




Speech By
Hon. John-Paul Langbroek

MEMBER FOR SURFERS PARADISE

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**TAFE QUEENSLAND (DUAL SECTOR ENTITIES) AMENDMENT BILL; FURTHER
EDUCATION AND TRAINING BILL**

 **Hon. JH LANGBROEK** (Surfers Paradise—LNP) (Minister for Education, Training and Employment) (8.26 pm), in reply: I thank all members who have contributed to the debate in relation to these two bills. In particular I thank the members of the Education and Innovation Committee, especially the chair, the honourable member for Burdekin, for their considered report and support for the bill. I thank the member for Redcliffe, the shadow minister, for the support of the opposition for the merger of CQU and CQIT to form the first dual sector institution.

These two bills are another step forward in our relentless effort to improve vocational and technical education in this state leading to better outcomes for students. The focus in my portfolio is from crayon-to-career, whether it is early childhood or schooling or this very important part of the portfolio, training, which I acknowledge can be very confusing for people who are not part of the sector, possibly because of the acronyms that are part of it and the registered training organisation part which is separate to, or another segment of, TAFE as part of vocational education and training. We have registered training organisations and the public provider TAFE and they all form vocational education and training. The other part is universities and on to employment. We know that the best road to social and economic wellbeing is employment. The Newman government is unashamedly committed to training people for real jobs.

I will speak first about the dual sector segment of the cognate debate. The member for Redcliffe pointed out that it has resulted thanks to the tireless efforts of staff from both facilities. The member for Redcliffe mentioned Vice Chancellor Scott Bowman and Gary Kinnon who heads up the regional area for TAFE. I saw both of those gentlemen last week with their respective senior executives at the opening of the Mackay Oralea campus—a \$37 million facility. The Deputy Leader of the Opposition was here earlier in the debate and he referred to that. It was good to see the wonderful new facilities, along with the seven TAFE campuses in regional Queensland, that will be part of the Central Queensland Institute of TAFE-CQU merger. They are great facilities that students will want to study in. In my contribution to the QTAMA Bill debated earlier today I made the point that modern young students in the 21st century want to study using up-to-date infrastructure and technology with teachers and trainers who are committed and not using donated, out-of-date equipment that does not reflect the modern world. TAFE is big business in Central Queensland.

We are confident that the technical skills of the institutes of technology or the TAFEs will supplement CQU and the theoretical skills of universities will supplement each other, which will lead to better outcomes for the students of Central Queensland. This government has travelled via the regional cabinets. This evening we have heard from the honourable member for Gladstone and we have received representations from her part of Central Queensland about their determination and their wish to see this particular merger succeed. Early in our term, the honourable member for Whitsunday hosted a community cabinet in his electorate. People from the Mackay City Council attended that forum, as well as senior executives from the regional development authorities. We have

been to Rockhampton, Gladstone, Mackay, Emerald, Biloela and a number of other places. Wherever we have been, people have said that this is something that should happen. However, we wanted to ensure that it was done responsibly.

The honourable member for Redcliffe mentioned the \$74 million commitment from the Australian government. I point out that that was concluded under this government in May 2013. The Newman government delivered that agreement. Importantly, given that the state government was going to be contributing \$116 million in facilities and some \$40 million of training revenue for up to at least the first 18 months, it was not something that we were just going to jump into without making sure that we had appropriate checks and balances in place so that the merger could have every chance of success. Even allowing for the undoubted enthusiasm of the local community, we had to make sure that we had all of the checks and balances in place.

In this case, each year the minister will receive a plan from the CQU and then quarterly updates to ensure that there are protections for the infrastructure, as well as for the jobs of people who are apprehensive about what a prospective change could mean. To that end, last year the assistant minister, the member for Mount Coot-tha, and I toured the region to reassure many of the TAFE employees in Mackay, Rockhampton and Gladstone, and via a phone hook-up with the other regional TAFEs, that they were not going to be subsumed by CQU but were going to be part of a genuine merger. That is what we are delivering today.

Given the former Labor federal government's reckless expenditure and lack of sufficient and appropriate checks and balances, whether that was about building school halls or putting pink bats into roofs, we have to ensure all of the appropriate checks and balances are in place, while taking into account things such as the Auditor-General's reports into universities, which I receive every year. There is no doubt that over the past couple of years CQU has faced a significant challenge as, for a very long time, it was very heavily dependent on international students. As the global financial crisis started to bite, its bottom line was significantly impacted, which was something else the Auditor-General pointed out. I acknowledge that this year the university has made significant changes to its financial and administrative arrangements. Vice Chancellor Scott Bowman has made sure that they have the appropriate arrangements in place to secure their end of the bargain.

As I said, the Queensland government's initial investment is \$116 million of infrastructure plus, of course, training revenue for the first 18 months. The shadow minister expressed some concerns about community service obligations. We want to ensure that, under its new commercial entity, TAFE is entering a contestable market and there are always going to be foundation skills provided in some form with subsidies for those. A couple of months ago I was in Maryborough, where a \$3 million program, which has been ongoing for some time, provides foundation skills for people who need literacy and numeracy support. Community learning grants and the certificate 3 guarantees add up to about \$89 million.

CQU has committed to maintaining current service provision to remote and regional communities across the region. The vice-chancellor came to a meeting at Emerald to reassure people at the local TAFE. We know that they are committed to making sure that the infrastructure is updated, just as we said to TAFEs across the rest of the state that are not part of the dual sector. That is how TAFE has raised its utilisation rate to 65 per cent. In 2012 when we came into government, there was a 40 per cent utilisation rate and now there is a 65 per cent utilisation rate across the state. They are more productive, they are more efficient and they are training more students than they have in the past. There are 180,000 students doing TAFE qualifications, which is more than at all the Queensland universities combined. We want TAFE to be strong. It is big business. In Central Queensland it will continue to deliver many of the things that it has delivered in the past 130 years. We want to ensure that we have specified training funding to guarantee the provision of those services to disadvantaged students. It is why we allocated specified training funding.

I refer the shadow minister to the government response to allay her concerns about the protected term 'TAFE'. It is already possible for a university to deliver VET by establishing a registered training organisation and becoming accredited to deliver VET courses. To distinguish dual sector entities from providers that offer both higher education and VET, dual sector entities will be permitted to use the protected term 'TAFE' in relation to their VET courses. Also built into the bill, as I have mentioned, is ministerial oversight which allows the minister to monitor the activities of the new entity and to intervene if required through the approval of the operational plan and quarterly reports.

With regard to the member's concern about recommendation 4, I repeat: the objectives of dual sector entities are very different to those of the QTAMA, which is being established for the primary purpose of managing training assets and obtaining the best possible return on the government's investment. I refer the member to the government response for a full explanation of our intentions in

this regard. In terms of other aspects about the dual sector entity that I noted, I have mentioned the provision of operational plans and the submission of quarterly reports. The member for Redcliffe was concerned about prospective other dual sector entities. I can advise the member that in Queensland we have nine universities and there are no expressed intentions for any other dual sector entities. The concerns she raised about what might happen should there be others are ones that we would address at that time.

I turn to the Further Education and Training Bill. The member raised concerns about protections for trainees under 18 years of age. Although the bill does not provide for employment related matters, the department will continue to assist employers and apprentices and trainees to resolve issues. In addition, when an apprentice or trainee and an employer sign a training contract, they are given a briefing on key aspects of the apprenticeship and traineeship system by the representative from the Australian Apprenticeships Centres. That is a federally funded program. Just a couple of weeks ago at a pre-COAG Skills Council meeting I met with Minister Ian Macfarlane. The training ministers expressed to him our concern about the extensive duplication that we saw under the former Rudd-Gillard-Rudd governments.

I told Minister Macfarlane that we are not necessarily asking the Australian government to give the Australian Apprenticeships Centres to the states to administer; we are just asking that we do not have two systems of administration, because that is very frustrating for apprentices and their employers. The whole purpose of this bill is to get rid of the layers of red tape—for example, with the transfer of an apprenticeship or traineeship if, because of a change in the employer's situation, they cannot keep that apprentice or trainee. We want to ensure that we do not have a wholesale reduction in apprenticeships or people ceasing apprenticeships. We will continue to work with the federal government and the Australian Apprenticeships Centres to try to get rid of the extra administration that leads to a lot of duplication.

The briefing from the Australian Apprenticeships Centre includes advice about the wide range of matters that can arise during a training contract, including employment related matters and the rights of an apprentice or trainee to seek remedies under relevant industrial relations legislation. The strategies outlined will enable the department to gather information in relation to the revised practices for cancellation of training contracts to allow for the ongoing improvement in advice to stakeholders regarding the protections available for the termination of employment under the Industrial Relations Act 1999 and the Commonwealth's Fair Work Act 2009. The bill improves the cancellation process for training contracts by providing a simpler model for cancellation of a training contract which in the majority of cases occurs with the parties reaching consent.

The amendments in the bill, as far as possible, align the workplace relations treatment of apprentices and trainees with that of other employees in the workplace. This is achieved by allowing apprentices and trainees to rely on industrial relations legislation to enforce their rights as an employee.

The bill makes consequential amendments to the Industrial Relations Act 1999 for Queensland system employees to provide them with access to employment rights. Similar rights in the VETE Act have been removed because apprentices and trainees will now receive protection under the Industrial Relations Act 1999 or under the Fair Work Act 2009. Most employees, including apprentices, are protected by the national employment standards in addition to award or workplace agreements. Apprentices are entitled to the same notice of termination and unfair dismissal protections as the other employees in the workplace.

As I have mentioned throughout the debate, in working through the issues affecting vocational education and training, first of all with our TAFEs but also across the whole sector, what we have done since we have been in government is say, 'How are we going to maximise the outcomes?' I said this today in my contribution to the debate on the QTAMA Bill. If we have limited training dollars we have to look at how we are currently providing training. We have to look at where we are providing it to make sure we are not spending a great proportion of money on administration as opposed to training people to get real jobs in the modern economy.

This bill, as part of the cognate debate, is a very important plank in terms of red-tape reduction and ensuring we have simpler arrangements for apprenticeships and traineeships. I have mentioned removing unnecessary duplication, enabling transfers, replacing a current complex system for suspension and cancellation of training contracts, introducing important flexibility into the system by lowering the restricted calling age from 21 to 18 years and ending the state regulation of vocational placements because there is now a national regulator.

They are the sorts of things we are trying to do as we aim to get more people into the system. As the Premier often says, if we are all about supercharging the economy, the best way we can do it in my portfolio is to get people into the workforce who may not have had the opportunity to be in it before. That may be due to disability, indigeneity, socioeconomic status, living in remote locations or having English as a second language. TAFE and training is a very important part of this.

There is also great proof statistically that people who go to a dual sector—and this has happened in Victoria; there is a great proportion of people who may be the first in the family to study at an institution like TAFE or a dual sector institution—after receiving their first qualification then have the confidence to go on to do a subsequent course, potentially at university. I would like to see the education continuum a more horizontal one. If we are talking about the continuum starting at advanced diplomas and certificates and going all the way through to bachelor degrees, masters and PhDs, we know that lots of people will potentially want to upskill or reskill. That is why the government has also implemented Supporting Women Scholarships. These scholarships support women going into traditionally male dominated professions. They are the sorts of things that will increase productivity as will getting people into the workforce who have not had the opportunity to do so before.

It is very clear that we do have a plan. We hear those opposite complain about what they say we are trying to do. I can give the absolute commitment of the government and every local member here that we are committed to a strong TAFE sector. That is big business.

When it comes to VET in schools—and I know the shadow minister asked some questions about VET in schools and some changes in programs there—TAFE is well placed to be the first on the ground because it has the reputation and it has the brand. It has the ability to take advantage of the new contestable funding models. Looking at the TAFE product there will be increased utilisation of that sector. We want more students studying because that will give them more qualifications that will enable them to get better jobs.

That is the purpose of today's bills. They are part of a considered plan. It has taken some time to bring the dual sector together to make sure we have adequate protections for employees who are partnering with a university. We have more school based apprenticeships and traineeships—school based VET—than any other state in the country. We also need to make sure that that is not seen as a second-best option. We do not want to see teachers guiding students to do vocational education and training at schools simply because they are not seen as being necessarily as academic as other students. These qualifications and skills that students get at school may help them go on to TAFE or other vocational education and training or university. They may decide to pursue those honourable trades which provide a very important support system in our Queensland economy.

The last thing we need is to have a system that is too top heavy, as has happened in many European countries. They have then had to import people who have the talent and ability to do those sorts of jobs that locals did not want to do. We have that tendency here in Queensland and have seen that over some time. We need to make sure that young Queenslanders know that there are opportunities to do VET in school. We have to make sure that industry has a line of sight to the limited training dollars.

Taxpayers may not always be able to subsidise all of the courses that people have done in the past simply because we want to make sure that the jobs that the ministerial industry commission—chaired by the assistant minister, the member for Mount Coot-tha, and which gets advice from economists and people with workforce planning experience—identify as being in need of training dollars are getting them. It may mean that if a person wants to do physical fitness training or photography and they already have a qualification then the subsidy is not going to be what it was before.

In the world of voodoo economics that those on the other side operate under, they would say that people should be able to train in whatever they like. They did that in Victoria under a former Labor government. It brought in a scheme of open-ended training. People could get a subsidy for whatever course they wanted to do and basically it drove TAFE into the ground. They have now had to have a \$300 million rescue package.

We have done it in a much more considered way. We have increased utilisation in our TAFEs and we have more productivity, but more work needs to be done. We are absolutely committed to having a strong training system as well as a strong education system overall.

Tonight's bills are another step on the path towards the Newman government's commitment to improving our path from crayon-to-career. I commend the bills to the House.