

The Hon. Steve Herbert MP
Minister for Training and Skills
14 May 2015

2015-16 Public Accounts and Estimates Committee



Vision for Training and Skills

The transformation of Victoria into the **Education State**

- Education is the biggest investment the Government will ever make in each of us
- In the Education State, all Victorians will have the skills and attributes to shape their future and industry has the skilled workers they need to drive productivity and competitive advantage.
- We know that to achieve this ambitious vision, we – the Government and the broader community – **must build a strong, sustainable and high quality training and skills system in Victoria.**
- This includes strong public TAFEs that are able to effectively compete in the markets and we have appropriate support to assist learners to make well-informed VET choices and successfully complete their study.

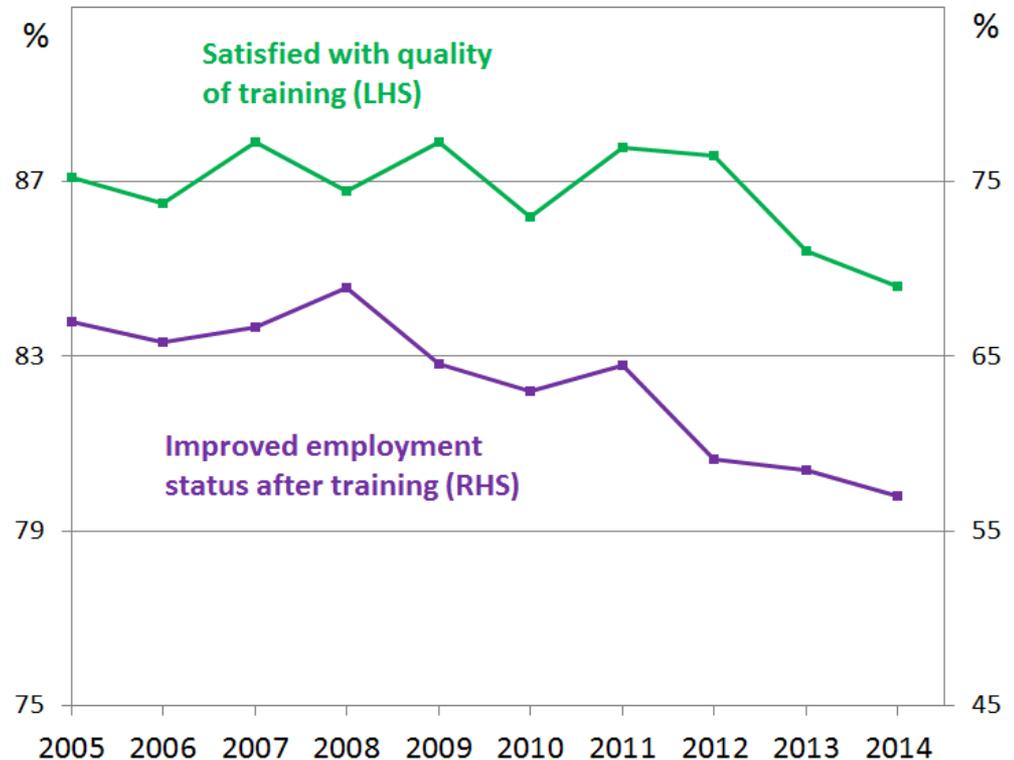


Challenges

To achieve our vision we must overcome a number of challenges:

- Decline in TAFE finances
- Lack of a stable and sustainable funding system
- Training not matched to industry requirements
- Lack of consistent quality of training

Annual Survey of Victorian VET Graduates



Laying the foundations in the 2015-16 Budget

The 2015-16 Budget delivers critical funding for Training and Skills, including the delivery of key election commitments.



TAFE Rescue Fund - \$320 million

- The 2015-16 Budget provides the remaining \$300 million for the Fund, consisting of:
 - \$200 million to support TAFEs to deliver additional services benefiting the community.
 - \$100 million in funding for capital projects, and



Back to Work Fund - \$50 million



Laying the foundations in the 2015-16 Budget

Other programs include:



- \$32 million for Local Learning and Employment Networks (LLENs)
- \$8 million to fund the Victorian Skills Commissioner
- \$4 million for International Student Welfare Grants
- \$2 million for Sir John Monash Victorian Scholarship



Looking ahead – Training and Skills

- The 2015-16 Budget lays the groundwork to build a strong and competitive VET funding system that meets industry needs.
- The Government is working on a range of new initiatives to support Victoria's transformation into the Education State.
 - The independent VET Funding Review
 - Review of Quality Assurance in Victoria's VET system
- Over the coming months, this Government will work with the community to co-design a long-term reform agenda to make Victoria the Education State.



Vision for International Education

- Support Victorian education providers to sustainably grow education services exports
 - Achieve BP3 target: 28% share of Australian onshore international student enrolments (BP3, p.139)
 - Prioritising international education as one of six future growth industries – *Future Industry Initiative*
 - Market development and diversification are important
 - Promotion and positioning Melbourne, Victoria as a global education hub
 - Enhanced international student experience, including implementation of *International Education Welfare Grants (EC)*
- Influence the Commonwealth's work:
 - strengthen the regulatory frameworks for international education providers who train international students, including student visa settings (EC)
 - a national strategy to support international education.



INTERNATIONAL EDUCATION sector in Victoria

ECONOMIC IMPACT



International education (onshore) generated

\$4.7 billion

Export Industries



International Education

\$4.7b



Tourism

\$2.9b

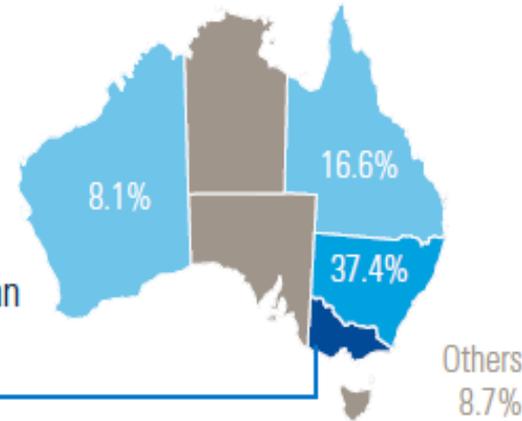


Meat

\$2.3b

NATIONAL MARKET SHARE

In 2014, Victoria had a **29.8%** share of total Australian onshore enrolments



International education supported

32,000+

Victorian jobs in 2014



GROWTH IN 2014

Overall **14.6 per cent growth** in enrolments, after a period of decline from 2009 to 2012



INTERNATIONAL EDUCATION sector in Victoria

STUDENT PROFILE

In 2014, Victoria attracted
over
170,000
student enrolments
from over **160** countries

DIVERSE MIX OF PROVIDERS

-  10 Universities
-  12 TAFEs
-  250+ Private providers
-  8 Offshore university campuses & centres

International Students are enrolled in



Victorian universities appear in rankings of the world's best

Source: QS World University Rankings 2014

