




Speech By
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MEMBER FOR REDCLIFFE

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QUEENSLAND TRAINING ASSETS MANAGEMENT AUTHORITY BILL

 **Ms D'ATH** (Redcliffe—ALP) (12.21 pm): I rise to make a contribution to the debate on the Queensland Training Assets Management Authority Bill 2014. The opposition will be opposing this legislation because it is, quite simply, the creation of an unnecessary layer of bureaucracy that is designed to do one thing—commercially exploit TAFE campuses and sell them off. Since coming to power in 2012, this government has made a concerted effort to absolve themselves of any obligations they might have in vocational education and training in Queensland and continue along the path to privatising Queensland's vocational education and training sector.

In 2012 the Newman government scrapped the Skilling Queenslanders for Work initiative that supported 26,000 job seekers every year, despite independent analysis of the scheme demonstrating how successful the initiative has been. In the 2012-13 budget, the LNP removed \$43.9 million from the training, tertiary education and employment budget, while for the 2013-14 financial year the sector is set to lose 422 full-time equivalent positions.

In 2013, TAFE Queensland was established as a statutory entity, taking Queensland another step closer to a fully privatised VET sector. The board of TAFE Queensland was tasked with ensuring that the entity is 'both commercially successful whilst still performing the role of the public provider'. These two aims are incompatible. One cannot operate commercially while providing services that are, by their definition, uncommercial. This new TAFE entity is in a position to abandon the provision of essential public services on the basis that they are not profitable. This prioritisation of profitability over public good will result in courses being primarily focused on cost and revenue-generating capacity at the expense of industry safety. A perfect example of this is highlighted in the findings of a recent review completed by the Australian Skills Quality Authority titled *Training for the white card for Australia's construction industry*. I table that report.

Tabled paper: Australian Government, Australian Skills Quality Authority, Report, Training for the White Card for Australia's Construction Industry, A national strategic review of registered training organisations offering industry induction training—the White Card, September 2013 [5051].

The review looked into concerns raised by industry regarding the quality of training and assessment provided by some registered training organisations offering the entry level occupational health and safety training necessary to attain a white card, which is a requirement to commence work on construction sites in Australia. The review found that 'training programs delivered online are largely too short and without time in the workplace for sufficient skills development'.

The skills council in the construction industry recommends that training for a white card be for six hours, but ASQA found that of all the registered training organisations offering online delivery 100 per cent had training and assessment strategies that could be completed in fewer than four hours. Some online delivery of the white card can be completed in as little as 30 minutes. This is a direct result of the push for a fully competitive VET sector and it is a serious concern. Individuals are not gaining the practical skills essential for this certification, and it is going to have a negative impact on the construction industry.

This government's changes to TAFE are ignoring the societal benefits of technical and further education. Kangan's report on needs in technical and further education highlighted two priorities for TAFE: first, produce the skilled manpower necessary to the development of the economy and, second, maintain an educational and social emphasis that would enable people to develop their potential as individuals within the realities of the job opportunities they were aiming for. This government's dogged determination to save a penny is completely undermining any efforts to achieve this second priority.

As I said, we will be opposing this bill because it continues the LNP's attack on TAFE in earnest. The Queensland Training Assets Management Authority Bill 2014 establishes an independent statutory body—the Queensland Training Assets Management Authority, QTAMA—to manage state owned training assets, primarily for the provision of vocational education and training. The bill implements a Costello report recommendation that training asset ownership should be separated from TAFE Queensland and transferred to a specialist commercial entity with skills and expertise in owning and managing such assets.

Under the bill, assets will be stripped from TAFEs across the state and transferred into the new statutory authority, QTAMA. QTAMA will provide access to public training facilities on a commercial basis for all registered training organisations in Queensland. Even the TAFEs themselves will be forced to rent back the very assets that they used to own at commercial rates. The supposed rationale behind this commercialisation is that TAFE assets are underutilised and that commercial operators find it difficult to compete with TAFEs because they cannot easily access training facilities.

I want to question those assumptions. Are TAFE assets really being underutilised? I would suggest that, in light of some of the statistics I mentioned earlier, the government is doing its best to create a false impression of underutilisation by cutting funding, staff and courses from TAFEs across the state. In addition, we are seeing a significant increase in TAFE course fees. The example given by the ABC news on 29 April was of an increase from \$806 in 2012 to \$7,240 in 2014 for a certificate II in auto servicing.

Consequently, if you cut staff, cut funding, offer fewer courses and increase fees, then obviously this could lead to underutilisation of TAFE assets through a reduction in students using TAFE campuses. If there is an underutilisation of TAFE facilities, it has been concocted by the LNP in order to justify the opening up of these assets to commercial operators. This is simply another step down the road in prioritising the private for-profit sector over the public sector.

QTAMA will be charged with managing the public infrastructure on a commercial basis, including implementing disposal processes for obsolete or underutilised assets. It is apparent that the new QTAMA model will provide a vehicle for the aggressive disposal of TAFE assets that are deemed surplus to requirements and for the commercial exploitation of assets by private training providers at the expense of the public sector. The commercialisation of education does not always produce better outcomes.

In their submission to the Transport, Housing and Local Government Committee regarding the bill, the Queensland Teachers Union outlined the shortcomings of a market based approach to training. They said—

A market based approach has:

- failed to address skill shortage areas in the labour market;
- failed to improve productivity;
- exacerbated inequities in access to quality education and training;
- left many existing workers without qualifications to adapt to workplace change;
- led to significant increases in course fees;
- significantly increased the instances of system rotting by unscrupulous VET providers; and
- undermined the capacity of the VET system to promote a planned approach to industry development, maximise quality employment and to meet future industry, labour market development and social needs.

This bill simply gives the green light for the government's agenda of secretly selling public assets without a mandate—\$11 billion in state assets have already been sold by the LNP, including schools, hospitals, motorways, Aurizon shares and government buildings. Labor does not support making it easier for the LNP to break their election commitments or making it easier for them to sell off important assets like TAFE campuses. It is clear that the LNP does not value the public education system, especially not when there is profit to be had by some.

This bill is all about flogging off assets and further commercialising the VET sector so that more money can be squeezed out of students in the name of profit. It has not been demonstrated that this proposed QTAMA model is the only way to improve the management or operation of TAFE assets.

The government is just pursuing an ideological agenda that denigrates public services and promotes the for-profit private sector. As I said, under the bill, QTAMA will have the power to dispose of, and purchase, assets. I want to note that the minister and Treasurer will retain a right of veto over QTAMA's decisions to purchase or dispose of assets in what is termed a 'significant action'. I welcome that veto power, but I am certainly worried that LNP ministers in the future will hide behind QTAMA's decisions and refuse to intervene when TAFE assets are on the chopping block—when they are up for sale.

The new QTAMA will have its own board, a CEO and its own staff. It is simply a new layer of bureaucracy in the management of the VET system. I would like to know how much this new authority will cost to establish and what its annual operating budget will be. At a time when the LNP is obsessed with cutting services that people rely on, it is incongruous that they would be establishing new layers of democracy to manage assets that are already being managed.

I now want to deal with the recommendations made by the Transport, Housing and Local Government Committee. The committee report contained seven recommendations. The opposition endorses all of the recommendations with the exception of recommendation 1 that the bill be passed. The recommendations were as follows. Recommendation 1—the committee recommended that the bill be passed. Needless to say we do not support this recommendation and we will be opposing the bill. Recommendation 2—the committee recommended that the bill be amended to require the Minister for Housing and Public Works to consult with the Treasurer and minister administering the TAFE Queensland Act 2013, rather than the Treasurer and the minister administering the Further Education and Training Act 2014, given that the TAFE Queensland Act 2013 is more relevant to the administration of TAFE. Notwithstanding our position that the bill should not pass, if it does pass, this recommendation makes sense and would ensure that the most appropriate minister is consulted.

Recommendation 3—the committee recommended that the minister advise the House of the approximate dollar value of the proposed threshold for 'proposed significant action' under clause 46 during debate on the bill in the House. We endorse this recommendation. If the bill is passed, it is very likely that QTAMA will be used to pursue a program of asset sales without a mandate. It would assist the House to know what the dollar threshold is for the significant action provision to be triggered for the purchase or disposal of assets by QTAMA. Once the provision has been triggered, the minister acquires a right of veto over QTAMA's proposed action. However, I do not hold out much hope that the minister will use that right of veto. The likely scenario is that the minister will hide behind QTAMA's recommendations, refusing to intervene in order to sell off assets without a mandate.

Recommendation 4—the committee recommended that the bill be amended to include a requirement for greater consultation by the minister responsible for administering the proposed QTAMA Act 2014 and the minister responsible for administering the TAFE Queensland Act 2013 and that this consultation requirement include, but not be limited to, a requirement to consult on the draft asset management plan. As with recommendation 2, we concur with the recommendation, which would allow the most appropriate minister to be consulted with respect to the operation of the act.

Recommendation 5—the committee recommended that the bill be amended to include a transitional provision which explicitly ensures that the proceeds of all TAFE asset sales for the first two years of QTAMA's operation be reinvested in the VET sector. The committee further recommended that, beyond the initial two-year transitional period, the government ensure transparency in the percentage split between the return of proceeds from TAFE asset sales to consolidated funds and reinvestment in the VET sector. We support this recommendation subject to our strong belief that QTAMA should not be used to conduct a fire sale of TAFE assets. Should our fears be realised, it would be appropriate that any funds realised from asset sales are reinvested into the VET sector.

Recommendation 6—the committee recommended that the transitional provisions of the bill be amended to reflect the advice received from the Department of Housing and Public Works that the government intends to give TAFE priority access to the public VET facilities for a designated two-year transitional period. Again, we support this recommendation, but our preference is that the bill not be passed. In the event that it is passed, TAFE should always be given priority access to the assets that this bill seeks to strip away from it.

Recommendation 7—the committee recommended that the Department of Education, Training and Employment monitor and evaluate the impact of the establishment and operation of QTAMA on VET delivery generally and on TAFE delivery specifically and provide regular written reports over the first two years of QTAMA's operations to both the Minister for Housing and Public Works and the Minister for Education, Training and Employment. This is a welcome recommendation should the bill

pass. We would welcome regular reporting and evaluation of the operations and performance of QTAMA.

The Queensland Teachers Union was the only organisation to make a submission to the committee regarding the bill. The QTU strongly opposes the formation of QTAMA and the transfer of assets and responsibility to an independent authority. The QTU recommended that the bill not be passed. They further recommended that, if it were to be passed, it should be amended to provide for statutory review of the provisions as well as rigorous reporting on the impacts on the TAFE sector.

To conclude, Labor does not support this piece of legislation. It is an ideological attack on the public education system. It will make it easier for the LNP to put profits before people and for them to sell off more assets without a mandate. I promise government members that every time a TAFE asset is sold by QTAMA in our electorates we will hold them responsible. Every time students suffer because of the commercialisation of education, we will hold them responsible. Government has a responsibility to provide the best possible standards of education, whether it be at TAFE, school or university, that is accessible to everybody. This bill does not live up to that responsibility.