




Speech By
Hon. John-Paul Langbroek

MEMBER FOR SURFERS PARADISE

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TAFE QUEENSLAND (DUAL SECTOR ENTITIES) AMENDMENT BILL

Introduction

 **Hon. JH LANGBROEK** (Surfers Paradise—LNP) (Minister for Education, Training and Employment) (12.04 pm): I present a bill for an act to amend the TAFE Queensland Act 2013 to provide for the establishment and regulation of dual sector entities and to end the Central Queensland University Act 1988 for related purposes. I table the bill and explanatory notes. I nominate the Education and Innovation Committee to consider the bill.

Tabled paper: TAFE Queensland (Dual Sector Entities) Amendment Bill 2014 [[4581](#)].

Tabled paper: TAFE Queensland (Dual Sector Entities) Amendment Bill 2014, explanatory notes [[4582](#)].

This bill will provide for the establishment and regulation of dual sector entities. A dual sector entity is one that provides both higher education and vocational education and training—or VET. It is also allowed to use the word 'TAFE' to describe the delivery of its VET courses and can receive state assets under a transfer regulation. Dual sector entities have operated successfully for a number of years in Victoria and the Northern Territory and this bill will ensure that Queenslanders can also benefit from this model of tertiary education. Given the convergence between higher education and VET, it is timely to provide for dual sector entities in Queensland.

The bill will facilitate the establishment of Queensland's first dual sector entity by providing for the merger of the Central Queensland Institute of TAFE—or CQIT—with the Central Queensland University. The state finalised a merger and transfer agreement with Central Queensland University in 2013. The government is introducing this bill to now give effect to the agreement. The merger between CQU and CQIT is expected to bring significant benefits to Queenslanders in the Central Queensland region and the Queensland economy more generally. The merger will provide for an entity that better integrates VET and higher education, provides better articulation between VET and higher education courses, can respond to the changing skills needs of the region, offers a broader range of courses to students and is more responsive to industry workforce needs.

The bill provides for dual sector entities to be prescribed in a regulation and any transfer of matters, such as assets, student enrolments and staff from the state to a dual sector entity will also occur under a regulation. Central Queensland University will be prescribed as a dual sector entity under a regulation to be made under the provisions in this bill.

It is possible for an entity to have registration as both a higher education provider and a registered training organisation—an RTO—and there are a number of such entities in Queensland already. This bill, in providing for dual sector entities, allows the government to transfer TAFE institutes to another entity, such as a university, and to monitor the use of transferred assets by the dual sector entity. It allows the dual sector entity to operate as a provider of VET by using the protected term 'TAFE' in relation to its products and services.

Dual sector entities may receive significant government assets such as land and buildings and it is necessary for the government to monitor the use of these assets to ensure that the government's investment is protected. The bill, therefore, includes a number of provisions which require a dual sector entity to submit plans and other information to the minister. These provisions are similar to the requirements imposed on other statutory bodies such as TAFE Queensland and the former statutory TAFE institutes.

I now turn to the provisions in the bill that provide for accountability and governance of dual sector entities. To protect the state's significant investment, the bill takes the approach of requiring accountability in relation to the entity's entire operations, not just the VET operations transferred to it by the state. This is necessary because it is difficult to separate higher education and VET operations at a dual sector entity. Indeed, one of the objectives of establishing a dual sector entity is to encourage integration of higher education and VET to make it easier for students to progress from VET qualifications to higher education qualifications. Given the close integration between VET and higher education, the entity will be required to report on all its operations to ensure that the government's investment in the dual sector entity is protected.

In the event that reporting on an entity's entire operation is no longer required, the bill allows for a regulation to exempt an entity from the general accountability obligations and to limit accountability to its VET operations only. This allows for a regulation to be made when an entity is established or at a later date exempting it from the requirement to report on its higher education operations.

The bill provides for the dual sector entity to complete an operational plan in relation to its operations and to submit that plan to the minister for approval. All statutory bodies prepare operational plans. These provisions provide additional detail about what is required in the plan and will require that the plan be submitted to the minister for approval. The bill clarifies the relationship between this operational plan and the plan that must be prepared under the Financial Accountability Act 2009. The bill ensures that the period for the two operational plans align so that the entity is only required to prepare a single document to meet its obligations under this bill and the Financial Accountability Act 2009.

The bill also includes a requirement for quarterly reports to be provided to the minister. The operational plan will prescribe the detail which must be included in the quarterly reports. Dual sector entities will be required to notify the minister of proposed significant actions such as selling, leasing or mortgaging property transferred to the entity. The minister will have reserve powers to give directions to the dual sector entity if satisfied it is necessary to give the direction in the public interest. The entity will be consulted on the direction and will be able to advise whether it has a concern about its financial viability as a result of the direction.

Finally, the dual sector entity may be required to pay a return to the state. This requirement only applies to the entity's VET operations and recognises that the entity has received significant assets from the state. The bill also includes a requirement for the minister to review the VET operations of a dual sector entity every five years. This will ensure that the dual sector entity is operating efficiently and effectively.

Dual sector entities will be allowed to use the protected term TAFE in the delivery of training products and services and the bill amends the TAFE Queensland Act 2013 accordingly. The bill also includes an amendment to the Central Queensland University Act 1998 to amend the membership of the university's council. The bill provides for the next person appointed as a member on the council, after the university is recognised as a dual sector entity, to be a person with knowledge or experience of VET. This will ensure that the university's governing body includes a person with experience relevant to the university's new role as a dual sector entity.

The TAFE Queensland Act 2013 already provides for a regulation to be made to transfer matters such as assets between relevant entities. The bill amends the TAFE Queensland Act 2013 to recognise dual sector entities as relevant entities allowing for the transfer of assets, staff and other matters from CQIT to Central Queensland University. The bill amends the functions of TAFE Queensland to provide TAFE Queensland with a general function to advise the minister about matters relevant to its functions or matters referred to it by the minister. This function will allow TAFE Queensland to respond to requests for advice which the minister may make. As the principal provider of VET in Queensland, TAFE Queensland has significant expertise in the delivery of VET and it is appropriate that it have a function to provide advice to the minister.

This government has been unreserved in its commitment to the economic prosperity of this great state. Boosting productivity, addressing skills shortages and increasing workforce participation are central to making this happen and the merger between CQU and CQIT is no exception. Dual

sector entities are just another example of how this government is growing a strong four-pillar economy and I look forward to seeing the benefits for Central Queensland and across Queensland. I commend the bill to the House.

First Reading

Hon. JH LANGBROEK (Surfers Paradise—LNP) (Minister for Education, Training and Employment) (12.12 pm): I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

Referral to the Education and Innovation Committee

Mr DEPUTY SPEAKER (Dr Robinson): Order! In accordance with standing order 131, the bill is now referred to the Education and Innovation Committee.