



**SEMMA**

SOUTH EAST MELBOURNE MANUFACTURERS ALLIANCE

# SEMMA calls RTO funding cuts for manufacturing “senseless”

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MELBOURNE, AUSTRALIA - The South East Melbourne Manufacturers Alliance (SEMMA) has labelled the latest round of funding cuts to RTO operators as “senseless”.

“It’s hard to understand why the policy makers think cutting funding during a skills crisis will help fill skilled roles or upskill people who are desperately needed in the manufacturing and building trades,” said Honi Walker, SEMMA CEO.

In the latest round of funding cuts, these RTOs (22 privately run training organizations that provide much needed nationally accredited courses to students through both hands-on learning and theory-based workplace training) have had their funding cut without warning. This means dozens of trainers will be out of work.

“This defies the government’s own recent Skills First program that clearly outlines the industries that are considered priorities. It makes no sense,” said Ms Walker.

Victorian manufacturers are facing skills shortages such as welders, CNC machine operators and engineers.

“We have been telling the government that these shortages will severely impact their proposed renewables sector growth as well as their housing plan. It is just not feasible to think reducing the number of training courses won’t negatively impact the number of trainees. Some people don’t enjoy the TAFE experience and prefer an RTO instead. This will hurt Victoria’s economy, it will hurt our kids and our manufacturers,” she said

SEMMA attended a Roundtable with Federal Minister for Employment and Workplace Relations, Tony Burke just last week as part of the GSEM Jobs and Skills Roadmap. The Minister was highly cognizant of the skills shortages in our region across a range of sectors.

“It’s hard to understand why policy makers would reduce funding in critical skills areas as we enter a growth phase demanded by government that will need more people to meet the future demands of manufacturing,” said SEMMA CEO Honi Walker.

## ABOUT SEMMA

*SEMMA, the South East Melbourne Manufacturers Alliance, is a membership-based organization that represents the interests of manufacturing businesses in the South East Melbourne region. The South East region of Melbourne generates \$54b in gross regional product, hosts 50% of Melbourne’s manufacturing jobs employing 232,903 people and provides 24% of Victoria’s overall \$227b manufacturing output. \*Data from Remplan CGD 2024*

## NOTE TO EDITORS

CEO is available for comment on request.

Contact Honi Walker, SEMMA CEO, [honi@semma.com.au](mailto:honi@semma.com.au) | 0422 488 678

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SOUTH EAST MELBOURNE MANUFACTURERS ALLIANCE

124-130 Bangholme Road, Dandenong South, Victoria 3175

Phone: 0481 417 415

Website: [www.semma.com.au](http://www.semma.com.au)