



Speech by

Stuart Copeland

MEMBER FOR CUNNINGHAM

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VOCATIONAL EDUCATION, TRAINING AND EMPLOYMENT AND OTHER LEGISLATION AMENDMENT BILL

Mr COPELAND (Cunningham—NPA) (5.22 pm): On behalf of the coalition I rise to speak to the Vocational Education, Training and Employment and Other Legislation Amendment Bill 2007. At the outset I advise the House that the coalition will be supporting this bill through all of its stages. The main purpose of this legislation is to amend the Vocational Education, Training and Employment Act 2000 to create a legislative framework for the establishment and operation of TAFE institutes as statutory authorities.

I would just like to quote some of the sections of the explanatory notes regarding the overview of the current operating model for TAFE institutes and why there is a need to change that current operating model, because I think it explains most of the aims and objectives of the proposed changes. The explanatory notes state—

TAFE Queensland ... comprises 13 TAFE institutes in metropolitan and regional centres.

...

TAFE Queensland is the largest provider of vocational education and training services in the State, delivering approximately 860 programs and courses to around 244,000 students each year.

TAFE institutes deliver government funded training priorities through a purchasing arrangement with DETA. Additionally, institutes actively pursue commercial revenue to support their operations. In the 2006-2007 financial year, 22% of the \$639M TAFE Queensland revenue was derived from user charges which include the domestic fee-for-service market, the international market, commonwealth contracts and other commercial ventures. TAFE institutes compete with each other and private providers in these markets.

Certainly, a lot of people have raised with me their concerns about the ability of those TAFE institutes to compete on an equal footing with the services that they are providing. The explanatory notes state further—

The *Queensland Skills Plan* acknowledged that the rapidly changing training market posed real challenges for the responsiveness of the current TAFE operating model.

I think that is a fair comment. The explanatory notes state further—

It noted that under the current operating model, TAFE institutes compete against private training providers using vastly different governance structures.

Private training providers certainly do not have to comply with all of the requirements that the TAFE institutes have to comply with. They are able to be much more responsive much more quickly than TAFE, with which they compete. The explanatory notes state further—

The *Queensland Skills Plan* contemplated that more commercially structured TAFE institutes would better handle business contracts with employers and improve the management of funding from multiple sources.

I think the explanatory notes outline quite clearly the environment in which the TAFE institutes are operating and the challenges they face. The move by the government to push TAFE Queensland towards a commercial governance model should be applauded, and I support the minister in making that change. The training industry in Queensland is a rapidly evolving market, and allowing TAFEs to become statutory

authorities will certainly assist in creating a more cost-effective and flexible approach to training facilities—something that is absolutely desperately needed in Queensland.

The skills shortage that we are facing not only in Queensland but also around Australia is certainly no secret. We are rapidly approaching full employment levels. I have to say that I did not expect to see the national level of unemployment that we are seeing today. The achievements right around Australia have been extraordinary. I think it is fair to say that, based on the sort of economy that Queensland and Western Australia are blessed with owing to the boom in the mining sector in those states—although that is not the only sector that is booming—they are leading the way. However, the booming economy in Queensland and Western Australia is certainly having an effect on skills availability. The low levels of unemployment that we are experiencing and the low levels of appropriately skilled people are providing a very real challenge to not only the businesses operating in our state but also the economy of the state.

There is not only a shortage of technical or trade skills but also a shortage of professional skills. Sometimes we get a bit short-sighted and say that it is only in the trades that skills shortages exist. That statement is true for skills right across the board—whether it is professional skills gained through study at university, such as medical, nursing or allied health skills. It does not matter what field people are in, there is a shortage of appropriately qualified people who are able to build on a booming economy and to take advantage of all of the opportunities that are presenting themselves.

But it is true to say that, when it comes to the trades and technically skilled people here in Queensland, there is a very severe skills shortage. That is something that we are challenged by and something that we all have to try to address. I know that the bill before the House is one of the measures that will try to change the focus—to change the operation of the TAFE institutes to become much more responsive to what is happening in the economy at large.

I think it is fair to say that when both sides of politics have been in government in Queensland school based apprenticeships and the vocational education and training sector have been very successful—far more successful than they have been in any other state. I think we should be proud of that and we should continue to work towards maintaining that success. I know that the Education and Training Reforms for the Future strategy that has been continuing over the past couple of years has certainly been supported by all members of the parliament and all sides of politics. There was a recognition that we had to address those skills shortages and also put the focus on the fact that people do not have to go to university to get a worthwhile career, that the trades are very worthwhile careers and that school based apprenticeships can fast-track a person's entry into those areas. I think that is a very good thing.

TAFE is facing a lot of challenges. I know from speaking to people in industry and business who have approached me that there are a lot of concerns about the way in which TAFE operates—its efficiency, its flexibility in service delivery, its flexibility in training delivery, and in some cases the location of where that training is delivered. We have to continue to work on TAFE and make sure that the TAFE sector can change, can develop and can compete with the private sector, because in a lot of cases the private sector is able to change much more rapidly and deliver their courses in a much more timely fashion.

Another major concern is the ability of TAFE institutes to secure appropriately skilled, appropriately trained and appropriately qualified staff to deliver their training programs. From talking to some business sectors and industries, I know that they have very real concerns about the ability of TAFE institutes to secure teachers with up-to-date technical skills who can provide a first-rate education in whatever area it is that they are training in. That will be an ongoing concern as the wages and the demand for people with those skills continue to increase and it becomes more difficult to attract them to TAFE or the training sectors.