



NSW Legislative Council Hansard

Vocational Education and Training Bill

Extract from NSW Legislative Council Hansard and Papers Wednesday 16 November 2005.

Second Reading

The Hon. HENRY TSANG (Parliamentary Secretary) [3.53 p.m.], on behalf of the Hon. John Hatzistergos: I move:

That this bill be now read a second time.

I seek leave to incorporate the second reading speech in *Hansard*.

Leave granted.

This bill will ensure that New South Wales' world-class system for skills training is strengthened and enhanced. The bill implements the November 2002 decision of the Ministerial Council for Vocational Education and Training to introduce legislative reform to more effectively regulate providers of vocational education and training throughout Australia. Members would be aware of the critical importance of having an effective vocational education and training system- a system that is capable of giving our current and future employees the necessary skills to adapt in Australia's complex and ever-changing workforce.

Our VET system provides training for all types of work-from the traditional industries such as building and construction, manufacturing, automotive and utilities to those newer industries that now represent a growing proportion of the New South Wales workforce—Retail; Finance, Insurance and Business Services; Tourism, Hospitality and Community Services & Health. Currently in New South Wales more than half a million students participate in some form of vocational education and training each year. And that training is provided by both public and private sector Registered Training Organisations. Most of these students are in TAFE. Yet over 1,565 New South Wales and interstate registered training organisations are operating in the State. And it is obviously an attractive business as new providers continue to enter the market each year. 344 new training organisations registered in 2002/03 and 98 in 2003/04.

And at the heart of our system are the structured courses of vocational study, training and employment known as apprenticeships and traineeships. There were 139,000 apprentices and trainees in training in New South Wales at the end of the June quarter 2005. Currently there are 884 New South Wales training organisations that are registered under this Act. In addition 681 interstate registered training organisations are operating in New South Wales. The current Act supports the regulation of New South Wales registered training organisations by the Board for Vocational Education & Training. However it does not provide for decisions made by the Board to apply to training organisations registered in other states that operate in New South Wales. This means the Board has been virtually powerless to act when problems have arisen with interstate registered training organisations operating in New South Wales.

At present the regulator's hands are also tied in situations where a New South Wales Registered Training Organisation is found to be non-compliant in New South Wales and rather than address those non-compliances, the organisation decides to apply for registration in another State that is seen to have a less rigorous registration procedure. From 1 January 2006 the New South Wales regulatory body will be able to monitor quality, audit or sanction the 681 training organisations currently registered interstate and operating in New South Wales. At the same time New South Wales registered training organisations will be recognised interstate. Madam President, the Australian Quality Training Framework was introduced in 2001 as a set of standards to guide quality in the training market and to ensure that students and employers receive the high quality training they require.

The New South Wales training quality regulator, the Vocational Education and Training Accreditation Board (VETAB), has adopted these national quality standards as a guideline under its Act. However, new legislation is needed to enable the regulation of interstate registered providers delivering training in New South Wales. By agreeing to implement model clauses in their legislation all States are now ensuring that national quality standards can be appropriately and effectively enacted across borders. Vocational education and training in Australia now operates as a national system. States and Territories operate within a framework of national policies and strategies, underpinned by their own legislation relating to the provision of vocational education and training. In June 2001 State, Territory and the Commonwealth Ministers for Vocational Education and Training agreed to adopt new standards to strengthen the quality of training across the country.

The Australian Quality Training Framework Standards have been adopted in New South Wales by the Vocational Education and Training Accreditation Board under the current Vocational Education and Training Accreditation Act 1990. It is a sensible bill that recognises the increasing national nature of vocational and

training provision in New South Wales and indeed Australia. Fifteen years have passed since the original Act was introduced. The world and the vocational education and training system have all changed significantly in this intervening period. Most significantly, the systems in each state and territory have become more alike, and the number of training providers that operate at a national level has increased. This new bill incorporates much needed improvements to modernise the language of the Act; to make it more relevant and easier to interpret.

Offences under the Act will also be strengthened and fines increased for breaches of the Act. The final significant change to the Act is to recognise the national register of training providers and courses—the National Training Information Service. This register is the repository for all publicly available information on the organisations operating in the national vocational education and training system. Having the national register included in this legislation protects its role as the key public tool for accessing information on training organisations. There is still a need for more consumer information to be available on training organisations and the standard of training they offer. The New South Wales Government will continue working with other jurisdictions to improve the amount of publicly available information on training organisations.

The New South Wales Government would like to see the reports of registered training organisations' audits by the Vocational Education and Training Accreditation Board published, as is the current practice in the university sector. This bill establishes stronger and more consistent regulation for the skills development that Australia and New South Wales need. The bill will increase industry confidence that the New South Wales training system will provide high quality, industry relevant skills. The approach taken by Australian Governments on this issue is a demonstration that state, territory and Commonwealth Governments can work cooperatively on issues of national importance. New South Wales makes up around one third of our economy, our population and our national vocational education and training system.

This bill will improve the regulatory arrangements in this State to ensure that the training system continues to be nationally focussed and a key driver in our State's and Australia's continued economic and social development. I commend the bill to the House.