



Australia

This country note provides an overview of the governance of the adult skills system in Australia. It is part of an extensive review of all 38 OECD countries. The main findings across all countries are summarised in the OECD policy paper *The Role of Subnational Governments in Adult Skills Systems*. This country note was reviewed by Australian Government officials in March 2025 and was published in June 2025.

Table 1. Overall governance and expenditure structure

Governance structure	Levels of governance	% of general government expenditure at the sub-national level
Federal	National: The federal state/Commonwealth Regional: States (6), Territories (2) Local: Local councils (537)	44.0%
How is the adult skills system governed?		
Centralised	Combined system ✓	Decentralised

Note: For more information on the definitions of the governance models, please see (OECD, 2025^[1]).
Sub-national government expenditure is 39.1% at the state and territorial level and 5.9% to the local level
Source: (OECD/UCLG, 2022^[2])

How is the adult skills system governed?

It is important to note that Continuing Education and Training (CET) for adults is not a policy term used to describe retraining or reskilling in Australia. However, adult education and training opportunities are supported through transfers of Commonwealth funding to state and territory governments. Commonwealth funding arrangements do not distinguish between support for adults and young people. However, states and territories can set their own eligibility requirements for access to publicly subsidised education and training, which may make a distinction between younger and older learners.

Australia has a **combined governance system**. Responsibility for adult education (AE), including vocational education and training (VET), is primarily the domain of the state and territory governments, although the Australian Government plays a role in funding, policy leadership, and setting national standards.

- The Department of Employment and Workplace Relations (DEWR) has responsibility for administering Australia’s VET system at the national level. At the regional level, state and territory authority governments have implementation and delivery responsibility for VET, co-fund programmes with Australia’s national government in VET, and participate in Australia’s Skills and Workforce Ministerial Council (SWMC) to align policies with regional needs and national priorities.
- The SWMC, launched in 2023, supports national skills leadership and reform through: 1) delivering on the shared vision of the VET sector through a long-term National Skills Agreement (NSA); 2) positioning the VET sector to support a fair and productive economy; 3) improving the quality and

relevance of VET through the delivery of reforms already underway, and 4) enhancing VET delivery and outcomes for Australians by strengthening collaboration with other portfolios on key intersections.

- National skills strategies for VET are developed in co-operation with the states and territories. The NSA sets out a shared system stewardship model to coordinate action to address national priorities and skills needs; this model emphasises collaboration and stakeholder engagement for national planning and delivery of evidence-based VET policies.
- Where policies specific to adult retraining/reskilling are developed, they are the joint responsibility of the federal, state and territory governments, while private and public Registered Training Organisations (RTOs) or universities deliver services at the local level. In addition, where adult retraining/reskilling is accessed through Australian Government labour market programs, services are delivered through employment providers contracted directly to the Commonwealth.
- Government skills funding comes from national and regional (state and territory) government budgets. Along with VET delivery funding and system administration and governance, this includes funding that incentivises and supports employers to engage in VET, including subsidies, incentives, grants and other payments. In addition, employers contribute to VET by hiring VET graduates, supporting apprentices and trainees, providing training for their employees, and collaborating with RTOs to develop tailored training programs.
- DEWR is responsible for administering the policy framework and funding arrangements for Australian Government Active Labour Market Programmes (ALMPs). Some states and territories have established their own complementary ALMP programmes.

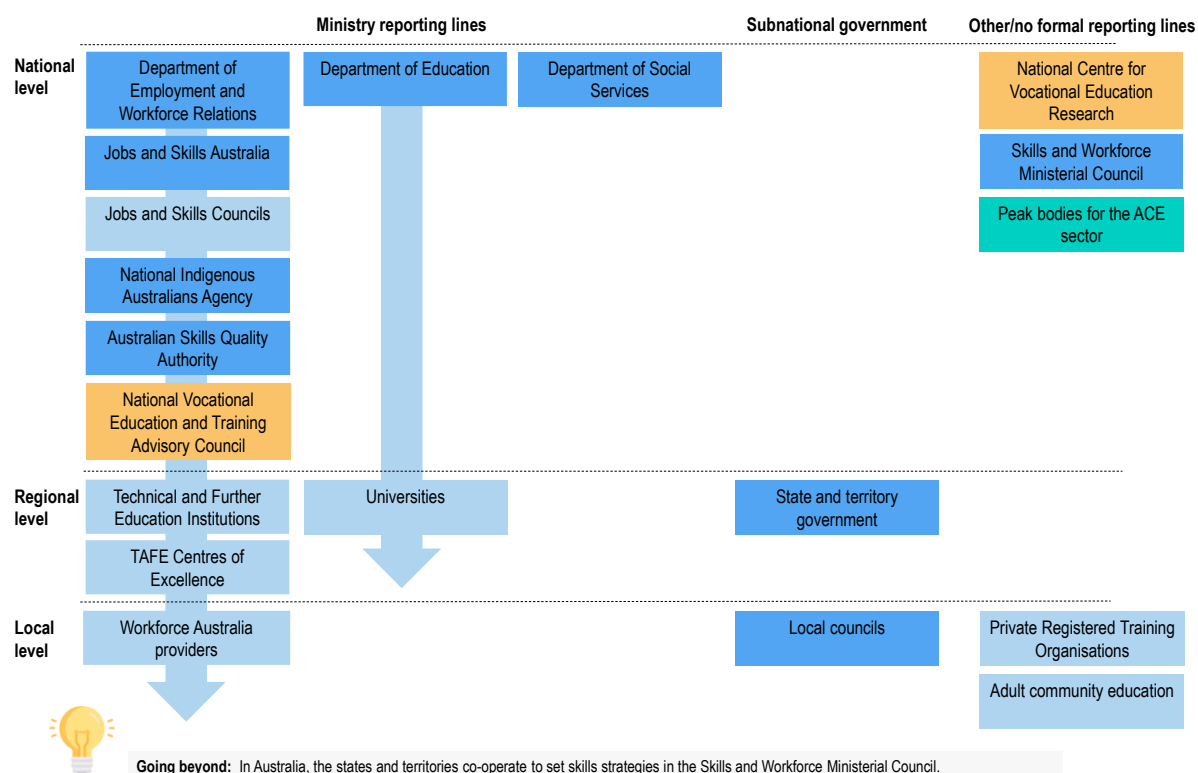
Table 2. Allocation of responsibilities across policy areas and levels of government

	Strategy	Intelligence	Implementation	Funding	Delivery	
Policy area	National level					
	VET, HVET	✓	✓	-	✓	-
	AE	✓	✓	-	✓	-
	ALMP	✓	✓	✓	✓	✓
	Regional level					
	VET, HVET	✓	✓	✓	✓	✓
	AE	✓	✓	✓	✓	✓
	ALMP	✓	✓	✓	✓	✓
	Local level					
	VET, HVET	-	-	-	-	-
	AE	-	-	✓	✓	✓
	ALMP	-	-	-	-	-

Legend: ✓ = Yes; - = No

Note: For more information on exact definitions of policy areas and responsibilities, please see (OECD, 2025^[1]). At the national level, Jobs and Skills Australia (JSA) is the federal Government agency responsible for skills and training forecasting, the Australian Bureau of Statistics provides employment and education data, and the National Centre for Vocational Education Research (NCVER) is both federal and state/ territory government owned and funded.

Infographic 1. Overview of the adult skills system



Note: Colour code: Dark blue → government/national/subnational agencies, Green → social partners, Lighter blue → private actors and education providers, Yellow → Expert councils/foundations/associations/research institutions. For more information, see (OECD, 2025^[11]). Source: OECD compilation based on available information.

Stakeholders and responsibilities at the national level

Australia's national government (Australian Government) sets overarching strategies and funding activities across various policy areas. However, at the level of the Commonwealth, there is no direct responsibility for overarching adult education policy.

- The **Commonwealth, through DEWR**, plays a role in the governance, financing and overarching policy development for the VET system, working cooperatively with the states. The Australian Government supports access to reskilling/retraining by funding states and territories to deliver subsidised TAFE and private RTO courses. In addition, the Australian Government provides direct support through its broader skills programs, which, while not targeted to adult education, include assistance that eligible adult learners can access. Examples include the:
 - Skills for Education and Employment (SEE) Program, which is an Australian Government program that delivers free language, literacy, numeracy and digital skills training to eligible Australians who have left school and the
 - Australian Apprenticeships Incentive System (AAIS) is an Australian Government program supporting apprenticeships and traineeships for anyone of working age in a formal employment arrangement to simultaneously train, study and earn an income. Under the AAIS, payments are available to employers who engage apprentices working in priority occupations, such as in the clean energy sector.

- **DEWR** is responsible for administering Australia’s VET system at the national level. The Australian and state and territory governments jointly fund VET in Australia. State and territory governments are responsible for delivering VET services and providing recurrent appropriations for VET through annual budget cycles. DEWR is responsible for leading Australian Government policy development and reform in consultation with state and territory government agencies.
- **DEWR** is responsible for the policy framework for Australian Government ALMPs and managing the contracts with employment services providers nationwide. The policy framework is informed by research and intelligence from various bodies such as Jobs and Skills Australia and the **National Centre for Vocational Education Research**.
- **Jobs and Skills Australia** is an independent body that advises the Australian government and other stakeholders on the Australian economy’s current and emerging skills and workforce needs.
- The **NSA** outlines the Australian Skills Ministers’ vision for the national VET system and the approach to achieving its shared goals. It also sets out the comprehensive implementation arrangements for the NSA. Jobs and Skills Australia supports the implementation of the NSA.
- The **Australian Skills Quality Authority (ASQA)** is responsible for quality assurance and regulation of VET providers and benefits from advice from the **National Vocational Education and Training Regulator Advisory Council**.
- The Australian Government **Department of Education** funds and oversees public and private higher education providers.
- The Australian Government **Department of Social Services** is responsible for administering the delivery of specialist employment services for people with disability, injury and/or a health condition.
- The **National Indigenous Australians Agency** is responsible for influencing policy development, implementation and investment initiatives to improve outcomes for First Nations peoples through education and employment programmes.
- **Adult Learning Australia** is the largest peak body in the adult education services sector. It brings together local adult community education and adult learning providers and develops and disseminates reports and research in the field. It is not established nor funded by the Australian Government.

Table 3. Stakeholders and responsibilities at the national level

Name of institution	Responsibilities					Organisation type	Areas	Description
	Strategy	Intelligence	Implementation	Funding	Delivery			
Department of Education	✓	✓	▪	✓	▪	Ministry	HVET	The department is responsible, at national level for overseeing the higher education sector and jointly responsible with DEWR for oversight of HVET. It sets national standards, and policies in higher education. It is also responsible for developing and disseminating reports and research on education programmes in the higher education field.
Department of Employment and Workplace Relations	✓	✓	▪	✓	▪	Ministry	VET HVET CET ALMP	The department has leadership responsibility for the governance, funding, and overarching policy development for the VET system, setting national standards, and working together with state and territory skills departments. The department is responsible for the design of Australian Government ALMPs. The national government is responsible for intelligence in the field of

								Australian Government ALMPs and the potential impact of programmes across Australia. The department is responsible for overseeing Workforce Australia
Department of Social Services	✓	✓	-	✓	-	Ministry	ALMP	The department funds and oversees the Disability Employment Services (DES) program. A new specialist disability employment program will replace the current DES program and start on 1 July 2025.
Skills and Workforce Ministerial Council	✓	-	-	-	-	Multilevel governance cooperation	VET	The Council was established in 2023 and is chaired by the commonwealth minister for Skills and Training. Members include state and territorial ministers with responsibility for skills and training in their jurisdiction. The council reports to the National Cabinet, which is comprised of government leaders from all states and territories. The council works to design strategies and plans to address skills needs in the workforce and provides a forum for cooperation across the VET sector. It is responsible for developing multiannual skills strategies, including the National Skills Plan, which progresses joint governance of the national VET system.
Workforce Australia	-	-	-	-	✓	National network	ALMP	Workforce Australia is a network of employment service providers contracted by the Department of Employment and Workforce Relations to deliver ALMPs for jobseekers and other employer support services. Providers are selected for the network and allocated businesses through a competitive public tender process, with contract periods running for varying time periods.
Jobs and Skills Australia	-	✓	-	-	-	Independent Body	VET	Jobs and Skills Australia was established in 2022 (following the abolishment of the National Skills Commission) as an independent body to inform and advise the Australian government as well as other stakeholders on current, emerging and future skills and workforce needs. A Ministerial Advisory Board was established under the Jobs and Skills Australia Act 2022 to advise the Commissioner and the Minister for Skills and Training on the performance of the functions of Jobs and Skills Australia.
Jobs and Skills Councils	-	✓	✓	-	-	Expert Council	VET	A network of ten Jobs and Skills Councils (formerly called Industry Clusters) have been established progressively throughout 2023. The councils are organised as tripartite arrangements to identify solutions to skills and workforce challenges and comprise employers, unions and national government representatives. The councils are not-for-profit, industry-led, and established to align efforts across industries to improve VET system responsiveness. The councils figure under the Department of Employment and Workforce Relations.
National Centre for Vocational Education Research	-	✓	-	-	-	Research institution	VET	The centre is responsible for conducting and disseminating research and statistics on the VET system. It is an independent, not-for-profit body owned by the state, territory and Commonwealth governments. It is managed by a board of directors and aims to inform and influence policy and practice in VET. The Department of Employment and Workforce Relations contracts the Centre to provide statistical and research services to the Commonwealth, State and Territory governments.
National Indigenous Australians Agency	-	✓	✓	✓	✓	National agency	VET HVET CET ALMP	The National Indigenous Australians Agency (NIAA) works in genuine partnership to enable the self-determination and aspirations of First Nations communities. The NIAA implements the Australian Government' priorities, which includes the National Agreement on Closing the Gap, where the Commonwealth, states and territories, local government and the Coalition of Peaks are jointly accountable for the outcomes and targets under the National Agreement,

									including the education and employment targets. The NIAA is responsible for the direct delivery of some education related programs and the delivery of employment services in remote Australia as well as targeted Indigenous-specific employment programs.
Australian Skills Quality Authority	-	-	✓	-	-	National agency	VET		The Australian Skills Quality Authority (ASQA) is the main responsible body for registering and regulating over 90% of all VET providers. ASQA is also responsible for registering and regulating Education Services for Overseas Students (ESOS) providers and national course accreditation. Registered Training Organisations are responsible for Recognition of Prior Learning (RPL).
National Vocational Education and Training Regulator Advisory Council	-	✓	-	-	-	National agency	VET		The council is responsible for supporting best practices in regulating the VET system and providing advice directly to the Australian Skills Quality Authority.
Skills National Cabinet Reform Committee	✓	-	-	-	-	Multilevel governance cooperation	VET		Five committees are established in political priority areas, including one in skills. The committee provides a forum for cross-governmental cooperation and features the national ministers with responsibilities in the field of skills and ministers of skills from all states and territories.
Adult Learning Australia	-	✓	✓	-	-	Association	AE		The largest body for adult community education in Australia. It is a not-for profit entity with both organisations and individual members in all states and territories.

Legend: ✓ = Yes; - = No

Source: OECD compilation based on (Australian Government - Department of Foreign Affairs and Trade, 2024^[3]), (Australian Government - Department of Foreign Affairs and Trade, 2025^[4]) (Jobs and Skills Australia, 2024^[5]), (Skills and Workforce Ministerial Council, 2024^[6])

Stakeholders and responsibilities at the regional level

The regional level comprises both the 6 states and 2 territories in Australia.

- **State and territory governments** have policy, implementation and delivery responsibility for operating the VET system within their jurisdiction. State Training Authorities (STAs) deliver these functions accountable to their state minister. They work with the Australian Government to set policies, manage provider contracts and facilitate cooperation with local providers and communities on service delivery.
- Through the NSA, the Australian Government is partnering with states and territories to establish nationally networked **TAFE Centres of Excellence**, which help deliver a skilled workforce for strategically important industries to meet national challenges.
- The **state and territory governments** also have some responsibility for AE provision. The governance structure and types of providers vary across jurisdictions (from established service providers of AE to no formal policy for AE).
- The **state and territory governments** can initiate and/or deliver complementary ALMP programmes in their jurisdictions. One example is the Local Jobs Program, which is funded and administered by the Australian Government and implemented locally in partnership with state and territory government agencies, local councils, industry and other local actors to bring businesses and community organisations together to connect people to training, jobs and support services, and support businesses with workforce needs.

Table 4. Stakeholders and responsibilities at the regional level

Name of institution	Responsibilities					Organisation type	Areas	Description
	Strategy	Intelligence	Implementation	Funding	Delivery			
State and territory government	✓	✓	✓	✓	✓	Regional government	VET HVET AE ALMP	The states and territories are in VET, HVET and AE responsible for developing regional action plans to meet national policy objectives and hold primary responsibility for provision across these policy areas. In VET and HVET they are responsible for implementation and delivery, and for the curricula development. In HVET they have responsibility for legislation regarding the establishment and accreditation of higher education courses. In VET and HVET, they are responsible for allocating the funding from the state VET budget to the regional and local providers, and for the management of all resources within schools. Each responsible minister for VET in the states and territories' governments are represented in the national Skills and Workforce Council operating at national level. Finally, the state and territory governments can initiate and/or deliver complimentary ALMP programmes.
TAFE Centres of Excellence	-	-	✓	-	-	Education provider	VET HVET	The TAFE Centres for Excellence is a network of VET and HVET providers established and funded by the national and state/territory governments. The network aims to address skills needs of strategically important industries. The national government cooperates with the states and territories to establish a national network of TAFE centres of excellence network. The aim is to increase the collaboration between TAFEs through partnerships with employers, unions, universities and other stakeholders, to help deliver a skilled workforce. One of the outputs of the cooperation is to develop curriculum to share between TAFEs and public education providers, improve educational quality, and facilitate sharing of best practices in the field of VET.

Legend: ✓ = Yes; - = No

Source: OECD compilation based on (Adult Learning Australia, 2024^[7]), (Australian Government, 2022^[8]), (NCVER - National Centre for Vocational Education Research, 2024^[9])

Stakeholders and responsibilities at the local level

Local level governance in Australia comprises the 537 **local councils** that support AE provision, while a range of providers operate locally to offer VET, higher education, CET, and ALMPs.

- State and territory governments establish and administer, via legislation, publicly funded **TAFE Institutes**, the largest public provider of VET and HVET in Australia. Other providers of VET are RTOs, adult and community providers, community organisations, commercial and enterprise training providers, while **universities** funded by national government also provide VET.
- AE is offered as **adult and community education** by a variety of types of providers, some of whom are registered RTOs by ASQA and/or jurisdictionally based regulators. Other providers are schools, private enterprises, and higher education providers.

- **Workforce Australia providers** are contracted for provision through DEWR and operate at the local level to provide ALMPs to jobseekers.

Table 5. Stakeholders and responsibilities at the local level

Name of institution	Responsibilities					Organisation type	Areas	Description
	Strategy	Intelligence	Implementation	Funding	Delivery			
Local Councils	-	-	✓	✓	✓	Subnational government	AE	Although the provision of AE is primarily the responsibility of the state and territories governments, the local councils can also provide funding in the AE field and support local AE provision and initiatives.
Workforce Australia providers	-	-	✓	-	✓	Foundation	ALMP	Workforce Australia providers operate locally to provide ALMPs and employment programs in Australia. Providers are contracted by the Department of Employment and Workforce Relations and appear through Workforce Australia. Providers can both be private and not-for-profit.
Technical and Further Education Institutions (TAFE)	-	-	✓	-	✓	Education provider	VET HVET	The institutions provide a range of, predominantly vocational courses and are the largest group of VET providers in Australia. They are regional government-run and owned and provide VET at the after-high-school level. Some TAFE providers also deliver training to high school students.
Private Registered Training Organisations/private colleges	-	-	✓	-	✓	Education provider	VET CET	This group of providers is typically known as private colleges and provides nationally recognised training, both in VET and CET. These providers have been registered and assessed by the Australian Skills Quality Authority. There are currently approximately 3,500 of these providers across the country.
Universities	-	-	✓	-	✓	Education provider	VET HVET CET	Some universities in Australia operate a division of vocational education and training in addition to their higher education provision. Universities are funded by the national government and establish connections with the industry to match provision with industry needs. Some universities also offer various CET opportunities.
Adult and community education	-	-	-	-	✓	Education provider	AE	A range of providers at the local level deliver adult community education. This covers not-for-profit and community-based learning for adults, provided in different organisations, e.g. Neighbourhood Houses, Community Learning Centres, Indigenous Co-operatives, etc. They provide education to enhance the transition back into learning, such as VET, develop basic skills for work, improve literacy, etc. Works often with job seekers to facilitate pathways into formal learning programs. Community education is non-formal; however, a minority of providers are also registered training organisations. Many providers partner with industries to design locally based programs for workplace and employability-relevant adult learning.

Legend: ✓ = Yes; - = No

Source: OECD compilation based on (APNNIC, 2024_[10]), (Australian National University, 2025_[11]), (The University of Sydney, 2025_[12])

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