 per cent (figure 5.46). This varied by industry, from 19.3 per cent in property and business services to 59.7 per cent in construction (NCVER 2007c).

The percentage of employers engaged with nationally recognised training in the past 12 months was 22.1 per cent (figure 5.46). Engagement with nationally recognised training varied by industry from 16.5 per cent in manufacturing to 63.4 per cent in mining (NCVER 2007c).

The percentage of employers engaged with employing people with a formal vocational qualification as a job requirement in the last 12 months was 33.3 per cent (figure 5.46). Employers with vocational qualifications as a job requirement varied from 20.1 per cent in cultural and recreational services to 76.1 per cent in the government administration and defence sector (NCVER 2007c).

Figure 5.46 **Proportion of employers who are engaged with aspects of the VET system, 2007^{a, b, c, d}**



^a Engagement with apprenticeships/traineeships means had employees undertaking an apprenticeship or traineeship in the last 12 months. ^b Engagement with nationally recognised training means arranged or provided nationally recognised training to employees over the past 12 months. ^c Engagement with formal vocational qualifications means had employees in the last 12 months with a formal vocational qualification that was a requirement of their job. ^d The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: DEEWR (2008); NCVET Survey of Employer Use and Views (unpublished); table 5A.74.

Employer satisfaction with VET

‘Employer satisfaction with VET’ is an indicator of governments’ objective that industry will have a highly skilled workforce to support strong performance in the global economy (box 5.19).

Box 5.19 Employer satisfaction with VET

‘Employer satisfaction with VET’ is defined as the proportion of Australian employers who engaged in an aspect of VET, and who are satisfied with VET in meeting the skill needs of their workforce.

A high or increasing proportion of employers who are satisfied with VET in meeting the skill needs of their workforce is desirable.

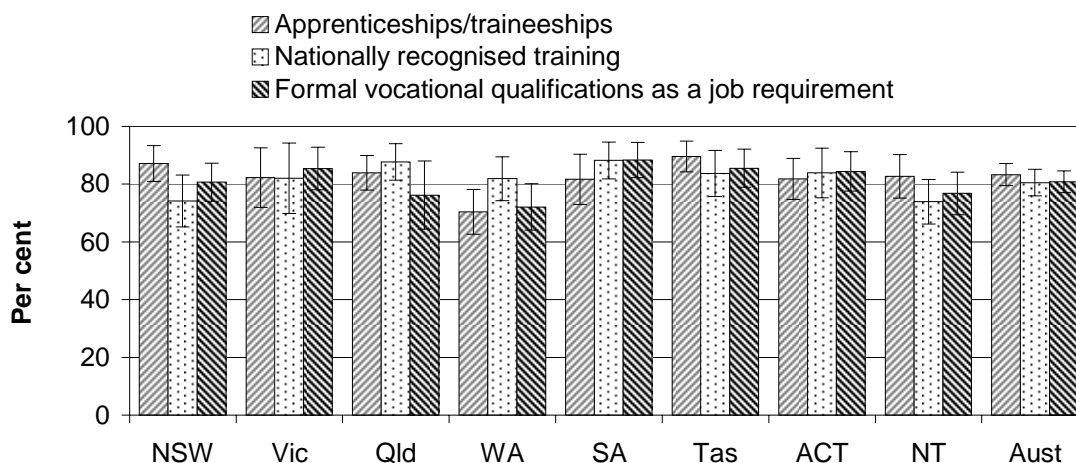
Data reported for this indicator are comparable.

Nationally, 83.3 per cent of employers engaged with apprenticeships or traineeships from the 2007 survey were satisfied with VET as a way of providing employees with skills required for the job (figure 5.47). Allowing for confidence intervals, satisfaction was similar to the 79.1 per cent in the 2005 survey (table 5A.75). Employer satisfaction with using apprenticeships or traineeships as a way of meeting skill needs varied across industry, with the lowest satisfaction levels in health and community services (73.9 per cent) (NCVER 2007c).

Nationally, 80.5 per cent of employers who arranged or provided nationally recognised training to employees over the past 12 months were satisfied with nationally recognised training as a way of providing employees with skills required for the job (figure 5.47). Satisfaction was similar to the 80.3 per cent in the 2005 survey (table 5A.75). Employer satisfaction with using nationally recognised training as a way of providing employees with skills required for the job was lowest in property and business services (73.7 per cent) (NCVER 2007c).

Nationally, 80.8 per cent of employers who had employees in the last 12 months with a formal vocational qualification that was a requirement of their job were satisfied with formal vocational requirements as a way of meeting skills (figure 5.47). Allowing for confidence intervals, satisfaction was similar to the 76.8 per cent in the 2005 survey (table 5A.75). Employer satisfaction with using vocational qualifications as a job requirement as a way of meeting skills needs was lowest in communication services (60.4 per cent) (NCVER 2007c).

Figure 5.47 Proportion of employers who engaged with an aspect of the VET system and are satisfied with VET as a way of meeting their skill needs, 2007^{a, b, c, d, e}



^a Satisfaction is measured on a 5 point scale, 'satisfied' includes employers who were satisfied or very satisfied and 'dissatisfied' includes employers who were dissatisfied or very dissatisfied. ^b Satisfaction with apprenticeships/traineeships (now referred to as Australian Apprenticeships): had employees undertaking an apprenticeship or traineeship in the last 12 months and were satisfied with apprenticeships/traineeships as a way of providing employees with skills required for the job. ^c Satisfaction with nationally recognised training: organisation arranged or provided nationally recognised training to employees over the past 12 months and were satisfied with nationally recognised training as a way of providing employees with skills required for the job. ^d Satisfaction with formal vocational qualifications: had employees in the last 12 months with a formal vocational qualification that was a requirement of their job and were satisfied with formal vocational qualifications as a way of meeting skills. ^e The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: DEEWR (2008); NCVET Survey of Employer Use and Views (unpublished); table 5A.75.

5.4 Future directions in performance reporting

Improving reporting of indicators

Aspects of some VET indicators are not yet fully developed or comparable, and work for future Reports includes:

- improving the quality of Indigenous outcomes data that are published in the Report
- reporting on students who commenced and completed courses and developing related skill profile indicators.

Reform of Specific Purpose Payments

In December 2007, COAG agreed to reform Specific Purpose Payments (SPPs). SPPs are financial agreements between the Australian Government and State and Territory governments involving a contribution by the Australian Government to the funding of services which are considered a joint Australian and State and Territory government responsibility. The *Commonwealth–State Agreement for Skilling Australia’s Workforce* was such an SPP for the VET sector.

At its 29 November 2008 meeting, COAG agreed to six new National Agreements, five of which are associated with a National SPP. In the area of VET, there is a *National Agreement on Skills and Workforce Development* associated with the *National Skills and Workforce Development SPP* (COAG 2008b). Under the reforms, the *National Agreement on Skills and Workforce Development* contains the objectives, outcomes, outputs and performance indicators for VET. The performance of governments in achieving these mutually agreed outcomes will be assessed by the COAG Reform Council (CRC). The Steering Committee has been requested by COAG to provide the SPP performance information to the CRC (COAG 2008a).

The National Agreements/SPPs will be supplemented by a range of National Partnerships (NPs): project, facilitation and reward agreements. Funding for NPs may be conditional on states and territories meeting agreed milestones and performance benchmarks.

The Steering Committee and the VET Working Group will ensure that reporting in this chapter reflects the COAG priorities identified in the *National Agreement on Skills and Workforce Development*, *National Skills and Workforce Development SPP* and relevant NPs.

5.5 Jurisdictions’ comments

This section provides comments from each jurisdiction on the services covered in this chapter. Appendix A contains data that may assist in interpreting the performance indicators presented in this chapter. These data cover a range of demographic and geographic characteristics, including age profile, geographic distribution of the population, income levels, education levels, tenure of dwellings and cultural heritage (such as Indigenous and ethnic status).

Australian Government comments

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During 2007, the Australian Government continued to foster strong and effective working partnerships with all stakeholders. Through COAG, MCVTE, NQC, NSOC and other forums, all stakeholders created and operated in a cooperative environment to support the national training arrangements.

In 2007, the Australian Government continued to work closely with Industry through industry associations and the National Industry Skills Committee. The Australian Government also continued to work closely with the States and Territories through the VET planning and monitoring processes to ensure all jurisdictions met their agreed targets and benchmarks.

Highlights of 2007 included:

- the *Skilling Australia's Workforce (SAW) 2005–08 Mid-Term Review* which evaluated the progress towards the SAW Agreement's overall objectives, assessed its efficacy in driving those objectives and suggested ways in which future Agreements might be improved to support further reform in the VET sector
- development of quality indicators and streamlined audit requirements under the Australian Qualification Training Framework 2007 as agreed by training ministers in late 2006
- the launching of the SkillsInfo website which provides skills-related information on education, training, industries and regions and data on industry employment trends and prospects. The website is built around five themes: Education and Training, Industries, Regions, Skills Issues and Skills Links
- Australian Education International (AEI) worked with the national training system to enhance the sector's international engagement designed to encourage a shared vision and greater collaboration and partnerships amongst the key stakeholders of the sector.

In summary, 2007 was a year of consolidation with the Australian Government contributing \$1.27 billion, under the *2005–08 Commonwealth – State Agreement for Skilling Australia's Workforce*, which is just a part of the Australian Government's overall investment in VET activities during 2007 of \$2.71 billion.

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New South Wales Government comments

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NSW has an ongoing commitment to deliver high quality vocational education and training (VET) to meet the skill needs of industry and the people of NSW. In 2007, 128.4 million hours of training were delivered throughout the state.

NSW continues to assist young people to gain their first qualifications and support those trying to re-enter the workforce. NSW has increased its focus on the existing workforce, to raise productivity and improve employment opportunities and earnings. Training investment needs to be for the right skills for people at the right time to increase productivity and employability. Training should be targeted to respond to the demand for skills in areas of economic importance.

The NSW Government is continuing a number of key initiatives to achieve these priorities including:

- \$47 million over four years for the *Training our Workforce* initiative to provide additional training opportunities contributing to the achievement of the State Plan target
- \$50 million over four years for the *Learn or Earn* initiative to improve trade skills by increasing take up and completion of apprenticeships.

A network of nine one-stop skill centres has been established in State Training Services regional offices across NSW to provide independent advice and referral to training for employers and individuals.

NSW is committed to improving access to VET through the provision of more flexible delivery options, including workplace learning and online learning. NSW continues to develop successful programs to increase the participation rates of Aboriginal and Torres Strait Islanders and other disadvantaged people seeking to access VET.

TAFE NSW is a provider of total business solutions with a strong workforce development approach. Employment based delivery has increased by 186 per cent from 2006 to 2007. TAFE NSW assists industry and employers to increase their productivity through skill needs analysis and the provision of tailored training programs to develop required workforce skills.

In regional areas, TAFE NSW plays a major role in providing the skilled workforce needed to support the economic development of local communities.

By increasing the use of technology, regional students have more opportunity to improve their vocational skills without having to leave their home towns.

TAFE NSW performs an annual analysis of industry and community training requirements based on industry consultation, economic data and local advice to inform the training services provided by TAFE NSW Institutes.

NSW is ensuring that it has an appropriately skilled and educated workforce to support economic growth, strengthen regional and rural economies and to provide ways out of social disadvantage.

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Victorian Government comments

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In 2007, Victorian Registered Training Organisations (RTOs) provided training to about 510 000 students and delivered almost 126 million student contact hours of VET, an increase of 8 per cent on 2006 delivery. More than two thirds of this delivery was government funded.

There were an estimated 98 700 apprentices and trainees in training in Victoria at the end of 2007. Victoria contributed significantly to apprentice and trainee completions, representing close to one third of completions nationally.

Maintaining the Advantage – the Victorian Government's skills strategy, released in March 2006, provided significant additional funding to ensure that Victoria maintains its leadership position in VET by responding to the demand for higher-level qualifications and skills in an increasingly competitive and innovative global economy. The implementation of the following initiatives continued in 2007:

- thirteen Skills Stores were established to aid in the formal recognition of prior learning.
- *The Redefining The VET System* information campaign increased awareness of the excellent opportunities available through the VET system and *Careers in Manufacturing* information campaign has challenged stereotypes about careers in manufacturing.
- A guaranteed place for young people without Year 12 or equivalent qualifications — nearly 34 500 places were delivered.
- *Expanding opportunities for young people* through additional pre-apprenticeship programs — more than 8000 places were delivered.
- 3.7 per cent of mature age students (aged 35 to 64) were granted Recognition of Prior Learning.
- Mature age priority training — 21 800 places were delivered.
- Higher skills — nearly 52 600 places were delivered in higher level courses.

In late 2007, the Victorian Government began working on a series of significant reforms to further strengthen the VET system in Victoria. These reforms will build on the outcomes achieved under *Maintaining the Advantage* and will herald a fundamental shift in the way the training system in Victoria is managed.

The reforms will introduce an entitlement to training to bring access to government supported training to thousands more people. Choice will also be improved by enabling individuals and businesses to access government supported training at a broader range of public, private and community providers.

It is intended that a training entitlement and improved choice and contestability will contribute to a more responsive and flexible training system that will have increased capacity to meet the needs of business and individuals, and boost the skills and qualification levels of Victoria's workforce.

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Queensland Government comments

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Over the last five years, Queensland has recorded strong annual jobs growth. The *Queensland Skills Plan* was implemented in 2006 to upskill the workforce, and it has now been reviewed to ensure it remains relevant to the changing needs of industry, communities and individuals. The *Queensland Skills Plan 2008* is the Government's response to changing labour market needs.

To date, successes in addressing the skills shortage have been significant:

- with almost 12 000 additional trades training places Queensland is on track to achieve the Skills Plan target of 17 000 places by 2010
- more than 88 300 apprentices and trainees in Queensland were in training in 2007.

The Queensland Government is ensuring the TAFE system has improved capacity to respond to local industry and community through continuing reform:

- in 2008, Southbank Institute of Technology and Gold Coast Institute of TAFE became the first statutory institutes in Queensland.

Queensland's industry engagement framework continued to develop:

- three new Centres of Excellence were established, in manufacturing and engineering, energy, and building and construction
- 28 industry or region specific Skills Formation Strategies are now in operation throughout the State, encouraging business, registered training organisations and all levels of government to work collaboratively on finding skilling solutions.

The *Queensland Skills Plan 2008* takes a fresh approach to the changed environment with a number of new actions. The new measures to boost skills cover five main areas:

- developing the skills of existing workers and apprentices
- engaging unemployed and under-employed people
- improving youth transitions to enhance education, training and employment outcomes
- building the capacity of the Queensland vocational education and training sector
- building bridges to the professions.

Queensland is specifically addressing the needs of people in areas of high disadvantage; for example, a new *Indigenous Employment and Training Strategy: Positive Dreaming Solid Futures* has been launched.

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Western Australian Government comments

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Western Australia continued to address the demand for skills development and workforce training requirements to support the State's ongoing economic growth.

NCVER data for March 2008 showed that there were 36 400 apprentices and trainees 'in training', an annual increase of 7 per cent compared with a national increase of 2 per cent. In the context of skills shortages, the number of students in 'traditional trades' increased by 89 per cent in five years to March 2008, compared with a national increase of 44 per cent.

To ensure the State maintains a high quality, responsive VET system, funding was allocated to key trade reforms designed to support the increase in apprenticeship and traineeship numbers. Key initiatives included:

- an increase in the number of field officers providing support and mentoring services to employers, apprentices and trainees
- development of assessment tools to increase trades skills recognition for experienced but unqualified workers
- promotional campaigns to attract more young people to the trades.

The State continued to improve its capability and capacity to provide up-to-date trade training. Significant funding was invested in new and upgraded TAFEWA infrastructure and equipment. Key projects underway included:

- a new trade training centre for building and construction
- an expansion of trade workshops for building and construction, metals and heavy automotive
- a new regionally-based workshop for metal fabrication, electro-technology and automotive delivery.

In 2007, a review of Industry Training Advisory Arrangements was completed and a new industry advisory model was recommended. Under the new model, 10 training councils will take a leadership role in developing workforce plans to assist industry and government in addressing current and future skills shortages.

Better training outcomes for Indigenous people were achieved by increasing links to employment and improving support services. This included an Indigenous Trade Training package to support more Indigenous people to participate in apprenticeships and traineeships.

The take up of the VET in Schools program has increased significantly since its implementation in 1996. In 2007, more than 16 600 students, representing 52 per cent of the year 11 and 12 cohort were involved. The scope of the program was extended, with more than 2150 year 8 to 10 students participating in 2007.

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In 2007, NCVER reported that the proportions of TAFEWA graduates who were satisfied and those who achieved their main reason for study remained high.

South Australian Government comments

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The South Australian VET system continues to support the skill development needs of South Australians. VET hours delivered in 2007 grew by nearly 9 per cent over the 2006 figure. The increase in hours came from delivery from TAFE and private Registered Training Providers, with TAFE SA delivering the majority of the training. TAFE SA students achieved good employment outcomes and high levels of client satisfaction.

South Australia's apprenticeship and traineeship system continued to record successes, particularly among the traditional trades and other trades and technicians occupation groups, with the highest number on record for those in-training, and those commencing and completing their training. In 2007, South Australia also had the largest number of total apprentices and trainees on record that completed their training, as a result of the implementation of a policy allowing competency-based completion of traineeships and apprenticeships. This provides well for meeting the skill shortage needs of South Australia, especially in the important industry areas of defence, manufacturing and mining.

To meet the continuing growth in demand for skilled labour in South Australia it is essential that the VET sector responds effectively and efficiently. Therefore the South Australian Government has released its *Skill Strategy for South Australia's Future*, containing a number of initiatives to provide a demand-driven, responsive and flexible system for skills development. These initiatives have been developed so South Australia can meet the following four labour force performance indicators: increasing employment participation, more people with post-school qualifications, higher VET participation and better labour productivity.

Significant infrastructure was added to TAFE SA's assets in 2007 with the completion of the \$15 million Veterinary and Applied Science Centre at the Gilles Plains campus and a \$1.75 million expansion of the Barossa campus, which opened in October to help meet the region's growing skill needs.

Additionally, in cooperation with industry, TAFE SA provided access during 2007 to an \$800 000 high-tech mining truck simulator at its Port Augusta campus, to up-skill students and widen the skills base in the region. Also, state-of-the-art computer software, worth \$620 000 was donated to the geo-science program, based at the O'Halloran Hill campus, focusing on the training needs of the mineral and petroleum industries.

The NCVER Survey of Employers' Use and View of the VET system in 2007 reported that employers using the VET system in meeting their skill needs in South Australia had the highest level of satisfaction in the nation. Employers had high levels of satisfaction with the VET system in terms of apprenticeships and traineeships (82 per cent satisfied) and with nationally recognised training (88 per cent). Student satisfaction also remained high. The 2007 NCVER Student Outcomes Survey reported that 89 per cent of VET graduates were satisfied with the overall quality of their training and 90 per cent of VET graduates were employed or in further study after completing their training.

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Tasmanian Government comments

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The Tasmanian Government has worked to develop and implement strategies to respond to the demands of a strong economy, an ageing population and to meet Tasmania's skills needs.

Skills Tasmania, on behalf of the State, is currently developing the Tasmanian Skills Strategy which will set the strategic direction for future skills development through ten Action Areas.

Tasmania has introduced new legislation that will increase retention and completion rates for young people in post secondary education and training. Young people who have completed year 10 or have turned 16 are now required to participate in education and training for a further two years; or until they have gained a certificate III vocational qualification, or turned 17.

Supporting this legislation is the Qualifications and Skills for Tasmanian Tomorrow reform, which will provide greater post year 10 options through three new organisations. The Tasmanian Academy will focus on academic learning for year 11 and 12 students seeking university entrance. The Tasmanian Polytechnic will focus on applied learning, with a vocational pathway. The Tasmanian Skills Institute will focus on skills development for employees in enterprises, in line with their enterprise's skills needs. The initiative will commence in 2009.

The Tasmanian Government remains committed to reducing the impacts of skills shortages and has a strong focus on skills to support industry development. Skills Tasmania, in partnership with the Department of Economic Development and Tourism, has developed a Workforce Development Plan. The Plan will increase the capacity of employers to attract, retain and develop their workforce, and to increase the capacity of individuals to participate and be productive in the workforce.

Training enrolments are at record levels particularly for traditional trade apprentices, with 12 800 apprentices and trainees in training over 2007. The number of traditional trades apprentices in training has risen to 5300.

Approximately one in every eight people of working age participate in the public training system each year. In 2007, 43 900 students participated in the public Vocational Education and Training system, a 5 per cent increase from 2006. Participation has been increasing each year and is well above the national average. Total training effort is at record levels at 8.85 million hours.

Tasmania maintains consistently high levels of student satisfaction, with the National Centre for Vocational Education Research's 2007 Student Outcomes Survey showing 90 per cent of Tasmania's student graduates were satisfied with the overall quality of their training. Employer satisfaction is just as high, with 89.6 per cent of employers satisfied with their apprentices and trainees, 85.5 per cent with formal vocational qualifications as a job requirement, and 83.7 per cent with nationally recognised training. All of these figures are well above the national average.

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Australian Capital Territory Government comments

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During 2007 the ACT continued to experience high levels of economic growth, with record low unemployment placing the labour market under pressure. The ACT's trend labour force participation rate was 71.8 per cent at the end of 2007, well above the national trend participation rate of 65.2 per cent. This intensified the ACT Government's commitment to VET to ensure appropriately skilled and qualified citizens contribute to the economic and cultural wellbeing of the ACT.

In 2007, the total number of ACT VET students continued the upward trend of recent years increasing by 1.7 per cent since 2006 compared to a national average decrease of 0.7 per cent. VET students enrolled in certificate III courses rose by 4.7 per cent, compared to the national average of 2.9 per cent. The number of ACT students enrolled in certificate IV courses in 2007 rose by 9.7 per cent compared to the national average of 6.2 per cent.

In 2007, 8.6 per cent of the working age population were undertaking government funded VET, up from 8.5 per cent in 2006 and above the national average of 8.2 per cent. The number of people with a disability undertaking VET increased by 2.7 per cent. The participation rate for Indigenous students increased from 11.1 per cent in 2006 to 13.1 per cent in 2007. The number of students aged 15–19 undertaking VET increased by 6.9 per cent and in the ACT, participation is higher for females (51.6 per cent) than males.

NCVER data for apprenticeships and traineeships in the ACT indicates a decrease of 11.6 per cent in commencements from the record levels of 2006. The 2007 commencement levels are similar to those in 2004 and 2005. There were approximately 56.0 per cent more apprentices and trainees in training than in 2002, and more than double the 1997 figure. In the ACT, 17.4 per cent of apprentices and trainees were studying higher level VET qualifications at certificate IV or above, compared to the national average of 12.6 per cent.

Regular consultation with stakeholders, including Australian Apprenticeships Centres, Registered Training Organisations, and Group Training Organisations contributed positively to promoting training to targeted groups in skills shortage industries and ensured that the ACT VET sector remained flexible and responsive. The Accelerated Chefs Apprenticeship pilot continued with 8 apprentices entering Training Contracts and another 9 beginning their initial block training. The Joint Indigenous Funding Pool offered 104 places to Indigenous students to maximise their education and training opportunities and improve vocational and technical education outcomes. Twenty five foster carers took up places in a Statement of Attainment in the certificate IV in Children's Services (Protective Care), funded through the Strategic Priorities Program. It is anticipated they will complete in 2008.

The 2007 in the ACT there was a focus on the COAG directive to remove industrial, administrative and legislative barriers to ASBAs and the resultant cooperative strategies aimed at growing ASBAs in the ACT. These positive outcomes for the ACT have been achieved in the narrowest VET market in Australia in an economic setting different from that of other jurisdictions.

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Northern Territory Government comments

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The Northern Territory Government's (NTG) Jobs Plan 3 – Jobs for the Future was released as part of Budget 2007. It is a comprehensive, long term strategy to create a highly skilled and flexible workforce, maximise employment opportunities for all Territorians and provides a broad and coordinated approach to planning for jobs and future economic growth. The four themes in Jobs Plan 3 focus on strengthening partnerships between industry, government and the community; Indigenous training and employment; school to work transition and labour market research.

By forming partnerships with industry and the community, new opportunities for economic and social development have been identified to stimulate training and gain employment growth. The unemployment rate for the Northern Territory in February 2007 was 2.5 per cent, and has remained close to this level through 2008.

The Northern Territory has the second highest growth rate in apprenticeship and traineeship commencements in Australia, at 8 per cent for 2007. The growth of student participation in vocational education and training in 2007 was 4.3 per cent, which was the second highest growth rate of all jurisdictions.

A key priority under the Closing the Gap initiative is to assist Indigenous Territorians, particularly those in regional and remote areas, to enter into employment. The Northern Territory Government funds a range of Indigenous responsive training programs that include Flexible Response Funding, Training for Remote Youth and the Community Response programs. In 2007, Indigenous responsive programs delivered 190 programs to 2420 students in regional and remote locations to meet emerging employment and economic development opportunities and community capacity building needs. Training delivery in remote communities continues to present many challenges such as cost, availability of suitable infrastructure and accessibility.

Indigenous Territorians also access mainstream recurrent training and apprenticeships/traineeships. In 2007, 9820 Indigenous students undertook units of training in government funded programs (47.3 per cent), ranging from pre-employment to apprenticeships. The unit pass load rate for these participants increased by 4.4 percentage points from 61.2 per cent in 2006 to 65.6 per cent in 2007.

The School to Work Transition Strategic Plan 2007–2009 was implemented with the key focus being to provide students with a range of options to enable them to make a successful transition from school to work, further training and/or higher education. Major funding initiatives under this plan include a broad range of VET in Schools training initiatives and the WorkReady program, that expanded to eight schools with student participation increasing from 160 to around 220 students. The 2008 Workforce NT publication available in January 2009 will provide the NTG with the necessary information to determine training needs and better target investment to areas of skill shortage and economic growth.

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5.6 Definitions of key terms and indicators

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| Adult and community education providers | Organisations that deliver community-based adult education and training intended principally for adults, including general, vocational, basic and community education, and recreation, leisure and personal enrichment programs. |
| Annual hours | The total hours of delivery based on the standard nominal hour value for each subject undertaken. These represent the hours of supervised training under a traditional delivery strategy. Annual hours are adjusted to account for invalid module enrolments. |
| AVETMISS | Australian Vocational Education and Training Management Information Statistical Standard. A nationally consistent standard for the collection, analysis and reporting of vocational education and training information throughout Australia. This standard was observed in the collection and preparation of data for this Report. |
| Completions | Fulfilment of all of the requirements of a course enrolment or module enrolment. Completion of a qualification or course is indicated by acknowledging eligibility for a qualification (whether or not the student physically received the acknowledgment). |
| Cost of capital per annual hour | Cost to the government of using capital (physical non-current assets) to deliver VET services divided by the annual hours and course mix weight. |
| Cost of capital per load pass | Total government recurrent expenditure divided by successfully completed VET modules or units of competency. |
| Course | A structured program of study that leads to the acquisition of identified competencies and includes assessment leading to a qualification. |
| Course mix weight | Expenditure is weighted to recognise the different proportions of relatively more expensive and less expensive training programs that occur in jurisdictions. The course mix weightings are based on revised planned activity hours, as reported in State/Territory annual vocational and technical education plans for 2000–2004. Actual audited activity hours data are used in the course mix weight calculations for 2007 activity. The reference value is 1.00 for Australia and a weighting greater than 1.00 indicates that the State or Territory is offering relatively more expensive programs compared to the national profile. The national cost relativities used to determine the course mix weightings for each state and territory were established by the Unit Cost Working Party in 1995. |
| Employer engagement with VET | The proportion of Australian employers who in the last 12 months had employees undertaking apprenticeships/traineeships (now referred to as Australian Apprenticeships), arranged or provided nationally recognised training (other than apprenticeships/traineeships) for employees, or had employees with formal vocational qualification as a requirement of their job. |
| Employer satisfaction with VET | The proportion of Australian employers who are satisfied with VET in meeting the skill needs of their workforce. The components of satisfaction with the VET system are satisfaction with apprentices/trainees, nationally recognised training, and formal vocational qualifications as a job requirement. Satisfaction is measured on a 5 point scale, 'satisfied' includes employers who were |

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| | satisfied or very satisfied and 'dissatisfied' includes employers who were dissatisfied or very dissatisfied. |
| Enrolment | The registration of a student at a training organisation's delivery location for the purpose of undertaking a program of study. The enrolment is considered valid only if the student has undertaken enrolment procedures, met their fee obligations, and has engaged in learning activity regardless of the mode of delivery. |
| Fee-for-service activity | Training for which most or all of the cost is borne by the student or a person or organisation on behalf of the student. |
| Government funded VET students | Government recurrent funded students (which relates directly to training activity funded under the <i>Commonwealth–State Agreement for Skilling Australia's Workforce</i> unless otherwise specified) and excludes students participating in VET programs delivered in schools (where the delivery was undertaken by schools) or who undertook 'recreation, leisure or personal enrichment' education programs. Fee-for-service by private providers, delivery undertaken at overseas campuses of Australian VET institutions, and credit transfer are also excluded. |
| Government recurrent expenditure per annual hour | Government recurrent expenditure divided by the number of government funded annual hours (adjusted for invalid enrolment rates). Expenditure is adjusted for course mix weight. |
| Government recurrent expenditure per load pass | Government recurrent expenditure divided by the number of hours successfully completed from assessable enrolments of modules and units of competency achieved/passed and RPL. |
| Graduate | A person who has completed a VET program. |
| Graduates' main reason for undertaking a VET course | Either seeking an employment-related outcome (to get a job, to try for a different career, to meet job requirements, to get extra job skills), seeking a further study outcome (to get into another course) or seeking a personal development outcome (for personal interest, for other reasons). |
| Language spoken at home | Students speaking a language other than English at home are those who self-identify on their enrolment form that they speak a language other than English at home. |
| Load pass rate | The ratio of hours attributed to students who gained competencies/passed assessment in an assessable module or unit of competency to the hours of all students who were assessed and either passed, failed or withdrew. Load pass rate is calculated as the total competency achieved/passed and RPL divided by the total competency achieved/passed, RPL, competency not achieved/failed and withdrawn. |
| Module | A unit of training in which a student can enrol and be assessed. |
| Private provider | A commercial organisation that provides training to individuals and industry. |
| Program of study | A generic term to describe Training Package qualifications, nationally recognised accredited courses, other courses (not nationally recognised accredited courses), units of competency and modules. |
| Real | Actual expenditure/funding/assets adjusted for changes in prices. Adjustments are made using the GDP chain price deflator and |

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| | expressed in terms of final year prices. |
| Recognition of prior learning (RPL) | RPL is an assessment process through which students may gain formal recognition for the skills they already have. An enrolment where the student has been assessed competent for the whole unit of competency or module by a trainer. The result of the assessment is on the basis of the student's prior skills and knowledge acquired through previous training, work or life experience. |
| Recurrent funding | Funding provided by the Australian, State and Territory governments to cover operating costs, salaries and rent. |
| Registered training organisation (RTO) | RTOs are organisations registered by a State or Territory recognition authority to deliver specified VET and/or assessment services, and issue nationally recognised qualifications in accordance with the AQTF. RTOs include TAFE colleges and institutes, adult and community education providers, private providers, community organisations, schools, higher education institutions, commercial and enterprise training providers, industry bodies and other organisations meeting the registration requirements. |
| TAFE | Technical and further education colleges and institutes, which are the primary providers of government funded VET. |
| Training packages | <p>An integrated set of nationally endorsed standards, guidelines and qualifications for training, assessing and recognising people's skills, developed by industry to meet the training needs of an industry or group of industries. Training packages consist of core endorsed components of competency standards, assessment guidelines and qualifications, and optional non-endorsed components of support materials such as learning strategies, assessment resources and professional development materials.</p> <p>A Training Package is the grouping together of the training components designed to assist in achieving the competencies for a specific industry. Units of competency are packaged together which, when combined at various levels, can form qualifications (Certificate, Diploma etc.).</p> |
| Unit of competency | A unit of competency is the smallest component of a VET program that can be assessed and recognised in the VET system for collection purposes. |
| VET participation | VET student participation data presented in this Report refer only to VET students who were funded by government recurrent expenditure and delivered by TAFE and other government providers (including multi-sector higher education institutions), registered community providers and registered private providers. They do not include students who participated in VET programs delivered in schools (where the delivery was undertaken by schools) or undertook 'recreation, leisure or personal enrichment' education programs. Fee-for-service by private providers, delivery undertaken at overseas campuses of Australian VET institutions, and credit transfer are also excluded. |
| VET participation by Indigenous people | The number of government funded participants of all ages in the VET system reported as Indigenous as a proportion of the number of Indigenous people aged 15–64 years in the Australian population. |
| VET participation by students speaking a language other than | The number of government funded participants of all ages in the VET system speaking a language other than English at home as a proportion of the number of all people in the Australian population |

English

speaking a language other than English at home.

VET participation rate for people aged 15–64 years

The number of government funded participants aged 15–64 years in the VET system as a proportion of the number of people in Australia (or each jurisdiction) aged 15–64 years.

VET participation rate for people of all ages by region

The number of government funded participants of all ages in the VET system based on students' home postcodes using the Accessibility and Remoteness Index for Australia (that is, major cities; inner regional areas; outer regional areas; remote and very remote areas) as a proportion of the total population of people in those geographic areas.

VET program

A course or module offered by a training organisation in which students may enrol and gives people work-related knowledge and skills.

Whether the VET course helped graduates achieve their main reason for doing the course

Whether 'the course helped', 'the course partly helped', 'the course did not help' or the graduates 'cannot say'.

5.7 Attachment tables

Attachment tables are identified in references throughout this chapter by an ‘5A’ suffix (for example, table 5A.3). Attachment tables are provided on the CD-ROM enclosed with the Report and on the Review website (www.pc.gov.au/gsp). Users without access to the CD-ROM or the website can contact the Secretariat to obtain the attachment tables (see contact details on the inside front cover of the Report).

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Table 5A.76 Gross Domestic Product chain price deflator (index)

5.8 References

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