

DRAFT SECOND READING SPEECH

THE HON SARAH COURTNEY, MP

TasTAFE (Skills and Training Business) Bill 2021

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Mister Speaker,

I move that the Bill now be read a second time.

TasTAFE is our largest vocational education and training provider.

TasTAFE has a critical role to play in providing vocational education and training that leads to jobs, and that benefits the Tasmanian economy and the community.

We know that Tasmania's workforce and our next generation of young people will need different skills and training to keep pace with the changing needs of learners, employers, industry, the economy and the community.

The Tasmanian Government's vision for TasTAFE is for it to be a future-focused and market-aligned training provider that is responsive to the needs of Tasmanian learners and employers – we want to ensure TasTAFE provides more Tasmanians with the skills they need to get jobs now and into the future.

TasTAFE will always play a role in providing services in regional areas and foundational skills including literacy, numeracy and digital literacy. This is one of the key reasons government provides such a significant ongoing investment in TasTAFE.

The Government has committed an additional \$98.6 million to upgrade TasTAFE facilities and equipment, increase access for regional and rural students and employ 100 more teachers and trainers.

We have also guaranteed that 80 per cent of future training funding will be invested in TasTAFE.

The Tasmanian Government has committed that TasTAFE will transition to a publicly-owned, not-for-profit government business model, in line with the PESRAC recommendation.

This recommendation was accepted by the Government in March this year, and was one of the key commitments taken to the 2021 State Election.

It is important to be clear that TasTAFE will not be privatised under the new model.

TasTAFE is Tasmania's foremost VET training provider, and we are committed to ensuring this remains the case into the future.

Mister Speaker,

The *TasTAFE (Skills and Training Business) Bill 2021* establishes a framework that has been tailored to the role and function of TasTAFE as a modern vocational education and training provider, while recognising that it is substantially resourced by Government to deliver services of critical importance to Tasmanian learners, businesses, industry and the broader community.

The Bill does not transition TasTAFE to a Government Business Enterprise under the *Government Business Enterprises Act 1995*.

The Bill provides TasTAFE with a stand-alone and fit-for-purpose legislative framework separate to the *Training and Workforce Development Act 2013*, that gives TasTAFE greater autonomy and flexibility that better reflects the environment in which it operates and the industries it serves.

Part V of the *Training and Workforce Development Act 2013* that relates specifically to TasTAFE is repealed as a consequential amendment; however, the broader provisions of that Act continue to apply to TasTAFE including purchasing arrangements for the Vocational Education and Training system as a whole, and provisions relating to the administration of apprenticeships and traineeships.

Mister Speaker,

In response to consultation feedback, the Bill specifies TasTAFE's functions to provide foundation skills and vocational education and training, to a high standard, that is responsive to employers, its students and the community, including in rural and isolated areas where other providers cannot or are not meeting demand effectively.

It also provides for collaboration with industry, employers and other educational providers on vocational education and training models or pathways.

To support these functions, TasTAFE is empowered, subject to specific provisions of the Bill, to provide vocational education and training, or other education or training, to enable persons to acquire qualifications and participate in the workforce or further education and training.

TasTAFE may also enter into a range of service or property transactions, however any disposal or acquisition of real property will continue to require Ministerial approval.

Finally, participation in other corporate structures will also continue to require the approval of both the Minister and the Treasurer.

Mister Speaker,

TasTAFE will be governed by a skills-based board of between five and seven directors appointed by, and responsible to, the Minister for Skills, Training and Workforce Growth.

The Minister is required to issue TasTAFE with a Statement of Expectations setting out strategic objectives and priorities and policy expectations for the performance of TasTAFE, to be tabled in Parliament for greater transparency.

TasTAFE continues as a General Government Sector entity under the *Financial Management Act 2016*, with exemptions that enhance financial flexibility. This includes TasTAFE having borrowing powers from the Tasmanian Public Finance Corporation that is not currently the case.

TasTAFE is required to prepare a Corporate Plan and Annual Report each year, with the Annual Report to be Tabled in Parliament. TasTAFE will continue to be funded through statutory purchasing arrangements established under the *Training and Workforce Development Act 2013*, with scrutiny through the Parliamentary Estimates process under the Skills and Workforce Growth portfolio.

Mister Speaker,

Our public training provider needs to have the agility and flexibility to deliver training that can respond to the needs of industry, students and the Tasmanian community.

TasTAFE needs to be able to ramp up training delivery in high demand and emerging industries, and be better placed to attract high-quality, qualified trainers from industry to support training and delivery at times that work better for businesses and employees.

Feedback from industry and employers is that TasTAFE needs to:

- o deliver training in different ways, across more hours in a week and across more weeks of the year;
- o meet seasonal training requirements, provide training through holiday periods and take account of business operating requirements;
- o provide more flexibility and choice for learners, including apprentices, particularly those in small business; and
- o be able to attract new trainers from industry in a competitive labour market

Under the transition, TasTAFE will have its own employment powers under the national Fair Work framework.

It will no longer be an Agency under the *State Service Act 2000*. This is given effect by amending Schedule 1 to remove TasTAFE as an Agency and the CEO as the Head of Agency.

The Bill does not specify the *Fair Work Act 2009* because all employers in Tasmania who are not subject to specific legislative provisions in the *Industrial Relations (Commonwealth Powers) Act 2009*, such as the State Service, are subject to the *Fair Work Act 2009*.

The national Fair Work framework regulates employment and workplace relations. It provides for terms and conditions of employment and sets out the rights and responsibilities of employees, employers and employee organisations in relation to that employment. It is the framework that applies to most employers and employees in Tasmania, including the private sector, the community sector, local government, and most state-owned business entities. It is also the framework that applies to the Victorian Public Service and TAFEs in a number of other Australian Jurisdictions, including Victoria, New South Wales, the ACT and the Northern Territory.

Mister Speaker,

The Government acknowledges the work of TasTAFE employees, who are committed to supporting learners by delivering high-quality training, and this will continue to be the case following the transition.

We want to empower TasTAFE to reach its full potential, so the proposed changes to the employment framework are designed to provide TasTAFE with a less rigid framework and to have more autonomy over its workforce.

This will enable TasTAFE to more effectively attract and retain highly skilled staff on flexible arrangements across its operations, including in training delivery and support areas, and will enable

TasTAFE to be responsive to the needs of the current on future workforce, employers and industries.

Under the Bill, on 1 July 2022 all TasTAFE employees become employees of TasTAFE under the Fair Work framework.

For TasTAFE employees, on the commencement day, their existing terms and conditions that are in Awards will be preserved under a 'copied state instrument' for a period of up to five years for preserved awards and for preserved agreements until terminated or until a new agreement is negotiated and registered for all employees. This will occur whether the nominal expiry date for the Agreement has passed or not.

For new employees that join TasTAFE after the commencement day, they will be employed either under a new enterprise agreement or through a contract of employment underpinned by the equivalent modern award and having regard to market pay rates.

Under the Fair Work framework, awards are preserved for a default period of five years. Agreements are preserved unless and until terminated, or until a new agreement is negotiated and registered.

Continuity of service for a transferring employee will continue under Fair Work framework transition arrangements.

We are committed that no existing TasTAFE employee will be worse off and there will be no forced redundancies.

There will be no changes to TasTAFE employee superannuation arrangements and entitlements under either the defined benefits scheme or the accumulation scheme, and there will be no changes to long service leave arrangements and entitlements.

In addition to the protections provided for in the Fair Work framework and State legislation, the Government has also provided an additional assurance for existing TasTAFE employees that, where they are recruited to a role in the State Service, within a period of five years after the new Act commences, there will be deemed to be no break in their State Service employment.

TasTAFE employees will also continue to be able to be seconded to roles within the Tasmanian State Service.

Mister Speaker,

TasTAFE is the largest vocational education and training provider in Tasmania. In 2019, TasTAFE attracted more than 20,000 students.

For TasTAFE students there will be no effect on student enrolments or placements.

The savings and transitional arrangements set out in the Bill ensure that student enrolments, or an offer for an enrolment or placement that has been made by TasTAFE will continue through the transition date.

Mister Speaker,

The Government understands and recognises the importance of TasTAFE to the Tasmanian community.

We also understand the importance of appropriate workplace practices, to ensure that TasTAFE is a safe environment for students and teachers.

The TasTAFE Board will be required to develop a Child Safe Code of Conduct that is consistent with the National Principles of Child Safe Organisations.

The Bill also establishes an appropriate compliance and inquiry framework to ensure that complaints are appropriately addressed and there are appropriate powers to act in the event of alleged breaches of the Child Safe Code of Conduct.

My expectation is that the Code of Conduct will be prepared as a priority, and that it will be implemented by 1 July 2022.

Mister Speaker,

The Bill removes the requirement for TasTAFE teachers to be registered with the Teachers Registration Board. This is given effect by amending the *Teachers Registration Act 2000*.

This registration overlaps with the national regulatory requirements and is an aspect of regulation that does not apply to other training providers or the University of Tasmania. This has been identified by TasTAFE as a barrier to recruitment, and an administrative burden for teachers and trainers in the organisation.

TasTAFE teachers may still choose to be registered with the Teachers Registration Board, and may be required to do so under certain circumstances, and I can assure Tasmanians that this change will not result in any reduction in standards.

Mister Speaker,

The Bill also provides for a range of consequential amendments to give effect to the TasTAFE model and to update references to TasTAFE where it exists in other legislation.

Further, the Bill provides for savings provisions and transitional provisions to ensure the smooth transition from current arrangements.

The Government proposes to commence the Bill on 1 July 2022 when the new arrangements will come into effect.

The Tasmanian Government has consulted broadly in the development of its vision for TasTAFE, including with industry, community groups, TasTAFE staff and relevant unions.

Feedback received during the public consultation process has been considered and the Bill addresses that feedback where appropriate.

Mister Speaker,

This Government is the strongest supporter of TasTAFE.

TasTAFE has a bright future, and our transition plan will ensure it has the structures in place, and the investments it needs, to maximise training opportunities for Tasmanians.

Our plan will build our local workforce, which is why it has the strong support of local industry, and will help us to continue to build the Tasmanian economy.

We are focused on providing more opportunities for Tasmanians to get the training they need and a strong TasTAFE is crucial in achieving this goal.

I commend the Bill to the House.