

Government funding of VET 2023



Highlights

Government funding of VET

In 2023, governments provided \$10.7 billion in funding for vocational education and training (VET), a decrease of \$117.3 million (1.1%) from 2022.

Government expenditure on VET

Government expenditure on VET in 2023 was \$10.9 billion, an increase of \$12.9 million (0.1%) from 2022. This comprised of:

- \$6.1 billion for VET delivery
- \$3.3 billion for employer assistance to engage in VET
- \$174.3 million for student assistance with equipment, travel and other costs
- \$402.6 million for capital
- \$866.0 million for system administration and governance.

Timeseries

Over the five-years from 2019 to 2023, government expenditure on VET increased by \$4.4 billion (69.2%), with employer assistance expenditure contributing to 60.1% and VET delivery contributing 27.3% of this increase.

Contribution and allocation of VET Government Funding

Governments' contributions

VET in Australia is funded by the Australian and state and territory governments. The state and territories provide funding to support VET delivery for local and national skills needs, and the Australian Government provides funding to support national skills. In addition, the Australian Government supports the states and territories with VET services by means of funding provided through national agreements.

In 2023, government funding provided through VET appropriations and VET intergovernmental funding arrangements totalled \$10.7 billion, a decrease in nominal terms of \$117.3 million (1.1%) from 2022.

- The Australian Government provided \$6.0 billion, a decrease of \$743.1 million (11.0%).
- State and territory governments provided \$4.7 billion, an increase of \$625.8 million (15.4%).

VET funding flows on a recurrent basis, periodically on a capital basis, and through intergovernmental funding arrangements from the Australian Government to state and territory governments.

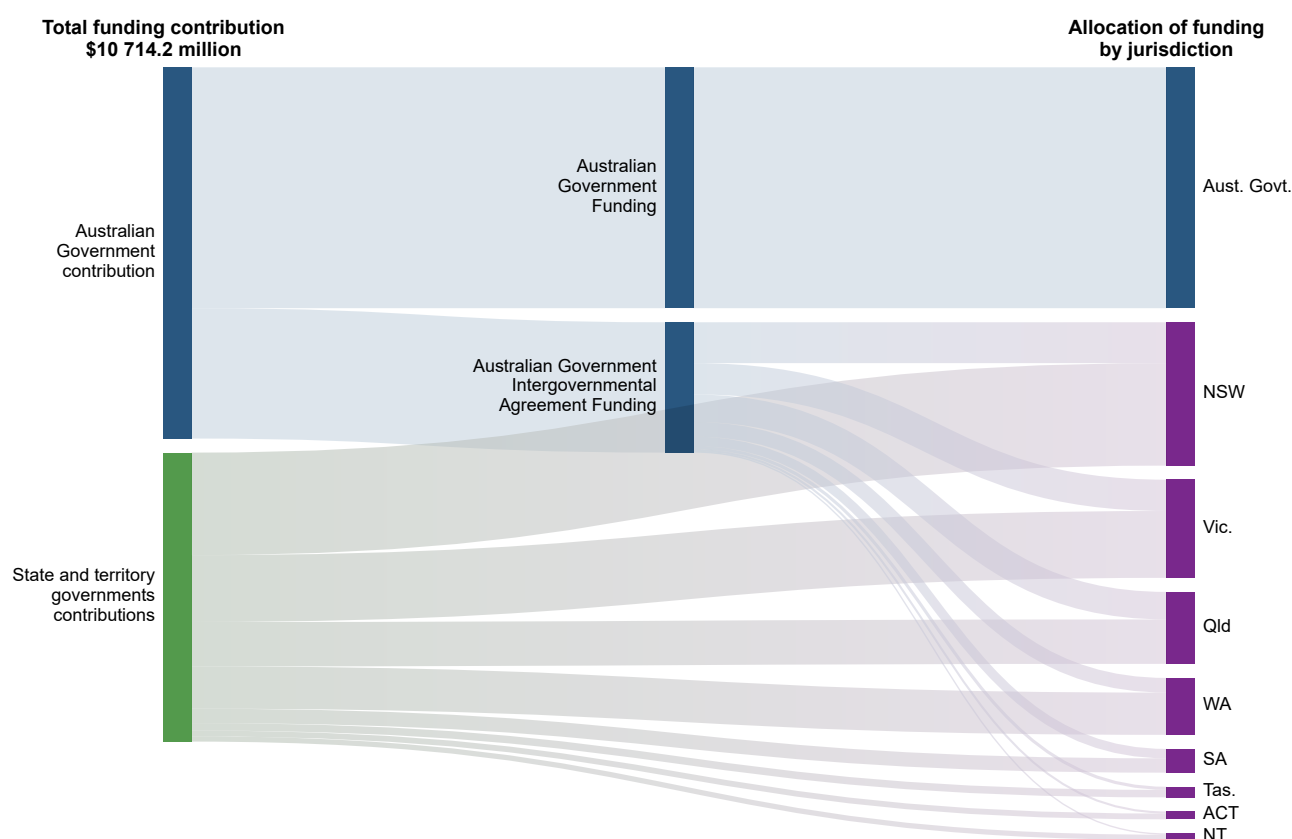
Allocation of funding

In 2023, funding by:

- recurrent and capital flows totalled \$8.6 billion, a decrease of 1.4 million (0.0%)
- intergovernmental agreement flows totalled \$2.1 billion, a decrease of 115.9 million (5.2%).

Each jurisdiction's allocated VET funding consists of its own contribution along with the Australian Government's contribution, provided through VET agreements.

Figure 1 The VET government funding flow (\$ million), 2023



Expenditure

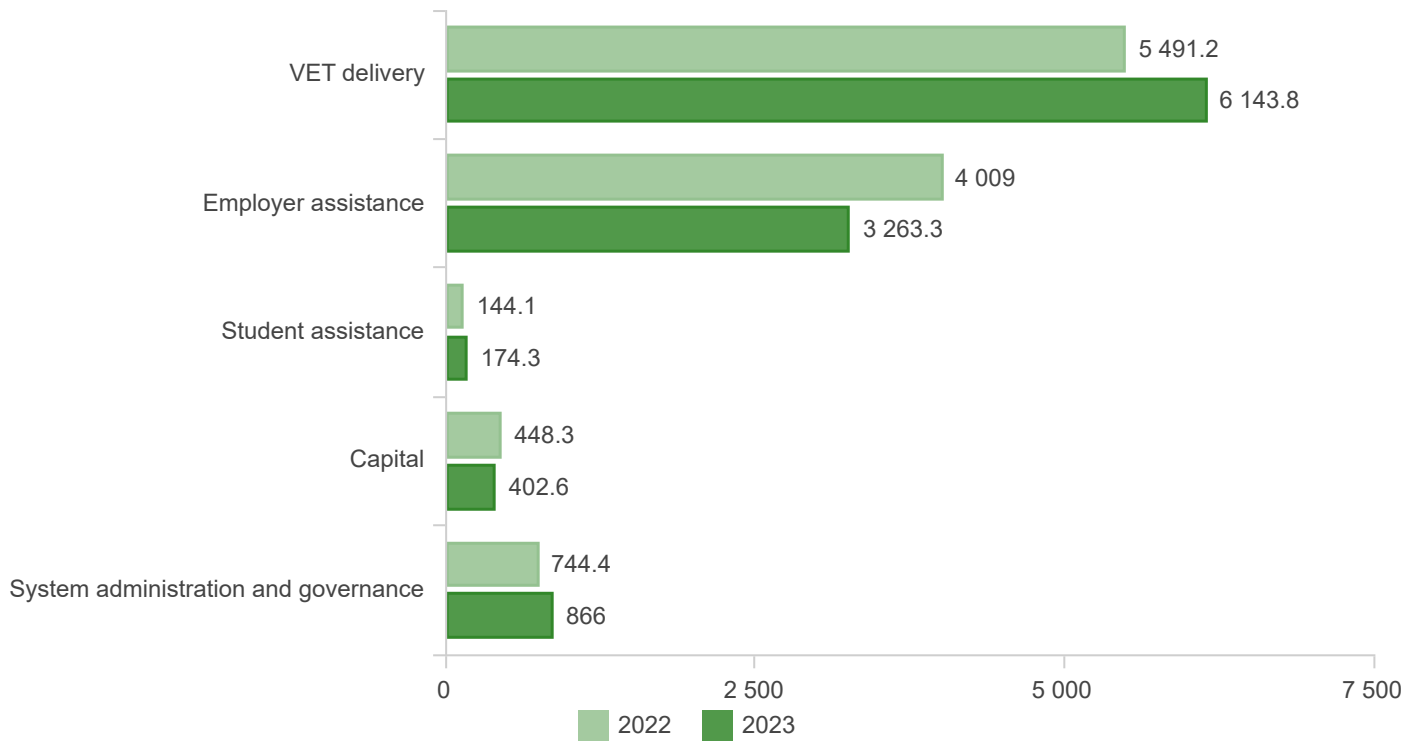
This section reports on how allocated funds are spent within a jurisdiction. Reporting is by VET activity, with a further split of VET activity by a student or training attribute. Funding expenditure often exceeds reported contributions and allocations due to additional requirements in the year and timing around funding payments.

Expenditure by VET activity

In 2023, government expenditure on VET totalled \$10.9 billion, an increase of \$12.9 million (0.1%) from 2022. In 2023, compared with 2022, expenditure on:

- VET delivery increased by \$652.6 million (11.9%) to \$6.1 billion
- employer assistance decreased by \$745.8 million (18.6%) to \$3.3 billion
- student assistance increased by \$30.3 million (21.0%) to \$174.3 million
- capital decreased by \$45.7 million (10.2%) to \$402.6 million
- system administration and governance increased by \$121.6 million (16.3%) to \$866.0 million.

Figure 2 Government expenditure on VET by VET activity (\$ million), 2022 and 2023 - National



Notes:
Employer assistance includes incentive payments to employers for employing an apprentice or reskilling their workforce.
Student assistance includes equipment, travel and other costs, completion incentives and general support services.
Capital may be a result of expenditure for equipment acquisition, or large projects such as construction of industry-based and school-based skills centres. For more information, refer to *Government funding of VET 2023: terms and definitions*.

Expenditure by student and training attributes

Expenditure by student and training attributes look at the programs reported under each VET activity in relation to specific student or training characteristics. Funds are split where possible using actual payments as well as modelled or estimated data. Not all funding can be directly attributable to a category and is reported as 'not attributable'. However, it is important to consider, as it may directly and indirectly relate to the cost of training.

For further details, refer to the *Government funding of VET 2023: explanatory notes – Expenditure by student and training attributes and jurisdiction notes and caveats*.

Expenditure by apprenticeship status

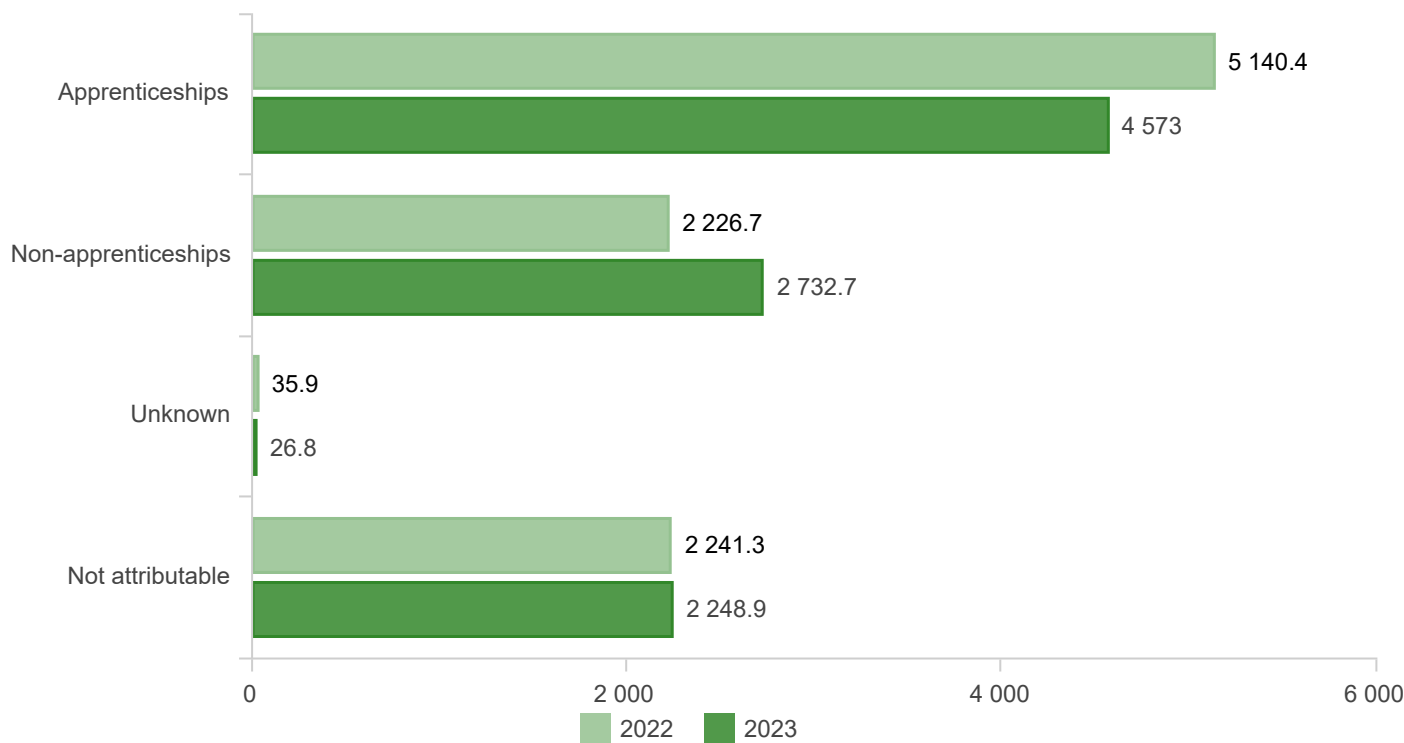
Apprenticeship programs are reported under the VET activities of VET delivery, employer assistance and student assistance.

In 2023, these activities totalled \$9.6 billion, a decrease of \$62.9 million (0.7%), with VET delivery expenditure contributing to 64.1% and employer assistance expenditure contributing to 34.1% of this total.

Reported expenditure on:

- apprenticeships decreased by \$567.4 million (11.0%) to \$4.6 billion
- non-apprenticeships increased by \$506 million (22.7%) to \$2.7 billion.

Figure 3 Government expenditure of VET delivery, employer assistance and student assistance by apprenticeship status (\$ million), 2022 and 2023 - National



Notes:
'Apprenticeships' refers to apprenticeships and traineeships.
The unknown category includes grants provided for training support services in general.
Expenditure not attributable by apprenticeship status includes costs associated with support programs, administration, operational funding and training funds provided under block funding arrangements.
Caution needs to be taken when analysing data by apprenticeship status due to the large amount of expenditure reported as "not attributable".
For further details, refer to the *Government funding of VET 2023: explanatory notes — VET funding distributions by student and training attributes and jurisdiction notes and caveats*.
For timeseries and detailed reporting by apprenticeship status, refer to *Government funding of VET 2023: DataBuilder*.

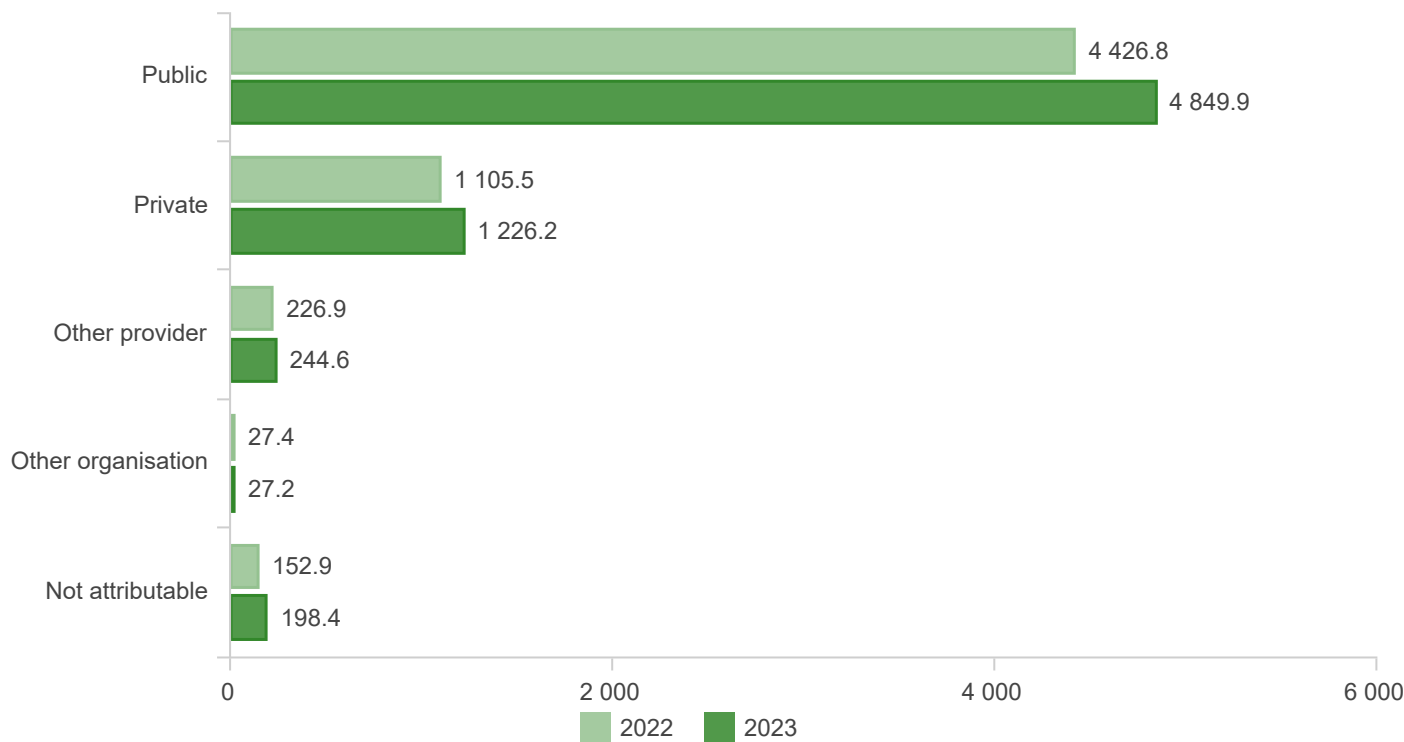
Expenditure by provider type

In 2023, government expenditure on VET delivery and capital totalled \$6.5 billion, an increase of \$606.8 million (10.2%) from 2022.

In 2023, compared to 2022, government payments to:

- public providers increased by \$423.1 million (9.6%) to \$4.8 billion
- private providers increased by \$120.6 million (10.9%) to \$1.2 billion
- other providers increased by \$17.7 million (7.8%) to \$244.6 million.

Figure 4 Government expenditure on VET delivery and capital by provider type (\$ million), 2022 and 2023 - National



Notes:

Public refers to technical and further education (TAFE) institutes, skills institutes, polytechnic and government universities.

Other provider refers to enterprise registered training organisations (RTOs), community-based adult education RTOs, industry-associated RTOs and school RTOs (public, private and independent) and non-government universities.

Other organisation refers to organisations that are not registered training organisations (RTOs) listed on the National Training Register (training.gov.au).

Expenditure not attributable by provider type can be a result of operational costs or an accounting adjustment which may lead to a negative total as in the case of a payment reversal.

Caution needs to be taken when analysing data by provider type due to the amount of expenditure reported as "not attributable". For further details, refer to the *Government funding of VET 2023: explanatory notes — VET funding distributions by student and training attributes*.

The periodic nature of capital expenditure should be considered when analysing provider type data.

For timeseries and detailed reporting by provider type, refer to *Government funding of VET 2023: DataBuilder*.

VET delivery expenditure by student and training attributes

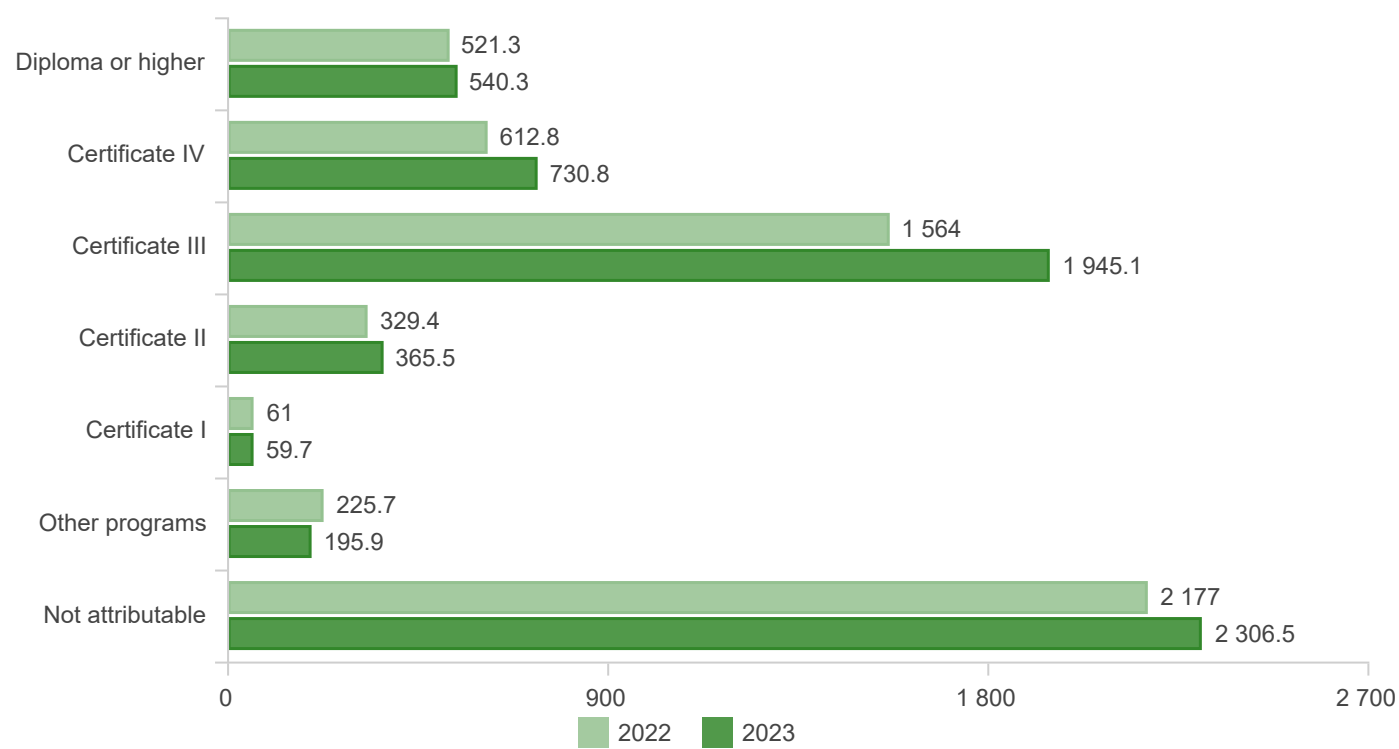
The following funding distributions relate to programs under VET delivery activity.

In 2023, expenditure by VET delivery totalled \$6.1 billion, an increase of \$652.6 million (11.9%) from 2022.

Expenditure by level of education

- In 2023, compared with 2022, government expenditure on:
- diploma or higher level programs increased by \$18.9 million (3.6%) to \$540.3 million
 - certificate IV programs increased by \$118.1 million (19.3%) to \$730.8 million
 - certificate III programs increased by \$381.1 million (24.4%) to \$1.9 billion
 - certificate I, II and other programs increased overall by \$5.0 million (0.8%) to \$621.1 million.

Figure 5 Government expenditure on VET delivery by level of education (\$ million), 2022 and 2023 - National



Notes:

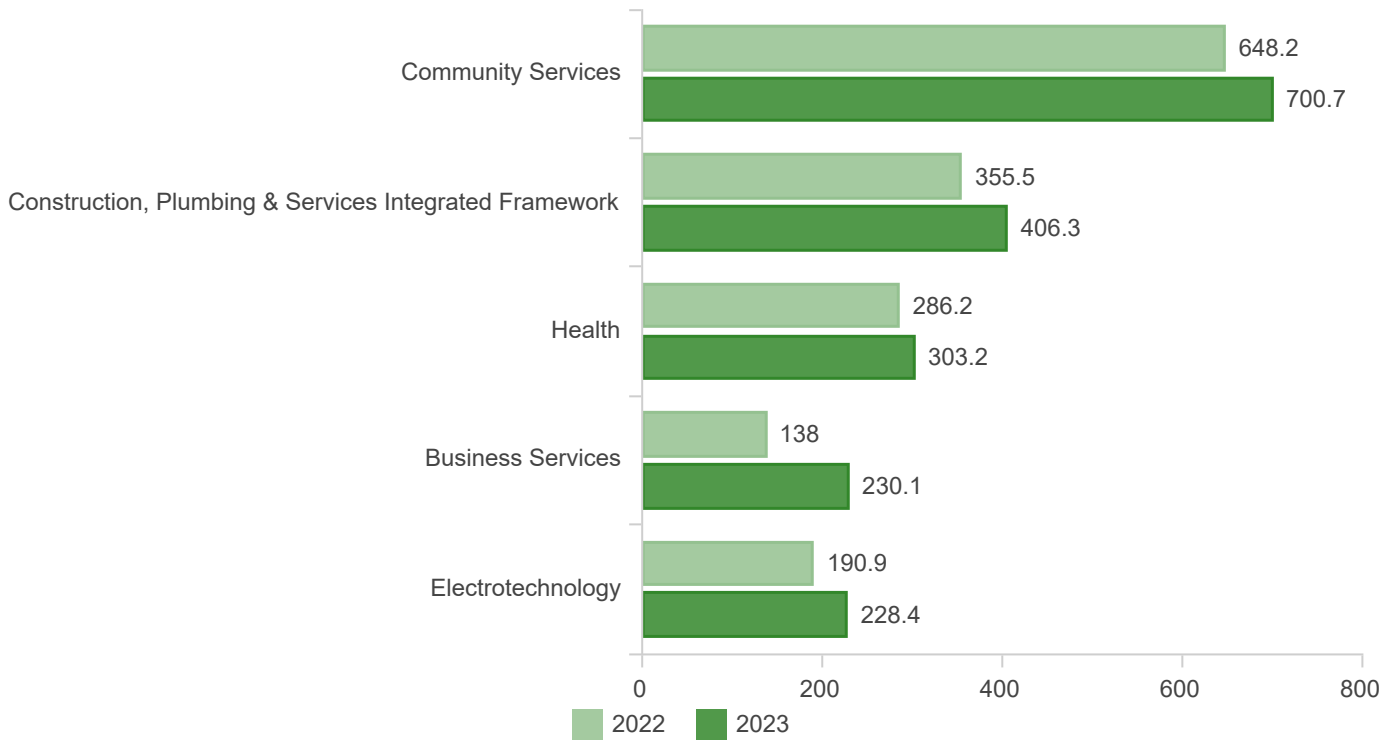
Other programs include non-award programs, skill sets, bridging or enabling courses not identifiable by level and training not elsewhere classified. Expenditure not attributable by level of education includes costs associated with support programs, administration, operational funding and training funds provided under block funding arrangements.

Caution needs to be taken when analysing data by level of education due to the large amount of expenditure reported as "not attributable". For further details, refer to the *Government funding of VET 2023: explanatory notes — VET funding distributions by student and training attributes*. For timeseries and detailed reporting by level of education, refer to *Government funding of VET 2023: DataBuilder*.

Expenditure by training package

- In 2023, compared with 2022, government expenditure on VET delivery by training package was highest for:
- Community Services at \$700.7 million, an increase of \$52.5 million (8.1%)
 - Construction, Plumbing & Services Integrated Framework at \$406.3 million, an increase of \$50.8 million (14.3%)
 - Health at \$303.2 million, an increase of \$17.1 million (6.0%).

Figure 6 Government expenditure on VET delivery for top 5 training packages by expenditure (\$ million), 2022 and 2023 - National



Notes:

Training packages are listed on the National Training Register (training.gov.au).

Expenditure not attributable by training package includes costs associated with support programs, administration, operational funding and training funds provided under block funding arrangements.

Caution needs to be taken when analysing data by training package due to the large amount of expenditure reported as "not attributable". For further details, refer to the Government funding of VET 2023: explanatory notes — VET funding distributions by student and training attributes.

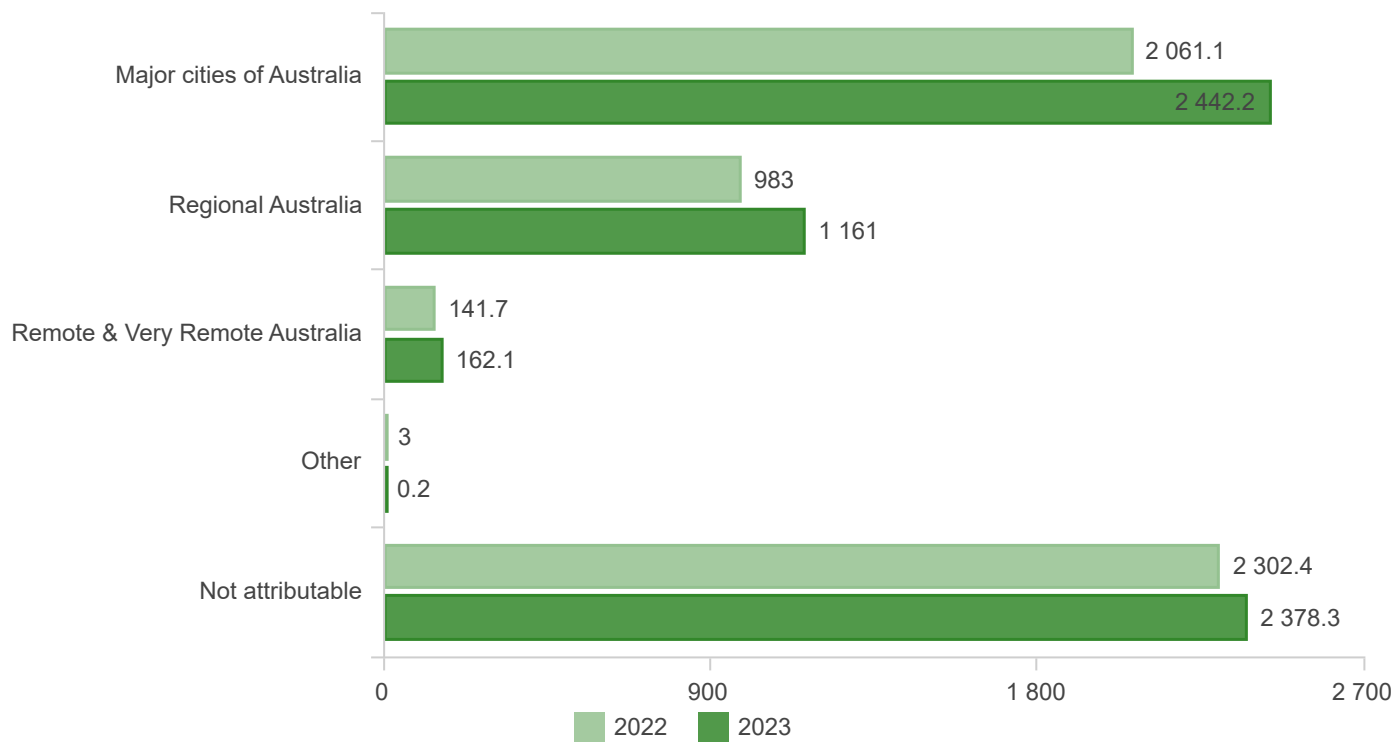
For timeseries and detailed reporting on training packages, refer to *Government funding of VET 2023: DataBuilder*.

Expenditure by student remoteness

In 2023, compared with 2022, government expenditure for students living in:

- major cities of Australia increased by \$381.0 million (18.5%) to \$2.4 billion
- regional areas of Australia increased by \$178.0 million (18.1%) to 1.2 billion
- remote areas of Australia increased by \$20.4 million (14.4%) to \$162.1 million.

Figure 7 Government expenditure on VET Delivery by student remoteness (\$ million), 2022 and 2023 - National



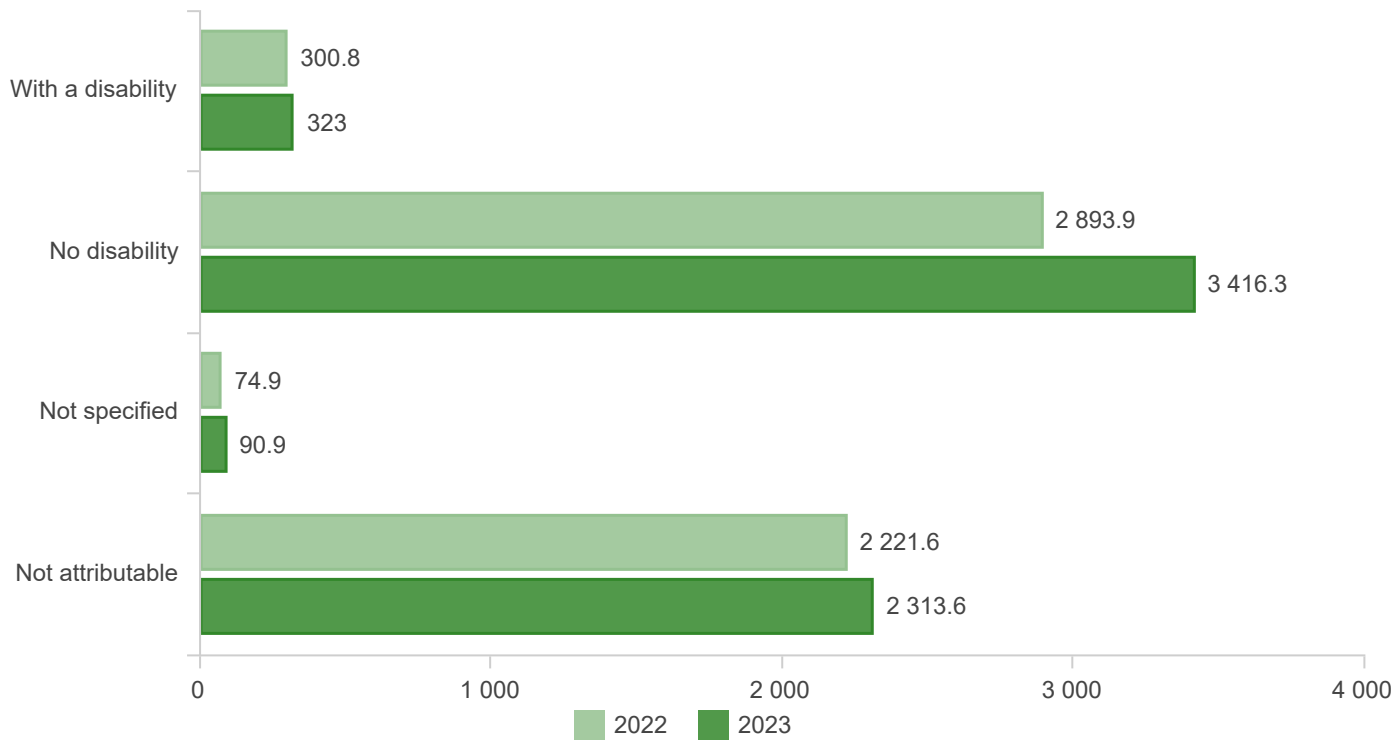
Notes:

Remoteness is based on the Australian Bureau of Statistics' Australian Statistical Geography Standard (ASGS) Remoteness Structure. For further details, refer to *Government funding of VET 2023: explanatory notes — remoteness structure*.
Reporting is based on a student's permanent address postcode.
Other includes migratory-offshore-shipping and no usual address categories.
Expenditure not attributable by student remoteness includes costs associated with support programs, administration, operational funding and training funds provided under block funding arrangements.
Caution needs to be taken when analysing data by student remoteness due to the large amount of expenditure reported as "not attributable". For further details, refer to *Government funding of VET 2023: explanatory notes — VET funding distributions by student and training attributes*.
For timeseries and detailed reporting on student remoteness, refer to *Government funding of VET 2023: DataBuilder*.

Expenditure by student disability status

- In 2023, compared with 2022, government expenditure for:
- students with a disability increased by \$22.2 million (7.4%) to \$323.0 million
 - students without a disability increased by \$522.4 million (18.1%) to \$3.4 billion.

Figure 8 Government expenditure on VET delivery by student disability status (\$ million), 2022 and 2023 - National



Notes:

Reporting captures funding for students that have self-identified as having a disability.

Expenditure not attributable by disability status includes costs associated with support programs, administration, operational funding and training funds provided under block funding arrangements.

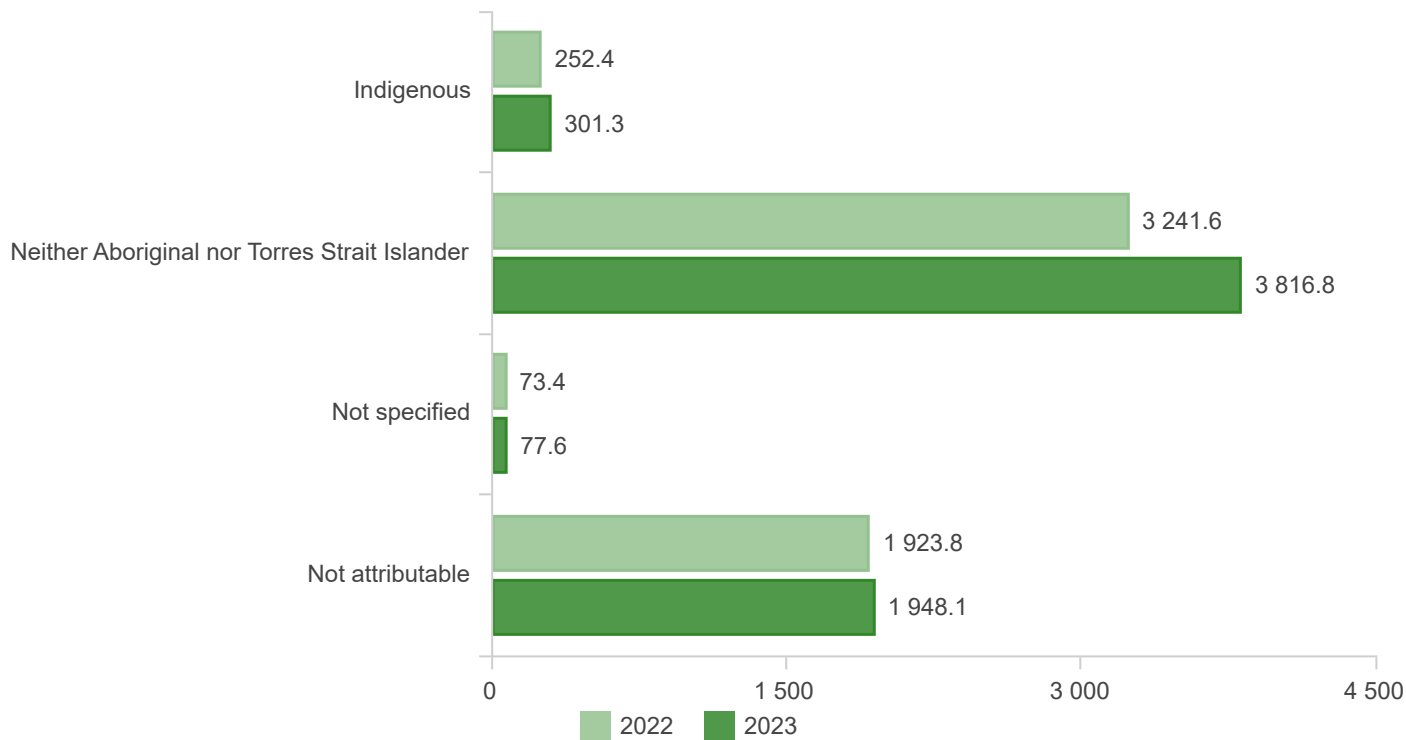
Caution needs to be taken when analysing data by student disability due to the large amount of expenditure reported as "not attributable". For further details, refer to the *Government funding of VET 2023: explanatory notes — VET funding distributions by student and training attributes*.

For timeseries and detailed reporting on student disability status, refer to *Government funding of VET 2023: DataBuilder*.

Expenditure by student Indigenous status

- In 2023, compared with 2022, government expenditure for:
- Indigenous students increased by \$48.9 million (19.4%) to \$301.3 million
 - non-Indigenous students increased by \$575.1 million (17.7%) to \$3.8 billion.

Figure 9 Government expenditure on VET delivery by student Indigenous status (\$ million), 2022 and 2023 - National



Notes:

Reporting captures funding for students that have self-identified as being of Australian Aboriginal or Torres Strait Islander descent and program funding specifically for Indigenous persons.

Expenditure not attributable by Indigenous status includes costs associated with support programs, administration, operational funding and training funds provided under block funding arrangements.

Caution needs to be taken when analysing data by Indigenous statuses due to the large amount of expenditure reported as "not attributable". For further details, refer to the *Government funding of VET 2023: explanatory notes — VET funding distributions by student and training attributes*.

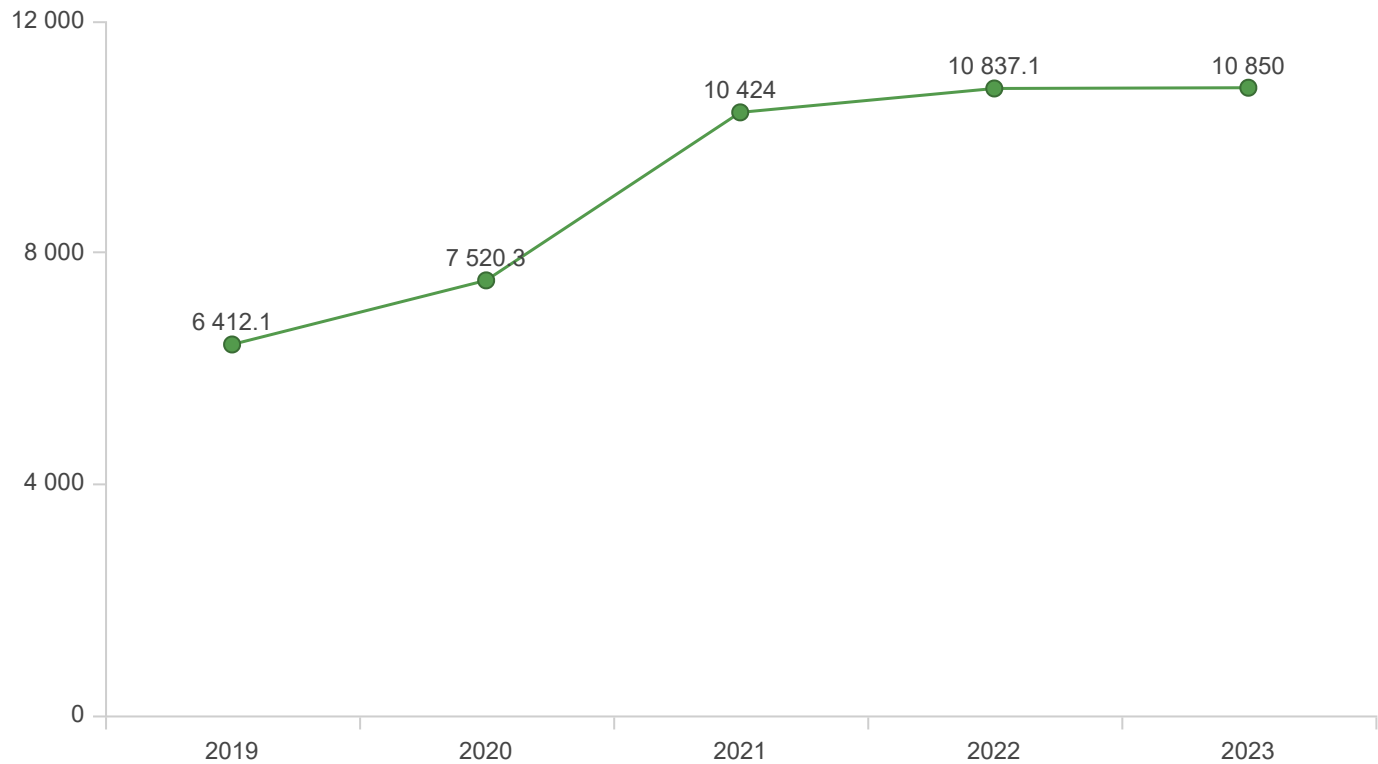
For timeseries and detailed reporting on student Indigenous status, refer to *Government funding of VET 2023: DataBuilder*.

Expenditure time series

Total VET expenditure on VET

Over the five years from 2019 to 2023, government expenditure on VET increased by \$4.4 billion (69.2%) to \$10.9 billion.

Figure 10 Total government expenditure on VET (\$ million), 2019 to 2023 - National



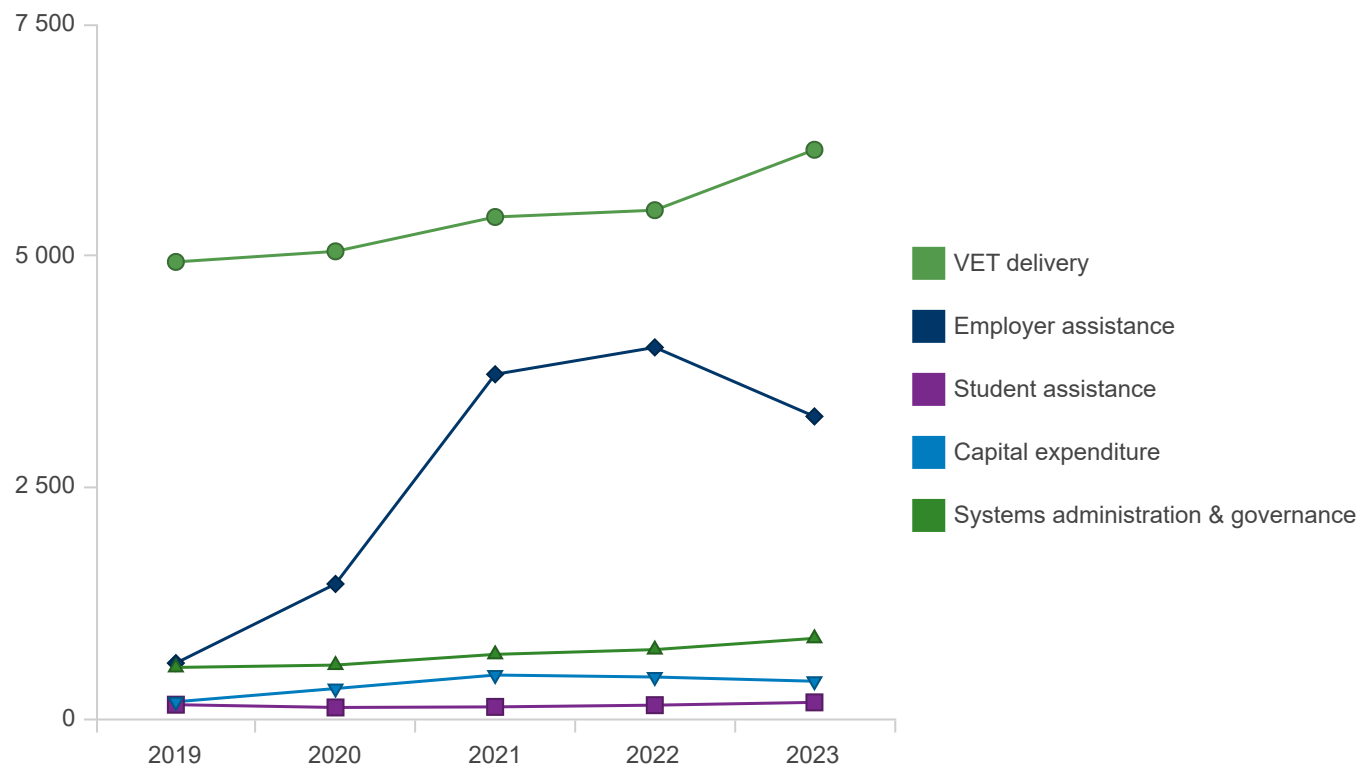
Notes:
Government expenditure includes the VET activities of VET delivery, employer assistance, student assistance, capital and systems administration and governance.
For detail refer to *Government funding of VET 2023: DataBuilder*.

VET expenditure by VET activity

Over the five years from 2019 to 2023, government expenditure on:

- VET delivery increased by \$1.2 billion (24.6%) to \$6.1 billion
- employer assistance increased by \$2.7 billion (445.5%) to \$3.3 billion
- student assistance increased by \$25.1 million (16.9%) to \$174.3 million
- capital increased by \$221.9 million (122.7%) to \$402.6 million
- system administration and governance funding increased by \$314.4 million (57.0%) to \$866.0 million.

Figure 11 Government expenditure by VET activities (\$ million), 2019-2023 - National



Notes:

For detail and timeseries refer to *Government funding of VET 2023: DataBuilder*.

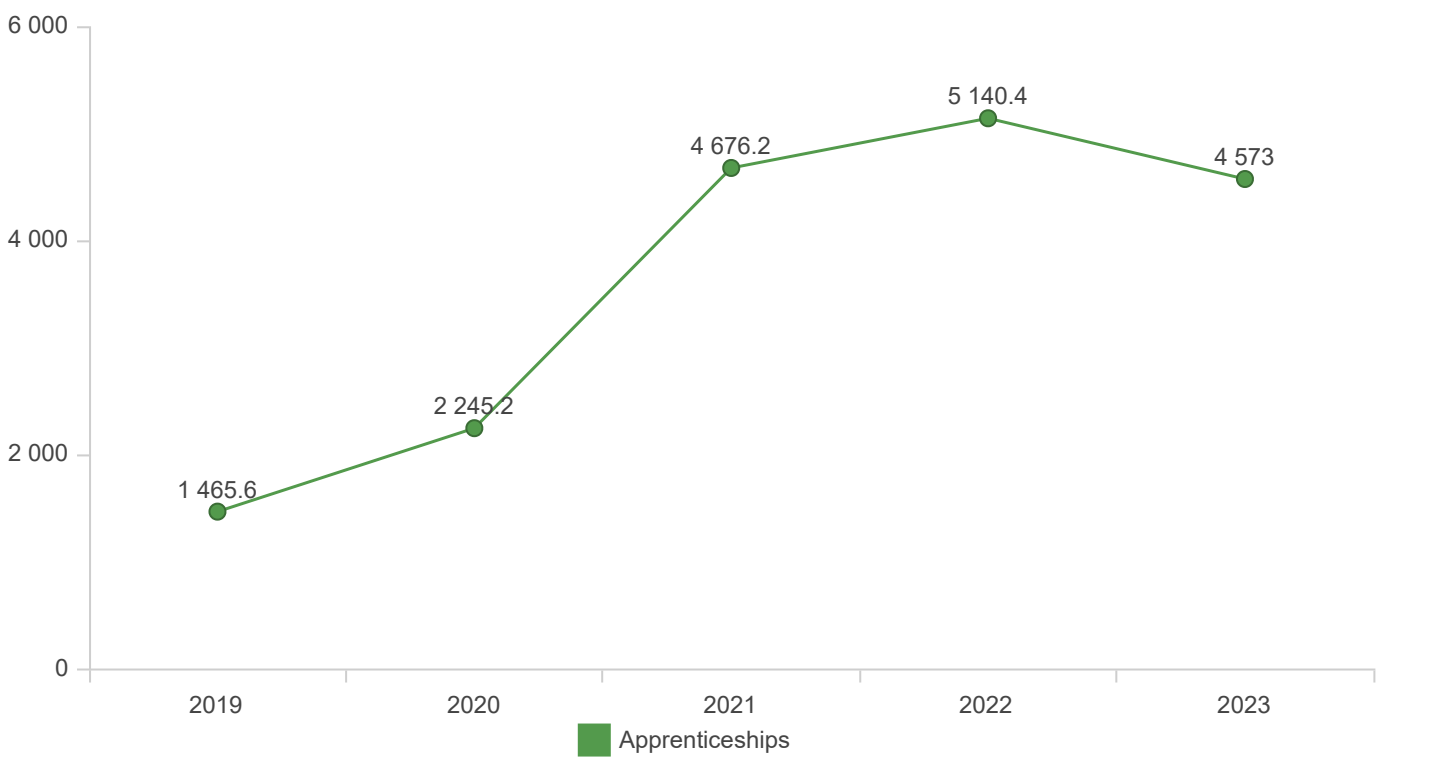
VET expenditure by apprenticeships and traineeships status

Apprenticeship and traineeship programs are reported under the VET activities of VET delivery, employer assistance and student assistance.

Over the five years from 2019 to 2023, expenditure on these activities increased by \$3.9 billion (68.7%) to \$9.6 billion, with VET delivery expenditure increasing by \$1.2 billion and employer assistance expenditure increasing by \$2.7 billion.

Over the five years from 2019 to 2023, government expenditure on apprenticeships and traineeships, increased by \$3.1 billion (212.0%) to \$4.6 billion.

Figure 12 Government expenditure on apprenticeships and traineeships (\$ million), 2019 to 2023 - National



Notes:
The graph above excludes the reporting categories of non-apprenticeship, unknown, and not attributable reporting.
'Apprenticeships' refers to apprenticeships and traineeships.
Expenditure not attributable by apprenticeship status include costs associated with support programs, administration, operational funding and training funds provided under block funding arrangements.
Caution needs to be taken when analysing data by apprenticeship status due to the large amount of expenditure reported as "not attributable". For further details, refer to the *Government funding of VET 2023: explanatory notes — VET funding distributions by student and training attributes and jurisdiction notes and caveats*.
For timeseries and detailed reporting by apprenticeship status, refer to *Government funding of VET 2023: DataBuilder*.

VET Loans

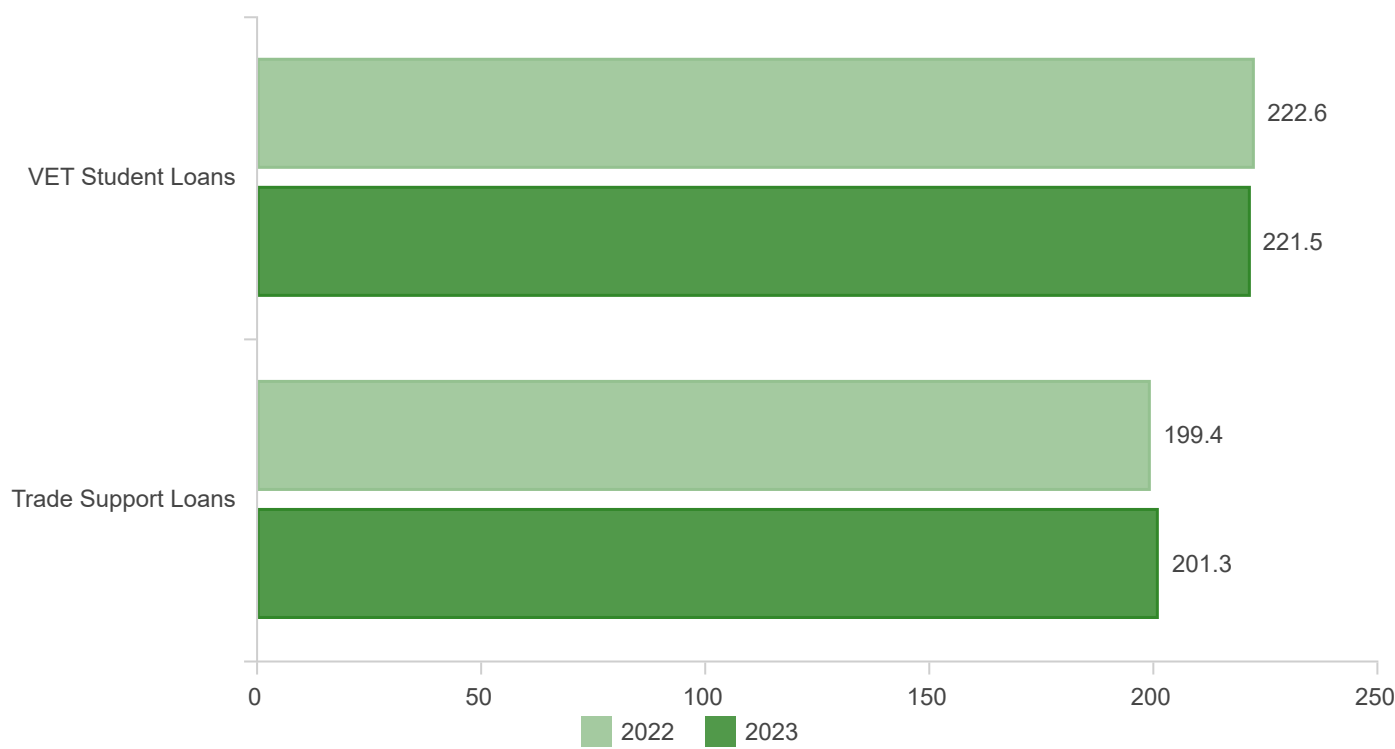
Australian Government provision for VET loans

The Australian Government administers VET Loan Programs, which include the VET Student Loan program and the Trade Support Loan program.

In 2023, the Australian Government provided:

- VET Student Loans to the value of \$221.5 million, a decrease of \$1.1 million (0.5%) from 2022
- Trade Support Loans to the value of \$201.3 million, an increase of \$1.9 million (1.0%) from 2022.

Figure 13 Australian Government provision for VET loans (\$ million), 2022 and 2023



Notes:

The reported value of VET Student Loans excludes estimated loan expenses and state and territory contributions.
For further details, refer to *Government funding of VET 2023: explanatory notes — Australian Government provision of VET loans*.
For timeseries and detailed reporting refer to *Government funding of VET 2023: DataBuilder*.

Transfers for VET Student Loans

States and territories contribute half the cost of loan expenses, which includes the concessional loan discount, and the debt not expected to be repaid (DNER) by state-subsidised students using the VET Student Loans program or grandfathered VET FEE-HELP scheme.

In 2023, states and territories paid \$8.7 million towards loan debts.

For further details, refer to *Government funding of VET 2023: explanatory notes – transfers for VET student loans*.

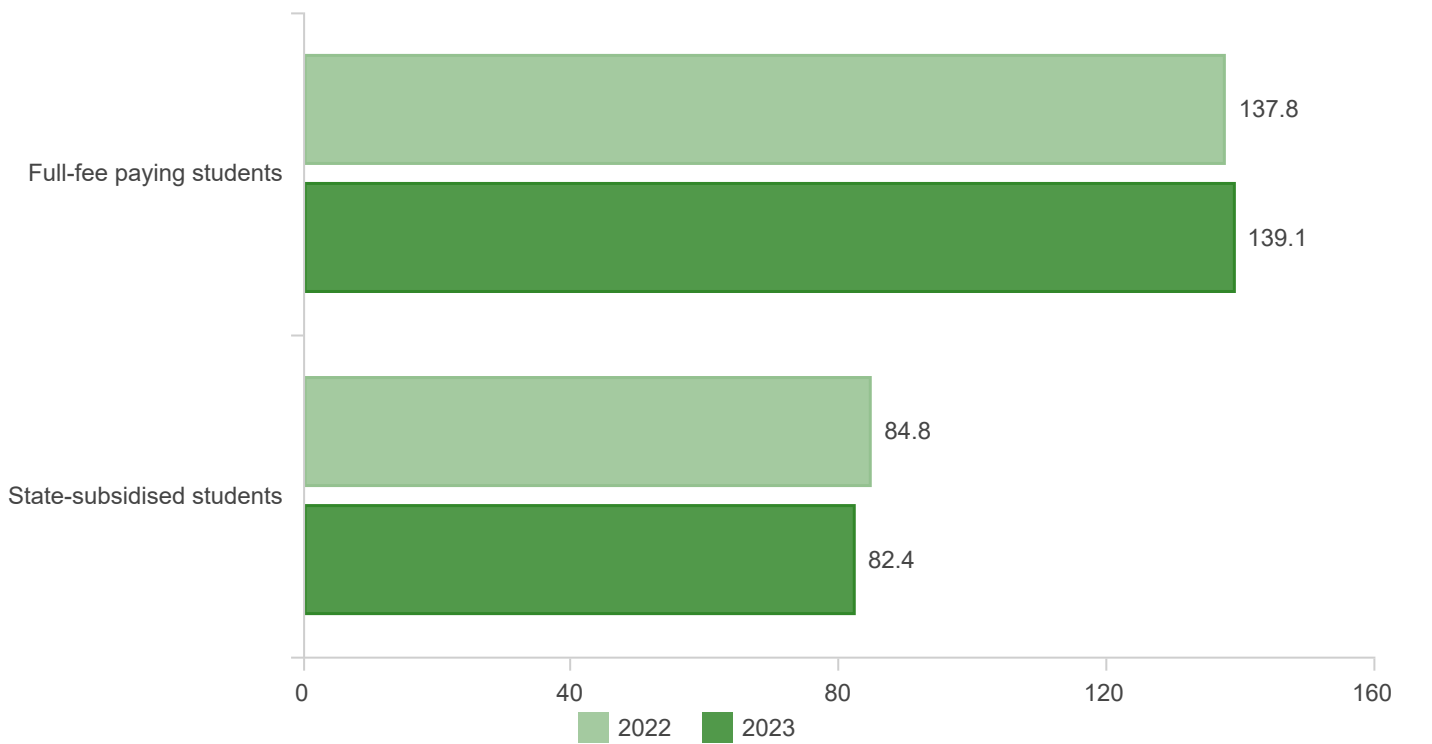
The VET Student Loan Program

The Australian Government provides a VET Student Loan Program to assists VET students in paying for all or part of their training fees.

In 2023, compared with 2022, the Australian Government provided:

- \$139.1 million in loans to full-fee paying students, an increase of \$1.3 million (0.9%)
- \$82.4 million in loans to state-subsidised students, a decrease of \$2.4 million (2.8%).

Figure 14 Australian Government VET student loans by student type (\$ million), 2022 and 2023



Notes:

The reported value of VET Student Loans excludes estimated loan expenses and state and territory contributions.
For further details, refer to *Government funding of VET 2023: explanatory notes – Australian Government provision of VET loans*.
For timeseries and detailed reporting refer to *Government funding of VET 2023: DataBuilder*.

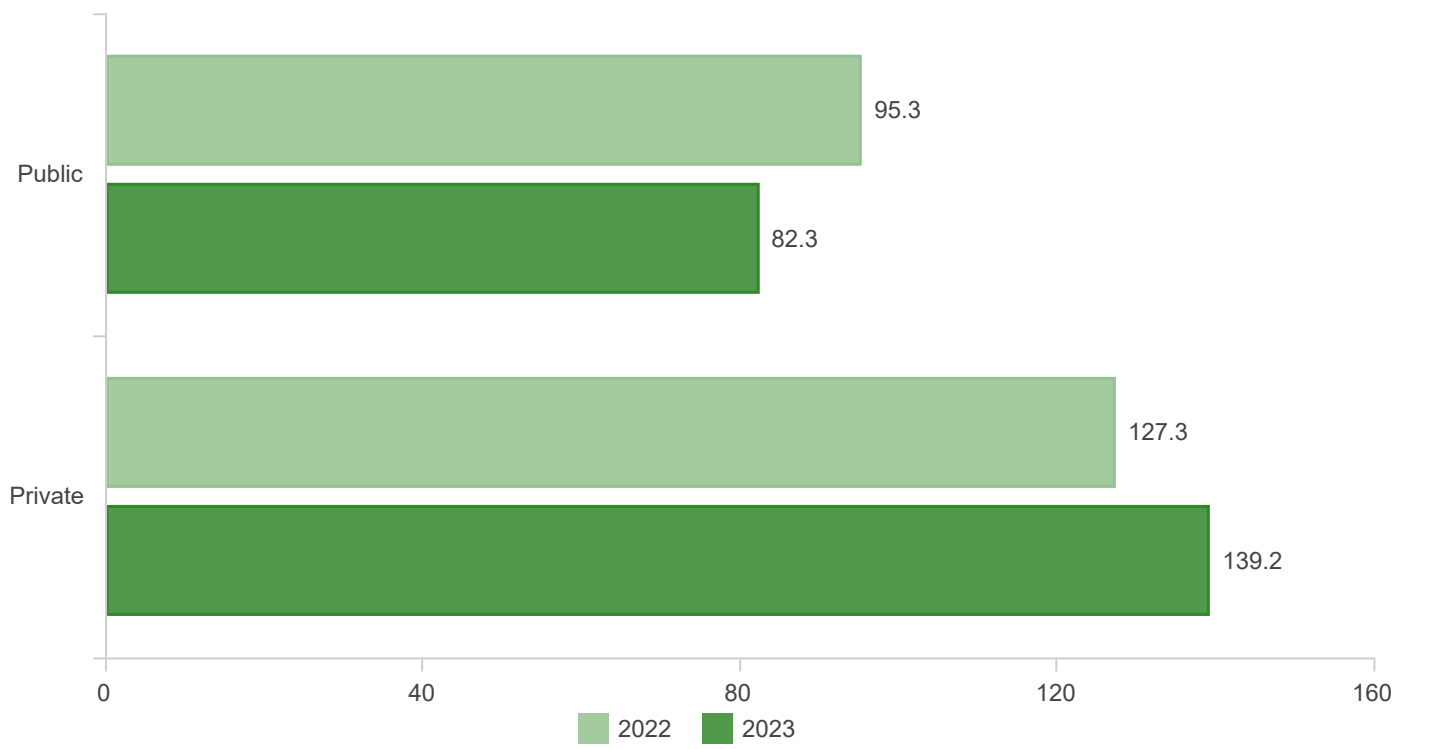
Loan distribution by provider type

On behalf of the student accessing the VET Student Loan Program the Australian Government pays part or all of the student's training fee directly to the training provider.

In 2023, compared with 2022, payments under the VET Student Loan Program to:

- public providers decreased by \$13.0 million (13.7%) to \$82.3 million
- private providers increased by \$11.9 million (9.3%) to \$139.2 million.

Figure 15 VET student loans by provider type (\$ million), 2022 and 2023



Notes:
The reported value of VET Student Loans excludes estimated loan expenses and state and territory contributions.
For further details on reporting by provider type, refer to Government funding of VET 2023: explanatory notes — provider type reporting categories.
For timeseries and detailed reporting refer to *Government funding of VET 2023: DataBuilder*.

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For details and exceptions visit the [NCVER Portal](#).

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