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**VACC calls for new funding model that rewards high-quality training providers**

VACC supports the Victorian Government announcement that it will revise the funding model for TAFE and private training providers to reward quality delivery of training. VACC has been critical of the funding model, which to date has supported a race to the bottom in terms of quality and has placed TAFE on an equal footing with low-cost private training operators.

VACC Executive Director Geoff Gwilym, in noting recent reports on the perilous state of many Victorian TAFE institutes, is concerned with how the TAFE sector will be able to adequately train trade apprentices over the coming years. “The erosion of the sector’s funding and other supports over time has been done at the expense of students and staff employed in the institutes,” Mr Gwilym said. “Consequently, it would be hard to argue that the TAFE system has as much to offer tradespeople and other professionals seeking a career shift into teaching, as it did 20 years ago.”

“TAFE faces regular criticism that its teachers are not up-to-date with new technology and industry expectations. Therefore, starving institutes of resources does little to help rejuvenate and motivate teaching staff. It’s highly unlikely that current industry personnel would consider teaching as a realistic career path today, it’s just too unstable and highly unpredictable.”

“Working in a TAFE that is continually under funding scrutiny and with constant job cuts must be demoralising for staff, and it would make it difficult to attract the best personnel into teaching roles. It is vital for apprentices and industry that highly skilled tradespeople consider TAFE as a realistic career path and as a way of sharing valuable currency in trade skills and with staff who have a familiarity with new and emerging technology.”

VACC has been vocal on allocating government funding for training based on mode of delivery and the real cost needed to deliver quality training. “It is unhelpful to rely on generalised comments around TAFE not being able to ‘cut the mustard’ when it comes to pricing in the market,” Mr Gwilym said. “It should be understood that different training strategies will cost more or less based on a number of factors including investments the trainer has made in tools, equipment and staffing.”

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“For the automotive industry, which traditionally supports TAFE delivery in Victoria, any cuts in funding or a lessening of TAFE flexibility are directly reflected in the quality of the apprentices that come out of the system.”

While the quality of apprentice training has fallen, according to the automotive industry, a review into funding is essential and needs to incorporate the following principles.

* The model of apprentice training has been proven over hundreds of years and is supported by industry. The attainment of trade qualifications requires teaching of theory and practical experience in a work environment to achieve competency, which is why the apprenticeship model is tried and tested against institutional training delivery.
* Training providers should be funded adequately to cover the cost of equipment and different delivery modes.

Modern engines, testing equipment and cutting-edge technology are required to train apprentices. Where this is not available, apprentices run the risk of being trained on outmoded equipment that does not reflect a contemporary workshop.

* Face-to-face delivery in an institute should be funded at a higher level than cheaper delivery models such as online or onsite in the workplace. Each method of delivery should be separately priced based on actual delivery costs and not a generic funding amount.
* Funding should be assessed against standards set for the training provider, such as whether the trainer has currency of qualifications and experience and whether the training provider is delivering and assessing to a standard expected by industry.
* Small critical industries reliant on highly specialised skills, which may be considered thin training markets, require special funding consideration due to small student groups and higher per-student training costs.

VACC is seeking an improved funding model that rewards training providers to drive quality in delivery and assessment and enables them to have modern equipment and highly skilled teachers. It is time the system was assessed on quality rather than the number of qualifications issued.

*For comments or further information, please contact Geoff Gwilym, VACC Executive Director,   
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