



PARLIAMENT OF TASMANIA

LEGISLATIVE COUNCIL

REPORT OF DEBATES

Wednesday 24 November 2021

REVISED EDITION

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The President, **Mr Farrell**, took the Chair at 10.00 a.m., acknowledged the Traditional People and read Prayers.

LEAVE OF ABSENCE

Member for Pembroke, Ms Siejka

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council)(by leave) - Mr President, I move -

That the member for Pembroke, Ms Siejka, be granted leave of absence from the service of the Council for the remainder of this week's sitting.

Motion agreed to.

SUSPENSION OF SITTING

[10:05a.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I move -

That the sitting be suspended until the ringing of the division bells.

This is for the purpose of continuing the briefing on the Container Refund Scheme Bill 2021.

Motion agreed to.

Sitting suspended from 10.04 a.m. to 11.33 a.m.

RECOGNITION OF VISITORS

Mr PRESIDENT - Honourable members, I welcome the Cottage School to our Chamber today, students from years 5 and 6. Currently, we are about to go into a process of legislation called the third reading stage. Welcome to the Legislative Council. I am sure all members will join me in welcoming you here today.

Members - Hear, hear.

**GAMING CONTROL AMENDMENT (FUTURE GAMING MARKET)
BILL 2021 (No. 45)**

Consideration of Amendments made in the Committee of the Whole Council

[11.35 a.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) -
Mr President, I move -

That the bill, as amended in Committee, now be taken into consideration.

Motion agreed to.

SUSPENSION OF STANDING ORDERS

Reading of Amended and New Clauses

[11.35 a.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council)
(by leave) - Mr President, I move -

That so much of standing order 284 be suspended in respect of this bill so as
to allow the amended clauses and new clauses references only to be called
without a need for the amendments to be read again in full.

Ms FORREST (Murchison) - I accept the request. I would not accept it without the
documents being provided, I assume, by the Clerks, so we could have a chance to look through
them. We are doing the final approval here and it is important it is correct. No reflection on
the Clerks' work at all, there are a lot of amendments and some of them were quite complex.
It is important they are properly considered. I will support that request, but want to make that
point because if this was provided it would facilitate that process.

Motion agreed to.

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) -
Mr President, I move -

That the amended clauses and new clauses references be read.

All members have a copy to help facilitate that. I will ask the Clerk to read those slowly,
so members can go through it if that is the desire.

Motion agreed to.

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) -
Mr President, I move -

That the amendments be agreed to.

Amendments agreed to.

**GAMING CONTROL AMENDMENT (FUTURE GAMING MARKET)
BILL 2021 (No. 45)**

Third Reading

[11.38 a.m.]

Ms FORREST (Murchison) - Mr President, I rise to speak on the third reading of this bill to explain why I will not be supporting the third reading of the bill after supporting it into the second reading and enabling the scrutiny in the Committee stage of the whole House. I would have preferred the financial implications of the arrangement of the bill to be fully assessed by the Public Accounts Committee but, sadly, after seven or eight days of debate and a number of hours the Leader referred to last night, here we are.

After spending up to 14 hours a day in this place, in my office - here, thankfully, I have a standing desk in my office - in my seat over there, in that chair as the Chair of Committees and the chairs of the committee rooms, for seven days on this, and some other less contentious bills, and not seeing daylight during those hours, I am deeply disappointed the Opposition did not speak other than to an amendment they put forward. How can any of us address genuine concerns if those concerns are not expressed? The Opposition failed to explain to anyone here or in the community why they were not willing to stand up for the people of Tasmania who have supported them in the past, who voted for them on their desire to see harm reduced in many of our communities.

The Government has argued they had a mandate from the electorate, which is a hollow and shallow justification.

Mrs HISCUTT - Point of order, Mr President. The third reading is for new and compelling information. If the member for Murchison has that new and compelling information, I ask that be put forward.

Mr PRESIDENT - I will not uphold the point of order on that but I will remind members that in this third reading stage we are to discuss the provisions of the bill and the amendments. I ask all members to be constricted and refined and be well aware of Standing Orders, particularly 99, in referring to the debate.

Ms FORREST - I note that on other occasions we have spoken on the third reading, particularly where we have been in a position where it may have changed our view on a bill as it has gone through the process. Forestry looms large in my memory.

I will speak to the provisions of the bill that saw my disappointment, that have been the result of me changing from supporting this bill through the Committee stage to now not supporting it for the third reading.

The electorate, the Tasmanian people, had no information about the structure of the arrangements that were clearly agreed behind closed doors. If the cash grab that handed a handful of operators was disclosed, the outcome would likely have been quite different. I am saddened and deeply disappointed to note that the Government appears to be captured by the interests of a few pub owners and, at the behest of the THA, captured to the point that they brought forward a bill that essentially replicates the gaming industry's demands.

It benefits so few. Those who receive the most benefits are the individuals and companies who are already profitable under current arrangements and would have continued to be under the alternative approach I proposed, but was unsuccessful in convincing members to accept or, at least, refer back to the other place for proper consideration.

After the 2018 election I spoke with a number of people from my electorate that I can only describe as rusted-on Liberal voters from seriously rusted-on Liberal families who, for the first time, I am quite sure, and probably now the only time in their lives, actually voted Labor. These are smart people in business, who saw the harm pokies play in our communities. They urged me to work to remove the harmful nature of pokies and to ensure a fairer approach. I have sought to do what they asked me to do.

Mr President, we all know the result of the election and it meant that taking pokies out of pubs and clubs was no longer an option; but I cannot understand why the Opposition has remained silent on their very strong stand to at least reduce the harm minimisation. Hardly a word has been said in this place about harm minimisation other than facial recognition and precommitment cards. Yes - two measures that may or may not be included, but are not the evidence-based measures that we spoke about. No suggestions were offered to improve the outcome for the state. I know the Labor Party did not win the 2018 or 2021 election but I still believe they stand for something.

I seriously believe that voters care about social harm. That is what they tell me in my electorate; that is what I consistently hear. They tell me that already profitable pubs have been gifted licences in the first instance. Do they really deserve a massive profit boost that this delivers?

To not speak up or support stronger harm minimisation measures, knowing the lived reality of so many of our Tasmanians and being aware of the inequitable distribution of wealth to a few to the detriment of our communities and our fellow Tasmanians, makes me wonder why others have not spoken up in this place to fully prosecute that matter - because that is the lived reality.

I made a commitment not to stand in the way of reform in this area, respecting the result of both elections. What I committed to my electorate and to others is to ensure that if pokies are to remain in our communities, that there be effective harm minimisation measures that were included, and a fair distribution of the player losses were returned to the community.

It was clear to me before the debate, and it is even clearer now, that a well-regulated monopoly with a more equitable distribution of the profits, in my view and the view of many others, is and would have been a better proposition. Sadly, this bill in its current form fails. It fails to deliver effective harm minimisation measures and a fairer distribution.

I simply cannot support it and I am surprised if others believe they can.

What we are asked to vote on is so far removed from the objects of this bill that I am gobsmacked. It is heartbreaking as this is the one opportunity we had to address these matters and put in place a fairer and a safer option.

Both the Government and Opposition members, apart from the Leader - who has done a sterling job trying to navigate this pretty odious bill through this Chamber - have barely said a word in this place.

Mrs HISCUTT - Point of order, Mr President, standing order 99(2).

Mr PRESIDENT - We must be careful, standing order 99(2) is reflecting on a vote of the Council so -

Ms FORREST - No, I am not reflecting on a vote. I am commending the Leader for her work in getting that bill through. It was a tough job and she did a good job. I just said that she did a sterling job trying to get it through. I was not reflecting on how she voted, Mr President, at all.

Mr PRESIDENT - I understand.

Mrs Hiscutt - It was the statement before, you did. Anyway, move on. The ruling has been made.

Ms FORREST - This bill gives a massive financial boost to a very small number of individuals, about six or seven already profitable businesses with minimal increases in returns to the people of Tasmania, some of whom are harmed by the presence of pokies in their communities.

It is important to state again, when the pokies room in a pub across the Murchison border in Montgomery can net around \$900 000 per annum for at least 20 years - that is net profits, after costs - from a gaming room, that is about \$18 million in total guaranteed and likely to be more than that. Yet the Montello Primary School, which is literally a couple of streets away, down a bit of a hill, hardly fit for purpose and in need of more than a \$7 million investment to make a difference, I ask how this largesse can be justified for a few already profitable business owners?

I sought to change that. I was unsuccessful.

Our state is crying out for more funds to fix a myriad of problems we are all acutely aware. We all know - or we should know - the dire predictions in the Fiscal Sustainability Report mean we need more funds. Yet when the first opportunity presents itself to raise more funds in a fair and equitable manner, there is not only an unwillingness to do something about it, there is an unwillingness to explain the reasons to the people of Tasmania. All we get is: 'Our policy may have changed but our values have not'. Exactly what are those values?

The six pubs in Elwick will collectively be \$2 million better off as a result of this bill. That is \$2 million every year. They are already extremely profitable. Some would say, trading on the misery of people in Glenorchy. Yet this bill will allow them to cream off another \$2 million a year.

I ask the member for Elwick, who has made no comment on my motion to request this to be made to the other place, does he know how much the big players in his electorate will get and how much the community will not?

I ask members the same question about all their electorates. Do they know how much some will get and some will not?

Mr Willie - I was pretty clear in my second reading speech.

Ms FORREST - The Government made it clear it will not provide the modelling, even though some members seem convinced they have done extensive modelling. I suspect they have not and that is why they will not release it. They have pretty much adopted what the THA asked for.

Have they modelled the profits? If you are a bank manager assessing a loan application, the matter that would be of the most interest would be the profitability of whatever is being considered. Yet we are being asked to approve an arrangement with no idea of what the profit implications are for those who are about to benefit.

How can we be sure that the distribution is in the best interests of the community and in line with the object of the bill? Do existing pokie pub owners need a boost? Will there be enhanced profits, as they say? Why do they need more if they already earn well above average profits than the broader industry, as those in the industry have said in the document I quoted from when I requested the amendment to be considered?

Some members of the industry have stated they spent \$4 million and \$5 million on capital expenditure because of the benefits the pokies currently provide for them. I suspect for one or two of the larger industry players, this bill underwrites their retirement plans.

In this bill we are being asked to approve arrangements that will guarantee a much higher sale price for their pubs. As a result, we are sure to see a turnover of pokie pubs as the money managers chase government protected super profits. Is that what we want? Is that what members are happy to agree to? I know I do not support that. I ask all of you to ask yourselves that question. Are you sure the arrangements proposed in this bill are the most appropriate way to share the returns from gaming and from EGMs in particular?

This bill clearly puts at risk some of the smaller pubs with lower player loses. A number of these are in my electorate and obviously in the member for McIntyre's electorate. Not to mention all the pubs and clubs in our regions that do not have pokies, the THA is also said to represent. Pubs and clubs, I have no doubt would appreciate a handout from the Government, but have to compete with the Government sanction of super profits on what will be a totally unfair and uneven playing field.

We have a government that has a deep, abiding commitment to market-based solutions, that has unashamedly agreed to allow the government-protected activity of questionable social value to reap huge profits to the detriment of our community and the disadvantage of those in the hospitality industry without pokies who are trying to compete. These are the pubs I will be supporting by spending my money wherever I can, as they do not have such a benefit of government favour. I simply cannot support such inequitable distribution of income from pokies in pubs and a lack of commitment to real harm minimisation.

The Government has basically refused to directly include harm minimisation measures. Evidence-based, effective harm minimisation, has been refused to be included. That is another reason I stand here now changing my vote.

As a House of review, I find it staggering we have not heard all the voices in this debate, because every member here represents a fifteenth of our people. I am not suggesting members go against their party position, I appreciate the challenges with that, but I would have appreciated hearing during our Committee stage, the stage of scrutiny that was not possible through a committee process, to hear those voices.

We had a once-in-a-generation opportunity to meet the stated objectives of the bill. Other than the agreement by the Government and Opposition to support the inclusion of public health and consumer protection, which I really welcome and commend the Government and the Opposition for supporting that, that was the only approach to harm minimisation we saw in real terms as a high-level principle. This bill fails dismally on the provision to ensure returns from gambling are shared appropriately amongst the gaming industry, consumers and the state.

I am disappointed beyond words with the outcome. I will not be supporting the third reading as I have said and I urge other members to seriously consider doing likewise. Personally, I would much prefer the current model, with a well regulated monopoly than what we have here. We still have no idea what impact these changes will have on many smaller pubs.

I fear there is a growing divide between the pubs with EGMs and Federal Group. I understand pubs are paying higher hire fees lately and there are many machines fully paid for that are still worth money. At this stage, it seems that Federal is saying they want their net worth, not what is owing. A commercial decision, some would say. However, the big pubs, as has been hinted at, may buy all brand new machines, leaving Federal with bundles of machines, some with money still owing, and no revenue. The bigger ones may have the capacity to do this, the little ones will not. The smaller ones will eventually get done over through this process. No one has been able to answer that process around that transition. Still under consideration, we heard that from the industry reps who briefed us. There is still uncertainty of how the banks will regard EGM authorities as security, they are not tradeable assets.

Everything I have raised about the pokies and the positive and negative impacts on different pubs is correct, although it is probably worse. This legislation will be in place for 40 years. We have an opportunity to send this policy back to be reconsidered by Government while the current arrangements continue.

I simply cannot support a bill that does not in any way meet the stated objectives of the bill and I am deeply concerned to stand by and watch such an unfair, inequitable and potentially harmful model pass through this place.

Is it the best model? Is it the best deal for the people of Tasmania? I hope all members ask themselves that question before they vote on this third reading. Surely, we can do better.

[11.55 a.m.]

Mr VALENTINE (Hobart) - Mr President, I want to thank all stakeholders from all sides of this debate for the briefings and the opportunities they gave us to hear their concerns or support for this particular bill. I thank the Leader for conducting it. She does it fearlessly, without fear or favour with regard to the briefings we receive. I commend her for that, as I always do.

Sadly, for me, the scrutiny via committee was not acceded to when that was put up, and neither was it acceded to when there was a move to put it to the Public Accounts Committee to look at it more closely with regard to the financials.

It is a significant opportunity here to change the landscape. Going through the process of Committee, which I didn't vote for, confirmed to me how important it is that harm minimisation is placed into legislation to make sure that people in our community, those that we know, sometimes those that we love, sometimes those that are well and truly on the periphery aren't inadvertently harmed by something that is state-sanctioned.

The Committee stage was long. Last night, the Leader said that 43 hours were given of OPC's time to -

Ms Forrest - That was the debate.

Ms Rattray - It was 69.

Mr VALENTINE - Sixty-nine was it, altogether?

Ms Forrest - Forty hours for the debate.

Mr VALENTINE - Sorry, how many hours was OPC?

Mrs HISCUTT - Point of order, Mr President. This is standing order 100. I do apologise, member for Hobart. I can understand the member for Murchison wanting to put on record that she has changed her vote. I don't think the member for Hobart is going to change his vote. Third readings are for new and compelling evidence and all I am hearing at the moment is standing order 100.

Mr Valentine - Sorry, I am only clarifying the information.

Mr PRESIDENT - Order, we do not want repetition in the debate and we can't open up debate in the Chamber. If you can, be as tight to the line as you can on that without any reflection.

Mr VALENTINE - Thank you. I certainly did not want to be engaging but I wanted to get the figure right in relation to what OPC provided in regard to hours to the honourable member for Nelson. Was it 43?

Mrs Hiscutt - It is already on *Hansard* for anyone who wants to check.

Mr VALENTINE - Whatever it is, it was a big figure and, very clearly, there were lots of amendments associated with going through that Committee stage. I am talking about the Committee stage as it is an important stage where we get to examine everything and it was time well spent.

It was mentioned about the mandate to be in place. It is only a mandate to go on the agenda and we have had that opportunity. Harm minimisation as so wanted by the community has not been delivered to the best possible extent in this bill, it is not delivering value back to the community. The bill fails, in my humble opinion.

It is what it is but it will not have my name on it. I did not want it to go to the second reading and into Committee but after having been through the Committee process, it absolutely confirms to me that this bill is not in a fit state and is not what I believe the majority of the people of Tasmania want. Commercial operators have a right under the law to have gaming as part of their business model. I have no concern about that whatsoever; but we, as a parliament, need to make sure that we see equitable circumstances exist around the operation of gaming machines. The bill fails and it will not have my name on it.

[12.00 p.m.]

Ms WEBB (Nelson) - Mr President, I am mindful of the strictures of speeches. I appreciate the opportunity to make some brief remarks. Members would be aware that I did not vote for this bill to go into the Committee stage. However, I participated thoroughly in that Committee stage. On that basis, I wanted to explain my third reading vote.

As has been noted, our Committee stage was extensive and many of the amendments and the new clauses considered were brought by me. I put on the record here my deep gratitude for the opportunity for us to undertake that process, and to particularly thank members who have engaged with that. When I reflect on our role here, that is key to it. We are here for scrutiny and review, and it is important that we are able to engage with that process. I greatly appreciated the level of engagement from many of the members here. I was very pleased to see that, on many matters brought forward for consideration, there were high levels of agreement amongst many members, which is reflective of community sentiment.

We know this bill has been the result of an opportunity for significant reform, presented to our state. It delivers particularly significant reform in this area and it warranted careful assessment here. The key questions for us were: is this a bill we can support because it is robust and meets its objectives and the objects of the act? Does it deliver the best deal we could look for? Does it deliver the best outcomes for our communities?

I was disappointed that many of the matters brought forward did not find support and we were not able to add things to this bill that I believe did not disrupt the structural reforms that it presented and were complementary to the objects of the act. I took the trouble to engage deeply with the bill and to bring those matters forward - as is our role in this place - with the intention of making improvements and doing that review and scrutiny for our community. My intent was not to disrupt this reform and this bill, knowing that was not supported. I sought a way to improve it, and to do so in a way that allowed for the structural changes.

I am disappointed, particularly on measures such as harm minimisation. I know the community had a high expectation to see those measures. We had that opportunity to put measures in place with no disruption to the structural reform, and we did not do that. We had some governance matters; we did not pick those up and add those in for improvement. We had matters to do with carefully considering further reviews and investigations; we did not pick some of those up.

I am very pleased about some of the things that have been picked up. While some of them may seem minor, they are also significant. I celebrate some of the things that this Chamber resolved to support in this bill. In particular, the one that I am very pleased about - and will be happy to report back to my community - is that we have preserved a set point in time in the future when there will be another opportunity for reform. Under the initial iteration of this bill, this would have been gone, lost forever, with a staggering of individual venue licence end dates that inevitably would have occurred over time. Through the amendments, we have

achieved the preservation of that moment-in-time opportunity. For me, on the one hand, it is cold comfort against the things that we were not able to also include but it is a very positive opportunity for the future. I am glad that we, as a Chamber, were able to deliver that together. I thank members for their support of that.

It has been noted by others and it was probably an unusual thing to be mentioned on the parliamentary record at the conclusion of our debate last night when a tally was provided of Office of Parliamentary Counsel (OPC) time that was given to various aspects of the amendments and new clauses to the bill, particularly because it was noted that a rather substantial amount of time, it would probably be deemed by many, 69 hours of OPC time was provided to me to put together the set of amendments.

I think I had about 44 amendments and 14 new clauses. I express my heartfelt thanks for the opportunity to access OPC services and for the sterling work that was undertaken by OPC in assisting me with that work. I think it was outstanding. For me, that meant I can be assured that I have done my job to the best of my ability here in this process. I am grateful for the opportunity to access the resources to do that. I am uncomfortable that we might set a precedent for tallying up resources that have been utilised on bills in this way.

Mrs HISCUTT - Point of order again, Mr President. New and compelling evidence is usually what is delivered in the third reading, plus we are bordering on standing order 100 again.

Mr PRESIDENT - I would ask the member to contain it to the provisions of the bill and your reason to not support, or support, and not to allude to other aspects. I understand the line that you are trying to take, if we can keep that tight. You can make the allusion but not to any great detail.

Ms WEBB - Thank you for that, Mr President. I will not go into further detail. I simply wanted to note that I hope that was not something that may come to pass as a regular occurrence or we would need to be clear about why it might.

Mrs Hiscutt - By way of personal explanation, Mr President, I wanted members to know that, as a government, we do not curtail OPC's activities. We try to assist. It was an extraordinary amount of time and I thought it should have been noted in a positive manner.

Mr PRESIDENT - Thank you for that.

Ms WEBB - May I respond briefly to that?

Mr PRESIDENT - We cannot allow debate so that point will be recorded from the Leader, as will your comments, but we cannot debate in the third reading contribution.

Ms WEBB - Thank you for that. I am happy, as I have done, for my appreciation for the OPC access to be recorded. That was not the intent of my other comments for noting.

To return to the other matters, I wanted to reflect on the bill and where my vote has landed, having not supported into the second reading stage but participated fully, to the best of my ability, to attempt to find a way to support this bill. From my perspective, I believe we have been left with numerous gaps in information that, unfortunately, could not be filled through answering of questions or information requested. We have a lot of doubt as to the ultimate impact of this bill still remaining for us. I do not believe we are in a position to say

that this bill is robust and credible to the extent that we would need it to be to pass this place. I believe that we are not able to answer the question, is this in the best interests of our communities, confidently in the affirmative.

This process is a matter of public record and will be reflected on later. This is an indelible process that becomes part of the story of our state and I wanted to make sure I exercised that process to the greatest extent possible. I am absolutely proud of the way we have deliberated and the way we have dealt with this bill across the time we have had and I am pleased it has taken this long because it should. It has great consequence, financial, but more importantly, social, for our community and our health and wellbeing in this state.

While we have not achieved many of the changes, I am going to remain optimistic for the future opportunities that we have, particularly those where we have held the door open and allowed for future change for decision-makers. All our names will be attached to the debate on this bill in numerous ways. I will leave here pleased with the way mine is attached to it and I hope other members will feel the same way.

[12.12 p.m.]

Mr GAFFNEY (Mersey) - Mr President, a brief reason to the people in my community, my electorate. I have never done this before on a third reading, I think, voted against a bill. It is important to put on the table that I felt the amendments that were made, and that I tried to contribute to, added to the strengthening of the bill and I am pleased with that. The bill is as it is, but I want the people in my community to say that I do not believe this bill is the best legislation we could have for the gaming situation. I want that on the record. I will not be supporting the bill.

Mr PRESIDENT - The question is that the bill be now read the third time.

The Council divided -

AYES 8

Ms Armitage
Mr Duigan
Mrs Hiscutt
Ms Howlett (Teller)
Ms Lovell
Ms Palmer
Ms Rattray
Mr Willie

NOES 5

Ms Forrest
Mr Gaffney
Dr Seidel
Mr Valentine (Teller)
Ms Webb

Motion agreed to.

Bill as amended agreed to.

Bill read the third time.

TasTAFE (SKILLS AND TRAINING BUSINESS) BILL 2021 (No. 56)

Second Reading

[12.18 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I move -

That the bill be now read the 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 responsive to the needs of the 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 guaranteed 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 TasTAFE will not be privatised under this new model. TasTAFE is Tasmania's full most effective training provider and we are committed to ensuring this remains the case into the future.

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

The bill does not transition TasTAFE to a government business enterprise under the Government Business Enterprise Act of 1995, that just does not happen.

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

Part 5 of the Training and Workforce Development Act of 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 provision relating to the administration of apprenticeships and traineeships.

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 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 educational training to enable person to acquire qualifications and participate in the workforce or further education and training. TasTAFE may 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 continue to require the approval of both the minister and the Treasurer.

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 of 2013 with scrutiny through the parliamentary Estimates processes under the Skills Training and Workforce Growth portfolio.

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:

- deliver training in different ways, across more hours in a week and across more weeks of the year;
- meet seasonal training requirements, provide training through holiday periods and take account of business operating requirements;

- provide more flexibility and choice for learners, including apprentices, particularly those in small business; and
- 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.

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 and 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 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 continue to be able to be seconded to roles within the Tasmanian State Service.

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.

The Government understands and recognises the importance of TasTAFE to the Tasmanian community. We 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 for Child Safe Organisations. The bill 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. The expectation is that the code of conduct will be prepared as a priority and that it will be implemented by 1 July 2022.

The bill removes the requirements of TasTAFE teachers to be registered with the Teachers Registration Board. This is given effect by amending the Teachers Registration Act 2000. The 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. I can assure Tasmanians that this change will not result in any reduction in standards.

The bill 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 their 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 period has been considered and the bill addresses that feedback where appropriate. The 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 work force, 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 Council.

[12.33 p.m.]

Ms FORREST (Murchison) - Mr President, we have not had one controversial piece of legislation, we have had two, or probably three. My challenge with this one and the one coming up next is that the players are this far apart and that makes it really hard for any of us here to fully understand or appreciate what the best outcome is. I have had hours of meetings with various industry players, union officials, phone calls, emails - eleventy-squillion emails; that is not an accurate number because I have not counted them, but it is in that vicinity. I have read them all. I have not responded to them all because I simply have not had enough hours in the day and my electoral assistants respond to people. I read them but I cannot possibly respond.

For me this has been about trying to understand firstly what the problem is and then, secondly, what the solution is. I agree that TasTAFE is our largest vocational education and training provider, attracting more than 20 000 students in 2019. However, I know that a number of employers and sectors that rely on TasTAFE-trained and educated students have not been able to achieve what they need from TasTAFE for a number of years. This is not just the last couple of years, it has been for a long time.

This sector, it is almost a bit like the health sector, has had so much reform and so many changes over the last - as long as I have been in this place, about 16-plus years - that I am sure they are all very change-weary. One must be careful not to propose change for change's sake. One would hope that the change you make is the best change, is needed and the change will be effective. The balance, to me, is trying to figure out the real problems and the solutions.

A number of the employers I have spoken to who have had concerns have elected to engage private RTOs or even establish their own RTO to ensure they can access the accredited training and courses they need for their current or future employees. When this occurs, in my view it undermines or hollows out our state-based and publicly funded vocational education and training, making it less viable overall and, ultimately, less successful.

I have spoken to a number of industry players and, when I say industry - and this is a question I have asked a number of people - when you say industry, what do you mean because industry is not just the construction industry, the advanced manufacturing industry, the traditional trades. It is also industries like tourism and hospitality, the disability sector, early education and care, and the list goes on.

When they are going to private RTOs to get the training they need because they cannot get it effectively or appropriately at TasTAFE, that is a problem. You undermine TasTAFE and hollow it out so that the capacity is no longer there. That is a concern and that, in my view, is not in the best interests of anyone. I read the PESRAC report related to TasTAFE with interest at the time. I thought that is interesting and I go back to a point I often make in this place that language is important.

Recommending a GBE, I believe, was unhelpful and certainly not the reality. In any event, it does not reflect what was being presented to this place by the Government. The bill does not create a GBE; rather, it creates an independent government entity responsible for vocational education and training. I spoke to members of PESRAC and I made this point - I said, 'Language is important. This is bad language.'. If you are not going to put in the full-blown GBE under the GBE act, then do not call it that because immediately people in the community get all uptight about it and they think, 'God, Hydro. They are going to be ripping

money out of us everywhere' or whatever. What is being proposed is nothing like that. Language is important.

That was the thing that drove for the first - I do not know how long. We started getting emails about that, 'Don't privatise TasTAFE'. That was because of the language that was used in the PESRAC report and the initial rhetoric; the comment that was out there. That has been a problem. Ultimately, the vocational education and training in Tasmania in many areas has been privatised by default by the actions of industry going to private RTOs to access the training they require or, indeed, establishing their own RTO to get the training they need. As I said, language is important. I am a very strong supporter of public education and that is one of the most important things we can do for our people - to provide public education. It is a shame university is not free. It is not in this bill; I am coming back to this bill about TasTAFE.

Quality public education can only be delivered if there is appropriate funding and resources, ideally provided by a respected and valued workforce. I have had hundreds of emails, as I said, and other communication regarding this bill. I have had hours of meetings and still the debate remains polarised and completely at odds in some areas. Fear drives anxiety and misunderstandings. Again, communication is so important, as is openness and transparency.

I have spoken to and listened intently to relevant unions and various industry representatives from advanced manufacturing to aged care, early education care, disability, tourism, hospitality, to name a few. Some of them have asked me at the meeting to provide them a commitment and I said, 'Get out of here, you know I do not do that so early in the piece.' I said, 'No, don't even think that's going to happen'. I heard very different versions of the capacities, operations and flexible delivery of outcomes in TasTAFE to the point that my head was almost spinning. Some were saying, 'We can do all this and we do all this'. Others were saying: 'We can't get this. This is not working for us, we need to change'.

The public discourse on this bill has been divisive and at times confusing and always contradictory. Many of the emails and communications I have received refer to the privatisation of TasTAFE, as I referred to. Like I said, language is important and the use of the term 'government business enterprise' created a real problem. As I said, arguably privatisation is already occurring. The tourism and hospitality sector has long complained about Drysdale being out of touch and eventually received funding from the state to set up its own training facility.

I hear from other industry associations that some are considering approaching the Government for a similar reason because they cannot get what they need. Therefore, some have suggested that not enacting this legislation will arguably contribute to more privatisation and the carving off of particular skill sets and qualifications. In my view, that would be a bad outcome.

While this does not mean the end of TasTAFE - and I note the Leader's comments about valuing TasTAFE and the entity that it is - having industry sectors lose confidence in the existing arrangements does not achieve the purpose of TasTAFE. Whether we agree or not, the proof is in looking at what has occurred in a number of areas, so clearly change is needed to meet the needs of the employers as well as the students and the future employees.

Industry representatives I have spoken to have stated very clearly that they do not support the privatisation of TasTAFE. I will repeat that; I think this is what has not been understood in the community. Industry representatives I have spoken to have stated, very clearly, they do not support the privatisation of TasTAFE. What they want is for it to work with them to meet their needs and ensure students are work-ready in their businesses. That is a very different point. I feel quite confident that some of the businesses and industry players I spoke to in my electorate are very keen for TasTAFE to provide what they need. They will support it and they will back it in if it can provide for their needs. I can understand then going off to private RTOs or to develop their own RTOs when they simply cannot get it, and that has been the case. While that does not mean the end of TasTAFE, having industry sectors lose confidence in existing arrangements does not achieve the purpose of TasTAFE.

I agree 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. Many of the jobs young people of today will be employed in do not currently exist so we need to be adaptable, flexible and nimble, particularly in our vocational education and training space.

In my discussions with industry peak bodies for mining, energy and advanced manufacturing I was informed that the Tasmanian Minerals, Manufacturing and Energy Council (TMEC), one key peak body, saw two major drivers which the legislation can deliver. It creates the environment under Fair Work for TasTAFE to be accessible by or to industry, 52 weeks of the year. Secondly, it enables a performance-based workplace as per the current Fair Work Act. On the other hand, I hear from unions and others, current TasTAFE, that they already do this, or they already can do this.

With absolute poles apart, it is a very difficult to find what the truth is. TMEC members will benefit the most for having TasTAFE for provision of its services available across the span of weeks, days, weeks and hours, which would mean employees to be released for training.

Currently the school 'term' schedule offered by TasTAFE does not suit their members, according to my discussions with them. For example, it can be many months between signing up an apprentice and that person attending TasTAFE, which has school holidays in amongst the scheduling. Again, we heard from union reps and other representatives from TAFE, that is not the case, they work during school holidays. Where is the truth?

Further, Ray Mostogl, as the CEO on behalf of TMEC, said the other benefit of being in the Fair Work system is gaps which currently exist between the State Service pay scales and industry pay scales. That can be more easily addressed to ensure competitive remuneration and attract the right people from industry, but also for TasTAFE educators to step into industry and maintain currency.

I accept that point that Mr Mostogl makes but I do know that, currently, TasTAFE have enormous difficulty attracting trainers. Part of that is because the pay rates are so low compared to what they get in industry. Why would you take yourself out of your business, do the training requirements necessary to be an accredited trainer, and then work in TasTAFE unless you really wanted to do that out of the goodness of your heart? Some of them do not have that many hours in the day. It is hard. It has to be competitive to attract people who have the necessary skills, qualifications, experience and desire to teach our future employees. Further on, having

TasTAFE educate side-by-side with industry 52 weeks of the year will enable real-time content interactions and ensure the maximum transfer of knowledge and skills can occur both ways.

This is one of the points I have made frequently during this debate and previously when I have had discussions about TasTAFE with members of my community and key industry players. In my mind there is no expectation at all that TasTAFE would have access to all the nice, new, shiny latest technological equipment you might see in advanced manufacturing. It is simply impossible to do that and would be completely silly to spend that amount of money required to have that equipment, machinery, whatever it is, out at TasTAFE when it is probably likely by the time they get it to be out of date within two or three years and the next new shiny thing is out there.

It is imperative this close connection between industry and TasTAFE is very functional, so that students can spend time in those workplaces where they have real-time meaningful interactions with the workplace and the type of equipment they would be dealing with.

I hear the equipment TasTAFE currently has such as welding, is about 20 or 30 years old. Whilst basic welding is basic welding - I am not a welder myself, but watched my brother do it - surely, welding techniques have changed and welding equipment has modernised in that time, such you would need to update some of it. As I understand it, it has been very difficult for TasTAFE to do this because they have not had the money.

Now is that a problem of government? Has government not provided the money? Probably yes. Will this fix it? I hope so. Regardless, I do not think we have to expect every new shiny machine to be in TasTAFE buildings.

I am informed by TMEC that moving TasTAFE educators away from the State Service and the Teachers Registration Board - Tasmania being the only state with this requirement for TasTAFE - does not change the quality of education needed to be delivered. TasTAFE will need to retain its Australian Skills Quality Authority registration, content and methods as part of the standard. TMEC said overall, they believe 'The legislation positions the board to have a normal relationship with the CEO' as well. Frankly, this is a fraught model it operates under at the moment. Currently, the CEO has multiple masters, employed by the Premier, answerable to the minister and Skills Tasmania and State Growth and the board. It is a completely inappropriate governance framework, absolutely. You cannot have that many masters and I am sure all of them have different reporting requirements.

A properly structured governance arrangement is a CEO who works for the organisation and reports to the board. The board has the responsibility to the minister. The board can have it out with the minister if they do not have enough money, or whatever it is. The CEO should be getting on with running the education and training they are employed to do.

On the other hand, I hear from TasTAFE teachers, trainers and the unions that all of the above matters I have raised can be done under the current arrangements. They just need more funding. I am not one for just throwing more funding at something if it is not going to make a difference and it is not going to fix the problem. I am still not entirely sure what the problem is, but I know one of them is the governance model.

TasTAFE, unions, teachers and others say the flexibility is there and the courses can be provided under the current arrangement. Again, this vast contradiction. The staff, teachers and

others at TasTAFE and the unions are very concerned about the loss of pay and conditions during and following the transition, with a dual system of educators and trainers providing the same or very similar education on quite different rates of income and conditions. I am not going into all the ins and outs of that, but to say I hear those concerns.

Having worked as a midwife and a nurse for a long time, it seems grossly unfair to be working alongside a midwife when that person is on double time and you are on single time doing exactly the same, probably more in some cases, work on a shift. I am not saying this is the case with TasTAFE, but those sorts of things create this frustration when you see someone getting paid a different rate of pay. That person was on call and called in on double time and I was on a regular shift, for example. I understand the anxiety and frustration. If you are working alongside someone who has been employed under this new arrangement and they are on more than you, which seems unlikely but possible, I can understand why they might be anxious about that.

We did hear quite clearly the concerns regarding the change of being employed under the State Service to employment under the Fair Work Act. In an email sent to me from David Genford on 19 November, following the questions I asked, he replied:

I just wanted to follow up on a question that we received about not being worse off after our agreement finishes, the Better Off Overall Test (BOOT), under the Fair Work Act and whether it would protect the employment and conditions of TasTAFE teachers and staff.

We put this question about the BOOT to Kim Evans, Secretary of State Growth. Here is the written question and response of 20 October 2021.

I am putting this on the record, because there were differing views on this. The union are clearly pushing back on this. The union wrote -

Question: Does the Fair Work Act Better Off Overall Test, BOOT, mean that existing terms and conditions will automatically transfer under the new Enterprise Agreement?

Answer: No. The BOOT test applies as against the modern award... You do not need to reply to our opinion or the Secretary's response, here is the Fair Work Commission description - What is the BOOT?

It goes on:

'The better off overall test considers the terms that are more beneficial and less beneficial to employees in an agreement, compared to the terms in the relevant modern award. The better off overall test requires the identification of agreement terms, which are more beneficial, and the terms which are less beneficial, and then an overall assessment is made as to whether employees will be better off under the agreement than under the relevant award'.

The BOOT does not consider the terms of an existing or previous agreement. It only measures a proposed agreement against the 'modern award'. The award that will cover future employers of TasTAFE is the Educational

Services (Post-Secondary Education) Award 2020. While referred to as a modern award, it is better described as a basic award because all employment conditions and salaries are far inferior to the existing TasTAFE teaching awards and agreements.

Our analysis shows that teachers and staff would suffer a 30 percent pay cut, more in some cases, and lose a large number of entitlements and conditions on the applicable basic wage. The BOOT offers no protection to this loss.

It is important to note that TasTAFE teachers have no current agreement in operation at this time.

I understand that is being negotiated currently. It has been in negotiation for quite a period.

And the agreement covering TasTAFE support staff expires on 30 June 2022, the date proposed to transition all TasTAFE employees out of the public service.

Without an employment agreement in operation at the time of transition, the conditions in expired agreements will not be transferred under the Fair Work Act and every TasTAFE employee at the time will be dropped from their current conditions to the basic national award. In other words, every TasTAFE employee will be much worse off on the 1 July 2022 under the proposed legislation.

That was his response.

We heard at the briefing that if there is no agreement, the current agreement stands until a new one is struck. I do need the letter to confirm some of this because it is a contentious issue. It is important because it is the key for those who are feeling very disenfranchised during this approach. If there is no agreement in place on 30 June 2022, will the current award and conditions be the ones that transfer? That will be the starting point. As I understand it, the provisions beyond that and the five-year transition period may start again, at what point I am not entirely sure, but that will be the starting point. Any future conditions are negotiated again when the new arrangements are to be determined.

This is my conundrum, I am hearing very different things from very different players. I spoke to Dale Elphinstone about this; I spent quite a long time with Dale. Dale is a very fine Tasmanian, one of my constituents. He always has an opinion about these sorts of things but he is willing to listen to mine. We had a good discussion about these matters and he said, 'I need to go away and think about some of the things you have said', and he did. Which is good. He could not answer some of the questions that I posed, but he was keen to go away and find out. One of the things he talked about with this transition arrangement was that when they do this sort of thing in his business, they provide a grandfathering forever. It takes all the heat out of it. I am not sure whether that is an option for TasTAFE to entirely grandfather the conditions. That may not be in the best interests of the employees anyway. If TasTAFE can offer higher wages and conditions under a new model to attract the necessary people in to provide the training and education their students need and the industry needs for the people they are training, then they might find themselves worse off if they were grandfathered across on the same arrangements.

You have to be careful what you wish for sometimes and I need the Leader to clarify that process, so that people listening can understand if there is no agreement, they don't just fall off the cliff and end up right down at ground zero.

Ms Rattray - At Bunnings.

Ms FORREST - At Bunnings?

Ms Rattray - That's where they tell me they are going.

Ms FORREST - The question of whether the staff could or would be better off overall under the new arrangements was argued and disputed by the department and TasTAFE CEO and incoming chair. They said that was not the case; this is in the briefing which is not in the record. I think hundreds of TasTAFE employees are very concerned about this, but were not there and they are relying on feedback from the unions and that sort of thing. They need to be able to go back to this and say, what is the arrangement?

I can clearly see their dilemma in this. I ask who is right: the unions, or industry, or the Government, or the TasTAFE Board? And who is wrong? Or, is everyone right and everyone wrong; I do not know. I struggled with this question whilst trying to read all the emails, which I have sadly been unable to reply to.

Sitting suspended from 1 p.m. to 2.30 p.m.

QUESTIONS

COVID-19 - Information for Businesses and Borders Reopening

Ms LOVELL question to MINISTER for SMALL BUSINESS, Ms HOWLETT

[2.31 p.m.]

Just three weeks from the border reopening we continue to receive a large amount of correspondence from business owners alarmed at the lack of detail about what will happen if a positive case visits their premises. How will a close contact be defined and what will be the isolation requirements for close contacts? What about other staff who have spent a significant amount of time with a colleague identified as a close contact? Why is this information not already available to business owners, given we are just three weeks away from reopening?

ANSWER

Mr President, I thank the member for her important question. We have over 39 000 small businesses in Tasmania employing over 100 000 people. We will continue to take advice from Public Health and we will provide more information for small businesses in the coming week. We will have an event framework for them about what to do.

Public Health advice so far has held us in good stead and we will continue to take their advice.

COVID-19 - Businesses and Vaccination Policies

Ms LOVELL question to MINISTER for SMALL BUSINESS, Ms HOWLETT

[2.32 p.m.]

On Friday the Premier announced that businesses will be required to undertake a risk assessment with regard to vaccine mandates for their staff. He stated businesses must then implement a lawful and reasonable direction to staff, in line with that risk assessment.

Why is the responsibility for vaccination policies being outsourced to individual businesses? In the absence of the state Government taking charge, will it not be likely that some hospitality workers, for example, may be subject to a vaccine mandate and others will not? Are you certain small businesses will not be subject to costly unfair dismissal claims? Why, having known this day would be coming for months, do increasingly busy business owners still not have clarity on what the Government will require of them in just three weeks?

ANSWER

Mr President, I thank the member for her question. The reopening plan is another positive step strengthening our economy while ensuring we have the right health and safety plans put in place to keep us safe from COVID-19. As I have stated, more information will be released very soon and we will continue, as we always have, to take advice from Public Health.

COVID-19 - Business Responsibilities - Time Line for Answers to Questions

Ms LOVELL question to MINISTER for SMALL BUSINESS, Ms HOWLETT

[2.33 p.m.]

In the answers to the previous two questions you have advised that information will be available soon. Can you provide a time line for when that information will be available to business owners who, I am sure, are in constant contact with many of us in the Chamber with these questions?

ANSWER

Mr President, I thank the member for her question. Public Health and Business Tasmania are currently working through information and when they have sourced that information we will then provide it.

COVID-19 - Border Reopening and Passenger Service Contractors

Ms ARMITAGE question to DEPUTY LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Ms PALMER

[2.34 p.m.]

Regarding the passenger service contractors based in all major airports with direct services to Tasmania:

- (1) Given Tasmania's borders will be reopening from 15 December to all mainland jurisdictions, will these contractors continue to be based in major airports with direct services to Tasmania?
- (2) What is the term or length of the employment of these contractors, or alternatively, can the Leader advise of an end date for their contracts of employment?
- (3) Can the Leader please advise the exact number of contractors that are currently employed for these purposes?
- (4) What are the specific duties of these contractors?
- (5) What is the cost for employing these contractors, or alternatively how much has the Tasmanian Government budgeted to employ and retain these contractors?

ANSWER

Mr President, I thank the member for her questions.

- (1) Yes, the contractors will continue to be a valuable tool when the borders open
- (2) The contractors' tenure is reviewed monthly. They can be stood down with seven days notice.
- (3) There are 80 contractors.
- (4) The duties of the contractors are to educate and assist travellers by conversing with them and directing them to the Tasmanian Government COVID-19 website prior to boarding. The communicated messages are supported by presenting a Quick Response (QR) code to the traveller's smart phone so they have immediate access to current entry conditions.
- (5) The total cost for the service for the period November 2021 is expected to be \$195 695.

CRIMINAL CODE AMENDMENT (JUDGE ALONE TRIALS) BILL 2021(No. 50)

First Reading

Bill received from the House of Assembly and read the first time.

TasTAFE (SKILLS AND TRAINING BUSINESS) BILL 2021 (No. 56)

Second Reading

Resumed from above.

[2.37 p.m.]

Ms FORREST (Murchison) - Mr President, before the lunch adjournment I was asking the question about who is right and who is wrong about the impacts and even the nature of the question and what the solution may or may not be. It has been a bit of a challenge to try to sift through all of that.

The Leader informs us that 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. She said:

We want to ensure TasTAFE provides more Tasmanians with the skills they need to get the jobs now and into the future.

We are assured by the Leader that TasTAFE will always play a role in providing services in regional areas and foundation skills, including literacy, numeracy and digital literacy. This is one of the key reasons government provides such significant ongoing investment in TasTAFE - that is what the Leader told us.

This is probably one part of the problem. This is what the Government's focus is - and one would hope that there is always a focus on literacy, numeracy and digital literacy as well. What I am hearing from industry repeatedly - I know I represent an area with low socio-economic outcomes, poor educational outcomes and attainment and very low functional literacy rates. It is a very sad situation that a significant part of Tasmania has those challenges. A lot of the people who struggle with literacy and numeracy and digital literacy and need help with every other form of literacy - financial literacy, the whole lot - are looking for employment. They turn up to employers who I hear from and they are saying that these people are not suitable to be employed because they are not literate, they are not numerate, they are not digitally literate, depending on the nature of the employment.

The question I have for the Leader is, how will this new structure ensure those provisions or focuses remain forefront and centre? This is another matter raised by TasTAFE staff and the unions, that people will not need to be teachers or to have those skills because of the changing framework. I am not saying that is the way I totally see it. There was a summary provided by one of the unions, the Australian Education Union talking about their concerns on cuts to literacy, numeracy, IT and employment programs. This has been raised by a number of people I have spoken to about some of the potential cuts to courses and increasing fees. These are genuine and legitimate fears and need to be addressed in this debate to ensure these matters are dealt with and addressed in the Leader's response.

The information I have says TasTAFE has the legislative function to deliver skills including literacy, numeracy, IT, employment skills to help disadvantaged Tasmanians into education and work. A lot of these people come from my area, I am not the only one. These have been cut from the draft bill. The foundation and study skills program includes help for people to get back into learning after having time away from study and provides support to

develop skills for students with a disability or a learning barrier. Tasmania's high level of disadvantage means high-quality and affordable courses for students are vital for their employment prospects.

I would like the Leader to address that concern raised by the AEU along with the matter of high course fees, because that obviously flows through. If you are disadvantaged, living in a socially and economically disadvantaged community, then higher course fees makes it unobtainable and the prospects even worse. The matter raised with regard to that was the Government wants TasTAFE to operate like a business and seek 'full cost recovery', which is code for higher fees for students and employers.

In a taste of what is to come, TasTAFE doubled the advertised cost on courses such as early childhood education, albeit briefly. After media attention, the price rises in comparison that had appeared on the website were taken down. However, course costs remain prohibitive in areas of workforce shortages - \$8000 to \$22 758 for the Diploma of Early Childhood Education and Care.

The other point is poor quality and expensive training on the same aspect as said in the PESRAC plan. Private registered training organisations (RTOs), notorious for high fees and poor quality and - this is their assessment, not mine - are to be favoured to deliver profitable courses while a downgraded TasTAFE provides remaining expensive-to-deliver training, described as 'thin markets'. This will force students wishing to study courses like aged care and early childhood education into the private RTOs. Those who cannot afford the private fees are then forced to take out student loans to cover costs. Billions of dollars of taxpayers' money have already been rorted by corrupt private RTOs under the old VET FEE-HELP scheme.

I am not saying their claims are right, but they have been raised. They do raise alarm for people who are feeling very uncertain about the future. As a member who represents an area of particular disadvantage in these matters, the last thing I want to see is affordable public education become less accessible to the people I represent, not just the young people but the older people who are looking to retrain, but particularly, the younger people looking for employment.

Yes, we need to provide courses that get them ready for employment, potentially in jobs that do not yet exist. This is really important that we are not throwing the baby out with the bath water, but potentially it could be addressed another way. I will come to a couple of those matters shortly.

The Leader said, the Government has committed an additional \$98.6 million to upgrade TasTAFE facilities and equipment, increase access for rural and regional students and employ 100 more teachers and trainers. As I said previously, I am not sure where those trainers are going to come from. One would hope that this proposed arrangement will definitely attract them because talking to providers in Circular Head and right along the north-west coast, getting trainers has been a massive issue. I am sure it is probably the same around other parts of the state, I have not really asked those areas. To get qualified trainers to leave the private sector, predominantly, to provide this training is already difficult. I would like the Leader to address that matter.

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

recommendations. In the discussions I have had, it is clear that the challenges of a range of industry representatives have significantly predated PESRAC. The point is yes, PESRAC did include a recommendation - poorly worded in my view - talking about a government business model. However, from my discussions with industry, in the broad definition of industry I described earlier, these problems predate the PESRAC process.

I know that problems existed before then. We have all read about it in the paper. We have seen Integrity Commission reports. I have heard from people in my electorate. I have heard from people outside my electorate about the challenges, and then throw COVID-19 on top of that. It created an enormous challenge. Yes, PESRAC did make a recommendation in response to the economic and social recovery from COVID-19, but I honestly think there were problems there before COVID-19 that may have fed into a review and perhaps the change to TasTAFE's current arrangements.

The Leader stated in her second reading speech that:

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.

She said:

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

This is that contested space where we heard from people in TasTAFE - and the multitude of emails we have received. They do this, they can do this, they can be flexible, they are agile. There are no barriers to achieving that but I hear equally strongly from industry it is not working, hence the conundrum.

This area has raised some concern for me, especially, knowing how difficult it is to recruit enough qualified trainers in a range of industry sectors, including the registration requirements for teachers and trainers and how this would be assured through this process. It is an ongoing challenge and one the Leader needs to comment on further.

The Leader said in her second reading:

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.

The 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.

This has clearly raised some concern from teachers, especially those teaching literacy, numeracy and other educationally based knowledge, as well as skills.

As we know, electronic communications made it so much easier to spread information very rapidly - whether it is true or otherwise - and once something takes hold it becomes difficult to find out the actual truth. There is genuine concern about that and what it means. It says:

TasTAFE teachers may still choose to be registered with the Teachers Registration Board, and may be required to do so under certain circumstances ...

As I said, in the Leader's second reading speech, she assured us this change will not result in any reduction of standards. I repeatedly heard in communication with me, that it actually would reduce standards. I need an assurance from the Leader as to how that will maintain the standards. We have a not insignificant number of young people in Tasmania, but I know particularly in my electorate, who are struggling with basic literacy and numeracy. They want to access TAFE courses, and if the standard was to drop it would not help. It would create another barrier for these people.

I ask the Leader to more fully describe how education standards will be maintained, and how qualifications and standards for trainers will be maintained, to ensure high-quality education and training for all students.

I do not have a lot of particular concerns about the bill itself and its structure. I talked about the governance arrangements that currently exist and how this bill, to my mind, makes a much more appropriate governance structure.

I have a couple of other points that the union has raised and it would be helpful for the Leader to add a bit more to it. Other members might choose to relate other parts of this. Under the heading 'Casually employed trainers to replace professional teachers' - if the Leader could address her mind to this:

Deskilling TasTAFE starts with deskilling its workforce and moves are already underway on multiple fronts. The government wants to remove the requirement for TasTAFE teachers to be registered by the Tasmanian Registration Board (TRB). Education Minister Sarah Courtney has pointedly changed her language from 'teachers' to 'trainers'.

The government also wants to increase the number of sessional or casual teachers that TasTAFE can employ.

The radical component of the attack is in the draft legislation which expels teachers and support staff from the State Service and onto Fair Work, where current pay and conditions can be eroded and 'trainers' employed on lesser private sector award conditions.

The end game is to have less qualified, less skilled, but cheaper-to-employ trainers teaching TasTAFE students.

I relate that point; but I balance it against comments that were made in the briefing and in my discussions with senior people involved in TasTAFE, and industry people, that TasTAFE will need to offer good rates of pay and conditions if they are to attract these people into the system. The statements are at odds. I need an assurance from the Leader that is the reality; that through this process we will not see people who are not well skilled and do not have highly appropriate training, coming in to train our future workforce.

The other point made to me about why this might be the preferred model related to the funding arrangements. I do not know a lot of detail about this and maybe the Leader can fill in a few of the gaps. I understand the states and territories are currently negotiating a new national skills agreement with the Australian Government.

I understand the Prime Minister has signalled the Australian Government's desire for a new funding model that moves away from untied funding, to a nationally efficient pricing and activity-based funding model, similar to the health funding model. We need to watch this space very carefully. This would potentially alter the way funding is provided to the state and the way the state is required to fund training activity. Proposed TasTAFE legislative changes allegedly will help TasTAFE operate efficiently in any new funding environment.

I do not know how much the Leader can comment, but this is publicly available information. I am somewhat disturbed to hear that activity-based funding is the way of the future here, because you end up doing cheap courses that are easy and quick to run and do not require additional cost for equipment or other things.

It is like in Health. We do 5000 cataracts, rather than 2 hip replacements. I do not know how the costs compare there; but that is the sort of thing we are talking about. When it is activity-based, you get paid for activity rather than outcomes. I really hope that TasTAFE and any future funding model that is negotiated with the federal government is student-focused, and not about money. Of course, it is about money - it is always about money; but the money should be there with the focus of the student, and student outcomes always at the centre.

Mr Gaffney - Where is their voice in this?

Ms FORREST - I worry about activity-based funding models - whether it be health, education or even justice. Justice would be terrible - the more activity you have, the more people in prison, the more money you get. We need to be very cautious, but we need to make sure that whatever the funding model is, it is student-focused, with students at the centre; and that whatever model we have can incorporate that. The model needs to maintain all those high-level expectations of a quality vocational and training education that we need and deserve for Tasmanians.

I will listen to the rest of the debate. I can clearly see both sides. I acknowledge change is needed. Is this the best way to get the change? I will listen to other members. I congratulate the Government on taking this on and trying to address the challenges because there are real challenges. I know that many people in my community have trouble accessing what they need.

I would hate to see course reductions that made it even worse; or higher fees that made that even worse; and not a student-centred approach. I will listen with interest and also to the Leader's responses.

Recognition of Visitors

Mr PRESIDENT - Members, I welcome to the Chamber, in the President's Reserve, Lily Cornish and Ali Millen. Of course, Lily is the daughter of the member for Rosevears.

In the public gallery we have three members from the Australian Education Union. I am sure all members will join me in welcoming you into the Chamber today.

Members - Hear, hear.

[2.57 p.m.]

Mr GAFFNEY (Mersey) - Mr President, I rise to speak to the TasTAFE (Skills and Training Business) Bill 2021 - a bill, that whilst sitting in the shadow of the gaming bill, has attracted a significant level of interest. It has brought both strong opposition and strong support to the need and reasonableness of its suggested changes to the future structure and employment arrangements of TasTAFE.

As an initial context we have to acknowledge that there have been past initiatives such as Tasmania Tomorrow - considered by some as a debacle - one that was initiated with good intent by the previous Labor government and one that has rightly made both educators and industry nervous of sudden and considered by some as unjustifiable change. I would like to think that the report on its failings was closely studied by the architects of this bill so similar mistakes will not be repeated, given the nature of the correspondence from stakeholders that I am sure we have all received.

Improvements in this space, however, are still in doubt. There have been other issues surrounding the conduct and actions of previous TasTAFE staff and structures that have led to a loss of confidence in its governance safeguards. I would like to think that has now been put right, but not without leaving a residue of concern that such a situation occurred in the first place. I have to consider that this residual concern may all be part of the Government's desire to review the governance arrangements of TasTAFE.

As I will highlight later, it has been raised by some contributions that there appears to be a certain amount of haste in the public consultation and gestation of this bill, notwithstanding the period of time that may have gone into developing this legislation before it was released for public scrutiny. It may have led to a level of wariness among staff and other stakeholders that may yet lead to a certain weariness at yet more change in TasTAFE.

I have heard anecdotal comment of up to five significant changes in the last 15 years, of which this is the latest and, they have said, probably not the last. In a more recent context, namely, within the last year, there seems to be some debate about whether the problems with TasTAFE that this bill is said to address actually exist, or are somewhat spurious.

I bring members' attention to a glowing statement made in Estimates less than a year ago by the Deputy Premier and the Minister for Education at the time, Jeremy Rockliff. He said:

I am very proud of what TasTAFE has achieved over the past 12 months. The reality, when it comes to TAFE, is that it is the strongest that it has been for many years. Last week, TAFE was just one of three training providers shortlisted for the large training provider of the year, for the 2020 Australian Training Awards. Three TasTAFE students were shortlisted as national finalists, and two won their category.

He goes on to say:

I earlier mentioned Caitlan Radford, from the north-west, Australia's Apprentice of the Year, and Heetham Hekmat from Hobart, who is Australia's best Vocational Student of the Year. We are very proud of all three individuals who were nominated as finalists.

This is a sign of an organisation competing with the nation's best. The student satisfaction rates at TasTAFE are some of the highest across Australia and businesses are equally happy with the training.

Despite COVID-19, TasTAFE has seen steady demand in training, with 4898 active apprentices at 30 September, compared to 4995 at the same time last year.

I am also pleased to have been able to invest in TAFE's Facilities Master Plan with major developments and facility upgrades right across Tasmania.

He goes on to say:

A clear highlight, of course, has been TAFE's seven years re-registration from the Australian Skills Quality Authority (ASQA), and the maximum available renewable period, so well done to Jenny and her team.

Finally, thank our outgoing CEO, Jenny Dodd, who is leaving us shortly after three years at the helm. You would well remember Jenny came in at quite a challenging time for TasTAFE and has shown remarkable leadership. The reaccreditation for the maximum period available for seven years is one of the many legacies Jenny can leave behind. TasTAFE is a much stronger public training provider as a result of Ms Dodd's leadership and I wish her very well for future endeavours.

What is the problem? Like all of us in this place, I have met with a number of stakeholders with different views and a concerted effort to unpack and deepen my understanding of the issues at play. I thank everyone who has contacted me with their considered thoughts. I am sure all of us have received a substantial amount of email and comment from across our community.

I thank those who have taken the time to meet with me personally, to share their thoughts and answer my many questions on what we are engaging with. Their arguments are well put and there is merit and deep conviction in what is being raised from all angles. With no single and definitive view that could be said to meet the hopes of all parties in this other than wishing to see a thriving TasTAFE.

What does come to the fore is how deeply all sides feel about the value of TasTAFE and its key role in the future of Tasmania. It is industry, our businesses and the people that drive their success, be they industry stakeholders, board members, senior management, teachers, employees and or trainees. At the same time in this debate, there is the opportunity to more closely question the detail behind the legislation so we may deepen our understanding. There may be no single right or wrong answer, maybe just better or worse outcomes. What levers might we, as a Legislative Council review, need to pull in order to improve the legislation on the governance and structural policy that underpins the success of TasTAFE?

What I am beginning to ponder is this is not just a simple issue of management where a new act can instantly address and resolve a perceived problem from the perspective of a board or the minister. TasTAFE is a people-centric entity with competing demands and expectations and has always been so. In reality, it is actually quite complex with nuances of perception that can only be addressed by asking the right questions, and the answers may allow us to ask pertinent and specific questions so we might be able to begin to unravel and tease out the true nature of these issues.

I found the recent briefings to be especially helpful in clarifying the arguments of all sides and we may well have more questions that could flow yet from this debate. Crucially, and in terms of TasTAFE's core function, we are talking about a people-based activity with the dissemination and acquisition of knowledge, skills and experience from highly skilled staff to expectant trainees and apprentices. TasTAFE is not a widget factory, where the most important thing might be cost per unit and the production rate. TasTAFE is proud of the public and a key partner in delivering lifelong learning for Tasmanians of all ages and abilities together with serving the developing needs of an industry and that of the wider community.

In saying this, I do need to acknowledge the diverse range of courses offered by TasTAFE that includes a section of what could be best described as arts-based education that is equally valuable in growing our cultural appreciation and strengths of our island state and beyond. TasTAFE is far more than just industry and trade skills and this fact should not be lost just because of the Government's pursuit primarily focused perhaps on economic targets and fiscal goals.

Looking at some of the debates surrounding this bill, I will share some excerpts of the concluding thoughts of a comprehensive submission from an experienced TasTAFE teacher in my electorate - one where he expands on his opening observation that TasTAFE has been given the blame for several things not of its own doing.

In the Premier's Economic and Social Recovery Advisory Council (PESRAC) report he stated:

I agree with the report in that a training system must continually adapt to the changing structure of the economy and workforce and that TasTAFE does need to be better at this, however, the main barrier to this is caused by the lack of teaching and support staff and the lack of available funds to update and replace equipment and the funding model.

I fail to see how the current award arrangements prevent adaptation and change.

The report talks about registration requirement for creating inflexibility. This is an Australian Skills Quality Authority (ASQA) requirement and unless the ASQA rules have changed which I find improbable, there is not much that can be done about it.

Reports state that TasTAFE requires financial capacity and flexibility to invest in and manage its own infrastructure. The lack of these things has been instrumental in inhibiting TasTAFE over the last several years and the changes of the magnitude recommended should not be needed to improve financial capacity and flexibility to invest in and manage its own infrastructure.

A lot of employers view TasTAFE as the centre of the training system and as a result, TasTAFE gets the blame from employers for several things not of its own doing.

An example of this is TasTAFE getting the blame for the delay in training plans and enrolments being done for apprentices, when it is an issue caused by either by Skills Tasmania or the apprenticeship network provider (ANP).

It goes on to say:

I have spoken with several trade teachers on my campus and the majority are seriously considering leaving the organisation if all these changes proceed and the remainder are considering their future.
All trades are in short supply now and likely to be so for several years.

Anyone who leaves to go back on the tools will not be out of work, will not have the stresses associated with teaching and working for TasTAFE.

It goes on to say:

If this is indicative across all campuses and most trade teachers leave TasTAFE, years of teaching experience will be lost. Other people might say we can replace them with other tradespeople but a good trades person does not necessarily make a good teacher and it can take several years to become a good teacher.

ASQA are unlikely to change their rules around teacher qualifications so, this adds another complexity and delay in getting new teaching staff.

Without good teachers, TasTAFE will be a shadow of its former self, even if it needed some improvement.

These observations are earnestly made and echo some of the observations leading industry stakeholders shared with me.

The Government speaks of further investment into TasTAFE and that there is the opportunity to develop stronger industry partnerships with TasTAFE, together with the

rekindling of past industry initiatives which have led to active investment in new equipment and greater participation.

Concerns have been expressed to me the current structural and governance arrangements are preventing this from happening, together with the crying need for greater government investment into TasTAFE - investment that will give business owners the confidence to return to TasTAFE for their staff training and licensing needs. It has been directly put to me that the passage of this bill will give key industry stakeholders the confidence to re-engage with TasTAFE in terms of active, industry investment and partnerships and maybe there is a real problem in governance, accountability and service delivery if commercial entities see an issue with this in a way that acts as a barrier to their participation. In saying this, however, businesses of a certain scale may have value in developing their own in-house training programs, as you would rightly expect.

TasTAFE has a uniquely complementary role in offering nationally consistent base skills and knowledge that can underpin bespoke business needs. It does not necessarily have to jump to every whim of an individual business. Courses have to be viable, there has to be balance and maybe achieving this balance of expectation and actual service delivery is one of the most complex issues for TasTAFE to resolve.

What does come through from the comments of a significant number of TasTAFE employees who have contacted me is a sense of powerlessness in these proposed reforms, almost as if this is being done to them and not in partnership with them. I cannot help thinking that the planned pace of the proposed changes has caught many by surprise, leaving them feeling vulnerable and looking at other options outside of TasTAFE that may offer a greater sense of stability in times of uncertainty. I have to consider how this may have come about because it does seem to be a recurring theme in much of the correspondence I have received on this matter. One has to ask if the sense of haste and urgency surrounding these proposed changes has left the focus on the end result and missed essential consultation and communication opportunities where TasTAFE staff have felt their concerns have been largely ignored. Perhaps the Government might need redouble its efforts in this regard as there seems to be a certain amount of seemingly contradictory information and statements, it appears, that have entered the debate from the different sides.

Another factor in this is the Government's expectation this bill will allow greater flexibility and coverage in the delivery of vocational education and training. This point has been a touchstone for the feedback and comment I have received from many stakeholders as you will observe from the following commentary. This is from a correspondent in the dual role as a business owner and TasTAFE teacher, who I understand has written to all of us with his concerns. His commentary neatly summarised the view of many TasTAFE teachers, some of which I repeat here today:

To comment about the Tasmanian VET sector generally in terms of the legislation in the PESRAC report, much has been made of a lack of flexibility to TasTAFE. My personal experience of my colleagues is generally everyone is willing to be flexible. The continued assertions that we are not is both insulting and untrue. There are two ideas at play here, firstly both the Government and the authors of the PESRAC report do not understand, or are choosing not to acknowledge, that we deliver nationally accredited programs over which we have no flexibility. In fact, we are mandated through our

accreditation as an RTO through ASQA to abide by these rules of these training packages. The second issue here is funding. We have been funded to deliver accredited training by the Government. In my experience, attempts and suggestions by TasTAFE staff to drop non-accredited training to meet immediate local industry needs, are always rejected because TasTAFE has not been funded to deliver any other non-accredited training.

So, we are being blamed for not being flexible and the reason for that is the Government's own policy. Earlier in the year the Government provided \$1 million in funding towards the establishment of a separate organisation called, Visitor Experience Training: VXT, wholly-owned by the Tasmanian hospitality and tourism industry to deliver non-accredited hospitality training. TasTAFE was not allowed to do this so perhaps this is the agenda. We cannot know because there is no information other than that terribly opaque legislation. Note, in a deeply ironic move, the body tasked with delivering the visitor experience non-accredited training was TasTAFE. No doubt VXT first needed to meet its own costs before subcontracting TasTAFE to deliver the training. One wonders why TasTAFE could not have just been funded to deliver the training in the first place.

What is striking from this is that there is an unequivocal baseline in training delivery that is defined by the Australian Skills Quality Authority (ASQA). It has to be accredited and delivered to national enforceable standards. That TasTAFE does deliver training of the highest quality with ASQA's endorsement was borne out with the Deputy Premier's observation in last year's Estimates that I will reiterate. He said:

A clear highlight, of course, has been TAFE's seven years re-registration from the Australian Skills Quality Authority (ASQA) and the maximum available renewal period, so well done to Jenny and her team.

There is the other point in this where the Government has responded to industry input and funded a brand new training entity that is now subcontracting to TasTAFE for the delivery of its training packages. In one of the briefings we were made aware of by a respected leader in the social services sector, they too have been considering founding their own entity to meet their community service training needs. There was an attempt to partner with TasTAFE and apparently this was not possible due to the industrial arrangements of TasTAFE.

Additionally, we have other industries and individual entities developing, or have considered, their own bespoke RTOs and courses to respond to specific strategic concerns. I have to ask if this extra layer of industry-led bureaucracy is working well, or might we be in a situation where this bill might allow TasTAFE to respond on competitive terms to external entities that are seemingly cherry-picking the most lucrative parts of TasTAFE's business for their own strategic interests? An observation I made in my response to the Premier's Address earlier this year.

Our correspondent went on to add the following commentary:

Finally, I need to say something about the needless rush around this legislation. The consultation period began in early October and concluded on 18 October. The legislation was released on 28 October and passed the

lower House on 9 November. This narrow window leaves no time to consider feedback meaningfully and, in fact, rushes the legislation through.

Why? If these changes are as important as the Government claims, then surely, they are worth considering in a sober, considered way. After all, this decision will affect a generation of Tasmanians.

To give an example, in the consultation meeting I attended on 13 October here at the TasTAFE, the CEO was made very much aware of the distress, concern and anger around the lack of information. There was much mention of a grandfather clause where the conditions of current employees would be guaranteed by the legislation. This was specifically noted but was this feedback not passed on or was it ignored?

If the Premier and minister were actually sincere in saying that staff would not be worse off, one might have thought some specific guarantees would be made in the legislation.

Again, an indication of further concern and confusion from staff is where clear communication is crucial and misinformation can, and does affect, what must be an open and transparent engagement process. There is an old adage where people will only change when they feel they can cope with the consequences of that change. My feeling is that there are many people who are fearing this change because they believe it will be too disruptive with consequences that will not be to their benefit.

I have to consider that some of the narrative about this may have been taken out of context, especially when it comes to the proposed structure and future employment conditions. We were told by one side that it will be a GBE similar to a number of others that currently exist in Tasmania, and by the Government and department, that it will not be a GBE. It will be a business enterprise, a bespoke not-for-profit model, structured as a body corporate with a guarantee that 80 per cent of skills funding in Tasmania will go to TasTAFE.

The minister, in her second reading speech, in the other place, included the following points that were echoed in the Q&A sheet that was made available to us. I understand the entire TasTAFE staff had access to it as well. She stated:

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. ...

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

The Bill provides TasTAFE with a standalone, 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.

Looking to other jurisdictions, we have all heard about the South Australian model which has been mentioned as a particularly dysfunctional example of a TAFE entity. It is one that is

the equivalent of a full-blown, for-profit government business enterprise model. I have to note that its core dysfunction may well be that it has been set up to be commercially competitive with non-government RTOs and training entities, with no guaranteed share of skills funding whatsoever. That is something that will not apply in this proposed model.

Interestingly, state jurisdictions with strong Labor governments see a commonality with what has been proposed in the new TasTAFE governance structures and maybe there are some points in the various acts that could help improve what is before us today.

The proposed changes to the employment conditions of TasTAFE staff in the act under which staff are to be employed is a particularly sensitive issue, especially the proposed move to Fair Work. It is a move that the various unions are campaigning strongly about, or against, as is their right. We have heard the various arguments both for and against this, with unequivocal assurances from Government, department representatives and senior TasTAFE office holders that staff will be transferred across to the new entity on exactly the same terms and conditions as they are currently awarded. Moving forward, we are told the new enterprise agreements would be negotiated for which there must be a majority of all staff who agree, not just the members of a union. If there is no agreement the negotiation must continue until agreement is made.

We have been advised that as a safeguard under Fair Work, there is the BOOT - better off overall test - which is a complex legislative element with a mandated process. This is one that acts as a self-explanatory check to ensure any new agreement in overall terms does not disadvantage employees under a new negotiated agreement agreed to by both sides. Additionally, Mr Tim Gardner who is the new chair of the TasTAFE Board offered this comment in a letter to me. He said:

Not once during my 20 years of leadership and management have I seen cost reduction or erosion of employee entitlements successfully used as tools for improving organisational outcomes and it certainly won't be any different for TasTAFE. Instead, as the state's public provider, TasTAFE needs to focus on making the very best use of the funding we receive, 80 per cent of which is spent on employing our people.

This observation was amplified in his comments to us in recent briefings where we discussed the changing demands from employers, and TasTAFE needs to continue to attract the very best people whilst protecting the employment conditions of the people they have. He went on to strongly reiterate that eroding employment conditions is not part of his beliefs on what makes a successful organisation. By doing this, these comments are now a matter of public record to which he and his board can be held accountable.

The union representatives spoke eloquently of their concerns over what is the actual need in challenging the status quo, together with their fears for future employment conditions, weakening of morale and eroding the good will of staff if these changes go through. There was the additional point, the current CEO of TasTAFE has lived experience of the transition of TAFE Victoria into an almost equivalent structure to what is proposed here together with a transition to the staff being employed under Fair Work.

Victoria is not the only jurisdiction with such arrangements for its TAFE. New South Wales, the ACT, and the Northern Territory are also within the Fair Work Act 2009 industrial

framework, with a variety of enterprise agreements within the Fair Work framework that relate to TAFEs. Looking at these examples, we have three state jurisdictions with strong Labor governments with their TAFEs as statutory bodies similar to what is proposed for TasTAFE and under Fair Work, where one would think if this is so objectionable it would never have been considered.

The other factor in this is the desire to ensure that there is a strong and direct link between the board and its CEO. In any normal governance arrangements the CEO is directly accountable to the board, to ensure the delivery of its function and strategic direction. Currently, the TasTAFE CEO is not directly answerable to the board, but to the state Premier and his Cabinet. We have past history where a CEO has not been held accountable. This was in a way that led to a well-documented abuse of the position and brought the reputation of TasTAFE potentially into serious disrepute, a situation that has now, thankfully, been corrected.

I have to ask does this bill, as currently drafted, provide the correct balance between the TasTAFE board's capability for independent, strategic oversight and autonomy with the ability to hold the TasTAFE CEO accountable for their performance? This is also in the context of the minister's ability to direct the board and through it for them to have a direct influence on TasTAFEs activities.

This is a topic we have to explore further as I will be seeking a number of amendments to address this, with the aim of ensuring a better balance of authority and strengthening of safeguards that define the influence of any minister or their government - influence that could, at some point in the future, seek a form of control over the TasTAFE Board and TasTAFE as a whole that might not be in the public interest. For the record, I have been very impressed with the way the minister has been willing to engage and converse and assist with some of the work I have been doing.

I have to question the public scrutiny of TasTAFE's activities if this transition occurs. I do not believe there is a mechanism to scrutinise statutory authorities in the same way there is for state-owned companies and GBEs. The only current avenue other than Estimates is the TasTAFE annual report which must be tabled in parliament. This is something we need to consider further as I would expect some mechanism that would allow greater and periodic scrutiny and then we might have the opportunity to publicly examine the progress and outcomes of any changes if this proposed legislation is successful.

Ms Forrest - There would be no reason why Committee B could not call them in and have a good look at them.

Mr GAFFNEY - Yes, okay, I will go into that when I move the amendment.

Ms Forrest - Okay. Sorry. Is there an amendment?

Mr GAFFNEY - It is more about the perception for everybody to hear what is going on and how the changes have been made if they go ahead. I will come back to that in the amendment period. I propose there is a need to add a new clause that can define such reporting mechanisms to feed back into parliament together with opportunity for external stakeholder input into this process. I have something in mind and will put it to the House at an appropriate time.

There is another element to this we may wish to consider and that is the national context of this proposed transition. Over the last few years, we have seen a series of national reviews and reports that will have influence on VET from a national perspective and the future of TasTAFE's essential role, and this goes to the member of Murchison. These include the:

- 2018 housing report of the Independent Review into Regional, Rural and Remote Education.
- 2019 Joyce Review, which is a strengthening of skills.
- expert reviews of Australia's Vocational Education and Training system.
- 2020 Shergold Report, report of the review of Senior Secondary Pathways into Work, Further Education and Training.
- 2021 Productivity Commission's study report of the review of the National Agreement for Skills and Workforce Development.

All of these are indicative of the interest that the Australian government, and what was the Education Council, have in the future of Vocational Education and Training, its capabilities, issues, strategic priorities and future funding and governance arrangements.

Additionally, these reviews are indicative of the Australian government's desire to review the VET funding model with 30 percent of VET funding coming from the Australian government. It naturally has a keen interest in ensuring value and consistency in the delivery of VET across the nation, especially so, given past historical issues with various suggested reports that have occurred with certain private providers. I have been reliably informed through the Skills National Cabinet Reform Committee, the states and territories are currently negotiating in good faith a new National Agreement for Skills and Workforce Development with the Australian government. This, in conjunction with the Productivity Commission's review released early this year does suggest changes are afoot.

It is interesting to note, that particular review's key messages are the National Agreement for Skills and Workforce Development should be replaced with a new principles-based agreement, and there is manifest capacity for governments to get a better return from their investment in Vocational Education and Training. Maybe this is playing to our Government's desire for change here in Tasmania? The report goes on to say on its website as a key point among a number of others:

This review has not found evidence of a vocational education and training (VET) system in crisis. Our recommendations address some of the system's acknowledged weaknesses and should build on its strengths to lift participation and improve the quality of training.

In a wider context we have a series of reports and comments from a variety of sources that point to the need for some changes that will probably be driven by the new agreements with the Australian government. I would like to think these could be founded on the existing strengths of TasTAFE, rather than the expectations of the current Australian Government rapidly approaching a general election.

Additionally, from one of the recommendations of the Joyce Review, we now have a National Skills Commission with Adam Boyton as its inaugural Commissioner. Its focus points include, to use its words, 'to improve the quality, accessibility and relevance of VET; to contribute to a labour market that effectively aligns skills needs with education and training'.

If we were to couple this with the work of the Foundation for Young Australians in exploration of the future of work for young people and how they might transition more easily between jobs and career paths, I wonder if we are at a particularly interesting phase as education, employment and business naturally evolves into non-traditional models and modes of operation. Especially so, as we come to terms with the impact COVID-19 on the operation of all forms of education, training, employment and business.

We also have our own Department of Education with Years 9 to 12 Project. This is examining the student retention and the role of vocational learning and VET in our schools and colleges. We are in an interesting situation where the expansion of the year 11 and 12 into high schools has led to the delivery of new VET units across these facilities. This is in a way that could be said to be sporadic in its impact and availability.

In my electorate, Latrobe High School is now offering a Certificate II in Community Pharmacy as a shared enrolment with Don College for those students who want to become a pharmacy assistant. Many other high schools across the state are offering similar individual VET courses in their schools although it does mean a certain complexity in logistics. An example of this is students from Ulverstone Secondary College who travel to Latrobe High School for that particular unit.

In essence, we have a complementary opportunity in our schools and colleges that can lead to pathways, apprenticeships and more expansive VET courses with TasTAFE. It may be seen to dilute the broader offerings available in our college system for which we may yet see future issues of concern. We have seen the founding of the UTAS University College that has aligned itself with some of TasTAFE's offerings with an additional pathway to full degrees, starting with diploma level courses and moving through associate degrees and onto fast-tracked, full undergraduate degrees as a gateway into university. Again, an innovation that will suddenly compete with TasTAFE in a crowded Tasmanian market of nearly 140 RTOs.

In closing and in this context, I have to ask myself - do the proposed changes to TasTAFE, in this bill, help or hinder the future prospects of our younger generations? A future with a new normal of lifelong learnings as their income earning opportunities evolve and develop. TasTAFE will always be a benchmark for excellence and skills training and has to evolve with them. As we know, a number of national reforms are at play. Does this bill propose the perfect solution? I am not sure anything can be absolutely right or wrong in this context. Can it be better or worse than what exists today? Possibly so. As a result, I look forward to hearing the views of other members as the debate unfolds. I will forward my amendments to all members as soon as I am able, as we have all been exceptionally busy recently.

[3.31 p.m.]

Mr WILLIE (Elwick) - Mr President, I begin by thanking members for their contributions. I am still a little bit perplexed about where they sit; however, it certainly covered the topic well.

Ms Forrest - I want to hear what you have to say.

Mr Valentine - You have to convince us.

Mr WILLIE - It seems to me that the most important lesson from the history of education reform in Tasmania has been totally ignored with this bill. It is through these debacles governments of both colours have learnt the hard way in the past.

At the centre of any reform should be the students and the workforce. Anything less means failure; and yet, we have not heard the student voice in this debate at all. We have been bombarded by teachers from TasTAFE. Many of these teachers have years of experience to inform their practice, they are connected to their students and they care about their outcomes. I emphasise that I respect what they do. They are making a difference to the lives of Tasmanians and I respect their opinions. I find it highly disrespectful that the workforce has had little or no input into these proposed changes.

To make any reform work, you need your workforce to be a significant part of the change. They need to believe it will have better outcomes for their students. That matters; it matters so much that I believe this point alone is enough not to support this proposal.

This Government has had very few attempts at education reform in its eight years but there is one example of failure that is similar to this - lowering the school starting age to three. I raise that specific example because, like this, it is a 101 on how to do reform badly. The previous education minister had good intentions; but he presented a problem in that instance - not enough kids accessing quality play-based learning - and presented the solution as a fait accompli. He and the Government then embarked on what they called 'consultation'. It is not consultation if you have already made your mind up - it is informing people. In that instance he had not sought the views of the very people who would deliver the policy - early childhood teachers and educators. He did not seek their input or buy-in.

If the workforce does not feel listened to, valued and respected, they will not be too enthusiastic about implementing the policy. That is a fact.

It was doomed to fail and so is this, whether or not it passes this Chamber. That is because this proposed reform has followed a similar path. The consultation was equally a sham; the decision had already been made. The Government did not even have the decency to schedule so-called consultation sessions with the workforce in times where they could attend; many of them were teaching.

Let us go back to where this all started - the Premier's Economic and Social Recovery Advisory Council. Again, the intentions were sound. As a state we were facing the biggest existential crisis in many generations. The council was convened to mitigate the impacts of COVID-19 and recover from it. When it comes to TasTAFE, PESRAC heard, in its consultation with business, about the need for a training provider that meets the needs of young people and jobseekers, to have the strong capability to upskill and reskill depending on where a person was on their life journey.

It is important to note TasTAFE did not make a written submission and a number of industry groups did not even mention TasTAFE. We have heard the CEO of TasTAFE found out about the proposal when the Premier gave his Premier's Address earlier this year. Discontent with TasTAFE was not reflected in the PESRAC materials. The recommendation to spin TasTAFE out of the public service is interesting, to say the least.

We do know there was one submission by the NCK Evers Network that said:

... it is the Network's firm view the current TAFE structure is unsuited for the challenges the State faces in the VET space. This is largely because of outdated and restrictive industrial practices that have constrained this formerly "fit for purpose" organisation to the extent that it simply does not have the industrial flexibility needed to do the job required of it.

The Network believes that a "Jetstar model" should be implemented by the Government; creating a separate SOC type organisation with contemporary industrial practices to help address the VET challenge confronting the State, utilising TAFE resources wherever possible but in no way being constrained or compelled to do so.

Whilst we have one piece of written evidence from the PESRAC process for this proposal, I accept that members of PESRAC were fully aware of the recommendation and what it meant. They then endorsed it by incorporating it into the PESRAC report. I accept that; but I believe that instead of jumping the gun with a solution, another process should have been set up to work with the workforce. The students should have been brought in to help define the problem and put forward solutions.

A range of models and issues should have been canvassed. Instead of the state Government negotiating an agreed way forward with the workforce, it has decided to bring what is now an industrial dispute to the parliament for a resolution. Is it the parliament's role to be the arbiter?

Once the Government agreed to the PESRAC recommendation, we witnessed various members of the Government and some of the public servants tie themselves in knots trying to explain the policy; and this goes to the member for Murchison's point about language being important. It was stated it would be a government business.

Once it was pointed out government business charters and the profit-driven motives of government businesses, they decided it would be a not-for-profit government business. We heard the GBE with a small 'e' phrase; then we heard the GBE without an 'e' phrase. It goes to show they were making it up as they went along, happy to be guided by their ideological desire to erode TasTAFE workers' conditions by stealth over time, and to create a two-tiered employment structure with more casual staff. Let us be honest about that - because the Government is not.

Since PESRAC, we have heard a lot of about inflexibility and we have heard a lot of blame shifted from the Liberal government to TasTAFE employees. It has been completely unjust. If we go back to July 2020, the former minister put out a press release about TasTAFE. I am highlighting the changing tune:

TasTAFE gets top marks from students.

Another outstanding achievement for TasTAFE with the latest data showing 91 per cent of TasTAFE graduates are satisfied with the overall quality of their training.

The National Centre for Vocational Education Research's (NCVER) VET Student Outcomes 2019 survey found TasTAFE is performing at a high level and meeting the needs of Tasmanian students. The fantastic result is up from 88.4 per cent in the previous year and higher than the average of 88.1 per cent across vocational education and training (VET) providers nationally. The survey also found 92.7 per cent of TasTAFE graduates would recommend their training to others, ahead of the national average of 90.6 per cent for all VET providers. Tasmania also has the highest apprentice completion rates in the country, which means a tradie is more likely to complete in Tasmania than anywhere else in Australia, with TasTAFE training the majority of these apprentices.

It shows our plan for TAFE is working and that TasTAFE is a responsive, student-focused organisation offering high quality training and real employment outcomes. We recognise that TasTAFE will play a key role in providing the skills needed as we recover from COVID-19

And the press release goes on. We are seeing a change in language and a blame-shifting from the Government on to the workforce, which is completely unfair and it has done them a disservice.

If you do not believe the former minister, just this year five TasTAFE-trained apprentices and former apprentices won medals, including three gold medals in Australia's biggest vocational skills competition, the WorldSkills Australia National Championships. This is a competition where competitors compete against their industry peers from around the country in practical skills challenges across a range of industry areas. I highlight these examples because clearly it is not all bad at TasTAFE like the Government wants you to believe. There are bright spots within the organisation. They just need a bit more help from Government to get consistency across all industry areas.

The Liberal Government has been in power for eight years. Have they invested in career education in schools to help young people experience a workplace and understand the pathways available to them? They have not. Tasmanians told PESRAC that schools needed career advisers who understand industry and the mindset of business, as well as the world of educators. The view was that teachers should not be career advisers off the side of their desks and there is a need to better embed professional careers and pathway advice into the education sector in collaboration with industry.

Ms Forrest - Pathway planners.

Mr WILLIE - Not necessarily, it does not have to take that specific model, but investing in career education is an area where this Government has not done enough and it comes through in youth surveys all the time. Why not? We would put out a survey showing that young people do not understand the pathways available to them and they want career advice in schools.

Ms Rattray - Pathway planners were very effective in a lot of schools that I know of.

Mr WILLIE - There are different models, but the human resource was taken out by this Government. Have they invested in the TasTAFE workforce? No. We heard from TasTAFE teachers themselves who said they were at capacity. They have no capacity to respond to extra

demand because there are no staff available. Have they worked with industry to promote career choices and address skills shortages? Clearly, that has not happened to the degree required. Have they invested in people who want to retrain by making a career change more affordable? The answer is no. Eighteen thousand students are enrolled on an individual basis, not through a business. We have heard of significant declines in enrolments over the past decade.

Will this bill make TasTAFE more affordable to students? The answer is no. TasTAFE may impose any fees, levies and charges it considers appropriate in respect of goods or services provided in relation to any of its functions and powers. That is the same as now and there is no commitment from the Government to make courses cheaper or even free.

My second point concerns the greater flexibility claims by the Government. We have heard that TasTAFE needs to be more nimble but there has been no real explanation as to how. What about this talk of greater flexibility? That claim is dishonest. Reforming structured, accredited training requires changes at a national level. Courses are accredited with industry input. This bill does not change that. There is very little scope to change the components of an accredited course. So what flexibility is going to be achieved through this bill? The delivery is without accreditation. Is that what the Government is hoping for? How would that be good for students? No accreditation of their new-found skills.

In terms of flexibility of hours, we have heard dishonest statements from the Government and the minister. They, and some industry groups, have made out that TasTAFE is a 9 to 5 operation and that teachers are on holidays all the time. As a former primary school teacher, I find this disrespectful, unhelpful and baseless. We heard that staff work between 7 a.m. to 9 p.m. and there is scope for them to work flexibly. We have heard from TasTAFE teachers themselves. They personally have not had requests to work on the weekends. They are not being asked. Are there a few areas of industry where Government, TasTAFE and industry could sit down and negotiate some more flexible arrangements? Sure, but you do that by getting everyone in a room together to work towards the desired outcomes. Has the Government genuinely done that? No, it has not.

In the briefing with the Labor members and some of the staff that we had with us, we asked where in the bill does this facilitate the industry compacts, another recommendation of PESRAC? The answer was, the bill does not address that. Where is the commitment in the bill to higher quality and more flexible courses? The answer is the bill does not address that. Where is the commitment to more teachers and better infrastructure? The bill does not address that either.

The reality is, the bill does not address a lot of the things that the Government is talking about. It is practically a copy and paste of large sections of the Training and Workforce Development Act.

Out of the eight key elements that the Government is talking about, seven of them could be done now. This includes that TasTAFE has the functions and powers that enable it to provide vocational education and training and in benefits to the Tasmanian economy, building the productivity of Tasmanian workforce, and it provides effective pathways into work. TasTAFE is governed by a skills-based board with between five and seven members appointed by, and responsible to, the Minister for Skills, Training and Workforce Growth. The minister is required to provide a statement of expectations to the board in relation to the strategic objects and policy expectations for the performance of TasTAFE to be tabled in parliament.

TasTAFE is required to prepare a corporate plan, an annual report each year, with the annual report to be tabled in parliament. That happens now. TasTAFE continues as a general government sector entity under the Financial Management Act 2016, with exemptions to enhance financial flexibility, including TasTAFE having the borrowing powers from the Tasmanian Public Finance Corporation. It is my understanding that will happen in limited situations.

And this is the kicker: TasTAFE ceases to be an agency under the State Service Act 2000. TasTAFE will be able to directly employ staff and appoint a chief executive officer under the national employment system, the Fair Work Act 2009. That cannot be done now.

The requirement for all TasTAFE teachers to be registered with the Teachers Registration Board is amended to reduce the administrative burden on teachers and trainers. It is only the Government talking about the administrative burden on teachers and trainers. They all seem to want to keep that because I guess, they value their profession, and they do not mind having to comply with the Teachers Registration Board standards.

Traditional provisions that ensure the continuation of the existing superannuation and defined benefits agreements and continuation of long service leave arrangements for transitioning TasTAFE employees, and student enrolments.

Seven out of the eight can be done now and the Government could get on with it, if they wanted to.

We all know what this is about because out of the few claims the Government has put to the workforce representatives was a claim to remove the current cap on sessional or casual teachers, which sits at 15 per cent. If that is what they want to do, they could negotiate something now, under the current arrangement.

The last point I make here is that TasTAFE has the legislative framework it needs to succeed. This bill proves it by lifting large sections of the Training and Workforce Development Act. TasTAFE has not been given the resources or focus it needs by this Government. If you want to look for further evidence of that, look at the enrolment numbers during the Liberal government's time. In 2013, there were 42 291 enrolments and 32 711 students. In 2020 it is 21 912 enrolments and 18 059 students. We have seen a decline by nearly half of the enrolments in TasTAFE.

Ms Rattray - Is the member saying that is because of the colour of the government or are you saying that is because of -

Mr WILLIE - I am saying it is interesting. TasTAFE needs more resources and more focus from the Government to turn this around, not a divisive bill that is not going to take people with them.

Ms Rattray - Thanks for that clarification.

Mr WILLIE - We know the Port Arthur management authority works under public service conditions in a market and it flexes up and down depending on demand. We have heard a lot about TasTAFE operating in a market, but we know it does not necessarily reflect the

market in some areas and that is not necessarily a bad thing. Of the current enrolments, 5349 are attached to business; 18 000 are engaging with TasTAFE on an individual basis.

We heard other members talking about remedial literacy and numeracy skills, English as a second language. There is a whole host of things TasTAFE does as a public provider of education that private RTOs do not necessarily do.

Mr Valentine - When you were quoting those figures, 5349 attached to business. You said 18 000-something -

Mr WILLIE - Around 18 000 are engaging with TasTAFE on an individual basis.

Mr Valentine - Yes. Okay.

Ms Armitage - I wrote down something different. I wrote out of 18 059, 5349 were attached to it so -

Mr WILLIE - No, no.

Mr Valentine - I think that is correct.

Mr WILLIE - I do not. I think it is 5349 are attached to business and -

Ms Armitage - It was 29.6 per cent so probably it is out of 18 059.

Mr WILLIE - I could clarify if I have written that down wrong.

Ms Armitage - That is right. They came up with different figures.

Ms Forrest - You will stand corrected if you are right.

Mr WILLIE - Yes, I am happy to stand up and be corrected if I am wrong.

Mr Valentine - It is the large number that are individual.

Mr WILLIE - Yes, that is the point that the large number are individual. We know TasTAFE is for the public good and the qualified teachers should be preserved. A teacher allows experience, mistakes and successes to form and re-form their approach. It is called experience. It is almost like an art form. The question I would ask of this Government is why are you so dismissive of this collective knowledge and experience in the TasTAFE workforce?

We know this proposal has been rushed - a speech in March by the Premier accepting the recommendations of an outsourced policy committee to this controversial bill in November. This is not a successful reform pathway. I say to the Government, listen to the people who know TasTAFE - the teachers, the students and the individual businesses that understand and value high-quality structured training. We have been inundated by Tasmanians who are against this change.

We will not be supporting the bill, but if the bill fails there will be merit for an inquiry not just into TasTAFE, which is a cop-out, but the whole system. Connections to the school

system, funding, courses, barriers to participation, labour market demand, role of industry, opportunities within the State Service to promote skills. If the bill fails, I will go and consult with industry, the workforce and students and I will make a referral to Committee B for consideration next year.

[3.54 p.m.]

Mr VALENTINE (Hobart) - Mr President, I thank the Leader again for the briefings provided - all very interesting to hear all sides of the debate, as we normally do.

I will be clear now up-front that my wife is a teacher but she is not a teacher in the TAFE system, she is a teacher in the early childhood education system. She does belong to the Australian Education Union, on the council, but she is not on the executive so has little to do with TasTAFE. I do not believe I have to absent myself from the Chamber.

When I started to look at this, my fundamental concern listening to all sides of the debate, was about the students and the cost they would have to pay to get an education. Quite clearly, industry comes into it because industry wants to make sure it gets students who are job-ready once they have completed their apprenticeships and the like. They want them to have appropriate training and there are a lot of industries moving quickly into technology. I agree the TAFE teaching system, the courses, have to be able to move with that. I do not think many around this Chamber would disagree. Would they?

It is something necessary for us to move forward as a society, certainly as a workforce. They are important aspects so it is all about how that occurs, how you make the system functional for industry, but how you also provide students with the opportunity to get a really well-rounded education, not just a narrow focus on their learning, and that they can afford to do it.

I was a little bit concerned when I saw in the press someone was saying on the website that one of the courses had its fees doubled. Then all of a sudden, quick as a wink, that was taken down and we were told it was in error. That caused me concern because that is a big error to make. It caused a bit of fright. It causes people to stop and think, can I afford that? It causes them to think, am I able to do that course? Maybe I need to look somewhere else. It is frustrating for people. That caused me concern.

There are claims the current system is simply not flexible enough. There are claims about the concerns coming from those who do not want this to happen; that there are issues with certification of courses and teachers about the narrow course focus which produces less well-rounded students.

The issue of the Government on the one hand extolling virtues of TasTAFE at the last Estimates and then coming out and seeking to change the system entirely, is this simply an attempt at WorkChoices again, like they did on the federal scene? Is this the way forward to sacrifice conditions of those in the workforce to gain some money to be able to improve the system? Is that a fair way to deal with people?

Having been in the public service for some 42 years in my life from 1970 right through to 2012 - some would say I am still in public service - I have been through quite a few changes in different departments. I have worked in five different departments and have been through these periods of change. Firstly, going way back - the Public Works Department, the

Department of Main Roads and Construction was the first time I met it. Then when Community Welfare was changed to Community Services and that changed to Health and Human Services and on it goes.

Ms Rattray - The member has done a full circle. He is back as chair of the Public Works Committee.

Mr VALENTINE - That is exactly right, which I enjoy. For employees, it is very discombobulating.

Mr PRESIDENT - It comes with a seat.

Mr VALENTINE - Sorry, I missed the joke.

Mr PRESIDENT - It is a word that comes with that seat - a former resident of that seat.

Mr VALENTINE - Mr Finch used to use that word. It is the spirit of the seat.

The member for Murchison said what is the problem and what is the solution and talked about staff being change-weary. If they have had five lots of change, as we have said in this place before, it is a bit like putting flies in a bottle and shaking them up and they do not know where they are and what they are up to. They lose focus. You do not want people to be that way, because the staff start to concentrate on their own survival. They do not want to concentrate on making the system better, because they are worried that the next moment they are going to lose their job. That is the fact of it. We have to learn that if you want to get the kind of change that is being attempted here, the best way to do it is bring the staff with you. Yes, there will be people who may not want to continue in the system. They might be offered redundancies. That happens; but you do not scare the pants off them and expect you are going to get a good result. What might happen, and it is what has been written to us in a number of submissions, is that they all say, 'This is too much for me. I have had so much of this change and I am off. I am out of here'.

Then the flexibility that you wanted is harder to achieve because you do not have the staff to make the thing work and it might end up not properly surviving. I am not saying it will happen, but it is always a risk. It is far better to bring the staff with you than it is to do wholesale change and expect a better outcome. I noticed that it was initially GBE, and then went to GB. I wondered about the scrutiny side of it because we all know we get one chance a year to scrutinise government business enterprises. The member for Murchison mentioned the committee process - Committee B - and I suppose that is an opportunity. The member for Mersey said that only certain members get that chance.

Ms Forrest - It is still an important process that we should use in this place.

Mr VALENTINE - I am not denying that.

Ms Forrest - That is what they are there for, to investigate and inquire into these matters.

Mr VALENTINE - That is right; but again, the community needs to be brought along with this move. It is not only about our scrutiny, it is also about the community being satisfied that they are getting an organisation that is able to deliver and deliver effectively. My main

concern through all this is the students themselves and their education, and the cost of the courses for them. I am open to listening to other members' offerings on this.

At the moment, it seems to me that this move is designed to reduce operational costs and, in some way, produce that more flexible service delivery. I am concerned, at what cost? We always have to be careful of that.

I want to read an email in. It is confidential because people writing to us, they work for the organisation and do not necessarily want to be identified. You can understand why that might be the case. It goes:

Dear honourable member, I am writing to you to express my deep concern over the legislation coming before you to fundamentally change the way TasTAFE operates. In short, the legislation is largely a tool to force industrial reform and does nothing to improve student learning or outcomes. TasTAFE has been painted as monolithic, inflexible and outdated institution. Nothing could be further from the truth. We are not all delivering to school terms or just 9 to 5. The area I work in, for example, offers classes all but 6 weeks of the year. Other areas work to delivery blocks or others offer 24/7 online training. It has been disappointing to see the Liberal Government forget the praises they sung of Jenny Dodd during her appointment as CEO in driving digital transformation and the flexibility of teachers to meet challenges arising from COVID-19, both of which go a long way to meeting the PESRAC demand of agility and flexibility.

Inflexibility of course delivery is not a factor of teacher intractability but of budgets and the makeup of student cohorts. For TasTAFE to break even, courses are subject to minimum enrolments. Without enough interested students, face-to-face courses do not run. The legislation will not fix this. Nor will price increases under a full cost recovery model. A not-for-profit TasTAFE is [not] a not-for-loss either. Under existing or new operating conditions this imperative is unchanged. In fact, with the legislative changes and the Minister further removed from TasTAFE, pressures on minimum thresholds will possibly worsen.

It should also be remembered that TasTAFE teachers are employed under a separate award from school teachers, the TasTAFE Teaching Award. This means, counter to what has been claimed, we are not beholden to school terms. The existing framework of the award contains provisions for delivery during compulsory leave periods and at least 12 hours a day are classified as 'normal hours of work'. No one can doubt that TasTAFE is in dire need of the announced investment. The vision of contemporary, agile delivery in modern facilities is to be lauded. Businesses, employers and students are obviously supportive of this, as are staff. This is what will improve student outcomes. It is a completely separate thing to legislate to move staff to the Fair Work Act. That is a poor investment in time and money and does nothing to improve student outcomes, training access or retention of quality teachers and staff. Moving staff to Fair Work will do nothing to resolve the issues around teacher shortages. There are already provisions for providing higher starting salaries to attract staff in 'in-demand' areas as well.

The need to move staff to the Fair Work Act is therefore unnecessary. The PESRAC report itself, states that the reform goals can be achieved within the existing framework but would take too long; a statement made without evidence and contrary to Government statements about negotiating awards in good faith. Every other recommendation can be met with the existing provisions in the award.

I chose that one because I thought it stated the case for those that are presently in the system. I have always been under the impression that quite a lot of TasTAFE teaching happens towards the end of the day when students are available; they talk about a 12-hour slot.

Another one that came to me:

I am writing to you again about the proposed changes to TasTAFE. Given the latest statements regarding redeployment of teachers to other specialisations such as a hairdressing teacher cannot easily become a plumbing teacher - there are good reasons for this, they are specialisations, not a trade or job that you can learn 'on the fly' or in 5 minutes. The skills and knowledge take years to develop and are quite specific to their own area. It would seem that the people highlighting the supposed deficiencies in the system are unaware of the requirements set out by the Industry Skills Council, a national body set up to regulate training across Australia. If the Government wants to de-regulate training in Tasmania, we will become the laughing stock of the nation, not the smart state that has been talked about for many years.

As an example, currently Tasmanian metalworkers (welders, fabricators and fitters and machinists) are sought after across the nation as some of the best around.

That is a bit of an insight into some of the people in the system at the moment, what they are feeling and how they feel the current system works.

Another:

Dear honourable member, thank you for taking time to consider the future of TasTAFE. I have been a teacher at TasTAFE for 5 years. We need to protect this educational institution and trust our teachers that they can deliver what industry wants. I am in industry. It pays me three times what I earn here. We consult with others in industry constantly to ascertain needs. We are nimble, we are flexible and we are current. TasTAFE can only do what it is allowed to do. Changing the TasTAFE corporate model will not solve the problems that we currently face. Consulting with the people on the ground, which has never been done, would be a better step in the right direction. Tasmanians are proud of this institution and would be more so if it wasn't constantly kicked in the guts by leaders of this state.

He makes a statement about another teaching organisation but I will not make that statement in parliament.

Quality teachers will be difficult to find and many will go (we do not work here for the money) and students will suffer. Thanks.

I then asked whether he preferred to remain anonymous and he came back and said, yes, he would like to remain anonymous. Then he said, 'If I can get a bit more to get off my chest'.

Ms Rattray - I have taken out three of my pieces because you have just read them; well done.

Mr VALENTINE - I am sorry; I will finish this one off.

Teachers at TAFE, as all teachers do, go far and beyond their remit of just training and assessing (which we do well and we do hold another 7 years of accreditation from ASQA because of this). A TAFE teacher has to help students become better citizens by guiding them towards new careers, helping people function better in society, and often at times, as an institution of the state that cares and is not driven by profit, to help people in having a better life. These things are never considered because teachers are never asked what we actually do.

These things also saves the state money in the long run by allowing our students to understand, not only the way their new trade works, but how it and they fit into a healthy society because of it, making them far less of a burden socially and financially into the future. This is never considered because we are never asked. It is not a short-term profitable area, it is a long-term game that is vital that we acknowledge and share.

Also, like I said in my initial letter, as teachers we are nimble, we are flexible and we are involved and consulting with industry on its current requirements now and into the future. It is disrespectful to throw those words around as a catch phrase as to what we supposedly are not.

We will do anything for our students and, like I said before, we are not here for the money because most of us can earn far more outside of here in our respective (trades which, again, does not bode well for attracting new teachers in the future).

I will stop that one there. I have quoted enough.

I have had conversations with Tim Gardner and others that want to see this come forward. I have had the offer from the minister, which I have not been able to take up, simply because of the workload that we have here, and I apologise for that. We have heard the Government's position in briefings and I thank the Leader for that.

I am concerned that we are fiddling with something that may not be broken but simply needs a little bit of glue applied in different places.

Ms Forrest - A bit of gaffer tape perhaps.

Mr VALENTINE - I do not know about gaffer tape. I would not go down the gaffer tape road; that is pretty temporary.

The Government is putting money into TAFE. The Public Works Committee knows that; we have been over to the Clarence TAFE campus and we saw what they are doing over there. I have heard some feedback that they did not provide offices and other space for teachers

Ms Rattray - Not big enough, I heard.

Mr VALENTINE - I heard a bit of that too, after the event. However, if they worked with the current staff and focused on where that money went, you might find that you get the same outcome with the least disruption. I will listen to the offerings from other members, but I wanted to put those things on the record, and to thank everybody who has lobbied us to be able to look at all sides of the debate.

[4.14 p.m.]

Ms LOVELL (Rumney) - Mr President, I have some significant concerns with this bill. I endorse the comments of my colleague, the member for Elwick, particularly his focus on student outcomes and course availability but I really want to focus on the problems that I see with this bill from an industrial relations point of view.

We had some briefings on this bill last week, I think - I have lost all sense of time. Thank you to the Leader and to those who attended those briefings. It was disappointing that we were not able to hear from all the organisations that wanted to brief us. I know that there were at least two others in Unions Tasmania and the CEPU who made an approach and requested a briefing and I understand they were advised that briefings had concluded. I know we have limited time, I know we have a big agenda in front of us at the moment but particularly when we are looking at such a significant reform -

Mrs Hiscutt - They were offered briefing papers to be disseminated.

Ms LOVELL - I understand that but it is disappointing that we were not given the opportunity to sit down with those organisations and be able to ask them questions about their briefing papers. I know that we all have the opportunity of doing that ourselves but, again, given the time that we had between the bill being tabled and it being brought to our Chamber and given the workload that we have all had, I personally did not have time to do that. I am sure other members are in the same position. That was disappointing and it makes it difficult when we are looking at such a significant bill that will have an impact on our state in the way that this bill would if it is supported.

Further to that, after the briefings we have had statements of clarification come through. We have had emails disputing things that were said in briefings so there is still a significant amount of confusion and uncertainty, even about the information we were given in those briefings. Again, we have limited time and limited opportunity to really drill down and find out where the truth is, where the truth lies, and the facts of the matter.

One thing that I have not been convinced about yet, is whether this bill will address the problem that we have, and part of the reason for that is that I am yet to be convinced about what the problem is. We keep hearing this phrase 'organisational agility'. We heard it from the chair and the CEO in the briefing who said that the organisation does not have the agility it needs. When we try to unpack what that really means, I am not convinced that it is about being able to respond to the needs of industry and students in being able to provide training on

weekends or throughout January or in the evening. All of those things either happen already or could happen under the current industrial arrangements.

What I am concerned and fairly suspicious about is that when we talk about organisational agility, what we are actually talking about is being able to employ teachers and trainers on short-term insecure contracts, not about being able to tailor the way we deliver training to meet the needs of industry in when training is delivered throughout the week and throughout the year. That is a really significant concern for me because there is a shift away from secure work across Australia. Here in Tasmania that is happening and that is something that fundamentally I am opposed to. It does nothing to ensure that TasTAFE would remain an employer of choice and able to attract quality staff and be able to offer a workplace that is secure and offers the entitlements that it does currently.

We heard from the CEO that the problems with not being able to have this level of organisational agility that they require is in recruitment and processes. In the briefing he told us that one of the problems is that it takes 8 to 12 weeks to recruit a staff member.

We heard about provisions that are in the current industrial arrangements that would enable employees to be brought in to provide training at different times of the week and different times of the year than might be ordinarily expected. We were told in the briefings that the board does not have the ability to approve market allowances and other measures that would enable that to happen. The question was asked, 'Well, who does?', and it was said to us that it was believed that would have to go through the State Service Management Office for approval.

I am not suggesting that these are not obstacles to addressing some of the problems that are trying to be addressed at the moment but I am suggesting that this bill is probably not the best way to do that. There are other ways that those problems could be fixed without such a significant change. That is one of my concerns.

Regarding the industrial arrangements, I know there has been some information sent through from the department, I believe, to clarify some of this. During the briefings, we had lots of discussion about the BOOT test - the better off overall test. I know that some guarantees have been made to current employees.

We have heard talk of State Service awards and State Service agreements. I want to put it on the record, to clear up a couple of those matters for members. First of all, there are State Service awards, and on top of that, State Service agreements. TasTAFE teachers and EFAs, the facility attendants, cleaners and maintenance staff, have industrial agreements that are negotiated and registered through the Tasmanian Industrial Commission, that sit on top of their awards. We have State Service awards and then we have State Service agreements.

Under the Fair Work system, which is what this bill would move employees into, there are modern awards and then on top of that, agreements can be negotiated. The better off overall test - the BOOT test - assesses new agreements that are negotiated under the Fair Work Commission, against the modern award. That test would not apply in this instance. It would apply to new agreements that are negotiated in the future. That makes an assessment of that agreement overall against the modern award. It does not say wages are here, that is better off. It does not go through each condition. It looks at it as an overall package and says, an

assessment has been made that employees employed under this new agreement will not be any worse off than they would be if they were employed under the modern award.

Anyone who has had anything to do with modern awards can tell you that modern awards are very basic instruments. They do not contain much in the way of conditions over and above very basic standard conditions.

Mr Valentine - Modern awards are not clear.

Ms LOVELL - What would apply in this instance for employees who would be transferred across would be provisions under the Fair Work Act that enable a transfer of State Service agreements and State Service awards. For members' information, that is in section 768 of the act, which would give you an indication of the type of document that we are talking about when we talk about the Fair Work Act. It is a very complex piece of legislation.

Section 768 deals with the transfer of conditions of employment for State Service employees who are transferred across to Fair Work instruments. Section 768AK provides for State Service agreements to be transferred across to the Fair Work system for a period, I think it is a maximum of four years. Perhaps the Leader might be able to confirm that for us in the debate. Those agreements can be terminated early if a majority of employees agree, or by application through the Fair Work Commission. At a maximum, those conditions would continue across for four years. State Service awards can continue for five years. So the maximum that those conditions would continue across would be five years. I am happy to be corrected by the Leader if I am getting any of this wrong.

I know the Government has made a commitment that employees would not be any worse off. In particular there are some take-home pay provisions which protect the take-home pay of employees, again for five years, from that transfer. If we unpack that and look at what that means, without knowing the kind of dollar figures that we are talking about, it is really difficult to make an accurate assessment of what that looks like for people at the end of the day. If somebody has a take-home pay at the moment, let us say, the Fair Work modern award take-home pay would be here, and their take-home pay is higher, that take-home pay would be guaranteed.

That is only guaranteed for five years and as long as that take-home pay that they currently receive - the take-home pay that is being guaranteed - as long as that is higher than what is in the Fair Work Act, or the Fair Work take-home pay, that employee would not be entitled to any kind of pay increase. Essentially, we could be setting up a pay freeze for TasTAFE employees, in real terms, for the next five years.

The conditions that TasTAFE employees are working under are conditions they have negotiated, that they have fought for long and hard and it has not always been easy. I know that from my own experience, it has not always been easy and they have fought very hard to protect those conditions. While we might be able to say the Government is going to guarantee those wages and conditions for five years, it is only five years. We do not know what is going to happen after that. We do not know what is going to happen for new employees that will come into the system in the meantime. All we know is those conditions of employment would be guaranteed for five years.

I can tell you a guarantee of current conditions of employment and wages for five years is not really much of a guarantee, because it is not guaranteeing you will be able to build on those conditions. It is not guaranteeing you will be able to negotiate any kind of wage increase. If we are setting up a system where we will have potentially two classes of employees, it makes it very difficult for employees to work together to negotiate any kind of improvement to their conditions and wages.

I wanted to touch on the education facility attendants, who are the cleaners, maintenance workers, groundskeepers, some of the lowest paid workers in the State Service. There are EFAs who are currently employed at TasTAFE who have not only a wages agreement, which they have fought for to negotiate their wages and conditions, but they also have a job security agreement. That job security agreement has been in place now for around 20 years and this is something more important to many of those workers than even their wages and conditions agreement is. Because what that agreement provides is a guarantee from the government they will continue to directly employ those workers as State Service employers and those jobs will not be contracted out. That applies across both TasTAFE and the Department of Education. I believe it is still the case but when I was elected to this place, Tasmania was the last state that continued to indirectly employ our school cleaners, our TasTAFE cleaners and groundskeepers.

That is absolutely critical to being able to provide for that group of workers, meaningful jobs that enable them to not have to work several jobs as a contract cleaner. It enables them to be employed throughout the day, rather than having to come in overnight to work and to clean those facilities. It enables them to be on site to respond to issues that might arise and need their attention throughout the day. It means they can be much more flexible in terms of how they meet the needs of the facilities they are working at. It means they can be guaranteed of a secure job that pays them reasonably well, particularly when you compare that to a contract cleaning job in similar facilities in other states of Australia.

My concern is very significant, whether those employees will be guaranteed, and how they will be able to maintain that job security agreement, particularly beyond that first five years.

My concern is this bill, while it is being presented as a bill about reforming TasTAFE and reforming an educational institution, and whether this is the primary objective or not, it kind of does not matter - this is an attack on job security, wages and conditions for State Service employees. None of what I have heard from the Government, from the Chair of the Board, from the CEO, from anyone, has justified to me why that needs to happen.

Shifting of this part of the State Service workforce out of the public sector umbrella may not happen immediately, but you can guarantee it will happen if this bill goes through. If we support this happening for this group of State Service employees, who is next? That is my concern. Which group of State Service employees will be next?

This has been presented under the guise of fixing a problem that has not been clearly articulated. I am not convinced any of the issues raised by the Government or anyone advocating for this bill, need this particular piece of legislation to address them. And my significant concern is that should this bill be passed, not only is it not necessary to fix the problems but it will create a whole range of other problems for this group of State Service workers, for future employees of TAFE and for other groups of State Service workers into the future.

At this stage I am not prepared to support this bill, because I am not prepared to risk that for State Service employees.

[4.30 p.m.]

Ms PALMER (Rosevears) - Madam Deputy President, vocational education and training play a hugely important role within the Tasmanian skills and training context with thousands of students enrolling in courses every year.

Some decades ago, I was a TAFE student. I am listening intently to all the contributions today and I take on board what is being said. I am not sure enough is being said about the student. My contribution is very much thinking of the time where my family was not in a position to send me to university and they would not have been in a financial position for me to have had any more education after year 10, other than through TAFE. I am exceptionally grateful I had that opportunity to have further public education through TAFE. I am very grateful indeed.

This is an expanding and a growing education area with businesses and industry more and more interested in forming meaningful relationships with their local training providers. In fact, more so than ever before. It is, therefore, crucial TasTAFE is placed on the best possible footing to take advantage of this growing appetite for training and workforce development. The Government is focused on ensuring TasTAFE is as competitive as possible to continue to be at the forefront of VET in our state. This is why the Tasmanian Government has a strong plan for TasTAFE and its vital role for our state's foremost vocational education and training provider.

I want to talk about the investments into TasTAFE. This bill is a crucial part of the Government's plan to build a better TasTAFE and the Government has been very clear about what we want to achieve for TasTAFE, ensuring it is able to offer flexible training which is more closely aligned to learner, business and industry needs. We want more choice for our learners, improved access to training in rural and regional areas and it has been the Government's firm commitment no TasTAFE staff member will be worse off throughout the process. Importantly, this bill provides the structures TasTAFE needs to train the workforce of the future and it must be noted this bill is not a standalone piece of work.

The Government has committed to a range of investments and resourcing under our 4-year \$98.6 million plan that will bolster TasTAFE, allowing it to develop and deliver new training that meets the needs of students and gives them the best opportunity to get a job; the focus being on the students having the best opportunity to get a job. That is what I want for my kids. I think that is what we all want for our kids.

The funding to deliver these investments was delivered in the budget - \$37.6 million to recruit 100 extra teachers; \$10 million for the new virtual campus, increasing access for regional students and putting TasTAFE at the cutting edge of learning delivery; \$2 million for SKILL UP which provides free short courses to support job-readiness; and \$4 million to increase TasTAFE access for rural and remote students with Libraries Tasmania; and then \$45 million for TasTAFE facility upgrades with projects in the north, south and north-west as well as transition funding to support implementation of the new TasTAFE model.

In the north, the TasTAFE Alanvale Campus is a much-loved campus and the \$10 million for upgrades are a welcome boost to revitalising that site's infrastructure for a number of areas.

The Alanvale project includes a new student learning hub to replace the current library; redevelopment of the health training hub to include new alcohol, drugs and youth mental health training facilities; and equipment and technology upgrades for electrotechnology and metals and fabrication workshops that support apprentice training and keep pace with industry requirements.

These are the sorts of investments the Government is making to improve student access and experience and ensure that TasTAFE staff are working in modern facilities. These initiatives are being rolled out progressively with the minister recently launching the Be a Life-Changer - Be a TasTAFE Teacher recruitment campaign, to recruit the first round of our 100 new teachers. The campaign is seeking applications across a range of trades and professions with a particular focus on the following industry areas:

- construction and allied trades
- electrotechnology and plumbing
- nursing
- aged care
- disability
- alcohol and other drugs
- engineering and metal trades
- cyber security and blue tech.

It is clear that this is a comprehensive process. The Government is focusing on investment in more of the resources TasTAFE needs, and we are also ensuring TasTAFE has the structure it needs for the future, while ensuring protections for staff.

The Government has made a number of commitments through our consultation since March this year to provide assurance and protection for staff and provide the certainty our students need. The Government has made it very clear that TasTAFE is not being privatised; that it will remain not-for-profit; that 80 percent of training funding will go to TasTAFE into the future; and there will be no forced redundancies as part of this process. Crucial protections for staff are built into the reforms. Permanent employees continue to be permanent employees under the arrangements; there are no ifs or buts. Transferring employees will retain the same salary and entitlements in existing awards and agreements, and there will be no changes to superannuation or long service leave. Importantly, the Fair Work Act 2009 provides take-home pay protections and allows for all staff to vote on new agreements, meaning there will be a greater representation across the board in staff industrial arrangements. In addition, any new agreement will need to be supported by the majority of all staff.

The Government has committed to course fees remaining low and heavily subsidised with the TasTAFE CEO firmly on the record, stating that, 'We want TasTAFE to continue to be affordable for all Tasmanians'. The Government absolutely shares this vision. We want to grow student numbers at TasTAFE. We want to make it easier for Tasmanians to get a job.

This is why local industry is strongly supporting this bill. Several industries, businesses and peak bodies have thrown their support in favour of this legislation. These bodies are urging

this Chamber to pass the bill in full, with support coming from a broad scope of local industries. Support from the caring industries like Carers Tasmania, who said in their submission to the bill consultation, and I quote:

We welcome the potential for flexibility in the delivery of TasTAFE services, to ensure that students can access quality learning opportunities that are affordable and accessible in flexible delivery models that fit with different circumstances.

The Tasmanian Forest Products Association said -

The TFPA is supportive of the TasTAFE transition based on that it will become a future-focused and market-aligned training provider that is responsive to the needs of Tasmanian learners, employers and industries, and provides more Tasmanians with the skills they need to get jobs now and into the future.

Then we heard from the Fruit Growers Tasmania. It stated:

We support the Tasmanian Government's vision for TasTAFE to be a future focused and market aligned training provider that is responsive to the needs of Tasmanian learners ...

... it is essential that TasTAFE has the right foundations and structure, and the right tools to ensure it can be flexible enough over a reasonable time frame to be flexible, adjust and work more closely with industry and employers and deliver the required training at the required times.

Then we heard, in one of our briefings from Michael Bailey, and the Tasmanian Chamber of Commerce and Industry. Mr Bailey said, Tasmanian industry and the business community is unified in its support for 'the full set of PESRAC recommendations relating to TasTAFE'.

' ... We want a TasTAFE with flexibility to deliver training ... what we need is a transformed TasTAFE that looks and acts more like the businesses and industries that will be employing ... '

It is very clear from those statements, among many others, that there is broad industry support for this bill, and for the Government's plans for TasTAFE investments. TasTAFE has gone from strength to strength in recent years, which is fantastic, providing quality training for thousands of students every year. However, we know there is still work to be done to ensure TasTAFE can reach its full potential as it trains the workforce that will underpin our state's future. We know that the single biggest risk to TasTAFE and its people will be a failure to adapt to what the economy and the community need. These reforms are focused on supporting our community and supporting our economy.

Our employers need workers, and we want to make sure that Tasmanians are given every opportunity to pursue their career aspirations. We want to make it easier for Tasmanians to get a job and embark on their chosen career pathway. TasTAFE is a crucial part of our training future, and as a government we are committed to ensuring TasTAFE is well placed to succeed.

[4.41 p.m.]

Mr DUIGAN (Windermere) - Madam Deputy President, I rise today to speak in support of the bill because this is important legislation. At its heart, it is about delivering better services and better outcomes for Tasmanians looking to skill up, and participate in the workforce across a wide range of vocations and trades.

I should say at the outset, that the Tasmanian Government is, and remains, a strong supporter of TasTAFE and its vital role as our state's foremost vocational education and training provider. The Government is committed to growing our economy and creating jobs that will secure Tasmania's future, with TasTAFE absolutely critical as Tasmania's foremost vocational education and training provider.

The many achievements of TasTAFE in recent history have been highlighted here today. I thank the member for Elwick for taking us through some of the achievements of TasTAFE. This bill seeks in no way to diminish the great work that is going on at TasTAFE as we speak. As an organisation it delivers training for thousands of Tasmanians every year, and supports hundreds of Tasmanian businesses to train their staff and deliver the skills mixes they need.

The question is, can it do that better? The changes being driven by this bill, combined with significant investments through the \$98.6 million outlined by the member for Rosevears, will provide TasTAFE with the structures and resources to deliver training in ways that meet student and industry needs. As mentioned, I am particularly interested in the \$10 million that will be spent at the Alanvale Campus in the electorate of Windermere, which will include, among other things, a centre for excellence in alcohol, drug, youth and mental health.

You will be pleased to learn that a lot of money is being spent in the metal fabrication section. We might get some new welders and things like that.

Madam DEPUTY PRESIDENT - Not as good as the north-west coast.

Mr DUIGAN - It is substantially better than the north-west coast.

In short, the Government is seeking to make it as easy as possible for Tasmanians to get a job. Our job market is booming. Talk to anyone running a farm, running a construction job site, a hospitality tourism business or a transport business. Take your pick. You will hear it said that we don't have people looking for work, we have work looking for people. A future-focused contemporary TasTAFE is a crucial piece in growing and developing our local workforce and we know it must be given every opportunity to succeed. That is what the Government is focused on through this legislation.

As members are doubtless aware, in March this year the Government committed to progress the recommendations of the PESRAC process - a comprehensive vision and series of recommendations to build a better future for our state. This commitment to progress the recommendations, including those related to TasTAFE, was then taken to the May state election where the Government was re-elected. There was some mischief-making around the potential privatisation of TasTAFE and things of that nature. The Government was returned and TasTAFE in no way or at any stage will be privatised. It is important to remember PESRAC was headed up by some of the most passionate, innovative and articulate Tasmanians you could ever hope to assemble. These Tasmanians - people like Dale Elphinstone, Professor Rufus Black, Samantha Hogg and Kym Goodes - provided their experience and

insights into this process with recommendations resulting from feedback, consultation and suggestions sourced from a wide range of organisations and individuals representing.

During the consultation and the following tabling of this bill in the other place, the minister has publicly provided a range of commitments to staff and stakeholders to allay any and the many fears raised. The minister and the Government have been clear about what the bill is aiming to achieve, including more opportunities for learners; training that is more aligned with industry needs; more autonomy and flexibility for TasTAFE; and increased training and courses. Indeed, the incoming chair of TasTAFE, Tim Gardner, has confirmed for members that through the reforms he wants to grow the volume of training provided by TasTAFE and therefore, in time, build our workforce. This is the key driver for the Government in pursuing these reforms.

The Government has been clear that the hardworking staff at TasTAFE are a key part of the organisation. These staff are highly valued and we need them to continue to do their outstanding work providing training. Importantly, there are a range of key projections the new arrangements will put in place to ensure the Government's commitment - that no staff are worse off - is kept. The Leader has quite a bit of detail coming up in her responses on that so I will not delve too deeply and save members something.

Regarding salaries, it is probably important to place on the record the advice we received from the secretary of the Department of State Growth on 22 November, where the secretary said the Fair Work framework take-home pay provisions will apply to transferring employees after five years if a new Fair Work enterprise agreement has not been settled and the copied state award ceases to operate, so there can be no reduction in the take-home pay of employees. No reduction. This means staff are protected against any reduction in take-home pay and, in the absence of an agreement, we can all agree it would be highly unlikely staff would then go on to vote to reduce their own pay. It is important to recognise, nor would it be likely, that TasTAFE would be able to compete successfully in an employment market where they were offering below market rate salaries.

Crucially, and as has been covered a little bit so far today, TasTAFE remains a not-for-profit organisation under the new model proposed by this bill. That is important to recognise and I take on members' points at the time of its announcement it was labelled a GBE, but TasTAFE is a not-for-profit organisation. The Government has committed to providing 80 per cent of Tasmanian government training funding to TasTAFE and the broader community can have comfort that TasTAFE will not be privatised through this process. Students will not have their training diminished and staff will not be worse off. TasTAFE will not be privatised. Students will not have their training diminished and staff will not be worse off.

I note there is very strong support for this bill from local businesses and business representatives which has been provided through a range of direct contact, media commentary, and bill submissions as part of the legislation's consultation process. These submissions in support come from across a huge range of industries, several construction, mining, energy, transport, logistics, tourism, hospitality, to name but a few. These industries are huge local employers in our state and they are crying out for more skilled workers. The Tourism Industry Council Tasmania state in their submission:

The TICT supports this legislation as a critical opportunity to revitalise public VET for the tourism and hospitality sectors here in Tasmania. We believe

legislative reforms are necessary to enable TasTAFE to be more industry focused.

Furthermore, the Tasmanian Hospitality Association says:

The Tasmanian Hospitality Association is supportive of the Tasmanian government's effort to modernise this important training institution. Importantly, an industry-focused and responsive training institution is essential for the hospitality industry in Tasmania, the third-largest employing industry in the state.

There has been, understandably, a huge focus on getting both of these crucial industries - tourism and hospitality - back moving again in response to the COVID-19 pandemic. I note in media reports today - or yesterday - predicting record numbers of visitors to the state in the coming months. We will need skilled people. Likewise, the building and construction industries are in strong support of this bill. The Master Builders Association of Tasmania is firmly on the record:

A more nimble business model which can better respond to the fast-changing demands of industry is crucial for TasTAFE to meet the future training needs of the building and construction industry. We urge parliament to pass these reforms in full.

Ms Rattray - We heard the housing industry from the HIA - or the MBA - have actually set up their own training organisation, or did I dream that?

Ms Armitage - Master Builders I think it was.

Ms Rattray - I thought I heard that. The Leader might be able to answer that. I should not have asked the member on his feet. Unfair.

Mr DUIGAN - Thank you. National Electrical and Communications Association states:

NECA is highly supportive of the proposed legislative changes and looks forward to working closely with the Tasmanian government to ensure the desired improvements to TasTAFE are delivered in a manner satisfactory to industry and government once the legislation is passed.

The Housing Industry Association Tasmania branch says:

The changes proposed would also enable TasTAFE to ramp up its training delivery in high demand and emerging industries or sectors while offering flexible arrangements to support training deliveries at times that work better for businesses and employees.

These are all crucial industries among many, many others which is why the Government is committed to ensuring they have the best opportunity to access and train the workforce they need to get on with their jobs. We want them to be in the best position to build the roads and the houses and to open and staff their businesses to support our economy, which we know is the envy of the nation and leading in so many respects. I would point members to the most

recent ABS data on growth out a couple of days ago where Tasmania is powering along at more than double the national average.

In conclusion, the Government is committed to securing Tasmania's future. This bill is about making it easier for Tasmanians to get the training they need, which will in turn make it easier for them to get a job. We have heard from industry countless times now through the PESRAC process, through the state election and most recently through the formal bill consultation, TasTAFE needs to change how it is delivering courses and training.

The Government is now getting on with this important work underpinned by significant investments, very nearly \$100 million, that will make sure TasTAFE has the facilities and the resources it needs to meet the demands of students and industries. Crucially, staff will not be worse off and students will have improved access to training under this important plan for TasTAFE. I would take this opportunity, like other members have done, to thank people in the community and stakeholders for getting in touch. There has been a lot of information flowing through inboxes and I thank all -

Mrs Hiscutt - They are still giving us information as we speak, yes.

Mr DUIGAN - Still coming through. I did note that. It is important we are all informed, so I thank people for providing their points of view. I understand that change is hard, change is often confronting but, in this case, change is absolutely critical. In reference to numbers provided by the member for Elwick, in 2013-14 TasTAFE delivered training to 32 000 students, or thereabouts, and in 2019, the last non-COVID-19 affected numbers that we have, that went down to around 21 000. Consider that: more than a 30 per cent fall in student numbers in our current job environment which is powering along.

The member for Mersey has highlighted that there are a number of private RTOs popping up to fill that training gap. TasTAFE is in a competitive market essentially with one arm tied behind its back. The status quo is not working well for TasTAFE. The status quo is not working as well as it could for our industry and, importantly, the status quo is not working as well as it could for our students.

I commend the bill to the House and I urge members to support it.

[4.56 p.m.]

Ms ARMITAGE (Launceston) - Mr President, this has been quite a challenging bill to wrap my head around. In my extensive consultation with those who work with TasTAFE, either as employers of TAFE students or their teachers and trainers, there are many points on which there is common ground.

I am sure that we all agree that TasTAFE, as the Tasmanian public provider of vocational education and training, is worth fighting for. It is worth having a post-school education system that has a focus on getting people skilled up and working in industry, contributing to their communities and achieving a sense of professional satisfaction.

It is in the interest of each and every Tasmanian to ensure that we produce high-quality students and employees and that they receive their education from teachers and trainers who are of equally high quality. Our taxes are well spent when it goes towards funding a public

education institution, where there are demonstrably positive impacts for students and it meets the needs of the industries and the professions to which it caters.

We can all agree that in the wake of the COVID-19 pandemic having high-quality and accessible public education and training that will meet the needs of expanding industry sectors is essential. Skill shortages have been exposed in the past two or so years and our job is not only to ameliorate that but to ensure that we are cushioned from similar such skill shortages in the future. We know that industry needs are fluid and changing constantly and we know that the outcomes students are seeking change over time as well.

What might have worked 10 or 20 years ago cannot be expected to work forever. We as lawmakers need to anticipate what those needs will look like and we have a responsibility to look after everybody's interest in that process. We can all agree that TasTAFE needs to be able to attract and retain the best possible people to their teaching and training roles. We have some great teachers there now and there is no criticism at all of the teachers who are there.

Ms Rattray - We have heard from quite a lot of them.

Ms ARMITAGE - We have heard from a lot of them and I appreciate receiving the emails from them. I always try to respond to them all. It is really good to get their opinions but I will not read any of those in. I know that a couple of members have, and will be, but we can be very impressed with the teachers we have currently at TasTAFE.

We want our students to have as many options as possible available to them. We need to be looking towards the future and anticipating not just what is needed in two to five years time but 10 to 20 years time. What we do now in this place will have significant outcomes for our state and its people in the years and decades to come and I have not approached it lightly.

Just how we achieve these outcomes is really what is at contest regarding this bill. Transforming TasTAFE into a government business is a significant undertaking. Extensive hours and engagement with experts to develop a model that meets or at least tries to meet the interests of everyone concerned has taken place. We can all agree, therefore, that the existing TAFE legislation needs to be changed to address these matters, and the question is how?

The PESRAC report stated unequivocally that, 'Under its current model TasTAFE is not sufficiently responsive to help Tasmanians gain the skills needed by employers.' We have been told that the processes by which PESRAC formulated these recommendations were clear, adequately formed and evidence-based.

I noted in our briefings, however, that a number of organisations and unions have felt they were not adequately consulted or only had the opportunity to provide input once the draft bill had been released. I would encourage the Government to engage as best as possible with these stakeholders. The interests they represent are not insignificant, and the teachers, trainers and employees who will be affected by this change are worried, anxious and need to be supported should this transition to a GBE occur.

TasTAFE can only be as good as its funding allows and what the existing training packages ask for. We were told 80 per cent of the funding received by TasTAFE goes towards paying people, leaving a very lean margin for error for paying for other things. It cannot be a

surprise then when TasTAFE experiences difficulty pivoting to what industries demand, let alone doing it quickly.

There is a tension between addressing the necessary changes to TAFE and ensuring that the legislation that does that is of good quality. Given the concerns held by a number of unions regarding the consultation process, I urge the Government to make good faith efforts to work with them as the legislation is progressed, and if passed, that the re-establishment process includes meaningful engagement with unions.

I have taken great pains to consider what would be a balanced outcome for as many people as possible: what the most utilitarian approach to TAFE reform will be, the approach that will have the best outcome for students, meet the demands of industries and fairly support the dedicated teachers and trainers who have poured so much professional and personal labour into educating our students. There is concern that if we do not move to reform TasTAFE quickly, it will be too late to save it and it will be overcome with RTOs which industries appear to be preferencing more and more. This has poor outcomes for student accessibility and will ultimately harm TAFE as an institution and those who comprise it.

Industry is currently filling the gaps they perceive in the public system itself. An example used in briefings was about the Lady Gowrie childcare centres, having set up their own RTO to train employees and to funnel them into positions in their own creches. The Tourism Industry Council Tasmania is yet another example of an organisation that receives government funding to run their own RTO. The hospitality industry expressed its concerns with Drysdale and set up their own training institutions for the purposes of matching industry needs with educational outcomes.

It could be said that as a consequence of this, we are losing our public provider by stealth. It may be that TAFE needs to change or it will simply fade away. Funding which could be going into a more flexible, lean and agile public provider is now being channelled into a number of separate RTOs, thereby minimising what TasTAFE can offer and what student study options are available to students whose only option is the public provider.

There is the issue of how much control TasTAFE has over its workforce. The issue of transferring TAFE employers from the State Service over to the Fair Work system has caused a great deal of distress and concern amongst a number of TAFE employees and teachers. I am of the understanding that the bill contains a number of measures to protect the existing arrangements regarding salaries and wages, the recognition of prior State Service should a TAFE employee move back into that system, and no forced redundancies.

I understand that these words are not terribly comforting for the people who will be forced to go through the TAFE transition process. This is why I encourage the Government, in the strongest possible terms, to engage proactively and in good faith with TasTAFE teachers and employees and the unions which represent them, as the legislation is implemented, should it be passed. To this end, I have attained more information about the transfer of TAFE employees' existing employment terms and conditions over to a GBE model if this bill passes in 2022. Concern has been raised that these agreements would be binned in favour of the better off overall test, which applies to employees under the Fair Work Act and is made against the modern award rather than the employees' existing entitlements. I have received confirmation that all entitlements do transfer across irrespective of the BOOT and regardless of whether agreements had expired as at 30 June 2021. Reading the advice that I have received:

Expiry dates in industrial agreements are nominal only (whichever jurisdiction they fall under) and the conditions and entitlements they contain continue until replaced by a new agreement. This means that the copied state instrument provisions of the Fair Work Act will apply to existing TasTAFE employees who transition across on 1 July 2022.

Any new agreement negotiated under Fair Work will need to be agreed by the majority of all employees, unlike the current industrial framework which only requires union members to vote and agree. In addition, the Fair Work Act, Section 768BI, protects against any reduction in wages at the cessation of the five year copied state award. This test includes consideration of allowances, regular overtime, et cetera, as well as wages.

For a reform as significant as this, we want as many people to be onside as possible. We all have a stake in the success of TAFE, some much more than others and for the teachers, trainers and staff who make TasTAFE the world-class educational institution it is. It is well worth keeping them engaged and supported through this process. I reiterate my earlier statement, the Government needs to work as closely as possible with good faith and fairness, to ensure this process is as robust as possible.

It appears if TasTAFE is to become the leaner and more agile organisation it should be, it must necessarily have greater control over its workforce. It will invest in the board and CEO more bargaining power to attract and retain talented teachers and trainers in contrast to what happens now, where that power simply does not exist.

In consulting with my constituents and with employers, I have discovered it is a very hard sell to get a talented practising tradie, for example, to leave their lucrative day jobs to go and teach. I did speak to quite a few plumbers, electricians, and builders and their answer was, 'Why would I leave my day job to go and earn at least half as much as I am actually earning now?'. If we want to be able to attract people like this to teaching and training we have to give TAFE the capacity to offer attractive and competitive remuneration packages.

I do not support the privatisation of TAFE and we have been assured in briefing this will not happen. I can see there is a lot of confusion, which is not surprising given the differing information we received from different sectors on the current situation with TAFE.

I took quite a few notes in our briefing and I will go through a few because they are quite relevant from the different groups. I thank the Leader for organising the briefings and the groups that came and briefed us, and the United Workers Union, the Community and Public Sector Union and the Australian Education Union. They did mention out of 18 059, 5349 apprentices and tradies were attached to a business or industry employer, which is 29.6 percent, but TAFE can only deliver what the training packages tell them to deliver. They believed it was a two-fold problem. Industry stopped hiring apprentices, so TAFE stopped some classes. There was concern the word 'trainer' was used, rather than teachers, and that the union had not had any answers provided to questions they had put forward. They commented TasTAFE needs to be competitive and run more like a business. Legislation needs to be unpicked. There have been meetings with unions, but not consultation, and it was felt they needed more flexibility and could teach across the holiday period. The comment was made the bill is rushed and flawed as a result. That it needs to represent the public sector workers. This is a huge issue that needs to be dealt with and it is a huge distraction. Employees on different arrangements are worried about their future.

Countering the no-disadvantage argument, they cannot say if employees do not have the opportunity to stay in the State Service, there was concern members could lose up to \$12 000 a year. Commitment to no disadvantage. Employees need the ability to stay in the public service. What I really got out of the briefing from the unions was there was a lot of fear, concern, anxiousness and a lot of worry, which makes it very hard for teachers. It has been mentioned by other members here. It is very difficult for people to go about their everyday job of teaching students and doing it well if they are, in themselves, very fearful and worried about their jobs.

That is of great concern. None of us perform well when we are concerned and worried. When they are representing the school cleaners, and they say, 'Cover my job security agreement which expires at the end of 2022', they were concerned the cleaners could lose that protection. If the bill goes ahead, the worry was that if they transferred to Fair Work could the jobs that they now have be contracted out? That was a real concern for them. Everyone has commitments and needs that income. Other questions they asked were why would transferring employees from the State Service to Fair Work fix any problems? What is needed is funding to make these changes.

They felt they were blindsided by PESRAC. They said they had made it clear they were happy to sit down and work through possible changes. They said it all comes down to funding and they did not feel that the legislation would change that. If the Government really looks at industrial relations - I might add these are not my words, these are notes that I took down from the briefing. I do have some from the other briefers as well.

TasTAFE staff are confused and I do find that concerning because it is very difficult for people to work and work well if they are concerned and confused and worried. They felt it was really complicated. They were concerned about the better off overall test comparing the award, about the enterprise agreements, and thought they needed to work together to find solutions.

What was agreed by everyone who briefed us was that TasTAFE is worth fighting for; that TasTAFE needs to perform at a high level and needs to meet the needs of students; that a more flexible approach is needed for the delivery of education; that the aim of TAFE education is to get people working in the industry. There are challenges for TasTAFE facing significant skill shortages across industries and it needs to be a more flexible, future-focused provider.

There are changing demands from students and employers. The world is shifting. We need to take forward what is good and strong and make substantive change and really drive improvement. At the core of that are the people who teach and support or administer the organisation. We need to move forward with support of existing people and continue to attract the very best people. We need to protect employees' working conditions, to apply funding in the best way we can and drive the future and make sure TAFE has the best services and products as a Tasmanian public provider.

TAFE is a market-placing organisation and there needs to be organisational agility to pay above market rates. We all want TAFE to be the best it can and everyone wants students to have an opportunity and the main focus needs to be student outcomes. We need to produce students who are going to provide value to employers for coming decades and we need TAFE, as the public provider, to meet the needs of skilling Tasmanians, supporting communities and helping people into jobs. If we can deal with the needs of addressing businesses and young people, this would be the best outcome.

Then, from some of the industry players, some of the concerns were that TAFE is too slow to respond to the needs of the community. In Victoria, they move teachers out of public service to Fair Work and it works reasonably well. They can then pay market rates. The board and CEO currently do not have the ability to pay market rates. Further comments included when consulting with industry there is a demand for things that TAFE cannot provide under its current framework and they need flexibility of delivery.

Regarding student opportunity, it was felt it is time to approach TAFE in a contemporary way and be the training provider that is needed. We heard that employment of staff was a key component and that it could take eight to 12 weeks to employ a teacher with the appeals processes, et cetera. We need to design recruitment that suits the organisation. We further heard that the workforce does not respond to the board. The CEO does not report to the board. The board is not in direct control and everything has to be run through the State Service Management Office.

We heard that TAFE currently competes against other RTOs and tries to work with industry. Students must have fundamental abilities. As a public provider there is an obligation to continue to meet foundational requirements in support of schools and ensuring that people have numeracy, literacy and life skills that will be needed. Employers are looking for communication and leadership skills.

Regarding industrial relations questions about how workers' entitlements would be protected, under Fair Work any new offer to staff has to be put to staff and they have to vote on it. It is still collective bargaining.

From a couple more industry people we heard there is a need to restore confidence in the public provider. Currently we are losing our public provider by stealth as many industries are not preferencing TasTAFE

Lady Gowrie was an example that was given. Industry is saying we have problems now and we need to get on with it. The model is clearly a not-for-profit and does not have to provide dividends. That is good, for a government business that is probably along the lines of Metro; I do not think they have ever provided a profit.

Drawing on elements of statutory authority models, GB models, state-owned corporations, the most challenging part of the bill is trying to work through the employment powers and to achieve the sort of outcomes industries are looking for, the change that is needed.

We heard from some really good briefings. There is one more thing that came from the union. It said, 'There is enormous pride around the TAFE brand and we need to get the strength of brand and organisation back'. That is a really good comment, that there is enormous pride. I am not sure which member read out the media release from the previous minister -

Mr Willie - I did.

Ms ARMITAGE - There you go. I knew it was read out. It was good to hear that there is enormous pride at TasTAFE and what is happening there.

Ms Rattray - And no problems then, or very few.

Ms ARMITAGE - We are told during various briefings from unions that all but one of PESRAC's recommendations could be achieved without the need to change to a different model. I do not know whether that is true, but we were told that in briefings.

We need to ensure our teachers and trainers are not at all disadvantaged. It has not been stated to us that they are not worse off under Fair Work. This is of great concern to the current teachers and unions and there must be assurances, as happy workplaces are much more productive and happy teachers will produce much more comforted and confident students.

It is essential that students receive the best possible training and that any student wishing to take part in a course can do so. We cannot have students put on waitlists. We know that sometimes they fall through the cracks if that happens. We cannot have courses that are so expensive they cannot afford to do them. This is a public learning and trade facility and it must be affordable and available to all who wish to be part of it. The member for McIntyre and I spoke with some TAFE teachers who came along one lunch hour with a student to talk to us about courses and how they currently see things. This was a woodwork teacher or a building teacher.

Ms Rattray - A builder.

Ms ARMITAGE - A builder. A very competent builder; and he told us about the hours he worked - he put a lot of hours in. One thing we must take from this is that we have some great teachers at TAFE now. Whether they are paid enough -

Mr Willie - Some of them might leave after this.

Mr Valentine - Through you, Mr President, the thing I have noticed with all the emails coming through is that they all have their own ideas. It is not just form emails.

Ms ARMITAGE - You are quite right, they are not form emails. It is nice to see them. They are all individual letters and people have put their own thoughts.

Mr Valentine - They are thinkers.

Ms ARMITAGE - The couple of teachers that came to see us, loved what they did and that is the point. They can make a lot more money, particularly now with builders out there, but they love what they do. They love teaching the students. They brought a young student with them, and it was interesting to hear from the young lady. She was doing a carpentry course whilst still at school and the Education department was financially assisting her. A concern was raised that once TAFE came away from education, placements such as this might no longer be possible. The young student could not afford to do the course herself.

Ms Rattray - And she wasn't engaged with mainstream education.

Ms ARMITAGE - She was not. She was having problems with mainstream education so she was doing a certain amount in TAFE. That was great and she was very happy with what she was doing; but the teachers that came with her were concerned that if they no longer came under the umbrella of education, would that department then help students such as her to go to TAFE? She certainly could not afford it. The member for McIntyre might remember; but I thought they provided around \$2500 to assist her to do the course.

It is easy to understand that tradespeople prefer to work in their chosen trade rather than teach, given the current remuneration. We must be able to pay a suitable wage. I have spoken to members of my community, and have received a mixed opinion. There are some industries that are definite, that it needs to change; and there are others that felt their apprentices are doing well and are happy with the situation. However, quite a few were concerned that there was too much education and not enough industry. I was told, particularly from a couple of trades, that they were doing more study and education but when they came out into the trades they were not really doing the hands-on; they were doing more theory than practical.

I do not find this to be an easy one at all and I appreciate the briefings we have had from all the different groups across the board. I appreciate information from the industries that I have spoken to, whether they be businesses that have had different apprentices, or tradies I have spoken to about whether they would be prepared to go back and teach, or how they felt about the apprentices that they get out now. I have tried to cover a wide gambit of those involved. I will listen to other contributions.

[5.21 p.m.]

Ms RATTRAY (McIntyre) - Mr President, I appreciate the opportunity to make a contribution to this important legislation the Government has brought forward.

I acknowledge the minister in the Chamber. We have often said in this place that if ministers came and listened at various times, there may well be an opportunity to improve a piece of legislation. Reading *Hansard* at a later time might not necessarily deliver some outcomes that members are looking for. I appreciate that. I do not speak for everyone in the Chamber but I feel sure it would be appreciated.

Brian Wightman, the former member for Bass and attorney-general would sit in the Leader's Reserve and I know that at various times he decided to make a compromise position from that spot. You never know, it might be required as well.

Ms Armitage - We have seen him again with this bill.

Ms RATTRAY - Yes, we have.

Ms Forrest - Recycled.

Ms RATTRAY - He has gone back to what is probably his area of expertise in that role of education.

It has been interesting to listen to the contributions and I greatly appreciated the contact that we have had from all sides. Both sides of the argument are poles apart - except for that one idea, that they value the role of TasTAFE in this state. I do not believe there is anybody who could stand in this Chamber and say that they have not seen some fantastic results from the work that TasTAFE has done.

The member for Rosevears shared her personal journey, and that is something we take away from these contributions and I offer my heartfelt thanks.

I thank the Leader for organising the briefing in the time frame that was available. She always tries to ensure there is balance if there are differing views on legislation.

We had the briefing, and then the member for Launceston and I had a 1 o'clock appointment. I said, 'I don't think we need this. We have already heard from them'. Oh, no, they were coming in. They had some more to say. You can only admire that commitment to what you believe in and it is entirely appropriate. The teacher is a builder and possibly could be out in the building industry perhaps making a lot more money and may well have more headaches. He gave us some significant information around what you need when you are a teacher supervising TAFE students. As I was listening to the debate, I thought of these tradies, when you have a look at what you need to do to sign off on a student, they might run 100 miles. They might be going the other way because it is not a simple tick and flick. They are extensive modules I can see here and rightly so. We know the compliance for the building industry and every other industry is enormous.

That is one of the areas I keep on thinking about as I was considering where I might put my support or otherwise for this legislation. We heard about Lady Gowrie and that they have their own RTO and I recall, and I don't believe I wrote it down -

Ms Armitage - It was the Master Builders.

Ms RATTRAY - Thank you. The Master Builders Association has established its own RTO. It obviously could not receive the services it needed for its trainees or apprentices under the arrangements from the public provider in this state, otherwise why would it bother establishing an RTO? The Leader may be able to confirm, but I am certain that was what was mentioned. It is an interesting approach for industry participants to be looking at how they can provide their own training and put those people who come through their training processes into the work areas they are looking for. I would appreciate some confirmation on that if it is possible.

I pick up on the member for Windermere when he said we need people to build the roads. I expect there are some people on those road works that do need some training.

Mr PRESIDENT - Not the ones that dig the potholes. They do a fabulous job.

Ms RATTRAY - It is probably me but I get sick of hearing myself, to be honest, talk about the poor quality of roadworks we see across the state at various times.

Mr Valentine - I thought you were talking about those that allocated the money.

Ms RATTRAY - No, I am casting no aspersions on my colleagues or former members of the committee.

Ms Forrest - Mr Gardner who runs Stornoway does a lot of our repairs or has the contract for all of our maintenance on the north-west coast.

Ms RATTRAY - Yes, but I do not believe there is any registered training for that. I am sure it meant keep building our economy more than anything and not necessarily - but I wrote down build our roads, yes, we need training. Yes, we do need training in my view. Sometimes I feel like I need a tank to get around, not a vehicle, but you have to order them 12 months out now so I will not be getting one of those in a hurry.

Mr PRESIDENT - You might be able to get a good deal on a submarine.

Ms Forrest - To get into the potholes to see where the bottom is.

Ms RATTRAY - One message that has been loud and clear through the briefings and the debate is that change can be difficult for people to deal with. I cite my own circumstance, an electorate boundary. It can be difficult to cope with change and the unknown is very difficult, when you are not necessarily taken on the journey - and I am sure there will be some feedback from the Leader to talk about the consultation process for this. I asked the question in the briefing about the consultation process and I am going to ask it again today because I feel it deserves a response on the public record.

I quote, no names attached, and I provided this to the minister's adviser so it is not something new and I asked it in the briefing process. I am not going to read the whole lot but this is from a TasTAFE teacher, a 20-year-long TasTAFE teacher, who was good enough to make contact. I quote:

I recently participated in the (only) one-hour long staff consultation process in which the new model was presented. The model presented was made up of general motherhood-type statements. When the time came for questions I asked the CEO if he could explain what we would be able to do in this new model to better our service to Tasmanians that we could not currently do (with any relevant minor adaptations) with the current TasTAFE structure.

His response, 'I will have to take that question on notice and get back to you.' In other words, after all the rhetoric and media around this, still nobody can explain in any detail just why these changes are needed and exactly what they will look like in practice.

Then it says:

I still have not received an answer to this question either.

Then there was that discussion about the consultation process and we heard from some representatives of the workers that they felt there had not been adequate consultation and they had been spoken to but not consulted with, if you like.

Ms Armitage - Just so that you might want to comment on this further about the Master Builders. They offer a wide range of training options. All their training is provided by qualified trainers with relevant industry knowledge and experience designed by industry for industry. They actually give members the added bonus of reduced costs of training, which does make it hard for TAFE. You might want to make further comment.

Ms RATTRAY - I might come back to that. Remind me before I sit down, Mr President, to come back to that. Getting back to that consultation process, I listened to the member for Mersey when he talked about the time frames for this - I am pretty sure the member for Mersey talked about the time frames - anyway, somebody did.

Ms Forrest - Somebody did.

Ms RATTRAY - Somebody did. From the time that it was announced in, I believe it was the Premier's Address and then -

Mr Gaffney - Yes, it was 9 October or 18 October, yes.

Ms RATTRAY - Yes and then the consultation period began early in October and finished on about the 18th or -

Mr Gaffney - Yes, I had a flashback to the gaming bill.

Ms RATTRAY - It does not appear to have been a long journey for this. How you soften the blow is not going to be easy. Perhaps it is like the bandaid - pull it off quick and you get it over and done with and get on with it. I am not the minister and I was not a member of the PESRAC so I did not hear the feedback that PESRAC provided.

It was interesting that there was only one submission but when we spoke to Mr Gardner, who was the chair, he came and spoke to us, he was very clear that that message had been coming through loud and clear as they wandered around the state. I expect that they went to all corners. I did not see them in my patch at any particular time but I feel sure that they did a roadshow and went to as many areas of Tasmania that they felt was necessary to get some understanding of what our community believed was a way forward post-COVID-19.

Following our briefing on the Wednesday morning we received an email from Mr Gardner and I expect that this is nothing new beyond what he said to us on that day. He talked about some key points, that the Government's proposed legislative changes were crucial to the future of TasTAFE.

That is a very important statement, 'crucial to the future of TasTAFE', because nobody, I believe, wants to see the demise of TasTAFE. It is a public provider. It allows the people like the young lady who was doing a trade - in the good old days, they used to call them a pre-voc course. It was almost like an initiation into -

Ms Hiscutt - Pre-vocational.

Ms RATTRAY - Yes, pre-vocational, pre-voc. A young friend of mine did an auto-electrician pre-voc course and out of that course he was able to secure an apprenticeship because he already had some training behind him, which was a great initiative. I know young hairdressers, everyone except me wanted to be a hairdresser when they were eight. I wanted to milk cows.

Ms Forrest - Not everyone.

Ms RATTRAY - Except the member for Murchison and me. Those types of arrangements are really important particularly for those students who are disengaged in year 9 so they can go off like our young friend who came to visit us earlier in the week, go off and get your tradie boots on and look very 'tradified'. The young lady said, 'I am not engaged in mainstream education and without this opportunity through TasTAFE I would not be engaged at all in learning'.

Upskilling, it is really important that we keep those opportunities and we know only too well that these opportunities need to be out in the regions because we have disadvantaged people. We have heard that and you will continue to hear that while ever I stand here because there are lot of the families we represent in those more rural and regional areas who do not

have the means to be able to send their person, their child, into the city environment to go to a TasTAFE course. They have to be able to do them more external than the three big ones.

It's the Clarence Campus, the Alanvale campus or Burnie's Mooreville Road Campus. Not everyone can attend those facilities so we need to have that flexibility to be able to deliver the courses that we need, whether you have some face-to-face through the trade training centres and we all have those now through year 11 and 12. The trade training centres are attached to years 11 and 12. There are some very impressive buildings on campuses at our education facilities, and whether they are teaching five students, 15 students or 25, they are important for the future of those young people. We have to be very focused on that. There have to be flexible arrangements for that.

Another point that was made by Mr Gardner, he says, 'Despite union claims, TasTAFE does not have the flexibility and control required to deliver the training when, where and how it is required'. We were given the example of a west coast community that had six young people in the area - Rosebery was named, or was it Queenstown? They wanted to run a barista course. If you want to work in hospitality you have to be able to make a good coffee. It is as simple as that. How many of us have become coffee snobs? It has to be a good one so you have to be taught properly. They could not secure that course to come to the west coast for those six people. For whatever reason, that was a lost opportunity for those six young people.

Do we want to continue to hear stories like that? No, we do not. Whether it is a couple of young blokes who are at St Marys who do not mind a revved-up car and want to do a pre-voc, a prior TAFE course on automobiles and mechanics or auto-electrician or whatever is attached to keeping a vehicle on the road, we need to be able to provide those opportunities. We need to have the flexibility. If the current arrangements from 7 a.m. to 9 p.m and the lack of flexibility around weekends is not cutting the mustard, then we have to do something. I feel like I have to do something to support them, because they are my people. I represent Deloraine, Railton, Scottsdale and the St Marys areas. I need to know those people have options and options they can afford, because that is another thing.

I was very pleased to know the 50 per cent increase that went up on the website not long after these proposed changes were announced was taken down almost as quickly as it was put up. That is one area I want to have for certain the Leader respond to about affordable access for the people. They do not always have to be young people; they might be people who do not have a job. They have had to transition. I have a nice email here from a guy who is very grateful for his TasTAFE opportunity in the past and now he is a teacher. He actually teaches.

Again, there is an opportunity for a mature-age person to use the TAFE system, but if you have just become unemployed and have commitments, as we all have commitments - just day-to-day living, even if you are fortunate enough to own your home - it is a significant commitment for anybody in this day and age, so those opportunities also.

At various times I have heard people say, 'I was going to sign up to a TasTAFE course. I had my name down. I waited and waited and unfortunately, they did not have enough numbers'. Obviously, that is going to be an issue, but there have to be other ways of delivering those courses. I am keen to hear from the Leader on the public record what other ways the minister and her team have in mind for delivering those courses.

Do you have the old block training? Do you remember people in the rural community? They are doing a farming apprenticeship and it is not just about whether you can mow a piece of grass anymore; there are technical arrangements now to being a farm trainee. They would go to Burnie for a two-week block. We have to make sure that two-week block is not in the middle of harvest season because otherwise someone who you have been giving some training to on the job and then they go to the training facility, then they are not there when you need them. We heard examples of that also. The trainee or the apprentice you have is just not there when you need them. We cannot have that. We need to work with industry. That was one of the messages that I gleaned from the contacts that I had. That industry was saying we need people to be trained and we have to have them trained because that is what is expected in this day and age, but we need to have them trained at the most suitable time. So again, it comes back to that flexibility.

I had a call from one of my hospitality owners in the north-east. This particular lady gave me a call and said, 'Tania, I have never rung a politician in my entire life or career in the hospitality industry'. She said, 'I just want to let you know that I support the TasTAFE reforms'. She was surprised I rang her back for a start. I said I always ring back. That is what I do. She said as a key stakeholder in the hospitality and tourism industry, she believes that the transition is necessary to enable the organisation to be relevant and competitive in the future, and that is again another one of those areas that we have talked about. It is not just about looking for an organisation that is relevant and competitive for now. It is for three years down the track, it is for five years down the track, it is for 20 years down the track.

We need to know that this organisation can quickly adapt to what is being required by industry - whether they need to put on a very quick short course on how you tile a bathroom. First of all, you have to waterproof it, and you have to be able to sign off on that waterproofing and then you have to be able to tile it -

Mr PRESIDENT - Are you going to give the class?

Ms RATTRAY - I could oversee that, but as for doing the work I still think there are some important tradies out there, and in that particular area, I have talked about this numerous times in this place. To find a tiler, scarce as hen's teeth, particularly quality ones. We can all, at times, find people who have a bit of a go at something. Well, unfortunately that does not meet the Building Code of Australia in this day and age. A bit of a go. You have to have the appropriate qualifications.

This particular contact talked about the Business Events Tasmania (BET) organisation, the Visitor Experience Trainee organisation, and said if we are not keeping up to speed through the TasTAFE reforms, then they just will not be competitive into the future.

I have another one in that area that I would like to share. Again, I will not name these people. I did ask a couple of people whether they minded me using their names and two were teachers and did not mind. I think in the interests of keeping it anonymous - but the messages are there. I absolutely appreciated the fact that people have put these down in their own words. The fors and againsts. There is nothing worse than getting those form emails. You know what it is like. You actually do not really read them. Have a look at the name. Look at your electoral rolls. See if they belong to you, and other than that, they are out the door.

This one tells me that, and I will read it, and I quote:

As much as I love the people in TasTAFE there are major issues, and have been for at least 25 years.

We have not necessarily known that. I have been here a while now, and we have had quite a lot of Estimates processes, and the people who have come and sat before us at Estimates have been quite glowing about TasTAFE and what they can deliver to, not only industry, but for their students, for the people who are undertaking apprenticeships and traineeships. I found that interesting, but this person has been in the hospitality industry for a long, long time and is well respected.

Current TasTAFE is not responding to industry changes or opportunities. It is static and not delivering what industry needs now.

And it goes onto say:

Any dynamic, innovative new staff hired to train are oppressed. If they show any creativity, they are bullied out the door within 2 years. I have seen this with a number of great staff wanting to engage industry and bring them in. At least six staff I know of directly this happened to. Even so much as giving a staff member a formal warning about serving me, an industry partner and employer, a coffee when I was there at a meeting. We then met off-site so the person in question would not get in trouble.

That is not on in any workplace or training place. It goes on to say:

Not allowing staff to create aspirational offerings to make the training more engaging and marketable and grow the offerings, the Culinary School of Excellence, Anne Ripper, attempted to get up a number of years ago was struck off as too 'elitist'. Then they could never land the partnership with the Cordon Bleu School that was progressed over a number of meetings and at least two years with industry and UTAS - it was being handed to them on a platter and they did not take it up

So lost opportunity in this view. It talks about attending a meeting last year with the advanced manufacturing industry group and this person was there on behalf of the agrifood industry and they were saying:

In the TasTAFE manufacturing training they are losing enrolments of 30% on year due to the lack of industry relevance and ability to train to current industry standards, so not just in hospitality. They need to update their current offerings to drive the organisation into a trainer of choice and thus build enrolment to make them more sustainable too.

Unless we help this organisation to lift its game our kids will fall further behind without the decent training they need to help them land a job rather than having to retrain with their employer which makes them, through their TasTAFE qualification, even less employable.

And then it goes on to say, and I'll finish on this one:

A lot of work has been done through TICT over a number of years on what it would take to fix TasTAFE. This was very serious and thorough work done with industry time and money. Mark Wilsdon, the CEO from MONA took the lead on this work and if you need to see any of it please let me know.

It goes onto say:

It is not a pretty look at the TasTAFE and unless the full reform, as proposed now, is passed it will not have the best interest for the training of our future workers, for the industries it services, to build the businesses, to build the jobs and for all Tasmanians and their futures going forward.

So pretty damning comments from a long-term industry player and I sought that because it is our job to talk to as many people as we possibly can. I am going to relay some of the thoughts that have been provided through contact from the other side as well. It is our role to make sure that we equally represent but we make sure that we get the best outcome for those people who will be affected by this change should it pass the parliament.

This one is very interesting. A former manager of TasTAFE foundation programs. I was able to use his name but I will leave it at that:

Foundational skills such as literacy, English, numeracy and employment skills are important for disadvantaged students with low literacy and students with learning needs, migrants entering the workforce, women and men returning to a learning pathway for employment.

And it goes on to say:

TasTAFE teachers under the present format, are required to keep up with industry trends and changers, e.g. technology, new model cars, building industry updates, technology etc, as required by the present Industry Teaching TAFE Award, which enhances a higher quality education and training that builds the productivity of the Tasmanian workforce and results in nationally recognised skills and qualifications, developing skills needed to alleviate or prevent skills shortages in the Tasmanian workforce. Linking years 11 and 12 ...

And we know what focus there has been by this Government on years 11 and 12.

... and collaboration with school principals to support students through education and training into work or further study.

I appreciated the opportunity to gather that because we need to make sure that while we are talking about the skills that they need to be workforce-ready, it is also about the English and the maths. We know how important they are, particularly if you cannot do your maths and you struggle to read then it is going to be difficult in the building industry, in the carpentry industry, and in all of those others. You have to work out what materials you need, you have to work out - there is a lot to it. I have seen people put their mind to that over my time and it is not as simple as, 'We might need this amount of, so many metres of this and so many metres of that'. It is quite painful if you do not get the right amount of metres and then you are looking

for the extra few tiles or whatever you need at the end of it, so people have to be on the ball. They need those basic skills as well. We need to make sure that whatever training is delivered that it covers that.

I want to ask the Leader in regard to what has been proposed to me as the implications of this reform - and I will read it directly from what was provided, by a Launceston-based person:

A direction given by a Minister which is not given under the terms of any Act cannot give rise to a community service obligation, a CSO. That is, if a Minister directed a GBE to provide concessions to a class of citizens and there was no provision in any Act for the Minister to assume authority to direct in such circumstances, then the concession cannot be declared a CSO. If there is not a CSO in the legislation this raises several other questions that require explanation.

We know that there will be people with their healthcare cards who will need a subsidy. That is a really important aspect to have fully covered by the minister. It goes on to say, the questions are:

What happens to the allocated funding amount (previous estimates had it in the range of \$7 million dollars)?

It says:

Does the State Government retain this amount as a saving? If so, how does it then expect TasTAFE to ever be in a position to effectively address the education and training needs of the abovementioned 'Student Equity and Priority Groups'?

I know that they are referred to, according to this, in the annual report. I have not looked at the TAFE annual report but that group of students I looked at are referred to in the annual report. Then it goes on to say:

Does State Government expect private VET providers to pick up this slack and, if this is part of the strategy, consider the Commonwealth of Australia's Final report into the operation, regulation and funding of private vocational education and training (VET) providers in Australia which highlights a range of utterly unscrupulous activities whereby it specifically targets the above 'Student Equity and Priority Groups' through inducement marketing going on to mislead learners by misrepresenting likely outcomes or qualifications received.

Then it says:

People with disability already have the lowest employment rates in the state of 62.3% and the lack of CSO here will impact disability learner attrition rates leading to reduced vocational skill outcomes and insecure employment outcomes for the most disadvantaged group in the state. As it currently reads, this is not a good governance model.

I would appreciate and am happy to provide this directly to the Leader if somebody would like that and before I hand it over. I had some contact from somebody who had some concerns about opening the vocational education and training market to a fully contestable funding model and suggests this will result in poor quality outcomes for students and businesses.

These are genuine concerns and I will be looking for answers from the Leader. It is an important aspect because we do not want to disadvantage the already disadvantaged people in our communities, those living with a disability who will need to access TasTAFE, whether it be for English and all those groups talked about. This person knows exactly what they are talking about and even referred to the TasTAFE annual report. I appreciate the opportunity because these are important questions and we need answers before we make a decision.

Somebody from my patch, always important. This one has worked in TasTAFE for 25 years. These are not recent additions to the TasTAFE staffing arrangements. He goes on to say:

Over this time there have been so many changes to the structure, some for the good and others not so. It was a good move to combine the 3 regional colleges of TAFE and form one statewide model. While an absolute disaster was combining TAFE and year 11 and 12 colleges and having TAFE broken into 2 areas, the Skills Institute and normal TAFE.

His view:

During all these changes, staff have been placed under stress but we all continued to work to produce outcomes for our students and currently enjoy an 85% satisfaction rate and provide courses for all Tasmanians, even those that under the proposed model would not be ...

I'm not sure of the words here, so I'll leave it.

.... as they are provided as a service not to make a profit. My biggest concern with the proposed GBE model is for people like myself no longer being public servants but having to work under the so-called Fair Work system.

He goes on to say:

... let's work together, have genuine consultation, invest in TAFE with up-to-date equipment and buildings and work together.

We know whether the committed funding of \$98 million over four years which I recall seeing from the letter received from the minister - some might say, where has the funding been previously and we might not be here needing to make these significant changes? That will be a decision for others to make.

I thank those people again who have taken the time to make contact. As I have said, and others have made the point loud and clear, the changes from the public servants to the Fair Work arrangements are causing some concerns. As much detail on that, Leader, on the public record to allay those fears would go some way to providing those employees with a level of

comfort they will not be disadvantaged. It is difficult when we and others have read out about the Fair Work and BOOT test and the fact no one will be disadvantaged and we have that in writing. I am happy to table the letter from the minister if somebody thinks that would be useful to have on the public record. Given we have the second reading speech, which is the minister's speech in the other place and the Leader delivers it here, it is on the record. No government can make those commitments and then turn around and not deliver on them. It is just not possible. You would be run out of town.

I am absolutely certain somebody read out that employment agreement operation and if that has not been the case I am happy to read out what was provided. I think the member for Rosevears read out the agreement. Was that correct?

Ms Palmer - I did refer to it, through you, Mr President.

Ms RATTRAY - I am happy to put it on the public record.

Assertion. Without an employment agreement in operation at the time of transition, the conditions in expired agreements will not be transferred under the Fair Work Act and existing TasTAFE employees would be employed under the Educational Services (Post-Secondary Education) Award 2020, resulting in a loss of pay and conditions.

That is the assertion, and the fact that has been provided, in writing, by the Government, is:

Fact expiry dates in the industrial agreements are nominal only (whichever jurisdiction they fall under) and the conditions and entitlements they contain continue until replaced by a new agreement. This means that the copied state instrument provisions of the Fair Work Act will apply to existing TasTAFE employees who transition across on 1 July 2022. Any new agreement negotiated under Fair Work will need to be agreed by the majority of all employees, unlike the current industrial framework which only requires union members to vote and agree.

In addition, the Fair Work Act (Section 768BR(1)) protects against any reduction in wages at the cessation of the five-year copied state award.

This test includes consideration of allowances, regular overtime, etc, as well as wages.

I am not sure how much clearer it can be that those employees who are genuinely concerned about their conditions and their entitlements will not be disadvantaged. I follow and echo the words of the member for Launceston - there needs to be some genuine discussions with those employees about that. I can just about give them every email address to make contact and most of us could add to that list. It is not difficult in this modern world to be able to contact every one of those.

As an aside something has come to mind - when it comes to the CEO of TasTAFE, when I challenged him through the briefing process, around not responding to some of the questions asked through that one-hour consultation process and that is the advice that I had, he said, 'Some of the questions were individual employees with individual circumstances and

situations', again, there is the opportunity for the Government and whoever is leading this to contact all of the employees. It is not thousands and you make sure each of their individual circumstances are addressed through this. If this is so important to the government of the day, because it is so important to the people of Tasmania, we need to make sure we take them on the journey because they are the ones who will, certainly in the immediate future, be delivering the training and the education that our people need through the TasTAFE system.

There is quite a bit of other information that was provided about that but we know that everyone has made significant contributions to this and I will not be repeating it. As late as this afternoon we received some more information from David Genford and I can only congratulate David on his advocacy for his members. If you are in an organisation like that you want somebody battling for you and they have certainly done that. I hark back to the fact that there is significant work to be done should this pass the House and these are the people who you need to be working with.

As I said as late as this afternoon, we had a briefing note and it is significant. It is 19 pages long and it is attempting to provide as much information as possible to members in their deliberations on these important proposed changes.

Nearly everyone knows I went to Flinders Island on the weekend because I have already talked about it in the House this week. I got the call when I was at the gun club on Sunday morning, 'I hear you're on the island and I have two things to talk to you about: fishing and TAFE.' They are engaged. My community on the island is engaged and the message was clear that we have to have some changes. I am not sure I can sort the fishing changes.

Mrs Hiscutt - Handballing it.

Ms RATTRAY - No, I am not handballing it. I have made an appointment with the minister, as you would, and I will have a discussion but as we know fishing is difficult. I might put the member for Nelson on the case though because she can get things done that I did not think would happen. So that is a bonus.

I got the message loud and clear and this is from somebody on the island who has two students who have undertaken TAFE courses and one at the moment is not able to have their needs met. We need to be providing better opportunities. We have a remote area on the island and it costs a lot of money to fly on and off when you go so we need to be able to provide opportunities for the island community as well. I thank my island resident for making the call and for being engaged with this important aspect.

Do I need to add any more? I think I have probably taken up enough time. I did say I would come back to the Master Builders Association or the HIA. They are forming their own RTO. An interesting aspect about MBA and HIA is that they do not represent all the builders. There are quite a lot of builders around the state, possibly the smaller firms and companies, that are not members. I recently had a reason to give them a call and check and they do not necessarily represent all the industry but they have been lobbied by their members, the MBA, to provide some training in the skills that are needed in the building industry. We know that it is going gangbusters at the moment.

I needed to order a couple of windows for my daughter's house and the wait on two small windows, a bathroom and a toilet window, May next year. I am hardly building the Taj Mahal, but I thought that was interesting.

Mr Valentine - Someone told me they are putting on one room in the house and it was quite a significant task and they had to wait for lots of gear. Not easy in the current environment.

Ms RATTRAY - It is very challenging and, as aside, we have to have the skills to be able to continue to promote the needs because people have not travelled so they have put their money into their house. They have decided to upgrade their bathroom or whatever else they have decided to do.

I am inclined to support this at this point in time. As we all know, there is always opportunity to withdraw that support once we get through the Committee stage. We have had a couple of amendments proposed, so they will be worth having a look at in regard to the mechanics of the bill.

I thought it was interesting that we were told that there was quite a significant part of it which was a cut and paste from the old bill. That tells me that there are a lot of good things about what was already existing, and that has been backed up by lots of emails from people who have worked for five, 20, 25, however many years in the TAFE system.

There are some good aspects of what we have seen over the years, and interestingly, we have not necessarily been given the downside until more recently. It is not that long since we had the Estimates process and the member for Elwick, when the minister sat across, and we got to TasTAFE, gave quite glowing reports and it was read out today.

I had a copy of the TasTAFE awards and accolades, and Ben Wright is on the front cover. He came in to speak to us and he talked glowingly about the outcomes for people who he has had as a carpentry teacher at the Clarence campus. There are some good aspects.

If these changes deliver a more flexible and more adaptable TasTAFE training organisation for our state at an affordable price, which disadvantages no one, then I see no reason not to support it.

[6.18 pm]

Ms WEBB (Nelson) - Mr President, at the outset I place on the record my thanks to the Leader for organising the series of briefings that were made available to the Council on this matter before us.

I acknowledge and thank the leader of Opposition business who circulated stakeholder information at times to members as well. Particularly, I extend my thanks to stakeholders who gave up time and energy to contact and appraise me of all manner of relevant facts and feedback and fears and information and views, from their respective perspectives.

All of us have made mention of the sheer volume of correspondence that has come through and the value of that in helping us understand different perspectives on this matter. My thanks for that. I appreciated a phone call on Monday this week from the minister to reach out and offer any additional information required. I will try not to go into too much detail that

covers similar areas. I will probably come at things a little bit differently, and we will see if we can make something interesting of that.

Many members here will recall I first raised in this place matters relating to this proposed reform during my response to the Premier's Address. At that time, I raised queries regarding the proposal to reform TasTAFE which had abruptly appeared in the PESRAC final report released in March. Without repeating too much of that previous speech, suffice to say I noted at the time the apparent disconnect between the submissions to PESRAC and the summaries provided of the stakeholder workshops conducted and then that ultimate proposal that appeared in the report. I noted the material available from those PESRAC mechanisms of consultation that had occurred, did not appear to raise the specific and deep concerns or dissatisfaction with TasTAFE which may have warranted what appeared to be quite a blunt fait accompli announcement that TasTAFE was fatally flawed and required major restructuring, which we then saw in that recommendation in the PESRAC report. Since then this PESRAC recommendation has served as both the basis and justification for the Government pursuing this reform, culminating in the bill before us.

I am going to venture onto a limb and say something a little risky here and say PESRAC is not a sacred cow. I have said it and no lightning has emerged to strike me down. Having said that, we will wait and see. PESRAC consisted of a coalition and what has been described as captain's call picks of people who are credible people in our community who undertook a huge research task across a whole range of sectors and issues. Despite their hard work in doing that, it was unavoidable the final report that came out contained a whole range of recommendations. Some were more fully fleshed out and developed than others - that is certainly not a criticism, it is an observation of reality - and much value came of that process and was delivered through it.

The important point here is that PESRAC in that process, was not a specialised or comprehensive public policy development entity and it was not an elected body. There was essentially no public accountability or scrutiny mechanism we could apply to that because it was executive-constructed and executive-answering as an entity. Again, it is not casting aspersions in any way upon the individuals involved in PESRAC but it is there in its name, the Premier's Economic and Social Recovery Advisory Council. It was a creature of the executive and the Premier, not a creature of state parliament or necessarily another representative mechanism.

Further, the Tasmanian community was not consulted on the terms of reference for PESRAC or its makeup, another statement of fact. While the parliament, which does consist of elected representatives to the community, is bound to that community and answerable to it, PESRAC is not bound and nor are its recommendations. Interestingly, while parliament is not bound to those recommendations, neither is the Government. We have seen that demonstrated recently with an announcement the Government has dropped pursuing one of PESRAC's proposed reforms, the local government reform process which, despite being one of the accepted PESRAC recommendations, taken to the May state election as a commitment, has now shifted somewhat.

To provide a quick reminder on that because it is going to reflect into this process, these were specific PESRAC local government recommendations contained in that report in March prior to the election. They were numbers 47, 48, 49 and 59. They said that the Tasmanian parliament should sponsor a process to drive structural reform of the local government sector.

Parliament should own the reform process, including setting the terms of reference, the time frame, committing to implementing recommendations. The process should be undertaken by an expert panel supported by a secretariat and the process should be designed to deliver reform outcomes capable of being implemented, including detailed recommendations on implementation and transition arrangements.

That was quite an explicit recommendation accepted by the Government at the time. Then what occurred was time passed and on 23 September we saw a media release from the president of LGAT and that said:

Today the Minister for Local Government and Planning indicated that the process suggested by the Premier's Economic and Social Recovery Advisory Council (PESRAC) for local government reform would not be progressing. Instead, the government is now proposing to engage directly with local government and their communities on opportunities for reform.

The Minister for Local Government and Planning then stated in his subsequent media release on 4 November, and I will quote a couple of excerpts from that release. One of those is:

Today I met with Mayors and General Managers of the local government sector to outline the Government's proposed collaborative approach to local government reform.

It also said:

The Tasmanian Government has proposed a three-stage, 18-month review program, including direct engagement with local government, communities, and users of local government services to identify specific needs and opportunities for reform in the sector.

Then it further went on to say:

It is important to note that the government has no preconceived outcomes and nothing has been ruled in or out.

And, further:

We recognise that local government will play a critical role in our State's economic and social recovery effort, and the performance of the sector is vital to the future of the Tasmanian economy and wellbeing of Tasmanian communities.

I thank LGAT and its member councils for their constructive approach to our discussions so far and look forward to working collaboratively with them to deliver meaningful reforms that will deliver genuine, positive outcomes.

That is of interest to me because there were no bolts of lightning when the minister, Mr Jaensch, announced that the Government was abandoning that specific PESRAC recommendation.

Mrs Hiscutt - I wonder whether the member might like to say why it was abandoned.

Ms WEBB - No, it is actually the fact it was and then the pivots made that is relevant to this debate and where I am heading with my comments.

Mrs Hiscutt - Yes, but it was abandoned because the members could not work it out. Anyway, move on.

Ms WEBB - Yes, it will fit right in. The Government is welcome to confirm why it was abandoned; that is not the point I am making. The point I am making is if a good reason arose to abandon it and pivot to a different process - in fact, one that was a constructive approach working collaboratively with all those stakeholders listed to deliver meaningful reforms and positive outcomes, this is, in fact, the point I am making.

Mr Jaensch announced the Government would abandon that specific recommendation on the best process that came through PESRAC and pivot to a collaborative process with all the stakeholders involved and no preconceived outcomes. To me, that sounds like an appropriate process and a good starting point for any major reform.

What is important to note here and why I raise it, and what makes the fate of a PESRAC local government recommendation relevant to this debate today on the fate of TAFE, is that clearly the Government does not mind adapting, altering, and even abandoning specific PESRAC recommendations. Clearly, the Government can identify the benefit of a reform process undertaken respectfully, collaboratively, with no preconceived outcomes and with a positive approach.

Even after telling the Tasmanian electorate at the last election they intended to deliver fully on those very same recommendations, the Government has been prepared to change tack on the approach to local government reform. Clearly, we do not have to worry about it being heresy to move away from a PESRAC recommendation to some extent and pivot in how we approach it.

What I am interested in is the Government has chosen to do that on the one hand but on this matter we are dealing with today, has chosen not to do it. That has presented some problems and some of the difficulties we have all then been grappling with the different contested views and the very strong feelings and fears amongst stakeholders.

One of the things it does not assist with is dispelling a perception these reforms we are speaking about with TasTAFE are somehow ideologically driven, that they are not necessarily about rigorously developed good public policy but about pursuing an outcome that is a particular ideological one. A process is a really good way to dispel those sorts of perceptions.

A key component of a good public policy test is not just the desirability or practicality of the target result or the target destination, but the process, the pathway to getting there. From here to there is just as important. It is not just the 'what'; it is also the 'how' and the 'why'. They all need to be clearly and transparently evaluated. I intend to spend some time in my contribution today reviewing the bill and its policy reform intent against those broad, public interest tests.

I will start with the 'what' - the policy target. TasTAFE is first and foremost a public vocational education and training institution. It is the state's largest vocational education and training provider. It is currently a state agency under the State Service Act 2000. The target objective which this bill intends to deliver is a fit-for-purpose framework which will provide TasTAFE with:

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

The Government's second reading speech is an important document when it comes to understanding the intent of a piece of proposed legislation. It details how this bill seeks to deliver on the needs of industry and employers and align with their perspective of what a fit for purpose framework looks like. However, the policy target of a new TasTAFE is articulated via this bill and in the second reading speech in a way that is silent on the detail when it comes to whether, and how, it is fit for purpose to meet the needs of all students. There is passing mention that students were consulted, but that is hardly reassuring.

TasCOSS states in their submission:

Everyone has the right to an education. A quality public education system is fundamental to guaranteeing this basic right to all.

TasTAFE supports this right by providing public, affordable, accessible, education and training. It is the lynchpin of the vocational education and training (VET) system, with dedicated teachers and trainers committed to ensuring all Tasmanians have the opportunity to gain the skills and confidence they need.

TasCOSS was reiterating the importance of providing public education in its own right as well as providing industry tailor-made training.

In preparing for the debate on this bill, I went back to TasTAFE's current legislative framework, its Corporate Plan 2020-23 and some recent annual reports. The current Training and Workforce Development Act 2013, section 57(2)(b), states that a function of TasTAFE is to deliver foundation skills to those facing barriers to participation in education where it may lead to persons obtaining a qualification.

Section 57(2)(e) of the act establishes a further function of TasTAFE as the provision of VET services in rural and regional areas and other disadvantaged student cohorts where other VET providers cannot or are not effectively meeting demand.

I will focus on that foundational skills aspect. The TasTAFE 2020-21 Annual Report summarises the foundation skills delivery programs provided by TasTAFE as including this list:

- Skills for Education and Employment (SEE) Program
- Vocational Preparation Teams
- Work Pathways Programs

- Literacy and Numeracy Support
- Adult Migrant English Program

Additionally, support programs are delivered targeting the following identified student cohorts, including:

- Support for Aboriginal students
- Disability Support Officers
- English Language Services Teams
- Adult Migrant English Program (AMEP)
- Young Migrant Education Program (YMEP), and
- English Language Intensive Courses for Overseas Students (ELICOS)

In 2020, from the annual report, a total of 15 891 enrolled students were identified across those combined disadvantaged student cohorts. Some may have fitted into more than one category and I am happy to have those figures broken down more. Enrolments in these identified categories are slightly down from 2019 - a decrease attributed to the impacts of the COVID-19 pandemic.

In addition to those cohorts, there is the TasTAFE Risdon Prison education delivery model which had over 300 students enrolled during the period of 1 October 2020 to 30 June 2021, with almost 200 apparently completing a qualification or skill set. That is very pleasing to see. This is thousands of students who fit into categories that are recognised to potentially be disadvantaged, accessing these important education and training programs which will contribute to their personal growth and wellbeing, as well as contributing to the broader social and economic robustness of the Tasmanian economy by equipping them for the workforce.

In 2020, as we heard before, in the vicinity of 5349 students were enrolled in apprenticeships and trainees. It is hard to tell from the data about cross-overs between that apprentice category and those disadvantaged student categories. I am not sure where they marry up. The 2020-21 Annual Report states, and I quote -

TasTAFE does not only measure its success by training statistics. TasTAFE also acknowledges the importance of vocational education and training to disadvantaged student cohorts and is proud to have a suite of support services to help students who may have various barriers to accessing and participating in education.

That was page 15 of the annual report. I cannot put faces on or provide names to those grouped together under the terminology of disadvantaged cohorts or other students who have been assisted by TasTAFE to overcome a range of barriers to further their education. However, I can provide a useful insight into the number of those who have relied upon TasTAFE's focus and delivery on those barrier-breaking foundation skills. In response to questions that I asked in June this year, the following breakdown of 2020 enrolments was provided:

There were 1290 Aboriginal and Torres Strait Islander students; 2451 students with a disability; 387 new migrants and humanitarian visa holders; 863 school leavers under 19 years of age without a TCE or equivalent; 9629 students in low SES categories; 454 students in remote areas.

When we looked at the gender breakdown of students, there were 8077 females - equating to 38.1 per cent of enrolments - and 13 113 male students, equating to 61.8 per cent of enrolments. I do not have a specific figure to put to students who did not identify a gender or fitted in a non-binary gender category. My apologies. The only groups that did not predominantly rely upon the free and subsidised courses were the new migrant and humanitarian visa holder groups and the male students. The rest of those categories were often the ones that predominantly relied on free and subsidised courses in TAFE and those foundational skills that we are talking about.

There may have been overlaps between categories, but it is clear that TasTAFE provides a crucial education and training lifeline for more than only those industry-connected apprentices and trainees, or some of the very industry-focused courses. There is a lot going on in the foundation space and for students who are in disadvantaged cohorts. In my view, this other significant role and responsibility of TasTAFE is rather dismissively mentioned in the second reading speech in one sentence which said:

TasTAFE will always play a role in providing services in regional areas and foundational skills including literacy, numeracy and digital literacy.

I do not find that passing statement in the speech very reassuring. We are not told that a key role for the new entity will be to maintain current levels of foundational skill development courses. I put on the record a request for the Government to provide that commitment that the current focus, range and delivery of all free, subsidised and full-fee foundation skill courses will at least be maintained, if not increased, by the new TasTAFE entity during the flagged five year transition period and beyond that.

These important social and equity contributions made by the current functions of TasTAFE need to be emphasised, given the articulation of the proposed new framework does not appear to emphasise them as being integral to the new entity. I am happy to have that concern assuaged. It is a serious consideration, when we are evaluating this against the public interest test and the stated policy outcomes and the means proposed to get us there.

The TasCOSS submission of 18 October 2021 makes the important point, and I quote:

While the changes have arisen from the PESRAC consultations and had allowances for input from industry and TasTAFE stakeholders, it is not clear whether students and young people have been closely involved in the transition consultations. VET plays an essential role for young people, particularly in the transition from school to further education and employment. Young people and students should be at the centre of focus for TAFE reform, and their views and voices on the draft bill and its implementation are vital. It is their learning and their future which will be impacted by the flow-on effects of any change to the structures and offerings of TasTAFE.

It is difficult to design a fit-for-purpose framework without consulting all stakeholders or client groups affected. In his recent media release, the Minister for Local Government emphasised the importance of stakeholder inclusion and cooperation in the local government re-imagined process. It is an important factor here and I am not convinced it has been adequately delivered.

There was a discrepancy about the number of enrolled TasTAFE students we are talking about, but it is some thousands of students. Whether or not they are fee-paying, they are key stakeholders. It is important for the Government to clarify whether, how and when TasTAFE student cohorts were consulted on their vocational education and training needs during the development of this proposed framework; as well as information on the outcomes of any such student consultation in shaping what has been brought forward. I am particularly interested to understand how interactive those consultations were, rather than presentations on what was going to happen.

On 17 June this year I asked a question about consultation on the proposed reforms. The minister's response included the following:

As these recommendations are implemented there will be engagement with staff, students, unions and industry and the Tasmanian community as we work towards a TasTAFE with more flexibility and choice for learners and training delivered in ways that meets their needs.

Given that recent response, I am confident the Leader will be able to provide that detail around the breakdown of that engagement with students and learners about these proposed reforms. I look forward to hearing it. It would be reassuring to have that detail.

When I run the public interest test filter over the 'what' goal for this reform, the Government's desired destination does not score too well. It may measure up well against the expressed industry - and employer - derived wish list. However, I am concerned about the omission of any reference to consultation with those students and young people about their needs, or to a more comprehensive consultation at the development stage of this bill. In my view, this bill and the proposed new structure is the culmination of a process in which the perceived interests of some client groups have either superseded the interests of others or perhaps received more attention. That concerns me.

I have no problem with the goal of delivering a more modern, responsive and flexible TasTAFE. It is an excellent aspiration and goal for us to have. I do have significant concerns about the apparently reduced focus on the provision of those foundational skills and the supports that go along with them; and the coverage of that for our state - particularly taking into consideration that range of disadvantaged groups. I note in that any matters of gender disparity, not only in enrolment numbers but also in relation to those who can and cannot afford to pay full-paying courses. That is another area we have not been given a lot of information about either. I will speak more about that in relation to another aspect of the bill.

I will move on to speak about the how, the praxis, the transitional pathway, the how we get from here to there that is necessary for us to navigate to achieve the specified policy target. This 'how' is the proposed new framework contained in the bill before us, a bill which the Government argues is required in order to enable TasTAFE to become more modern, agile, flexible and, thus, more effective.

I note that the Government assures us that this proposed new framework is not one predicated on privatisation and nor will it, from their quoted second reading speech, transition TAFE to a government business enterprise under the Government Business Enterprise Act. That is not on the cards. However, the proposed new TasTAFE structure does resemble some form of hybrid semi-agency, semi-GBE or state-owned company model. Other members have spoken about this too and I will touch on it.

It is a not-for-profit but also a non-agency entity. This, in itself, is an interesting deviation from the exact wording of the PESRAC final report. Others have spoken about language which, although it stops short of proposing a government business enterprise, it does use the language of this and I quote from that report:

... a government business under the control and accountability of its Board of Directors with authority and power to employ its workforce under the Fair Work Act 2009.

As we have seen in the public debate since the release of that PESRAC final report in March, rightly or wrongly, there was a considerable expectation that the eventual model would be a GBE. I am not going to stand here and necessarily advocate for a GBE. However, I do think it is instructive to highlight that once again it seems that when it suited the Government clearly there is a bit of flexibility when it comes to interpreting and implementing the PESRAC recommendations.

Getting back to the proposed new structure of the TasTAFE model as provided for in the bill, the Government's contention is that in order to reach its desired policy target this bill is the necessary vehicle by which to make eight key elements of change. These eight areas are summarised in the fact sheet provided in the bill's supporting materials package. Yet we have heard and been advised that much of what the proposed new framework seeks to achieve can already be undertaken under the provisions of the current legislation.

Such a fundamental structural change, which the dismantling of TasTAFE as an agency under the State Service Act 2000 is, may not be required, some have told us, to achieve all of these identified areas requiring reform. According to a joint submission by Unions Tasmania, the AEU, the CPSU and United Workers Union - which was submitted on the draft bill in October this year - mechanisms to address the following: ministerial oversight, financial powers, functions and powers, board arrangements, financial capacity, regulatory environment and savings and transitional provisions - those seven are all currently available under legislation in place.

So we have it on the record, I would like the Government to clarify whether this is the case - that there are currently mechanisms available to the Government right now to effect change across seven of those eight elements identified in the bill's fact sheet while TasTAFE is an agency under the State Service Act 2000.

Further, I seek clarification from the Government that, in fact, the only element listed in that fact sheet that requires new legislation is the move to shift current TasTAFE staff from the State Service Act to the Fair Work Act 2009. My reading of the bill is that its fundamental purpose is to remove the current 1886 TasTAFE teaching and other employees as per the workforce report of 30 June this year from the State Service Act 2000. This is possibly in relation to the purported policy goal of making it more responsive and agile, a key new attribute

that the bill does provide TasTAFE which it currently apparently does not have the capacity to undertake.

The bill provides TasTAFE with another capability it does not currently have which is the capacity to borrow from the Tasmanian Public Finance Corporation. We have been told that that structural reform is needed to make TasTAFE fit for purpose. However, the bill does not present either a GBE or a state-owned company. The main thing the new structure has in common with those established structures is the capacity to hire staff under the Commonwealth Fair Work Act.

It is a new and odd amalgam, this structure, which potentially presents some serious ramifications in terms of governance, or at least it raises serious questions regarding governance. It has been raised with me by those who have relevant experience in that area that at least a GBE or a state-owned company entity would provide clear, transparent and accountable governance frameworks. In contrast we are presented with this new model, this new entity, which provides the minister considerable say still, and involvement, throughout the entity's operations but does not give the minister responsibility for the TasTAFE staff. I am unsure about the governance stickiness and where we have landed with it.

We know there was an expectation from the sector after the PESRAC announcement and the commitment from the Government, that we would see a proposal that was a GBE-style model. That did not eventuate. The Government's second reading speech is really clear that this bill is not transitioning TasTAFE to a GBE. We have not been told why. Why this particular model and structure and the governance mechanisms rather than any other? Why not a GBE? Why not a state-owned company? How does this model of governance ensure that TasTAFE will be more agile and flexible than, say, a GBE model or a state-owned company model? What evidence is there to justify prioritising this one over those others, or maybe others that could have been contemplated?

In terms of the current status as an agency under the State Service Act, we have not necessarily been provided, I do not think, with a good comprehensive package of evidence and modelling to make the case about the distinction, about why this model. We have heard opinions particularly regarding the need for change but I do not know that we have actually seen the compelling evidence that I would quite like to see. So, with some further questions I am hoping it may have some more light shed on it. If not an agency, as it currently is, why not a GBE or a state-owned company, or a different model? Why this model specifically?

Why does the proposed model contained in the bill not at least mirror the governance structures and mechanisms that are provided under those more clearly defined GBE and well-understood state-owned company models?

Further, how were the options assessed and tested, and what evidence basis was this decision made on?

As I stated at the outset of my contribution, the 'how' is just as important as the outcome in so much as it helps to inform decision-making processes, from which the outcome will emerge. For me, that is a critical point of contention and conflict when considering this bill. In essence, the process has been fundamentally flawed, and that has compromised how we have arrived where we are today.

Although the work of PESRAC had much value and provided many insights, it was established within that context of a state-wide recovery from the COVID-19 pandemic. It was not a dedicated vocational education and skills expert panel charged with a specific brief to engage with all stakeholders involved in that sector while undertaking a comprehensive review of it.

I feel that potentially a more respectful and non-inflammatory way could have been found. Either for PESRAC to respond to the things that it was hearing in its consultation processes, or for the Government to pick up on what came through those processes and then look to establish a dedicated consultation assessment and policy development process to actually determine where to next.

It is interesting to me that in the PESRAC recommendations there were some areas where PESRAC spoke about a general direction for reform, like that local government one we spoke about earlier. However, in that instance, it did not provide details about what that should ultimately look like. PESRAC did not then tell us how many councils there should be or how they should be configured around the state.

On this TasTAFE one there was very explicit specificity about where we should end up with the TasTAFE reform and that came through that process. That has not necessarily served us well in arriving where we are today because potentially it curtailed a comprehensive well-consulted process in the meantime when you already have quite a definite outcome at the starting point.

In my response to the Premier's Address back in March in discussing this I said:

Despite the effort made by the Premier's Address to present the proposal to transform TAFE into a GBE as a solution, it remains unclear to me at least what is the exact nature of the problem. Undoubtedly there is always room for improvement, but unless we are clear on the exact nature of any problem or identified areas for change, how are we meant to evaluate whether the proposed solution is a good fit?

In that speech I then spoke about other sorts of options that could be really robust and transparent and accountable ways to comprehensively identify the issues and problems and test proposed solutions. There are many of those options, whether they be parliamentary mechanisms, whether they be solid policy development mechanisms undertaken either by experts or by departmental folk, either way there is a range of measures that were roads not taken. So here we are, eight months on, and nothing in the bill before me encourages me to change my mind of that earlier assessment I made, the concern that I had about where we started and how we might have leapfrogged past good process to a destination that is now quite contested.

Mrs Hiscutt - Through you, Mr President, while the member has a lull, can I remind the member of the CPA dinner between 7 p.m. and 8.30 p.m.. If the member is not going to wrap up in the next five minutes she might wish to adjourn the debate.

Ms WEBB - I may be a little longer than five minutes, not a great deal but I may be a little longer.

Mrs Hiscutt - You may wish to adjourn the debate when you are ready.

Ms WEBB - Mr President, I move -

That the debate be adjourned.

Debate adjourned.

SUSPENSION OF SITTING

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Thank you very much, member for Nelson. Mr President, I move -

That the sitting be suspended until the ringing of the division bells.

This is for the purpose of a dinner break. Mr President, I imagine we will ring the bells again at about 8.30 p.m.

Sitting suspended from 6.58 p.m. to 8.36 p.m.

TasTAFE (SKILLS AND TRAINING BUSINESS) BILL 2021 (No. 56)

Second Reading

Resumed from above.

[8.37 p.m.]

Ms WEBB (Nelson) - Mr President, I have been speaking about process and what would have been furnished to us through a comprehensive, respectful, inclusive policy development process. Importantly, it may have garnered some sense of a social licence by treating affected staff, students and their representatives with respect more than what seems to have been felt so far by some of those stakeholders, without immediately making our teachers and ancillary staff in the TAFE system feel, as I have heard, blamed, put upon and disenfranchised by this process.

Ultimately, it may have provided us with the opportunity to secure a coherent narrative detailing exactly what has been identified as the problematic matters to be solved, the options canvassed and the rationale behind preferred ones prioritised for action. Then, as legislators in this place, we may have been, as we should be, in possession of a greater understanding of why the reforms are necessary and why these particular reforms are the best identified options.

Instead, many of us here have been the recipient of many pieces of communication. Even these last few days, a real escalation in receiving information and entreaties, claims and counterclaims from various stakeholders. A proper, comprehensive independent and accountable process should have provided that forum by which these claims and counterclaims that were concerns and issues are placed on the public record and seem to be comprehensively tested, assessed and addressed in a rigorous and transparent manner.

Unfortunately, we are constrained in the extent to which we can do that in this Chamber during this debate in the midst of this busy and rushed week. Unfortunately, this leads us to where we are more likely to see a degree of discord and disquiet and, even in some instances, distress amongst some of these key stakeholders, particularly teaching staff who we all know strive to provide the most professional standards possible in their roles.

When assessing the 'how' against the public interest test, I have serious concerns regarding this proposed new framework due to these matters that I have been speaking about. Fundamentally, a flawed process automatically is handicapped when it comes to producing anything, but that can also feel like a flawed outcome. I am not reassured nor completely convinced this proposed transitional pathway will deliver the specified target, that being the provision of a modern vocational education and training provider to deliver services of critical importance to Tasmanian learners, businesses, industry and the broader community.'

In fact, we have stakeholders holding deep concerns the proposed framework has the potential to deliver perverse outcomes and do the opposite in some sense of that stated intent. Particularly, their very real concerns put forward to us that the push to things like a full cost recovery model will be to the detriment of broader and equally critical educational equity and barrier-dismantling responsibilities, with the risk of higher fees potentially imposed upon students and employers.

Some of this has been gone over and prosecuted, but I am still feeling a measure of disquiet and I am not reassured that we can be fully confident we will not end up with some degraded aspects to our TasTAFE that may leave us more bereft than we are now in terms of what we are offering to all the stakeholders involved.

Concerns have been expressed TasTAFE will be reduced to solely those thin markets for expensive-to-deliver training courses avoided by private RTOs. That is yet to be adequately addressed by the Government and so those concerns remain quite real.

Significantly, to reiterate in the absence of evidence-based and tested information being provided to us from a comprehensive policy development process, this feels as if we are being asked to take a potentially disruptive sledgehammer to a particular public asset. Instead, this may well require some very long overdue substantial resourcing and some operational fine tuning, and some genuine good faith industrial relations negotiation. Perhaps that is the combination that may have led us through this in a different manner.

That brings us to the why. It really does appear, as has been stated by others, this is because PESRAC said so. The Government's second reading speech states the proposed new model is in line with the PESRAC recommendation. However, as noted, there is some flexibility exercised when we interpret those recommendations in other circumstances.

It is hard to dispute the key function of the bill before us is essentially to remove TasTAFE staff from the auspices of the State Service Act. This has been the nub of contention amongst most representations I have received on these flagged reforms. It needs to be recognised that, unfortunately, TasTAFE, as others have mentioned in their contributions, has been somewhat of a political football over quite some time, not just within this period of government.

We have seen a range of reforms play out, subsequent changes, resourcing constraints applied, a lack of capital investment in a range of ways for many years. That ongoing destabilising and insecure environment, unsurprisingly, has had a detrimental impact on the organisation. Probably also on staff morale and this latest round of projected reforms imposed from on high, as many feel it is, as a preconceived outcome can only exacerbate that detrimental morale.

Others have already gone into some detail and shared some of the communications we have received from a very broad range of staff about their concerns, frustrations and fears in some instances. We have seen things articulated through union representatives for the teaching staff and the ancillary staff such as the cleaners. I am not going to revisit the territory others have well covered in their contributions here, but am thankful that has been put on the record as part of the debate.

I do need to acknowledge that despite some attempts at public reassurances by the Government no current TasTAFE employee will suffer reduced working conditions, clearly many of them feel unconvinced and are still fearful of that. We still need to be looking to resolve that in some distinct way.

I do share some of these concerns expressed, that the result of this reform, if not in some instances tied to the intent, will be potentially higher casualisation of TasTAFE workforce in this request for agility and nimbleness. Many of us would understand the concerns about flow-on impacts from higher rates of casualisation, particularly for people who need the security of ongoing regular work to support their families and to be able to engage in a quality of life that is based around the security provided through that.

I have a few questions for the Government on that matter including: what benefit to the teaching standards and outcomes does the Government expect to achieve by shifting employees to the Fair Work Act? How will that move to the Fair Work Act be expected to maintain, if not boost, the current education training standards and the outcomes for students? Has the Government had some form of cost benefit modelling done? Looking at those impacts as opposed to the helpful flexibility it might provide in regard to delivering particular training, what are we expecting around outcomes and impact on education and training standards and outcomes for students? Can the Government provide any modelling with regard to which individual TAFE courses or fields of TAFE courses would be offered on a continual basis and which perhaps on a more ad hoc basis under the proposed model? Where are we going to see the shifts in how those things are delivered?

Earlier in my contribution, I raised some matters around gender impacts and whether there has been modelling done around a gender breakdown regarding staff numbers in relation to who may end up in more casual employment situations as a result of these reforms and whether there are any gender differences we are expecting to see in the workforce.

I do not intend to repeat in detail the information and concerns presented by earlier speakers on these industrial matters, but I take the opportunity to stress the degree of contention and concern regarding impacts on current Tasmanians, their workplace and work conditions is very real. It is representative of a lack of good inclusive public policy development on this matter. We cannot see past that in that sense, that is what it certainly points to.

TasTAFE is something of a political football, and some measure of neglect politically over many years, not only this term of government, has left us in a situation that has exacerbated our capacity to contemplate positive, effective change and is regrettable.

I will briefly acknowledge the high and continual local and interstate national recognition garnered by both TasTAFE staff and students. We saw five medals for TasTAFE trained tradespeople awarded at WorldSkills Australia 2021 while TasTAFE was one of three registered training organisations nationally short-listed as a finalist in the large training provider of the year category.

I mention a few quick, recent awards and accolades received and put on the record my congratulations to all those involved in those achievements and thank them for the high level at which they are operating. They have a consistent track record there that is acknowledged in regard to achievement by TasTAFEs staff and students. That serves to highlight for us in no uncertain terms why it is posed here with this policy, bill and this sort of identification of critical problems that must be solved immediately, to really warrant our thorough inspection to ensure we are not only dealing with ideological matters. That we are genuinely engaging with problems that have been well identified and then solutions that have been well designed.

We have seen here a failure to undertake that process well and that has landed us where we are asking ourselves, where has it left us? Have our student cohort at TAFE been properly involved in this process in the same way or to the extent to which other stakeholders may have been involved and considered? Have we the evidence and modelling that has shown us why this particular option is the best solution to well-identified problems? Are we convinced where this will take us and the full range of impacts it is going to have? It is such a significant change.

I encourage the Government to share with us any modelling that they have to underpin this proposed TAFE restructure relating to those impacts and how we expect that to play out. In particular, the transition to that not-for-profit government business model and something of the opaque elements about the governance.

I doubt very much whether there is anyone here who does not agree that improving and better resourcing our premier public vocational education and training service provider is a priority for our state. I am a firm believer that we should always be looking for scope for continual improvement, whether that is us as individuals or across our public and private sectors. None of our institutions should be considered quarantined from that expectation whatsoever. From where I sit, I remain unconvinced that this potentially quite disruptive reform is such a key element of this state's education training sector, and I remain unconvinced it is warranted in this way.

We cannot risk losing sight of the fact that TasTAFE has this broad charter and mandate that is not the same as a private RTO operating in the private sector. I have spoken to many people with an interest in TasTAFE as well as the broader education and vocational education sector, and there is general agreement that there is room for improvement. I have heard clearly that there is room for improvement in things like the tiers of management, the administration, the teaching, just as there is room for improvement in government investment and support that is provided for staff and students alike. I do not think anyone is disputing that.

I fear a hollowed-out TAFE or the potential risk of that, which may no longer be capable of developing and delivering that full range of things that we look to it to provide for our

community, particularly in our disadvantaged, our rural and regional students in an equitable manner. Any potential detriment to the workforce within TasTAFE leaves us with questions about this outcome. That is where I have landed on this. We need to carefully consider whether we have enough information.

I have appreciated listening to the contribution of others and I recognise that there are a range of views and I appreciate that everyone across that range of views has also had some questions to put. I look forward to hearing some of those answers to assist me with my assessment of this proposed bill. I am actually still not 100 per cent clear whether I believe strongly enough in my concerns that I would vote against it going into this next stage, or whether I would vote it through to the Committee stage to learn more there. I thank members very much for that and I look forward to the Leader's response to help even inform that further. Thank you, Mr President, and thank you to other members for their contributions.

[8.54 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I will move down to this end of the room so that I can see my advisers throughout this. My advisers have done a wonderful job and have provided very lengthy, detailed responses to hopefully every question that members have asked.

After the member for Rosevears spoke about her days in TAFE, I was going to speak about mine, but in light of the time I will not mention the weed identification classes that I attended, and I will not mention the entomology classes I also attended. We will get on to that next time.

I will start from the top. The member for Murchison, the first question is in relation to Mr Genford's email. The assertion was without an employment agreement in operation at the time of transition, the conditions in expired agreements will not be transferred under the Fair Work Act and existing TasTAFE employees would be employed under the educational service or post-secondary education award of 2020, resulting in a loss of pay and conditions.

Fact: expiry dates in industrial agreements are nominal only. Whichever jurisdiction they fall under and the conditions and entitlements they contain continue until replaced by a new agreement. This means that the copied state instrument provision that we have spoken about of the Fair Work Act will apply to existing TasTAFE employees who transition across on 1 July 2022. Any new agreement negotiated under Fair Work will need to be agreed to by the majority of all employees unlike the current industrial framework which only requires union members to vote and agree. In addition, the Fair Work Act section 768BR(1) protects against any reduction in wages at the cessation of the five-year copied state award. This test includes consideration of allowances, regular overtime, et cetera, as well as wages.

Some background from State Growth. In preparing policy advice to government and through the legislative drafting process, the Department of State Growth sought expert legal advice about how the provisions of the Fair Work Act 2009 will apply to transitioning employees.

The legislation has been specifically drafted to ensure that the copied state instrument provisions of the Fair Work Act apply to transitioning employees. These provisions provide the current awards and agreements are copied across to the Fair Work jurisdiction. Copied state awards are preserved for a period of five years. Copied state agreements continue until

terminated or replaced by a new agreement which is supported by a majority of employees covered by the agreement. In addition, the take-home pay provision in the Fair Work Act, that is section 768BR(1), protects against any reduction in wages at the cessation of the five years copied state award. This test includes consideration of allowances, regular overtime, et cetera, as well as wages. Any new agreements need to be agreed by the majority of employees who would be highly unlikely to vote for a detrimental agreement. This is an added protection provided by the Fair Work Act.

Industrial agreements are generally the mechanism for varying conditions in awards and setting wages. Expiry dates in industrial agreements are nominal only, whichever jurisdiction they fall under, and the conditions and entitlements they contain continue until replaced by a new agreement. For example, although the current TasTAFE teacher agreement nominally expires on 30 June 2021, all of the conditions and entitlements it contains still continue to apply to TasTAFE teachers and wages continue at the current levels. A new agreement which will include a wage offer is currently being negotiated in good faith and could be in place before 1 July 2022.

Drafting the legislation to ensure the application of the copied state instrument protections of Fair Work apply to transitioning staff was a deliberate policy decision of the Government. It is not correct to assert current industrial awards and agreements will cease to apply to transitioning employers on 1 July 2022. The copied state instrument provisions of Fair Work will prevent this.

The BOOT, or the better off overall test, will only become relevant when there is a new enterprise agreement agreed by both parties. The Fair Work Commission will test any new agreement against the BOOT to ensure the minimum protections of the Fair Work modern award are adhered to. Again, it would be highly unlikely for employees to vote for a detrimental agreement. The key protections for all staff are provided for through the negotiation process. Agreement conditions including current wages are retained until replaced by a new agreement negotiated by all parties and supported by a majority of employees covered by that agreement.

Still on the member for Murchison, can the Leader advise how many students are attached to employees? Sixty-eight per cent of students are employed at the time of undertaking employment. Flexibility is important for these learners. It is important to note that only approximately 38 per cent of TasTAFE students are apprentices or trainees.

Why were foundations skills dropped from the bill? It was reintroduced in response to public consultation which is under clause 5(2)(b). It was always intended to be part of TasTAFE's functions and we have made that explicit.

How will the bill improve educational outcomes? The changes are aimed at giving Tasmanians the best opportunity to get a job. We want to enable TasTAFE to provide more Tasmanians with the skills they need to get jobs in Tasmania now and into the future. To do this we need to provide TasTAFE with a more contemporary employment framework and invest in more modern facilities and equipment to train the workforce of the future.

If there are people behind me making rude gestures I do not appreciate it. Is that what is happening?

Mr Valentine - No, not at all.

Mrs HISCUTT - I do beg your pardon. I can see the laughter in the room. I do beg your pardon.

Mr PRESIDENT - No. I would certainly call anything like that out.

Mrs HISCUTT - Thank you very much. I was a bit jumpy. I do beg your pardon.

Ms Lovell - To be fair, Leader, I do not think any of us would laugh at anything like that.

Mrs HISCUTT - Thank you. Together with the Government's investments and the new business model TasTAFE will be able to, and will be expected to, deliver better outcomes for students. The bill sets out TasTAFE functions to include:

- (a) to provide vocational education and training, to a high standard, that is responsive to the needs of employers, students of TasTAFE and the community;
- (b) to provide foundation skills training ... that when successfully completed or completed in conjunction with other training, may lead to those persons obtaining a qualification that enables the person to participate in the workforce or in further education and training;
- (c) to provide vocational education and training in Tasmania, in accordance with the statement of expectations, for members of communities including but not limited to -
 - (i) rural and isolated communities; and
 - (ii) other communities where other providers of vocational education and training cannot, or are not, meeting demand effectively;
- (d) to collaborate with industry, employers and other educational providers on the provision of, and the development of models or pathways for, vocational education and training;

In addition to the legislation, the Government has set out a comprehensive plan in TasTAFE's transition for a better training future that addresses many of the issues raised, including commitments to work with participants in Tasmania's training and workforce development systems; to identify what training TasTAFE needs to deliver to meet the skills and needs of the Tasmanian economy and community now and into the future; and establish a process to ensure ongoing alignment.

The member for Murchison asked, what happens if an industrial agreement has expired on 1 July 2022; will it still be copied?

Ms Forrest - I thought you answered that. Anyway, keep going.

Mrs HISCUTT - We took down the questions as you went.

The awards and agreements will copy across under the transfer of business provisions of the Fair Work Act, even if the nominal expiry date of the agreements has passed. The copied terms and conditions in awards are preserved for a default period of five years and the copied terms and conditions in agreements are preserved until a new agreement is negotiated and registered for all employees.

You asked, why can this not be achieved under the State Service? The Government has fully explored what could be achieved in the State Service context. This may address some of the member for Nelson's questions too. The State Service framework is designed to support the bureaucracy to manage a large workforce and, in many areas, employees' skills are transferable and can be readily deployed to manage shifting priorities. TasTAFE's operating environment is different. TasTAFE operates in a competitive market for both its service and its workforce. Its workforce has its own constraints due to the national regulatory framework for VET and the national shortage of VET teachers.

The rigidity in the State Service framework further constrains TasTAFE. Without offering more fixed terms and sessional roles, and attracting teachers through market-based salaries, it will be difficult to attract the teachers we need. Not everyone wants a permanent role and 11 weeks leave. Some will prefer an opportunity to offer our industry skills on a more flexible basis that allows them to retain other employment.

Not all training needs to be ongoing. The manufacturing industry is becoming increasingly digitised and customised which results in niche training needs. The State Service preference for permanent employment does not work in this scenario. In the manufacturing sector, often the skilling of new workers and upskilling of existing workers is driven by the installation of new technology or the commencement of the new supply contract. This will always be a core component of training TasTAFE delivers. It is delivering much of that now, which is why the existing TasTAFE staff will be retained and have their entitlements protected so they can continue. However, without a more contemporary framework, TasTAFE cannot evolve or flex. Employment in the north and north-west of the state in particular relies on the ability of manufacturing businesses there to access the increasingly bespoke training their employees need to support business to expand and be competitive. The legislation provides the best model to deliver the operational flexibility that TasTAFE needs.

The member for Murchison asked if the bill means higher fees. We, the Government, want TasTAFE to continue to be affordable for all Tasmanians. This is why we have said course fees will remain low and heavily subsidised. TasTAFE will continue to be responsible for setting students' fees, as is currently the case in accordance with competitive neutrality principles. The Government has committed that 80 per cent of all skills funding will continue to be invested in TasTAFE and that course fees will continue to be heavily subsidised.

TasTAFE has committed there will be no increases in student fees above the CPI for TasTAFE courses in 2022. Approximately 20 per cent of TasTAFE students receive concessions and pay no more than \$370 per annum for their course.

How will this bill help to recruit more teachers? Quality teachers are likely to be attracted to TasTAFE through the opportunity to provide higher quality training for Tasmanians looking for pathways with jobs. It is anticipated that teachers from industry will be attracted to more

flexible employment arrangements, including the potential for employment through fixed term contracts which will help TasTAFE manage surges in demand for training.

Further question from the member for Murchison: will removing the requirements of registration with the Teachers Registration Board diminish quality of teaching? No, there will be no change to the national requirements for TasTAFE teachers to have formal qualifications in training and assessment, literacy and numeracy and course design and assessment. These qualifications are necessary to maintain and update vocational currency and to meet requirements of the Australian Skills Quality Authority.

In addition to the ASQA's requirements to have formal qualifications, ASQA requires training and assessment be delivered by teachers with current industry skills directly relevant to the training and assessment being provided and current knowledge and skills in vocational training. ASQA requires that RTOs have processes in place to ensure all trainers and assessors undertake relevant professional development in VET and maintain their industry skills. RTOs must retain evidence that all trainers and assessors have undertaken relevant professional development in VET. Failure to retain this evidence or failure to ensure that staff undertake the professional development may result in a loss of ASQA registration. In TasTAFE Transition for a Better Training Future, the Government has committed to support professional development in contemporary training and assessment methods for TasTAFE teachers, including online course development and delivery. TasTAFE teachers can choose to remain registered with the Teachers Registration Board if they wish to do so.

The member for Murchison asked, why is it necessary if TasTAFE can already employ staff on fixed term arrangements? Approximately 92 per cent of TasTAFE employees are permanent compared to 84 per cent across the Tasmanian State Service, with just 11 per cent of fixed term including the casual and sessional staff. I note that there are caps on the number of sessional teachers that can be employed by TasTAFE.

Funding. What impact will the national reforms have on TasTAFE? Australian Government funding underpins approximately 30 per cent of all skills funding in Tasmania, including funding provided to TasTAFE. A significant portion of current Australian Government funding is untied and can be directed into whatever area of skills activity the state determines.

Through the Skills National Cabinet Reform Committee, states and territories are currently negotiating in good faith a new national skills agreement with the Australian Government. The Prime Minister has signalled the Australian Government's desire for a new model that includes national efficient pricing and activity-based funding similar to the health funding model.

Ms Forrest - That is my fear.

Mrs HISCUTT - Yes, you said that. This has potential to substantially alter the way funding is provided to the state and the way that the state funds training and will require public providers to be able to direct their resources in response to shifts in the economy. The proposed changes in the bill will help TasTAFE to operate effectively in any new funding environment. The Tasmanian Government has consistently advocated for national reforms that provide autonomy for Tasmania to meet local students' needs.

The member for Mersey asked if there is appropriate scrutiny of TasTAFE within the bill? The model proposed in the bill provides for better accountability and transparency of TasTAFE. The model provides that the minister issues a statement of expectations which is to be tabled in parliament and made publicly available. The minister may issue ministerial directions. The minister approves TasTAFE's corporate plan in consultation with the Treasurer.

The new TasTAFE entity will be able to be scrutinised in both Houses of parliament each year whereas parliamentary scrutiny of GBEs alternates between the upper House and the lower House meaning each House can only scrutinise a GBE every second year. TasTAFE is, and will continue to be, scrutinised through budget Estimates because it is a general government sector entity funded through the state budget.

The member for Elwick suggested that the Government has brought an industrial issue to parliament for resolution.

Mr Valentine - That is a fact.

Mrs HISCUTT - The Government wants to be clear that the bill is not seeking to resolve industrial negotiations. There are negotiations underway with the Australian Education Union. It is not appropriate to comment on those negotiations here but the Government understands that the parties are continuing in good faith.

Further, PESRAC did not recommend TasTAFE become a government business enterprise. It recommended the state government re-establish TasTAFE as a government business under the control and accountability of the board with authority and power to employ its workforce under the Fair Work Act. This is what the bill is about.

Another question from the member for Elwick. TasTAFE's performance has been declining since 2014 -

Mr Willie - That is not what I said, do not verbal me.

Mrs HISCUTT - No, it is not what you said.

Mr PRESIDENT - Through the Chair.

Mrs HISCUTT - I might touch on some of those reasons.

Mr Willie - Through the Chair, I said the enrolments have been declining, so do not -

Mrs HISCUTT - You did and I do apologise. We need to make these proposed changes. The changes at TasTAFE's employment framework are designed to provide TasTAFE with a more contemporary and flexible framework and give them more autonomy over their workforce.

The Government has recognised that TasTAFE needs better infrastructure and resources to support their best practice training delivery. The Government has committed significant additional funding to TasTAFE and has a plan for driving that change. Through the recent

state election, the Government has committed substantial additional funding to TasTAFE to the value of \$98.6 million.

Ms Rattray - Over four years, through you, Mr President.

Mrs HISCUTT - That has been said a few times.

Mr Willie - Which is not in the bill.

Mrs HISCUTT - Since 2015 the Government has increased recurrent funding to TasTAFE from \$73.5 million to \$82.5 million in 2021-22 which represents approximately 80 per cent of the state's recurrent training funds. In addition to its recurrent funds, the Government committed a further \$13 million in the 2020-21 Budget to support TasTAFE to meet emerging demands. The Government committed \$12 million in its 2018-19 Budget for the establishment of TasTAFE's Centres of Excellence and a further \$2.9 million over two years was committed in the 2019-20 Budget for the skilled workforce to meet industry demand initiatives. This funding will provide increased pre-vocational training for construction industry apprentices and increase capacity in the Diploma of Nursing to address workforce demands.

The member for Elwick asked the same question as the member for Murchison: can teachers still be registered under the Teachers Registration Board?

Mr Willie - I know they can. I did not ask that question.

Mrs HISCUTT - Yes, they can. Was it a rhetorical question?

Mr Willie - I did not ask that question.

Mrs HISCUTT - We had someone taking down the questions and another person answering, so something was picked up. Anyway, we have answered that one twice now, so that is good. The member for Elwick quoted the former skills minister and comments he made in 2020 celebrating TasTAFE.

Mr Willie - Are you retracting those?

Mrs HISCUTT - No way. We know that there is a lot to celebrate about TasTAFE. We want that to continue and think we can even do it even better. We know that TasTAFE currently attracts a significant amount of government investment on an annual basis. By providing TasTAFE with a more contemporary employment framework and investing in more modern facilities and equipment, TasTAFE will be able to operate more flexibly and efficiently to train more Tasmanians in the areas where the jobs are.

It is important to note that there are a number of areas where industry and employers have moved away from TasTAFE and instead utilised private training providers, including tourism and hospitality and community services. Some employers and industries are clearly not satisfied with TasTAFE. The Government wants the vocational education and training delivered by TasTAFE to be more accessible to more Tasmanians, to ensure that the skills students gain match contemporary job requirements and lead to career pathways, to improve engagement with industry and for TasTAFE to employ more teachers with additional skills in

emerging industry areas. A strong TasTAFE will benefit learners in all Tasmanian communities.

The member for Elwick spoke about the bill not doing enough to address issues within TasTAFE. I can clarify that in addition to the legislation, the Government has set out a comprehensive plan in TasTAFE Transition for a Better Training Future, that addresses many of the issues that were raised, including commitments to:

- work with participants in Tasmania's training and workforce development system to identify what training TasTAFE needs to deliver to meet the skill needs of the Tasmanian economy and community now and into the future, and establish a process to ensure ongoing alignment;
- identify future skills demands and shortages including Tasmania's emerging industries and develop strategies to meet emerging training and industry needs;
- implement industry compacts as part of a more contemporary industry engagement framework, allowing industries and RTOs to inform the Government's priorities for VET in Tasmania;
- support TasTAFE to maintain and improve industry currency to enhance delivery;
- identify opportunities to reduce administrative burden and improve enrolment and selection processes at TasTAFE;
- build TasTAFE capacity and capability in student support services to meet the needs of Tasmanian learners including in areas such as low literacy and numeracy levels, mental health and cultural diversity;
- invest in building the capabilities of TasTAFE management in organisational stewardship and collaboration.

This is in addition to the Government's \$98.6 million investment.

Ms Rattray - Through you, Mr President; over four years.

Mrs HISCUTT - The member for Hobart suggested this must be about reducing costs. Core funding provided to TasTAFE has increased over a number of years, but training hours delivered has been declining. We will be happy with the outcomes achieved if we spend the same amount of money and training hours are focused and increased in areas that are most needed by our economy.

We expect to hear less negative feedback about TasTAFE over time, and higher satisfaction levels from employers and industry. By ensuring we are delivering training in areas of industry demand, we will derive greater value from our significant annual investment on behalf of Tasmanian learners and the Tasmanian community.

Ms Webb - Is that a tangible increase in those satisfaction scores that come through from students, industry and teachers? Is that what you meant by seeing an increase in satisfaction? Tangible scores going up? They are pretty high now.

Mrs HISCUTT - I will come back to that one. The member from Hobart spoke about a plumbing teacher becoming a hairdressing teacher.

Mr Valentine - I read from an email that talked about that.

Mrs HISCUTT - We need to clarify that issue. The point about not being able to redeploy a plumbing teacher to a hairdressing teacher is that it means that TasTAFE cannot easily redirect its teachers from areas of low demand to high demand, even if there are very low enrolments and students. We need a training provider that can match training delivery with skill demand. We fully support and understand the national regulatory requirements for registered training organisations.

Mr Valentine - Does that mean there will be more teachers that are temporary so they can be on casual employment?

Mrs HISCUTT - I will take a follow-up question on that. The member for Rumney raised a number of issues outlined in the briefing material provided by the department. I will read an extract from that record. We talked about employment arrangements and protections for existing TasTAFE employees: the bill proposes that TasTAFE transition to the national Fair Work system under the transfer of business provisions in the Fair Work Act 2009. The change to the employment framework is designed to provide TasTAFE with a more contemporary and less rigid framework, and to have more autonomy over its workforce. There are a number of misconceptions being put forward about what the change will mean for existing staff.

The Government has committed that TasTAFE employees will be no worse off through the TasTAFE transition. There are elements in both the bill and the Fair Work framework that will ensure that this is the case. The department has received advice from external industrial relations experts in relation to the operation of the Fair Work Act 2009.

Transferring employees and retaining their entitlements seems to be the catching point with a lot of this. I reiterate that on 1 July 2022 the employment of transferring employees will continue to be covered by existing copied awards and agreements and those employees will continue to be able to enforce those entitlements. The Fair Work Act 2009 transfer of business rules protects employees' entitlements when the employer changes but their work stays the same. Entitlements that have been accrued by employees will be transferred across and TasTAFE will be obliged to recognise and honour them. Copied awards will be preserved for a default period of five years, or until the new Fair Work enterprise agreement is negotiated and registered. Copied agreements will be preserved unless and until terminated or until a new Fair Work enterprise agreement is negotiated and registered.

Transferring employee wages will be protected. This is important, and clarifies issues raised by a number of members. The Fair Work framework take-home pay provisions will apply to transferring employees. After five years, if a new fair work enterprise agreement has not been settled and the copied state award ceases to operate, there can be no reduction in the take-home pay of employees. This is set out at section 768BR(1) of the Fair Work Act 2009. This

provision prevents transferring employees' wages from reducing to a level in the model award after five years. This protection is not time-limited.

Ms Lovell - Through you, Mr President, I appreciate the Leader's explanation and they were all points that I made in my contribution. I still have a question about transferred state agreements and whether they would only continue for a maximum of four years?

Mrs HISCUTT - All transferring employees will get a vote on any new enterprise agreement. Changes to copied awards and agreements can be made over time through a new Fair Work enterprise agreement that must be negotiated and voted on by a majority vote of all employees covered by the agreement. If the agreement is not voted in, the bargaining process can continue until a majority of employees covered by the agreement vote to approve it.

The Fair Work Act 2009 does not limit the number of times that a proposed enterprise agreement can be put to the vote. Every transferring employee to be covered by a future agreement will get a vote on the agreement, not just union members. This is an important check and balance for future negotiations. Once the enterprise agreement is agreed it must also be registered with the Fair Work Commission. Therefore, there will be no change to the employment status of transferring employees. A permanent employee will remain a permanent employee under Fair Work.

Transferring employees' continuity of service is to be recognised - the Fair Work Act 2009 provides for continuity of service of a transferring employee. Accrued entitlements will continue unless they are permitted to be paid out. Through the bill, the Government has provided additional assurance to transferring employees that, where they are recruited to a role in the State Service within five years, there will be deemed to be no break in their State Service employment. That is Schedule 3, clause 8.

Number six, there will be no change to TasTAFE employees' superannuation arrangements and entitlements under either the defined benefit scheme or the accumulation scheme. TasTAFE employees will continue to be employees for the purposes of the Public Sector Superannuation Reform Act 2016. There will be no changes to TasTAFE employee long service leave arrangements and entitlements. The Long Service Leave (State Employees) Act 1994 will continue to apply. TasTAFE staff will not lose holidays as a result of the transition. Holidays will be observed in accordance with copied awards and agreements. The Government has made a policy commitment that TasTAFE will offer to continue to observe Easter Tuesday in future negotiations on an enterprise agreement. TasTAFE employees will continue to be able to be seconded to roles in the Tasmanian State Service.

The bill does not need to explicitly include a reference to the Fair Work Act 2009. All employers in Tasmania who are not subject to specific legislative provisions in the Industrial Relations (Commonwealth Powers) Act 2009, such as the Tasmanian State Service, are subject to the Fair Work Act 2009.

The department has comprehensively consulted with the State Service Management Office in DPAC, that manages State Service employment, and received external advice to fully explore what degree of flexibility could be achieved in the State Service. The State Service framework is designed to support the bureaucracy to manage a large workforce and, in many areas, employee skills are transferrable and can be readily deployed across the State Service to manage shifting priorities.

The TasTAFE operating environment is different. TasTAFE operates in a competitive market for both its services and its workforce. Its workforce has its own constraints due to the national regulatory framework or Vocational Education and Training (VET) and the national shortage of VET teachers and trainers.

The department's analysis concluded that constraints experienced by TasTAFE are due to a combination of factors. From an organisational perspective, the current State Service Act framework, together with conditions and entitlements in industrial awards and agreements, creates an inflexible environment that does not provide TasTAFE with the operational autonomy it requires to be customer-focused and responsive. The department, therefore, found that because of the inherent rigidity in the State Service framework, even if it was possible to negotiate some changes through industrial instrument, it is not possible within the State Service framework to deliver the extent of operational flexibility that TasTAFE needs in the longer term. Further, in the State Service, the Premier remains the employer for all employees including the CEO. It is therefore not possible within the State Service for the board to have autonomy to directly manage its workforce, including the CEO.

Over time, the Fair Work framework will enable TasTAFE to evolve its industrial and employment settings to become a contemporary organisation that is able to be more responsive, agile and a more attractive place to work and learn. Over time, the profile of the organisation will change as new staff are employed under the new framework.

Ms Lovell - Does that finish answers to my questions?

Mrs HISCUTT - No. One more, and I do not think this is the one you are looking for. The member for Rumney has raised concerns about the educational facility attendance. These employees, like all existing TasTAFE employees, will be covered by the copied state instruments.

The member for Elwick and the member for Launceston raised issues with the consultation process. For the record, I will outline what consultation has occurred.

PESRAC's final report notes on page 31:

The single most common topic at our workshops was that skills, training and TasTAFE are central to recovery from the economic and social impacts of the COVID-19 pandemic.

The Government took a commitment to the election to establish TasTAFE under a not-for-profit government business model with the aim for this model to be established by the end of the year. An implementation plan for the proposed TasTAFE transition titled TasTAFE Transition for a Better Training Future was released at the end of August. The implementation plan was informed by consultation with industry, TasTAFE staff, and unions.

In addition, in early July, peak body representatives from the industry and community sectors attended a forum to discuss future priorities for TasTAFE. Consultation with TasTAFE staff included independently facilitated sessions held in early August to obtain staff feedback on the future of TasTAFE. These sessions were held statewide, on campus, and online, and staff who could not attend were encouraged to provide feedback via email. Over 200 staff were involved in these sessions.

A second round of sessions was held with TasTAFE staff in mid-October to consult on the proposed changes. Sessions were held statewide on campus and online. Any staff who were not able to attend the sessions were encouraged to contact the office of the CEO with their feedback enquiries. Over 190 staff attended these sessions.

In recent months, the State Growth secretary has held several meetings with Unions Tasmania, the CPSU and the AEU and the UWU. Meetings occurred in July, August, September and October. There has been an open invitation from the secretary of State Growth to unions to meet at any time to discuss the future of TasTAFE.

The member for McIntyre, by way interjection, asked about the MBA and an RTO. Master Builders Australia is an RTO; Master Builders Tasmania is not. Master Builders Tasmania has recently been partnered with TasTAFE in relation to training delivery.

Member for McIntyre, another peak body in the building construction industry, the Housing Industry Association, is an RTO.

What protections are in the bill for affordable access? The Government wants TasTAFE to continue to be affordable for all Tasmanians. That is why we have said that course fees will remain low and heavily subsidised. TasTAFE will continue to be responsible for setting students' wages, as is currently the case, in accordance with competitive neutrality principles. I have read this in before. The Government has committed that 80 per cent of all skills funding will continue to be invested in TasTAFE and the course fees will continue to be heavily subsidised. TasTAFE has committed there will be no increase in student fees above the CPI for TasTAFE courses in 2022. Approximately 20 per cent of TasTAFE students receive concessions and pay no more than \$370 per annum for their course.

What other ways has the Government got in mind for improving delivery training? TasTAFE will receive an additional \$96.4 million in investment over the next four years. TasTAFE's physical and digital infrastructure and facilities will be modernised and improved. Tenders recently opened for work to renew and consider TasTAFE's infrastructure needs over the long term. This work will consider TasTAFE's infrastructure with a focus on meeting future demands and needs, including:

- contemporary equipment and technologies.
- contemporary training practices.
- student experiences and sustainability and environmental footprint.

The review will feed into TasTAFE's development of a 10-year strategic, physical and digital assessment management plan, as outlined in the implementation plan released in August.

The Government has committed \$10 million over the next four years for the TasTAFE virtual campus which will increase access for regional students. This new hybrid model of learning is designed to blend remotely facilitated training into a practical on-campus experience and provide digital content for learning activities. The virtual campus will be a staged project with the first programs to be piloted in the second half of 2022 and a target of 75 products available by the end of 2025.

With relation to your comments regarding fees published by TasTAFE on their website, and there were a few other members who mentioned that also, I refer to a media release which was issued by the TasTAFE CEO at that time that said, 'Some prices were published on the website earlier today in error'.

The member for McIntyre asked: why are the changes needed? The changes are aimed at giving Tasmanians the best opportunity to get a job. TasTAFE has led generations of Tasmanians into rewarding lifelong and life-changing careers. Me being one of them. In many years, TasTAFE delivers high-quality training and performs very well relative to TAFEs nationwide. However, we know Tasmania's workforce will need different skills and training to keep pace with the changing needs of employers, industries, economy and the community. We have heard that TasTAFE needs to be able to deliver more training in priority areas and be more responsive to fluctuations in the economy to ensure students are training in the areas where the jobs will be. Businesses cannot afford to release their staff for days or half-days at a time so TasTAFE needs to be able to deliver training differently. TasTAFE needs to provide more flexibility and choice for learners and attract new teachers in a competitive labour market.

The Government's vision is for TasTAFE to be a future-focused and market-aligned training provider responsive to the needs and expectations of Tasmanian learners, employers and industries. We want to support TasTAFE to build up a positive culture across all areas of the organisation, a culture that is future-focused, values innovation and continuous improvement, is responsive to customers and supports staff to gain industry experiences.

We want TasTAFE, like any contemporary high-performing organisation, to have an ability to directly manage its workforce, to manage poor-performing staff and to reward high-performing staff. The Government has fully explored what could be achieved in the State Service context. The State Service framework is designed to support the bureaucracy to manage a large workforce and in many areas employees' skills are transferable and can be readily deployed to manage shifting priorities.

TasTAFE's operating environment is difficult. TasTAFE operates in a competitive market for both its services and workforce. Its workforce has its own constraints due to the national regulatory framework for VET and the national shortage of VET teachers. The rigidity of the State Service framework further constrains TasTAFE. Without offering more fixed term and sessional roles and attracting teachers through market-based salaries, it will be difficult to attract the teachers we need.

Not everyone wants a permanent role and 11 weeks holiday. There will always be a core component of training that TasTAFE delivers. It is delivering much of that now under what is existing, and TasTAFE's staff will be retained and have their entitlements protected so that this can continue. However, without a more contemporary framework, TasTAFE cannot evolve or flex.

The member for McIntyre asked what will happen -

Ms Rattray - Am I still asking all these questions?

Mrs HISCUTT - Yes. What will happen or change to the student equity reports? Approximately 20 per cent of the TasTAFE students receive concessions. The bill does not propose any changes to the concessions offered. The minister, through the statement of

expectations and deed of purchasing arrangements through State Growth, will ensure concessions continue to apply.

Another one from the member for McIntyre, a couple of them. Why is TasTAFE not funded through a community service obligation?

Ms Rattray - That was a very important question.

Mrs HISCUTT - The Government Business Enterprises Act of 1995 provides for community service obligations as a specific funding mechanism. TasTAFE is funded through a deed of purchasing arrangement with funding provided through the Department of State Growth budget. This funding arrangement is considered appropriate for the Tasmanian Government's funding of TasTAFE.

This arrangement is made under the Training and Workforce Development Act of 2013 that provides the minister or secretary may make arrangements with registered training organisations for the purpose of vocational education and training. It is noted the Government enters into purchasing arrangements with private RTOs in addition to TasTAFE under the Training and Workforce Development Act arrangements.

The member for McIntyre asked is the Government opening the market to fully contestable funding models? That was an email you quoted. I have addressed this earlier in a response to the member for Hobart. The answer is no. The Government has committed TasTAFE will receive 80 per cent of the Tasmanian Government's skills funding -

Mr Valentine - Sorry, what percentage?

Ms Forrest - You answered that when you answered me on a matter.

Mr Valentine - Eighty?

Mrs HISCUTT - Eighty per cent of the Tasmanian Government's skills funding.

Mr Valentine - I thought you said eight.

Mrs HISCUTT - No, 80, 8-0. No wonder you asked why.

In response to the member for McIntyre's concerns about staff being directly communicated with, if the legislation passes of course there will continue to be close engagement with staff in the lead-up to July 2022. We want to ensure all staff are appropriately supported. Every TasTAFE staff member is highly valued and we need them.

The member for Nelson asked in relation to the reference to delaying action for TasTAFE - this will not be well received by the Tasmanian community or TasTAFE after seeking certainty. This is if we cannot get TasTAFE up and going.

In addition to PESRAC, the Watt review supported the transition of TasTAFE to a government business and recommended that this be implemented as soon as possible. Further, the Productivity Commission report into the national agreement on skills and workforce

development recommended changes to Australian TAFEs, in particular the need for greater operational flexibility.

Why not a GBE model? This was asked by the member for Nelson.

Ms Webb - No. I was asking why this model and not a range of others.

Mrs HISCUTT - The entities established under the GBE act have a primary commercial focus including achieving a sustainable rate of return and are generally subject to an expectational payment of dividends. These entities are subject to a range of costs that are not incurred by general government entities, such as requiring the payment of income tax equivalents and state taxes. The new TasTAFE entity will be able to be scrutinised by both Houses of parliament each year. I have already mentioned about GBEs alternate years in the upper and lower Houses.

Ms Webb - The question I asked was for you to make the case for why this model, rather than a GBE or state-owned company or another variation of a model. It was not to say anything about GBEs in particular.

Mrs HISCUTT - The only answer I can give here is this is the Government's policy and this is where we pursue it. The member for Nelson asked about the Government's commitments to foundation skills. The changes are aimed at giving Tasmanians the best opportunity to get a job. The bill provides for the functions for TasTAFE to deliver foundation skills training and it is expected that this will always be an important role for Tasmanian public providers.

We have talked about engagement with students as well -

Ms Webb - Specifically, I asked what was expected in terms of retaining the same level or expanding or reducing under this model for the delivery of those foundation skills programs across the state.

Mrs HISCUTT - The member for Nelson has asked other questions. Student feedback was provided through TasTAFE staff and through employers when the implementation plan was developed. Students were informed that the public consultation process was underway and were able to make a submission through this process. Flyers were placed around TasTAFE campuses advising of the draft bill and consultation process. An alert was placed on TasTAFE's learning management system advising students of the consultation process. The project team had a briefing with YNOT on the TasTAFE transition and draft legislation.

Mr President, I will seek some more information.

In response to, were changes in training delivery to occur? Still for the member for Nelson. A key action in the TasTAFE transition implementation plan is that the Government will work with participants in Tasmania's training system to identify what training TasTAFE needs to deliver to meet the skills needs of the Tasmanian economy and to establish a process for ongoing alignment of TasTAFE's offerings with the needs of the economy and community.

This will include strengthening links between current workforce planning activities and TasTAFE strategic planning and identifying any barriers to expanding TasTAFE's training offering. The implementation plan indicates this work will be completed in July 2022.

Modelling in relation to gender: there has been no specific modelling in relation to gender impact for staff moving to Fair Work. It is not expected to be a significant issue. It is important to note that all TasTAFE staff will transition to the new entity by 1 July 2022. This change is not about saving money. It is about achieving better value from the Government's substantial investment in TasTAFE for the benefit of learners and the Tasmanian community. As the chair of TasTAFE noted, he is hoping to see training delivery by TasTAFE grow as a result of these changes.

What benefits will be made to the teaching standards by moving to the Fair Work Act? I think I have already answered that one.

Ms Webb - Through you, Mr President. On the gender one, the question I asked was about the proportion of say, a casualised element of the workforce and whether there would be anticipated changes to the gender makeup of that?

Mrs HISCUTT - We did not think there would be any change on a gender basis.

Ms Webb - Right.

Mrs HISCUTT - Member for Hobart, you might have interjected again: does that mean that there will be more teachers employed on a casual basis? There will always be an ongoing need for core permanent staff at TasTAFE. This will continue whatever framework we are under. Given the specialisation of teachers and the fact that staff cannot move across disciplines easily, there is a need to be able to bring additional teaching staff on quickly when demand escalates. We expect the substantial majority of employees will remain permanently employed under the new entity.

Does a copied state agreement only last for four years? That was a question asked by the member for Rumney. As I said, the copied state agreements are preserved until terminated or until a new enterprise agreement is negotiated and registered. Our understanding is that the Fair Work Act provides that the nominal expiry date is the day the original agreement would have expired or no longer than four years. This does not mean that the agreement ends after four years, as expiry is nominal only.

Ms Lovell - To clarify, you said no longer than four years though, is that right?

Mrs HISCUTT - I can give it to you and you can have a read of it. I will read it again. As I said, the copied state agreements are preserved until terminated or until a new enterprise agreement is negotiated and registered. Our understanding is that the Fair Work Act provides that the nominal expiry date is the date the original agreement would have expired or no longer than four years. This does not mean that the agreement ends after four years, as expiry is nominal only.

In summing up, the Government's proposed legislative changes are critical to the future of TasTAFE and our ability to provide the training required by the 20 000 students who attend TasTAFE every year, as well as Tasmanian employers. The employers want TasTAFE to succeed and TAFE wants to work more closely with industry. However, without an ability to directly manage its workforce, TAFE cannot direct its offerings to meet the needs of students in the areas where we know the jobs will be.

Without a more modern operating framework, TAFE will continue to fall behind and the private market will step in to deliver what employers are asking for. This has already occurred in tourism, hospitality and child care - Lady Gowrie. TAFE cannot compete with these private providers because it does not have the industry flexibility that they have. The Government wants to strengthen TasTAFE as a competitive training provider. It values TasTAFE's staff and is committed to working with leaders in the organisation to support staff and improve the culture so that TasTAFE is seen to be a great place to work and learn.

With these changes we will need the engagement of all staff to help create better training and employment opportunities. We will not be reducing the number of employees. The State Service is not fit for purpose for a market-placing organisation like TasTAFE. Not all training needs to be ongoing. The manufacturing industry is becoming increasingly digitised and customised and this results in niche training needs. The State Service preference for permanent employment simply does not work in this scenario. Without a more contemporary operating framework, TasTAFE cannot evolve. Without offering more fixed term and sessional roles and attracting teachers through market-based salaries, it will be difficult to attract the teachers we need.

Employment in the north and north-west of the state relies on the ability of manufacturing businesses there to innovate and access the increasingly bespoke training their employees need to expand and be competitive.

The Government is the biggest supporter of TasTAFE. Our plan to rebuild TasTAFE is broader than this bill. Our comprehensive plan is set out in the TasTAFE Transition for a Better Training Future and includes a commitment to invest all that money, \$98.6 million, in TasTAFE over four years.

The bill provides for necessary building blocks to deliver on the community's expectations for TasTAFE. The governance model contained in the bill, including the power for the minister to direct the tabling of the minister's statement of expectations in the parliament and ongoing scrutiny through the budget Estimates process will ensure that TasTAFE remains accountable to the Tasmanian community.

The biggest risk to the future of TasTAFE and its people is the failure to adapt. Stakeholders, including unions, have acknowledged TasTAFE needs to change. We will continue to negotiate in good faith with relevant unions to endeavour to respond to industry and community sector feedback they need training year-round, evenings, weekends and in their work places.

The model in the bill is contemporary and will provide TasTAFE with the best chance to adapt and become the VET provider of choice in Tasmania.

Mr PRESIDENT - The question is that the bill be now read the second time.

The Council divided -

AYES 8

Ms Armitage
Mr Duigan

NOES 4

Ms Lovell (Teller)
Ms Palmer

Ms Forrest
Mr Gaffney
Mrs Hiscutt
Ms Palmer
Ms Rattray (Teller)
Mr Valentine

Ms Webb
Mr Willie

PAIRS

Ms Howlett

Ms Siejka

Motion agreed to.

Bill read the second time.

TasTAFE (SKILLS AND TRAINING BUSINESS) BILL 2021 (No. 56)

In Committee

Clauses 1, 2 and 3 agreed to.

Clause 4 agreed to.

Clause 5 -

Functions and powers of TasTAFE

[10.03 p.m.]

Ms RATTRAY - Madam Chair, in regard to clause 5(2)(c)(ii), on page 10, I am interested in having a broader discussion about (2)(c), where it says:

to provide vocational education and training in Tasmania, in accordance with the statement of expectations, for members of communities including but not limited to -

And rural and isolated communities are named up, and I am pleased to see that and then it says:

- (ii) other communities where other providers of vocational education and training cannot, or are not, meeting demand effectively;

How might that work; and whether it is considered there might be situations where you have only a smaller number of people and do not want RTOs trying to vie for students and it ending up not making any courses viable? Some explanation, thank you.

Mrs HISCUTT - This is basically a provision that will apply when there is nobody else operating. It is a provision that ensures the course can be provided by a public provider where no other providers are operating. For example, your six baristas, that sort of thing.

Ms RATTRAY - One other question here is around clause 5(2):

- (e) to advise the Minister on significant developments relating to the provision of vocational education and training by TasTAFE;

If we are putting a board in place, the minister has some oversight. Is it really necessary the minister be advised on significant developments relating to the provision of vocational education and training by TasTAFE? Otherwise, what are we paying a board for if they are not looking after the organisation? Why that would be there in clause 5(2)(e)?

Mrs HISCUTT - It is there in case a significant development arises the minister should be aware of.

Ms Rattray - For example?

Mrs HISCUTT - We have no teachers, what are we going to do about it? We have no whatevers, what are we going to do about it, so a significant something or other.

Ms Rattray - It is really a matter of course.

Mr WILLIE - I am interested in an explanation. In the current act under 2(a), it refers to 'high quality'. It is now 'a high standard' and there is no reference to nationally recognised skills and qualification. Why has it been taken out?

Mrs HISCUTT - High standard is just a drafting change. The funding deed and ministerial expectations will cover the nature of qualifications - that is the nationally accredited qualifications. These are the basis of the Government's subsidised VET delivery for both public and private RTOs.

Mr WILLIE - If I heard that correctly it is going to be covered under the deed. It is no longer a legislative requirement - nationally recognised skills and qualifications. It is going to be a Government policy.

Mrs Hiscutt - It is a high standard. That is a draft.

Mr WILLIE - No, I am talking about the nationally recognised skills and qualification. It is no longer a legislative requirement, it is just a Government policy and a deed.

Mrs HISCUTT - I am advised it is not necessary to be in that legislation we delivered through the funding deed.

Mr WILLIE - I have two questions. That is not very comforting. You could change that policy anytime or when you have a new deed to decide on. It is no longer a legislative requirement for nationally recognised skills and qualifications in the bill. The second question I have is there is no longer a requirement to collaborate with principals at schools under this section which is what applies in the current.

Mrs HISCUTT - Skills Tasmania funding is primarily directed to accredited training through the provisions of the Training and Workforce Development Act. These provisions will still apply to TasTAFE. Clause 5(2)(d) includes a reference to education providers and this covers those principles.

Ms RATTRAY - In regard to page 12, it talks about the following powers that TasTAFE has:

- (c) to lease, sell, otherwise dispose of, or buy or otherwise acquire, property other than real property;

What is property other than real property?

Moving on down it says:

- (e) with the written approval of the Minister, to lease, sell, otherwise dispose of, or buy or otherwise acquire, real property;
- (f) with the written approval of the Minister and the Treasurer -
 - (i) to participate in a trust; or
 - (ii) to form, or participate in the formation of, a company; or
 - (iii) to participate in one or more of the following arrangements for the purpose of sharing the profits:
 - (A) a joint venture;
 - (B) a partnership;
 - (C) another formal arrangement;

A broader explanation about how much core power is being provided here to TasTAFE itself and then with the approval of the minister for those other things. Is there something planned we might need to know about?

Mrs HISCUTT - I can answer the first question on paragraph (c). Property is other than real property. Real property is land, buildings, real estate, that sort of stuff. Property could be this table, that machinery or something that is my property. That is the difference there. I will seek advice on the other.

With regard to clause 5(3)(e) that talks about -

Ms Rattray - The minister.

Mrs HISCUTT - Yes. TasTAFE has the following power subject to this act with the written approval of the minister. For example, a TasTAFE building might be falling down and they see a block of land over there where they could rebuild or something like that. They need the minister's approval to do that because it is real estate. The minister needs to know about it.

Ms Rattray - And provide written approval.

Mrs HISCUTT - And provide their written approval.

Mrs HISCUTT - With the third query, regarding clause 5(3)(f), these provisions are consistent with provisions for other similar entities, but they are major things - such as a joint venture. It is not just buying a piece of machinery down the road; they are major things, significant things that are happening. The minister should be aware of them and give written approval.

Ms Rattray - And the Treasurer.

Mrs HISCUTT - And the Treasurer, yes.

Mr VALENTINE - I voted this into Committee because I want to hear all the answers that have come back on all these various things. One of the major issues for me is wanting to know what this particular section - clause 5 - is not providing, that was provided under the previous act. I know it gives us a lot of information about what it is delivering; but what is it not delivering, under the previous act?

Mrs HISCUTT - All provisions were developed after reviewing other legislative and governance models. Clause 5 is not significantly different, as it was considered to be fit for purpose. Language has been modernised. Clause 5(2)(g) is new and it relates to borrowings.

Clause 5 agreed to.

Clause 6 -
TasTAFE Board

Madam CHAIR - A bit of advice, in regard to moving your amendments. If you move the first one and then (2) and (3) together - sorry, that is a later one. Everyone is tired, including me.

Mr GAFFNEY - Madam Chair, I move -

The following amendments in my name.

First amendment

Page 13, subclause (2)

Leave out that subclause.

Second amendment

Same page, subclause (4)

Leave out "director, other than a TasTAFE director who is also the TasTAFE CEO,".

Insert instead "director".

Members we are working off version number 5 if you look down to the bottom of your page.

This clause 6 is to remove and edit subclauses that relate to allowing the minister to appoint the TasTAFE chief executive officer as a director. I am looking to improve governance

protocols and act as an additional safeguard. Currently, the TasTAFE CEO is not directly answerable to the board but to the Premier and the Cabinet.

One of the suggested reasons for this bill is to give the TasTAFE Board the direct authority to review and manage the performance of the TasTAFE CEO. If this clause remains, this power may be inhibited. For example, if the TasTAFE CEO was also to be appointed as a director and a member of the TasTAFE Board, does it allow them to be truly accountable for their performance or might there be an issue where frank and free board deliberations may be inhibited by the CEO's right to be present as a director?

If the CEO was to become a TasTAFE director, do they potentially become the managing director of TasTAFE? Whilst there are differing models in any normal governance arrangement, there is a strong and direct link between the board and its CEO, with the CEO being directly accountable to the board to ensure the operation of delivery of the functions and strategic direction and the CEO can be in attendance when the board requires it.

This amendment is to ensure that it provides the correct balance between the TasTAFE Board capability for independent, strategic oversight and true autonomy that also has the ability to hold the TasTAFE CEO accountable and for their performance.

With these amendments, the TasTAFE CEO would continue to be able to attend TasTAFE Board meetings when required. It would ensure that there would be a place for a TasTAFE director that might meet a skills gap on the TasTAFE board rather than that place being taken by the TasTAFE CEO.

I encourage members to see the reason for these amendments and accept them as a way of strengthening this bill.

Mrs HISCUTT - The Government has no objection to this amendment. While there are examples of where CEOs can be appointed to boards, it is not usual practice and is not a critical requirement for this model. Therefore, we will not oppose the amendment.

Mr VALENTINE - I had a query against this. I am glad the member has moved this. I do not consider it is good governance to have the CEO as a director as well. It has always been my opinion that the CEO is there to be accountable for running the organisation, or the administration of the organisation, and answers directly to the board and that there is a clear delineation. The CEO should not be a voting person on that board. From my perspective, these changes improve the governance structure. I thank the member.

Mr WILLIE - We are not supporting the bill but this does improve it slightly. We are happy to support it as well.

Ms WEBB - I seek an explanation of what I believe was a change between the previous legislation and this legislation relating to the board and appointments. In the previous legislation there was an explicit requirement to take gender balance and regional balance into account. I note that is not in this one, and I presume there is a rationale for why that was removed.

Mrs HISCUTT - The provisions in the bill are consistent with contemporary government frameworks for boards. It does not need to be legislated. The Government has a Women on Boards policy that would continue to apply to TasTAFE and every other board.

Clause 6, as amended, agreed to.

Clauses 7 -

Functions and powers of TasTAFE Board

Mr WILLIE - Clause 7(1)(b)(ii) - 'in accordance with the statement of expectations' - can we get some more information on how that is different to a direction?

Mrs HISCUTT - A statement of expectations sets out high-level policy expectations of the minister. Ministerial directions are specific powers for the minister to require a certain action by TasTAFE and tend to be used less often.

Clause 7 agreed to.

Clause 8 -

Appointment of acting TasTAFE directors

Ms RATTRAY - I know it is getting to a later hour but clause 8(3)(b) does not seem to read right to me. Can I have some explanation about what (3)(b) means? It talks about 'a person appointed to act as a TasTAFE director under this section' and then it says:

- (a) is taken, for the purposes of this Act, to be a TasTAFE director; and
- (b) if the relevant absent TasTAFE director is the chair of the TasTAFE Board, is not taken to be the chair of the TasTAFE Board solely by virtue of his or her appointment under this section.

I do not quite understand what it means. I believe that I should before I pass a vote on it.

Mrs HISCUTT - A person appointed to act and they happen to be acting for a director who is the chair. It does not make them the chair. An acting chair appointed under this section cannot be the chair. The acting director appointed under this section cannot be the chair.

Clause 8 agreed to.

Clause 9 agreed to.

Clauses 10, 11 and 12 agreed to.

Clause 13 -

Student records

Mr WILLIE - My question here is the student records. Are they currently kept at TasTAFE as the statutory authority or are they kept with the Department of Education? Is there some shared service in terms of data keeping or record keeping? What will happen if it is run out?

Mrs HISCUTT - TasTAFE records owns them in an ownership sense but they may be kept in a DoE system. All the assets owned by TasTAFE will stay owned by TasTAFE.

Mr Willie - So, they will still be maintained in a DoE system even though it is a state-owned entity?

Mrs HISCUTT - TasTAFE records own them in an ownership sense but it may be kept in a DoE system. The advisers I have are not sure on that specific point but they can find it out from the Department of Education later. Are you happy for that to be tabled at a later date when we get it? It will be a yes or a no, but I am not sure at the minute.

Mr Willie - Does DoE get a fee for that service?

Mrs HISCUTT - I do not know. You are striking into territory now that I am not sure about. I am seeking advice, Madam Chair.

There is currently a business service agreement with the Department of Education that covers a heap of related matters and we can find out this one for sure tomorrow.

Mr Willie - And that service agreement will stay in place, despite the changes?

Mrs HISCUTT - That will be a matter for the new entity to determine.

Mr VALENTINE - I am interested in subclause 2(b) with regard to:

... other than information and matters that the regulations prescribe are not to be contained in the records.

Can you describe what matters are likely to be prescribed in the records? I am assuming that the Personal Information Protection (PIP) Act applies here. You cannot collect information that goes against that or at least the way you look after information as well, but I am interested to know exactly what information is prescribed here in the regulation or is likely to be prescribed that has not been formed.

Mrs HISCUTT - There are no current regulations and there is no current intention to make any regulations. This is just a fallback catch-all that has been inserted into the bill if it is needed into the future.

Mr VALENTINE - For clarification, it does have to comply with the PIP Act in any event?

Mrs HISCUTT - Yes, that is correct.

Clause 13 agreed to.

Clause 14 -

Fees, levies and charges for students

Ms RATTRAY - This is the clause that relates to fees, levies and charges for students. I have a couple of questions. In response to the second reading contributions earlier this

evening, the Leader said that there would be no significant fee increases. Yet when I go over to subclause (2) on page 20:

TasTAFE may impose any fees, levies and charges it considers appropriate in respect of goods and services provided in relation to any of its functions and powers, including the provision of vocational education and training or other education and training.

A firm commitment from the Government in regard to whether they can give direction to TasTAFE and honour the commitment given in the second reading speech about not increasing fees to make them unreasonable and unattainable, and unattainable courses for students attending.

My second question is, do we have a reciprocal arrangement with New Zealand regarding offerings? Because it talks about:

overseas student means a student who is in Australia on a temporary visa or provisional visa, other than -

(a) a New Zealand citizen or a dependent of a New Zealand citizen;

Obviously, that is exempting New Zealand students from being an overseas student but do we have a reciprocal relationship with New Zealand?

Mrs HISCUTT - The member is referring to the principal act when she asks that question because this was just transferred over from that. My advisers are across the act in front of us. We will have to look into that. That has just been copied over from the principal act.

Ms Rattray - I am not going to die in a ditch if you cannot get it.

Mrs HISCUTT - It was there. It is probably a question you could have asked three, four, five years ago but, anyway. We are talking about fees. I have already read into *Hansard* my wraparound fees so will not do that again. These provisions are the same as in the current legislation and the intention is it will be CPI.

Mr WILLIE - It does say, though, that it is charges it considers appropriate, so whilst it might be CPI at the moment, if you have skyrocketing costs or regional delivery that is more expensive, it is whatever the organisation deems appropriate so it is pretty -

Ms Rattray - To where other RTOs will not go.

Mr WILLIE - It is pretty open-ended, really.

Mrs HISCUTT - It is not for profit. It is the intention. I have read the intention and I am not going to go through it again. That is the intention - CPI, no more than \$370 per annum, and the fees will remain low and heavily subsidised.

Ms WEBB - I wanted a clarification - because obviously this gives TasTAFE, as the entity, the head of power. Therefore, I presume the board essentially then decides to set the fees. There could be that political decision from government which would be then via a

ministerial direction or perhaps in that statement of expectations. I want to understand the mechanism of who overrides who, if there were different views between the board and the minister on the setting of fees at some stage.

Mrs HISCUTT - The minister has power to direct TasTAFE. Through the funding the funder will be able to set arrangements such as concessions.

Mr WILLIE - My question is in relation to subclause (4):

TasTAFE may exempt a person or class of persons from the obligation to pay all or part of any fee, levy or charge otherwise payable under subsection (2) if satisfied that it is equitable or appropriate to do so in the circumstances.

How does TasTAFE satisfy itself it is equitable and appropriate to do so in the circumstances?

Mrs HISCUTT - That is a matter for TasTAFE. It would be possible for the minister, through the statement of expectations to require TasTAFE to establish a framework for this.

Mr VALENTINE - If I have heard correctly, fundamentally, this is a cut and paste from the previous act. The same setting of fees and levies and the like. The same power in the current act is being transported across to this act. There is no fundamental difference.

Mrs HISCUTT - That is correct.

Clause 14 agreed to.

Clauses 15 and 16 agreed to.

Clause 17 agreed to.

Clause 18 -
Ministerial directions

Mr GAFFNEY - Madam Chair, I will move these amendments in my name.

First amendment

Page 24, subclause (1)

Leave out "of TasTAFE".

Insert instead "of TasTAFE, if the Minister is satisfied that is in the public interest to do so".

Second amendment

Page 24, after subclause (1)

Insert the following subclause:

- (A) Before making a direction under subsection (1), the Minister is to consult with the TasTAFE Board.

I might do the first and second amendments. The background for this will cover all four amendments. It will be time efficient in that way.

In presenting the series of amendments relating to ministerial directions, I am seeking to ameliorate the minister's power without necessarily reducing the opportunity for the minister to give directions or give the opportunity to the TasTAFE Board to refuse any legal direction. The aim of these was to give the board a right of appeal on an objection that would not necessarily impede a minister's right to issue a direction, rather to allow the board to take what might be a significant step to offer an objection to a direction and for it to have transparency, with the direction and the formal objection being laid before each House.

This is to balance the powers of the board's judiciary responsibilities in a way that could offer greater transparency and in general a more collaborative approach to such matters if ever a ministerial direction might need to be given.

The first two amendments I have read set the stage with a public interest test - I can already see members minds ticking over about this one - and the expectation that the minister is to consult with the TasTAFE Board before issuing a direction, thus establishing the expectation of a collaborative approach in which the TasTAFE Board may offer its advice to the minister on any possible ministerial direction.

Why use the term 'public interest test' in this situation? The intent of a 'in the public interest' codicil is intended to give the minister pause for thought before issuing a direction to ensure it could be substantiated in these terms. Public interest is almost an indefinable term, one that changes as society's norms evolve. The Australian Law Reform Commission has expressly noted that public interest should not be defined. In a Federal Court freedom of information case, Justice Brian Chamberlain wrote:

The public interest is not one homogeneous, undivided concept. It will often be multi-faceted and the decision-maker will have to consider and evaluate the relative weight of these facets before reaching a final conclusion as to where the public interest resides.

If we are looking to define 'public' then in this case it also includes every member of our community and that includes TasTAFE students, teachers and other staff. The New South Wales deputy ombudsman, Chris Wheeler, insofar as politicians are concerned, places the onus squarely on their shoulders. Public officials have an overarching obligation to act in the public interest. That is why that term has been used in this amendment. If we are looking to simplify it, it could possibly even be described as the pub test.

The second amendment, I believe, creates an opportunity for a better working relationship between the minister and the board because it is saying here:

Before making a direction under subsection (1), the Minister is to consult with the TasTAFE Board.

Which might happen haphazardly, but now if it is in the act it is a positive way. I hope that members will support both of these amendments.

Mrs HISCUTT - The Government supports these amendments. They are consistent with the provisions for government business enterprises and for TAFEs in other jurisdictions and is consistent with other legislation.

Ms WEBB - I support these amendments. As would likely be no surprise, I am all for some greater measure of accountability and consultation in this way, collaborations between the power of a minister to issue a direction to a separate body - in this case the TasTAFE Board - and to consult as part of that with the body that is going to be receiving the direction. Inserting the explicit reference to public interest is very much a strengthening matter to put in there. So, it will not be a surprise that I am very much in support of this. How refreshing to see the Government supporting it in this instance. Even more refreshing if we were to find that the Opposition was to support it in this instance.

Mr WILLIE - I will let that one go. This is a good amendment. You would expect the minister to consult with the board, like you would expect a minister or a government to consult with a workforce before a major change, or a CEO that might know about a change that is going to happen. It has to improve it in my book.

Mrs Hiscutt - We will let that one go, too.

Amendments 1 and 2 agreed to.

Mr GAFFNEY - I move the third amendment in my name -

Third amendment

Page 25, subclause (4), after "under subsection (1)".

Insert "must specify the date on which the direction is to take effect and"

Fourth amendment

Same page, after subclause (4)

Insert the following subclauses:

- (5) Within 21 days after being given a direction under subsection (1), the TasTAFE Board may object to the direction.
- (6) An objection under subsection (5) is to -
 - (a) be in writing; and
 - (b) specify the grounds on which the TasTAFE Board objects to the direction; and

(c) be provided to the Minister.

- (7) If the Minister receives an objection under subsection (5) to a direction and the direction is not, or has not been, amended or revoked, the Minister is to cause a copy of the direction and the objection to be laid before each House of Parliament within 5 sitting days after the receipt of the objection.

In comment to this, the third and fourth amendments to clause 18 detail the process whereby the TasTAFE Board can object to a ministerial direction, how an objection can be made, the means by which the direction might be adjusted and how both communications can enter the public domain. For a minister, they retain the absolute authority to issue ministerial directions and there is a formal means by which the TasTAFE Board may raise an objection and for it to be in the public domain. The aim is to aid a better balance of authority in strengthening the safeguards that define the context of any ministerial direction together with the autonomy of the TasTAFE Board to primarily act in TasTAFE's best interests.

I anticipate that it would be highly unusual for the TasTAFE Board to take this highly significant action given the nature of the required codicils in my amendments to precede the issuing of a ministerial direction. However, it allows the right of objection if the TasTAFE Board decides that such an action is necessary and for it to be in the public domain.

I have to say, the subclauses (5), (6) and (7) in the fourth amendment are actually taken from the Tasmanian Government Business Enterprises Act 1995, section 65 where it has just been adjusted to suit this. It is going from the Government Business Enterprises Act which has virtually the same (5), (6) and (7) to supplement it into this act because it does the same thing. I hope members support these amendments.

Mrs HISCUTT - The Government has given these amendments consideration and we do not oppose them. They provide certainty and transparency and some of them are consistent with the PESRAC recommendations for the board to have appropriate autonomy and it provides appropriate checks and balances.

Mr VALENTINE - I support this, absolutely. I said yesterday when we were dealing with something similar, with just about every bill that comes to us now there is more and more ministerial power trying to be applied in legislation. This sort of stricture, it fetters the power of the minister in some way, is really important. It is important for transparency that we do this. I am glad to hear that the Government is appreciative of it and is prepared to accept this amendment. We need to be looking at others as they come through as well.

Amendments 3 and 4 agreed to.

Clause 18, as amended, agreed to.

Clauses 19 and 20 agreed to.

Clauses 21, 22, 23 and 24 agreed to.

Clauses 25, 26 and 27 agreed to.

Clauses 28 and 29 agreed to.

**Clause 30 -
Annual Reports**

Mr GAFFNEY - Madam Chair, I move the following amendment -

Clause 30, page 33 subclause (2), paragraph (c), subparagraph (ii).

Leave out "any action taken by".

Insert instead "each action taken, or why no action has been taken,".

This is a matter of tidying up a loose end from the amendments to clause 18. This is relating to the inclusion of the details of any ministerial directions in force during the financial year where in subclause (2) it describes the action taken by the TasTAFE Board as a result of such a direction. Given that the TasTAFE Board may raise an objection that the minister has responded to by amending or revoking a direction, it seems pertinent to detail this, as with the original wording, 'any action taken by', the action may sit there in a somewhat friendless and unloved situation.

The tweaking of the wording to clause 30 relates to annual reports requiring TasTAFE to give details of each action taken or to justify why no action is taken on a ministerial direction. This is because there is no clear consequence if the TasTAFE Board fails to comply with a ministerial direction. In reality, the board would probably need to justify their noncompliance in the annual report anyway; but it does give that power or that process clearer definition within the legislation.

Initially it was 'any action taken by'. This proposes 'each action taken' and 'why no action has been taken'. It makes it clearer and allows that to be reflected in the annual report so that it is a more transparent process. I hope members will support this amendment.

Mrs HISCUTT - The member for Mersey has explained it well and the Government will be supporting it.

Amendment agreed to.

Clause 30, as amended, agreed to.

Clauses 31 to 44 agreed to.

**Clause 45 -
Infringement notice offences**

Mr VALENTINE - I am concerned about clause 45(2).

The TasTAFE CEO may issue and serve an infringement notice on a person ...

Is it possible under the current act, that the CEO can serve and issue an infringement notice on a person?

Mrs HISCUTT - It is straight out of the principal act. We are checking on that. The only difference is that the CEO is being changed.

I have clarified, it is a new part of the act. It is the standard provision in legislation where an act gives power to make regulations or by-laws. The provisions are consistent with the Building Act, the Inland Fisheries, Local Government, Road Safety, Vehicle and Traffic acts. Infringement notices give organisations greater flexibility to apply lower penalties for offences and limits having to go to court. This benefits both parties.

Mr VALENTINE - Can the Leader explain what level of fine we are talking about here? Do we know what the dollar amount is? Is it a dollar amount or is it some other stricture they place on a person?

Mrs HISCUTT - It is very low level; for example, if you have parked your car where the CEO is supposed to park it; parking your car in the wrong place. It is very low level offences just around the TAFE campus.

Is there anything else you want to add?

Mr Valentine - I would like some comfort.

Ms RATTRAY - Even at this hour of the night I am quite astounded that it is even necessary for the TasTAFE CEO to be able to issue and serve an infringement notice on a person if he or she reasonably believes that a person has committed an infringement offence - and we get an explanation around parking in the CEO's car park?

Mrs Hiscutt - That was only an example. It could be a parking infringement.

Ms RATTRAY - A parking infringement - where?

Mrs Hiscutt - On TAFE campuses.

Ms RATTRAY - A student's car has broken down. They cannot move it and they receive an infringement notice from the CEO. I would expect that the CEO would have better things to do with his or her time.

Mrs Hiscutt - If the car has broken down, I reckon he would have.

Ms RATTRAY - It does not sit well in my book. That is why we have parking meter attendants.

Ms Armitage - Not in a private place.

Ms RATTRAY - I do not see the need for something like this, if it was not in the principal act. I am wondering who on earth came up with this? It needs more explanation, Leader, because I do not think it is warranted.

Mr Valentine - Especially as it is not in the current act.

Mrs HISCUTT - Other state-owned companies have clauses like this in their legislation. TasPorts do, for infringement notices. It is very minor and very low level.

Madam CHAIR - I repeat my concern about the fatigue levels in this place and that of our staff. I ask the Leader to consider the decision-making capacity of members in this place at the moment, including herself, with all due respect.

The questions that are being asked at the moment do warrant answers that perhaps merit the intention of this clause. I am concerned that fatigue is impacting on our capacity, myself included; and some people - staff and members - have a distance to go home and some of us are driving.

Mrs HISCUTT - Clause 45, Madam Chair, infringement notice offences. Subclause (1) defines the term 'infringement offence' for the purpose of this section. The TasTAFE CEO may issue and serve an infringement notice on a person if they reasonably believe that person has committed an infringement offence. The regulations may prescribe the penalty as payable in relation to an infringement notice under the act or regulation and the by-laws may specify the penalty that is payable for an infringement offence under the by-laws. I note there are no regulations yet; it is very low level; and it is there in other legislation for TasPorts and the same.

Dr SEIDEL - To be frank, the Leader read out the clause notes that we have all read so there is no new information to a very reasonable question. The Leader refers to regulations that have not been drafted yet; so, we are none the wiser. It is really hard -

Mrs Hiscutt - There are no regulations under this act.

Dr SEIDEL - It is very hard then to say that the only example we have is an infringement notice being issued when somebody is parking in the CEO's car parking spot. It does not make any sense at 4 o'clock, at 12 o'clock or 11 o'clock, no matter how you see it. It is hard to respect the response.

Ms FORREST - Madam Deputy Chair, I repeat my very grave concern about the state of everyone's capacity in this place. Being fatigued as we are is like having a blood alcohol level over the driving limit. I am deeply concerned about those members here and the staff who have to drive home. It is not safe. We make laws in this place to deal with this. I am not happy with that response on behalf of other members' questions.

I feel that, yes, we do not have regulations at the moment, we never do. Regulations always follow a bill. Regulations are where the rubber hits the road, regulations are where the real matters are dealt with in terms of the direct impact on individuals. This may be minor matters like parking in the CEO's car park. I cannot imagine the CEO would be too bothered about that. They will probably just park and block the person in.

Mrs Hiscutt - That was a flippant comment.

Ms FORREST - Yes, exactly.

Mrs Hiscutt - I take that back and I say illegal parking or not a legal park.

Ms FORREST - It does not matter. A parking offence is usually dealt with by parking - car parks - and I am tired -

Mrs Hiscutt - Yes, it is privately owned land.

Ms FORREST - That is what I am saying. Car parks in universities, TAFEs and hospitals are run by private enterprise. The CEO does not go out and book people so let us take that one right over there, put it over there. The infringement notices could be a range of matters. We have no idea what they are because they will be established in regulations. It says that in the bill.

Mr Valentine - That is why I asked the question.

Ms FORREST - Yes, I know. I would prefer - because clearly, I am not convinced by the answers we have been given. I am getting a sense that other members perhaps are not either, and we do ask the Leader to perhaps consider reporting progress. We have had a very long couple of weeks. Some of us have been in the Chamber all the time.

I have had to concentrate continually, so has the Leader, and most other members in here during that period. A risk with poor decisions is absolutely essential when we are making legislation. I can hardly speak myself. I do not think it is a safe or proper thing to do and we are not getting clear answers. It says here:

In relation to an offence under this Act or the regulations ...

Clearly, I do not believe there are many offences in the bill we are dealing with - one could go through and have a proper check in regard to some but it says they can be under the regulations or also in the by-laws. TasTAFE has by-laws, and so there are many places for infringements to be inserted. We do not have any vision of what they are or what the penalties are.

It comes back to that question, is it the appropriate role for the CEO to be doing that? We do not know what they are or likely to be and it comes back to the question, is this an appropriate power for the CEO to be issuing infringement notices?

Are they issuing infringement notices because someone has not paid their course fees? Are they issuing infringement notices because someone perhaps cheated in an exam or whatever? I do not know. I seriously request we consider stopping this and revisiting it tomorrow, when perhaps the Leader and her advisers are able to provide a bit more clarity around this.

Mrs HISCUTT - The current TasTAFE by-laws of 2014 provide for student organisations, the control of vehicles being driven or parked on a TasTAFE campus, general conduct on a TasTAFE campus and disciplinary provisions. A by-law cannot extend powers of a body beyond the extent of the legislation that they are created for. The Office of Parliamentary Counsel drafts TasTAFE by-laws and will only draft within the power available to an entity.

Mr WILLIE - Is this provision in the bill because employees will no longer be state servants and the employment directions and all of those disciplinary things that come with the State Service Act do not apply to them anymore? Is that the reason?

Ms Forrest - Getting some advice. Would you repeat your question?

Mr WILLIE - Is it because TasTAFE employees will no longer be employed under the State Service Act? The employment directions and all the disciplinary things that apply to State Service no longer apply. They are putting things into this bill to maintain some sort of control.

Mrs HISCUTT - Members, bear in mind the current TasTAFE by-laws of 2014 already provide for student organisations and the control of vehicles. I have read that in, it is already there. TasTAFE has always had power to make by-laws. If we move that section, I will move to report the progress.

Madam Deputy Chair, I seek leave to report progress and for the Committee to sit again.

Leave granted.

Progress reported; Committee to sit again.

ADJOURNMENT

[11.17 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I move -

That the Council at its rising adjourns until 10 a.m. on Thursday, 25 November 2021.

Motion agreed to.

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I put the waste resource recovery briefing back to 9.30 a.m. instead of 9 a.m., so it will be 9.30 in Committee Room 2.

Ms Rattray - A question to the Leader, is the Leader expecting that the House will deal with that particular bill tomorrow, the waste bill? I see no reason why we need to have a briefing on something we will be dealing with in March 2022.

Mrs HISCUTT - When I get asked these questions the answer I give is how long is a piece of string. Do I intend to get to it? Tomorrow I hope to finish this bill and take it through to the third reading. Then I want to tackle the container bill. Will I get to the next bill? I do not know, but it is best to be prepared.

Ms FORREST (Murchison) - Mr President, I know it is an adjournment speech so I will try to limit it. The issue is why are we even coming back at 9.30 for a briefing? If the Leader gets to that bill, we could do the briefing prior to the commencement of that bill. That would be a much better solution.

Mr PRESIDENT - Order. The Leader cannot reply so the debate is closed.

The question is that the Council do now adjourn.

The Council adjourned at 11.19 p.m.