




Speech By
Hon. John-Paul Langbroek

MEMBER FOR SURFERS PARADISE

TAFE QUEENSLAND BILL

 **Hon. JH LANGBROEK** (Surfers Paradise—LNP) (Minister for Education, Training and Employment) (6.13 pm), in reply: I would like to thank all members who contributed to this debate, in particular those members who recognise the urgent need to reform TAFE so that it does not wither on the vine but, rather, so that it thrives in a contestable market and a vibrant economy. I especially want to thank the members of the Education and Innovation Committee for their contribution. I also wish to thank Saxon Rice, who is my assistant minister, who made a contribution and who has a very important role of chairing the TAFE reform board that also includes the immediate former chairpersons of the two statutory TAFE institutes, Gold Coast and South Bank, and the immediate former chair of SkillsTech Australia.

Importantly, as we look at the conclusion of this debate and we speak about the future of TAFE in Queensland, it is important for us to acknowledge what was happening before the election and over the last number of years in TAFE and vocational education and training in Queensland and why in the lead-up to the election we promised a skills and training task force to look at the matters that affect TAFE and VET training. On coming to government we did that; we established the Skills and Training Taskforce which identified a number of key challenges that are facing TAFE in our rapidly changing training market. I want to put some of those into *Hansard* because I do not think there is any question about these issues that many members have raised.

There is a lack of clarity about the role of TAFE as a public provider. There has been a loss of market share to non-TAFE providers. There is an asset base that is not fit for purpose. It has an outdated industrial relations and employment model, complex decision-making environments and financial arrangements that limit reinvestment. I note that the final contributor to the debate was the member for Ipswich West, who noted that the task force made 40 recommendations of which the government accepted 35. The task force recommended that an independent body be established outside the Department of Education, Training and Employment to be the public provider of vocational education and training. The government committed to establish TAFE Queensland as an independent body by 1 July 2013 and that is what we are doing. The bill implements this recommendation by establishing TAFE Queensland as a statutory body with a commercially focused board.

I note that the Deputy Leader of the Opposition expressed concerns about whether it is tasked with delivering commercial activities when it is supposedly unable to deliver commercial outcomes. The government would say that there are certainly some aspects of commerciality that TAFE could deliver but is not able to because of its current set-up and form. We are not expecting TAFE to deliver absolutely everything commercially, and we have acknowledged that there are always going to be community service obligations. We have said quite publicly and quite openly that, with the representation that we have in our party and as the government comes from right across Queensland, it is important that we maintain those CSOs and also our commitment to all of Queensland—rural and regional as well as metropolitan areas.

However, many of the views that are expressed about TAFE come from people who have not been in them for a long time. They have not seen what they are like inside. They have not seen that they have a very low utilisation rate which the task force identified as being as low as 40 per cent. That means for 60 per cent of the time there is no-one there. As the honourable member for Ipswich West just mentioned, people have said to me that they trained on lathes 35 years ago and they could take you to the TAFE where they trained and go back to the same lathe on which they trained. It is very unlikely that they would go into a commercial environment and be forced to work on equipment of that sort of vintage and, therefore, there would be a lack of practical application that they would need in the job environment. So we are saying as a government that we want to make sure that we are training people for the 21st century in 21st century infrastructure and making sure that all the other aspects of the things that TAFEs are supposed to provide are up to date. Otherwise, we will continue to see what we have seen up to now, which is people electing—choosing—to go to other providers and, increasingly, private providers.

It can be a confusing area of policy if you are not involved in the training sector. The apprenticeship sections of training money, which is called User Choice, has seen an increasing number of apprentices go through private providers. It is the other part of training money, which is called VET Revenue General—and I answered a question from the honourable member for Mount Isa in question time this morning on this. Increasingly, we have seen that more and more people would choose to go to other providers should that money be made more contestable.

It is also important to note that Queensland has the second highest level of contestable funding in the country and that we have accepted a recommendation that contestable funding should be increased over the next couple of years, but we will do it in a very measured way. We also want to make sure that we do not make the mistakes of other jurisdictions that have tried to do too much too quickly. I cite Victoria as a classic example. Over the last few years students there were encouraged to study under a system that was often touted to me when we were in opposition as an example for us to be looking to.

Limited training dollars and allowing students to study whatever they wanted—there was not enough regulation about what students could study or the subsidies provided by government—lead to a major cost blow-out and real problems for TAFEs in Victoria. Those TAFEs subsequently incurred losses which the government had to cover—another impost on its budget. This has meant that \$300 million has had to be pumped back into the Victorian system.

We have to deal with the issues of infrastructure and assets and course offerings. In their contributions some speakers have mentioned having not a supply driven model but a demand driven model—in other words, a flexible TAFE system that is able to cater for what the market is demanding. It does not mean that we want to deny TAFE or their staff the ability to provide these courses. We want them to be more nimble so that, for example, with the recent growth in the CSG-LNG industry, they can provide courses that train the drillers needed to drill those wells. It has been predicted that we will need thousands of those drillers. That is the sort of flexibility we want our TAFE system to have, but with a change to the industrial relations instruments so that they can be competitive in an increasingly competitive world. That is not to say that we do not support the public provision of TAFE. The bill ensures that TAFE Queensland will be responsible for the public provision of technical and further education in Queensland.

I wish to respond to a number of issues raised in the second reading debate. First, the Deputy Leader of the Opposition, the member for Mackay, who I think was deputising for the official shadow minister, raised concerns similar to those raised by the Queensland Teachers Union about the ability of the minister to amend industrial arrangements by regulation and not through the enterprise bargaining process. It is the government's clear intention that we will resolve all industrial issues through enterprise bargaining arrangements, but that does not mean that the minister should not have the power to intervene in extraordinary circumstances. In any case, the power only exists with respect to the restructure of TAFE, so the minister cannot just flippantly change industrial arrangements in TAFE. I understand that the shadow minister will raise this issue during consideration in detail, and I look forward to that debate.

On the issue of union representatives on the TAFE Queensland board, I advise the member for Mackay and those opposite that we will not have union quotas, as those opposite did. There was union representation on the task force. It was a member of the CFMEU. I do not remember them necessarily being associated with the LNP in terms of what they believe or their associations. The QTU made a very late submission to the task force, but we are not going to necessarily mandate their representation. As I said, the CFMEU was represented on the task force board. I note that the

member for Mulgrave raised the issue of the Queensland Teachers Union. They made a very late submission and the issues they raised have been dealt with.

It is unfortunate that, for all that the member for Mulgrave mentioned Skills Queensland, I do not think people in industry, who the member for Mulgrave maintained are looking for particular outcomes from TAFE, would say that Skills Queensland has been an unmitigated success. I am sure that has something to do with the fact that we on this side of the House are interested in outcomes without the imposts of what the unions actually demand—that is, always taking care of themselves and their members as opposed to achieving the outcomes that we on this side are interested in. That has been the problem. I have inherited a range of boards littered with union representatives. All they ever do is argue for the status quo. They say, 'We do not want any change. We want to make sure there will be no disadvantage from anything you are talking about changing.' They are not interested in providing for a modern Queensland of the 21st century. That has been the problem in this sector for too long.


We cannot continue to have an antiquated system. Union representation that is guaranteed without any expectation of an acknowledgement that the sector needs to change is a sure-fire way to keep the VET system in the past. We are not ruling out union members but we prefer to hear from teachers, not their union. I have found this in the other part of my portfolio. Many members here will know that as I travel around I attend principals' forums and meetings with 30 to 50 teachers per week. There are approximately 1,700 schools across all three sectors in my portfolio. The Queensland Teachers Union is increasingly isolated from the grassroots, coalface perspectives of those principals and teachers. That is why we want to hear the views of people at the coalface and not necessarily the views of their unions, because the views of each are very different.

It is obvious in the lead-up to the federal election that not just the Nurses Union—as I hear from the Minister for Health—but also the Queensland Teachers Union in particular have ceased to represent their members. Rather, they dance to the tune of Julia Gillard and their Labor political masters. That is very disappointing because unions should be ensuring that they represent their members in a practical way which leads to outcomes for them and the people we are trying to educate to ensure that we have a vibrant, robust economy into the 21st century.

I always say to principals and teachers that if they think they will achieve anything by standing outside of Parliament House singing *Solidarity Forever* they are in the Dreamtime. Most Queenslanders would say that is something from the 19th century, and it does not fit with what we expect from professional organisations who claim to be representing professions in 2013. The member for Mackay expressed concerns that unions were not represented on the task force. Michael Ravbar of the CFMEU was on the task force. The QTU handed in a rushed submission at the last moment, and the lack of innovative ideas in that submission concerned me.

The member for Mackay claimed that students from disadvantaged backgrounds and students with disabilities would miss out. I find that offensive because this government is committed to the inclusive learning framework. As part of drafting the VET five-year action plan that we promised in the current six-month plan, the issue of supporting students with disabilities and those from disadvantaged backgrounds is paramount. Recently I had a request from the ministerial council—of which I am a member as the Minister for Education, Training and Employment—for me to be the champion for students with disabilities and to represent all of those ministers. I was happy to accept, acknowledging that students right across this state need this support.

Every student should have a guarantee of a VET qualification should they wish to undertake and complete training. This guarantee would be useless if we did not pay real attention to those who require extra support during their studies. The member also claimed that courses would only be focused on cost and efficiency. I am once again concerned because the government's response to the task force has clearly explained that the courses that we want are the courses that we need.

 **Hon. JH LANGBROEK** (Surfers Paradise—LNP) (Minister for Education, Training and Employment) (7.30 pm), continuing in reply: Before the adjournment of this debate I was saying that as a government we just do not want to provide training for training's sake; we want to provide training for real jobs, and they are of course the jobs we need in the economy. We will provide training to the level of the modern workplace, and I made some extensive comments about the workplace as it is in 2013 compared to some of the facilities that students are being asked to train in under the current situation. To do that we need to modernise TAFE and the entire VET sector, and this bill is an integral part of this plan. The member for Mackay asserted that there will be mass redundancies or a mass reduction in services. I reiterate for the member opposite and for other members that we want more training. TAFE has a strong brand—and that is acknowledged in the bill with protections for the brand—and in a contestable market it will thrive if it is able to adapt to the changing economy and

training needs. To be vibrant and to survive in the contestable market, this bill is necessary and TAFE reform—difficult reform at times—needs to occur.

The member also asserted that we are not committed to investing in VET. During the election campaign I am concerned that the opposition may have missed the announcement that we are investing \$86 million into 10,000 apprenticeships over six years. I am also concerned that those opposite need to acknowledge that those who are taking the money out of VET are actually their colleagues in Canberra, and I made that point this morning in question time. With regard to the end of the Productivity Places Program, that cost this state, I am advised, about \$50 million, and of course we signed a national partnership on skills reform in April last year and the Gillard government currently owes Queensland \$56.1 million in training money as part of that national partnership.

The important issue is that this is all to do with the implementation plan. We have said that we want to meet all of our agreements with the national partnership, but unfortunately that is the reality as to why there is less training money in our system—a federal program called the Productivity Places Program, \$50 million down and then of course the implementation plan that has not been signed off on even though officials continue to work on it. It is very frustrating because, as a result of that move, we have lost almost 20,000 training places in Queensland and our participation rates are down by about 10 per cent.

So it is the Gillard government that is gutting VET simply because it thinks it is second rate to its obsession with universities. On the one hand it tried to allege that our side of the parliament—and I have seen articles by Craig Emerson suggesting this—did not want people aspiring to go to university and that we have some kind of class war. It is a class war that is being conducted only by the Labor side. Someone like me, who has come from a very humble background as a migrant, would attest to the fact that it is the opportunities that were offered to me through the public system and going to university that many Australians aspire to achieve. So the federal government is gutting VET simply because it says on the one hand it wants people to go to universities and yet on the other it is taking money out of early childhood and universities to supposedly fund the Gonski reforms. That is why people are so perplexed and angry at the federal government. The party of the workers has become the party wonk.

We also heard from the member for Woodridge that the Newman government was all about closing TAFEs. That is just wrong. We have taken a responsible approach to managing a \$1.4 billion TAFE property portfolio, so let us look at the facts. In Queensland there were 13 empty TAFEs—completely empty: no students, no teachers, just sucking up government dollars in maintenance, security and repairing vandalism. So this government decided to act to try to recoup some of the valuable taxpayer dollars to reinvest in training. Another 12 campuses are being transferred to the Central Queensland University if the merger with the Central Queensland Institute of TAFE goes ahead, and these sit outside the reforms in relation to campuses.

With regard to the member for Gladstone, subsequent to the merger we have made sure that we have put safeguards in place. We do want the merger to go ahead, but it is important to acknowledge that the Central Queensland University is looking to get about \$73 million from the federal government from the investment fund that it has been allocated. The Queensland government is putting in nearly \$160 million when you count the assets and the training money which we are guaranteeing for three years to those TAFEs. That is an important acknowledgement. We have also put protections in place so that, whilst the assets may be transferred, Scott Bowman, the Vice-Chancellor of the Central Queensland University, acknowledges the importance in Central Queensland especially of the blending that you get with the practical skills that you learn in TAFE with the theoretical skills that are often associated with a university in an area of Central Queensland where the mining sector is so important.

There is no doubt that the money from that implementation plan is implicated in a way with the merger because we are handing over training money with guarantees associated with those 12 campuses. I keep negotiating with Minister Craig Emerson, who took over from Chris Bowen, who took over from Chris Evans—all of that within a couple of weeks. I have been trying to negotiate with three separate ministers about an issue that is vitally important to the people of Queensland but on which we have not been able to get an agreement yet with the federal government. So when members opposite say that anyone is gutting TAFE or affecting VET training, then it is obviously their people in Canberra and we would appreciate any assistance to get that merger signed off on and also to ensure that we get that money from the implementation plan that has been agreed to. Our officials are negotiating with the federal government every day about this and it is important that we get those issues resolved.

So in answer to the member for Woodridge, who asserts that we are closing TAFE down, it is simply not true. We want to revitalise a training sector that has been withering on the vine. We are redefining the state's training infrastructure because that is an important element of the government's plan for VET that will underpin the state's ability to build the capacity of Queensland's training sector and increase opportunities for individuals to access vocational education and training in Queensland.

The member for Woodridge also mentioned the vexatious issue of students from New Zealand and Pacific Islands who go to school in Logan. This is also an issue in Inala when I visited Glenala earlier this year. These students are then unable to join an alternative pathway to further education because of their lack of citizenship. The silence from Labor on this issue is deafening, and when I say 'Labor' I mean the federal mates of those opposite. After the Logan summit and after I had attended Glenala high—where it was made very clear to me that those outstanding students, some of whom are from the Pacific Islands, might achieve a good OP in school and therefore wanted to go on to further study but were unable to because they are unable to access loan funds such as HECS to enable them to go to university and that means they cannot afford to go to university—I wrote about that issue immediately to the immigration minister, but of course he was dumped by the time my letter got there and his replacement has not written back. So I have had nothing back from the federal minister.

The member for Woodridge likes to blame the Newman government for everything. Immigration remains a federal government responsibility. As we have seen with health and education, which are state government responsibilities, it is obvious that the federal government would rather speak about health and education than immigration and defence and taxation on the eve of a federal election because it is far more interesting. But it is a state responsibility; immigration is a federal responsibility, and there are significant issues.

When Prime Minister Gillard spoke with the Prime Minister of New Zealand, the Hon. John Key, I would have thought that this was an issue that would have been raised—and the member for Woodridge could have been lobbying Craig Emerson, because he has a very important relationship in terms of his ministerial responsibilities in negotiating those sorts of agreements with New Zealand and the Pacific Islands—because I understand that a lot of those people go to New Zealand first and then come to Australia. So that is something that the member for Woodridge could be taking up with her own side as the federal government is responsible for those things.

I want to thank the member for Gladstone for her contribution. I understand her concerns about the affordability of further education post secondary school. It is something that we understand and stand ready to help. I have mentioned already that the federal Labor government is sitting on \$56 million of training money that could be helping the students of Central Queensland. When I visited the Gladstone campus I noted that they had a significant application in for another one of those investment funds, for which they were unsuccessful in getting. That was to do with facilities to help with the CSG to LNG industry. That is a very valuable part of training provision in Queensland and one that we want to support.

We agree with the member for Gladstone on accessibility. We want people in our TAFEs. Part of that would be introducing a higher education VET fee help scheme for government subsidised qualifications so that students could study now and pay when they are earning a decent wage. Can we do that? No, we cannot and that is because our training money is sitting in Canberra instead of with training organisations in Queensland. We want our students to be able to access vocational education so that they can join Queensland's economy as the Newman government gets it back on track.

TAFE's new commercial structure will ensure a holistic view of TAFE across the state, recognising the differing needs and social responsibilities for regional communities. The proposed funding model changes are part of the government's response to the Queensland Skills and Training Taskforce final report. The department is currently consulting with providers and industry on this framework. Under the model, eligible students will have access to a government subsidised certificate III and related foundation skills or lower-level qualification delivered by any registered training organisation approved to deliver training under the program. The program will be open to Queensland residents aged 15 and over who do not hold a certificate III or higher qualification. This excludes certificate III qualifications undertaken whilst at school.

Then we had the member for Mulgrave—I know I have referred to a couple of his comments before—asserting that the Newman government had no direction for TAFE. If I can say, with respect, that is a ridiculous statement. We came to government with a mandate to do something about TAFE and vocational education in Queensland. Within two months of getting into government, we had set up the Queensland Skills and Training Taskforce, where industry and training leaders spoke about why TAFE was not working and is not working and what needed to happen. I know that action plans

can be a bit scary for those opposite, but we are not frightened of taking on the challenges and doing something to make things better for the people of Queensland. Those opposite had no direction. They had no policy for training since the completion of the Queensland Skills Plan in 2010, leaving vocational education in limbo for two years.

On the issue of disadvantaged students without a healthcare card being able to access concessions through TAFE, this matter has been raised in the consultation process currently being undertaken by the department and will be considered as part of that process. Instead of having a policy for training, those opposite occupied their time commissioning myriad reports into TAFE and why it was not working and then they just sat on the reports. We have looked at those reviews. We are doing something about them. Then the member for Mulgrave had the hide to speak about the Newman government building the economy on pillars of sand. Can I say that we have a plan to get the state back on track. The Newman government is committed to getting TAFE going again. We have no intention of closing down TAFE. We have every intention of giving TAFE the opportunity and the right organisational structure that will allow it to thrive. I commend the bill to the House.