

SKILLS BOARD BILL 2013

Page: 47

Bill introduced on motion by Mr Piccoli, read a first time and printed.**Second Reading****Mr ADRIAN PICCOLI** (Murrumbidgee—Minister for Education) [3.33 p.m.]: I move:

That this bill be now read a second time.

The purpose of the Skills Board Bill 2013 is to establish the NSW Skills Board. The NSW Skills Board will be the key independent expert body, providing the Minister for Education and the New South Wales Government with independent strategic advice on the vocational education and training [VET] system, and overseeing major reform of that system under the Smart and Skilled Draft Quality Framework. It will work to strengthen the New South Wales economy and skills base, and promote flexibility and choice for industry and consumers. The NSW Skills Board will replace the New South Wales Board of Vocational Education and Training [BVET] as the primary advisory board to the Government on vocational education and training matters. It will have a broader role and more defined membership than Board of Vocational Education and Training to ensure that New South Wales has the appropriate governance arrangements for the vocational education and training system as it goes through significant changes to become more flexible, demand-driven, accessible, equitable and affordable.

From 1 July 2014 New South Wales will implement a major reform of the vocational education and training sector under the Smart and Skilled Quality Framework. The Smart and Skilled Quality Framework will introduce: an entitlement for training for qualifications up to and including certificate level III, income-contingent loans for higher-level vocational education and training qualifications, a new quality framework, and training provider monitoring and data collection to be published on a new consumer online portal. At the same time, we have committed to ambitious targets for vocational education and training and higher education participation and completions in the State plan NSW 2021, including for equity groups and young people. The achievement of reforms to the vocational education and training sector and increased completions are tied to \$196 million of reward funding for New South Wales under the Commonwealth-State National Partnership Agreement on Skills Reform.

In this context, I initiated a review of the Board of Vocational Education and Training to ensure that we had the appropriate governance arrangements in place to provide oversight of vocational education and training reforms and the achievement of our State priorities. The review was conducted by Professor Peter Shergold, AC. As part of his review, Professor Shergold consulted with industry and both public and private training providers. The review recommended that a new board, with broader responsibilities and a reconstituted membership, was necessary to provide adequate oversight of the Smart and Skilled Quality Framework, the New South Wales training market, higher education and the evolving tertiary education sector. This bill implements the recommendations of the Shergold review and establishes a board with the functions and membership necessary to provide comprehensive oversight of vocational education and training reform. Clause 6 of the bill outlines the functions of the board.

The board will provide the Government with independent strategic advice on all aspects of

the vocational education and training sector. It will oversee the implementation of major reform of the vocational education and training sector, including training market design, the provision of accurate consumer information on vocational education and training, and appropriate consumer protections, and quality assurance. It will monitor and advise on the performance of the vocational education and training system, including its financial performance and sustainability; gather and analyse labour market intelligence in relation to skills shortages and future skills and workforce development needs in New South Wales; advise on the allocation of State and Commonwealth vocational education and training funding and the New South Wales vocational education and training budget; develop strategic skills plans that reflects government priorities for vocational education and training in New South Wales and research plans; and facilitate school, vocational education and training and higher education pathways.

The board will be assisted by staff in the Department of Education and Communities, and will be able to investigate any matter in relation to skills, training and higher education referred to it or on its own initiative. The new NSW Skills Board will have the membership expertise to enable it to carry out its functions effectively and reliably, and to stand up to scrutiny. As outlined in Clause 5 of the bill, board members will be required to have skills and knowledge of market operations—and financial, project and risk management—as well as a sound knowledge of skills development and higher education. The board will be made up of not more than eight ministerial appointees. These appointees will become the inaugural members of the NSW Skills Board upon the passage of this legislation. I announced the new board members at the New South Wales Training Awards on 5 September.

The Chair of the NSW Skills Board will be Philip Clarke, AM, who has an outstanding record in education, law and business. Other members are: Adam Boyton, Chief Economist at Deutsch Bank; Gemma Van Halderen, from the Australian Bureau of Statistics; former member of Parliament and small business operator, Kay Hull; Jack Manning Bancroft, Chief Executive Officer of the Australian Indigenous Mentoring Experience; Marie Persson, former Deputy Director General of TAFE NSW; Mark Goodsell, from the Australian Industry Group; and Leslie Loble, Chief Executive, Office of Education, Department of Education and Communities. A recent article in the *Australian* by John Ross commended the "impressive line-up of business and Government heavyweights" that will make up the board. This dynamic group of individuals has the right mix of skills and experience to meet the New South Wales Government's expectations for the board in its oversight of the New South Wales training market and reform of the vocational education and training system.

I turn briefly to other parts of the bill. Clause 4 establishes the board as a body corporate under the name of the NSW Skills Board. Schedules 1 to 3 to the bill outline requirements in relation to members and procedures of the board; savings, transitional and other provisions; and amendment of other legislation. Schedule 4 to the bill repeals the enabling legislation of the Board of Vocational Education and Training, the Board of Vocational Education and Training Act 1994. There are a number of key benefits for New South Wales associated with this bill. The bill creates the NSW Skills Board to ensure that vocational education and training priorities and reform directions are sensitive to the needs of industry, consumers and the State economy. To achieve this, the board will consult with reference groups for industry providers and consumers.

The board will monitor progress towards and facilitate the achievement of State priorities and targets for vocational education and training and higher education, including those that we

have committed to in State and Commonwealth agreements. These include targets to increase higher level qualifications as well as increase participation and improved educational outcomes for those from regional and rural New South Wales, Aboriginal and Torres Strait Islanders, and people from lower socio-economic status backgrounds. The new board will also mitigate risk associated with the major reform of vocational education and training system in New South Wales. Through this bill the NSW Skills Board will be established with the appropriate functions and membership to ensure reliable advice to the Government and rigorous oversight of the New South Wales training market, and major vocational education and training reform. I commend the bill to the House.

Debate adjourned on motion by Ms Carmel Tebbutt and set down as an order of the day for a future day.