

The relative payoff to VET and higher education

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Concerns over the possible effect of skill shortages and skill gaps on economic growth are widespread. In this context, the extent to which people have a financial incentive to enrol for post school qualifications and the extent to which students can contribute to their education to fund on-going provision and expansion of post school education are pressing issues.

This paper examines the costs, benefits and returns for students who complete VET qualifications and their variation across levels of qualification, mode of study, sex, age and level of previous schooling. It compares these with costs and benefits from university qualifications and discusses aspects of rates of return calculations and their import for analyses of education.