

# Appendix A:

## Submissions and comments

We have consulted with the Department of Jobs, Skills, Industry and Regions and we considered their views when reaching our audit conclusions. As required by the *Audit Act 1994*, we gave a draft copy of this report, or relevant extracts, to those agencies and asked for their submissions and comments.

Responsibility for the accuracy, fairness and balance of those comments rests solely with the relevant agency head.

### Responses received

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Department of Jobs, Skills, Industry and Regions	A-2

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## Department of Jobs, Skills, Industry and Regions

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Ref: CSEC-2-26-28325

██████████ ██████████  
Mr Andrew Greaves  
Auditor-General  
Victorian Auditor-General's Office  
Level 31, 35 Collins Street  
MELBOURNE VICTORIA 3000

Dear Mr Greaves

### PROPOSED REPORT: FREE TAFE

Thank you for your letter of 2 April 2026 sharing the Free TAFE proposed report for review and response.

The Department of Jobs, Skills, Industry and Regions (the department) accept VAGO's recommendations. It is committed to delivering a high performing skills system that enables Victorians to access skilled employment and supports the economy to meet its workforce needs, including via Free TAFE.

The department notes Free TAFE's economic and equity impacts and considers it to be successful labour market activation policy. Significantly, Free TAFE performs comparably to non-Free TAFE courses while activating new learners who would not otherwise be able to access training. The department is pleased that 2024 and 2025 training data reports an increase in priority cohorts accessing Free TAFE.

The department considers that Free TAFE is comparable to income-contingent loans in the higher education system. Both remove upfront cost barriers, allowing individuals to participate in tertiary education irrespective of their ability to pay upfront costs.

Free TAFE is also boosting economic growth by training Victorians in areas of highest priority and addressing persistent skills shortages. Victorian Skills Authority analysis shows that workforce shortages and employment growth are concentrated in sectors such as construction and care, many occupations in these sectors are supplied through Free TAFE.

The department will continue to monitor Free TAFE using the extensive frameworks shared with VAGO. The department is seeking to introduce two new Free TAFE performance measures.

Enclosed is the department's action plan to address VAGO's recommendations on Free TAFE.

I thank you for the professional manner demonstrated by VAGO throughout the course of the review.



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If your team requires any further information, please contact Karan Gill, Chief Audit Officer on [REDACTED] or [REDACTED].

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Heather Ridley'.

**Heather Ridley**  
Acting Secretary

Date: 20/04/2026

Encl. DJSIR Action Plan to Address Recommendations – Free TAFE



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**Department of Jobs, Skills, Industry and Regions action plan to address recommendations from Free TAFE performance audit engagement**

No.	VAGO recommendation	Acceptance	Agreed management actions	Target completion date
1	<p>(Victoria Skills Authority, in collaboration with the Department of Jobs, Skills, Industry and Regions:)</p> <p>Establish an overarching, documented understanding for delivering the employment projections that contribute to identifying priority skills, that:</p> <ul style="list-style-type: none"> <li>recognises the employment projections as a key input in producing skills demand and supply analysis</li> <li>describes the roles and responsibilities of the agencies involved, including the Department of Jobs, Skills, Industry and Regions and Victoria Skills Authority</li> <li>describes the expectations for collaboration between the department and other agencies</li> <li>outlines the timing and mode of delivery for key outputs such as the employment projections.</li> </ul>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	<p>The Victorian Skills Authority (VSA) and department accept this recommendation.</p> <p>The department and VSA will document the agreed process for delivering the employment projections that contribute to identifying priority skills.</p>	June 2027
2	<p>Develop and implement a plan to evaluate the Free TAFE initiative that:</p> <ul style="list-style-type: none"> <li>describes the initiative, including its background, activities, objectives and intended outcomes</li> <li>defines the expected performance of the initiative</li> <li>sets specific and appropriate performance measures for objectives and outcomes, including sources of data and data collection methods</li> <li>assesses the achievement of objectives, intended benefits and outcomes</li> <li>assesses the impact of Free TAFE on the level of support services students require, and the operational costs for TAFE to provide these services</li> <li>considers the value for money of the initiative with respect to the government expenditure vs. the broader economic, social and individual benefits</li> <li>establishes a schedule for monitoring and evaluation activities and deliverables.</li> </ul>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	<p>The department accepts this recommendation.</p> <p>The department will continue to monitor Free TAFE using the extensive frameworks shared with YAGO and will establish a Free TAFE schedule for future monitoring and evaluation activities.</p> <p>In addition, the department will introduce two new Free TAFE performance measures as part of state budget reporting and will consider how an evaluation of Free TAFE can be achieved within the context of the broader funded training system.</p>	December 2027

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