

COUNCIL OF AUSTRALIAN GOVERNMENTS

FACT SHEET

MARKET REFORM FOR THE VOCATIONAL EDUCATION AND TRAINING SECTOR NATIONAL PARTNERSHIP

At the 20 November 2008 meeting of the Ministerial Council for Vocational and Technical Education (MCVTE), Ministers agreed that the reform agenda needed to be progressed, understanding the implications of the global financial crisis, the looming recessions in many nations and the implications for Australia's economy. Consequently, the Deputy Prime Minister advised Ministers that the National Partnership (NP) on Market Reform of Vocational Education and Training (VET) would not be considered at the COAG meeting on 29 November 2008 and Ministers agreed further work would be undertaken.

The Commonwealth will continue to work with State and Territory (the States) governments and VET stakeholders to further develop options around market reform for COAG's future consideration.

The Commonwealth will continue to support all jurisdictions that engage in significant reform of the training system.

QUESTIONS AND ANSWERS

1. Why was the market design NP not considered by COAG on 29 November 2008?

Recognising the impact of the global financial crisis and the looming recessions in many nations and the implications for Australia's economy, the VET Market Reform NP was not considered at the COAG meeting on 29 November 2008. However, at the 20 November 2008 MCVTE meeting, Ministers agreed to work together to develop reform options around market design for future consideration.

2. Will the Commonwealth continue to support reforms?

The Commonwealth will continue to support all jurisdictions that engage in significant reform of the training system.

In particular, jurisdictions engaging in significant reforms may be eligible for Commonwealth support through the extension of Income Contingent Loans (ICLs) to ensure that cost is not a barrier to students accessing training. For example, an ambitious and significant package of reforms has been announced by the Victorian Government which aims at dramatically increasing the number of people able to access training and upgrade their skills. In light of these reforms, the Commonwealth will support Victoria in the introduction of an ICL scheme, commencing in July 2009, for government-subsidised diploma and advanced diploma students.