

# **PORTFOLIO COMMITTEE NO. 3 - EDUCATION**

**Friday 6 September 2019**

**Examination of proposed expenditure for the portfolio area**

## **SKILLS AND TERTIARY EDUCATION**

<b>UNCORRECTED</b>
--------------------

**The Committee met at 9:30**

### **MEMBERS**

The Hon. Mark Latham (Chair)

The Hon. Anthony D'Adam

The Hon. Wes Fang

The Hon. Scott Farlow

The Hon. Courtney Houssos

The Hon. Matthew Mason-Cox (Deputy Chair)

Mr David Shoebridge

### **PRESENT**

**The Hon. Geoff Lee**, *Minister for Skills and Tertiary Education*

## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

**Corrections should be marked on a photocopy of the proof and forwarded to:**

**Budget Estimates secretariat  
Room 812  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**



**The CHAIR:** Welcome to the public hearing for the inquiry into budget estimates 2019-20. I welcome Dr Geoff Lee, Minister for Skills and Tertiary Education, and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Skills and Tertiary Education. Today's hearing is open to the public and is being broadcast live via the Parliament's website. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I would also remind media representatives—there are none at the moment—that they must take responsibility for what they publish and make sure that it is not fake news. The guidelines for the broadcast of proceedings are available from the secretariat.

All witnesses in budget estimates have a right to procedural fairness, according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time, or with certain documents to hand. In those circumstances witnesses are advised they can take a question on notice and provide an answer within 21 days, which we did extensively two days ago in the hearing for the inquiry into education and early childhood learning. I also remind the Committee that it will be practice again today to hope, and at times insist, that the questions will be asked in full and then the witness will be heard in full, up to the point where it seems that it might go beyond reasonable use of time. But I think, based on Wednesday's hearing, we should have no problem in that regard.

Any messages from advisors or members' staff seated in the public gallery should be delivered through the Committee secretariat. I remind the Minister and his officers that they are free to pass notes and refer directly to advisors seated at the table behind them. Transcripts of this hearing will be available on the web from tomorrow morning or more likely Monday morning—our next working day. I ask everyone to turn his or her mobile phone to "silent" for the duration of the hearing. All witnesses from departments or corporations will be sworn prior to giving evidence. Minister, Lee, I remind you that you do not need to be sworn, as you have already sworn an oath to your office as a member of Parliament for the seat of Parramatta. I remind Mr Scott from the Department of Education, that you do not need to be sworn, as you were sworn at Wednesday's hearing.

**MARK SCOTT**, Secretary, Department of Education, on former oath

**MARY ANN O'LOUGHLIN**, Deputy Secretary, Skills and Higher Education, Department of Education, affirmed and examined

**KERRY PENTON**, Acting Managing Director, TAFE NSW, sworn and examined

**The CHAIR:** I declare the proposed expenditure for the portfolio of Skills and Tertiary Education open for examination. All witnesses, including the Minister, will be questioned in the morning session. After lunch we will continue to question government witnesses. The Committee intends to finish no later than 5.00 p.m. The Minister will not be questioned in the afternoon session. There is no provision for any witness to make an opening statement.

**The Hon. COURTNEY HOUSSOS:** Minister, I assume you have read the recent Workforce Skills Survey report released by the New South Wales Business Chamber?

**Dr GEOFF LEE:** I am aware of it.

**The Hon. COURTNEY HOUSSOS:** Have you been briefed on that report?

**Dr GEOFF LEE:** I had a quick briefing on it, amongst many things.

**The Hon. COURTNEY HOUSSOS:** Did you notice the huge increase in skills shortages this year?

**Dr GEOFF LEE:** Yes, I think that is right across.

**The Hon. COURTNEY HOUSSOS:** Do you remember the number?

**Dr GEOFF LEE:** No, I will take that on notice.

**The Hon. COURTNEY HOUSSOS:** It is an increase of 28,000 since 2017. What is your reflection on that figure?

**Dr GEOFF LEE:** Of course, providing a world-class skilled workforce is important for New South Wales, as it is for every other State. We are finding it increasingly important across developed nations like Australia, especially New South Wales, to upskill people in the Vocational Education and Training [VET] sector. Over the past 20 years in New South Wales and across Australia we have faced a bias towards going to university. That has been somewhat of a detriment to a focus on the VET sector. I think it is fair enough to say in general that young people who are in years 10, 11 and 12 are encouraged to get the highest possible Australian Tertiary Admission Rank [ATAR] so that they can go to university and that has detrimentally affected the number of people who are choosing VET as an equal or alternate option.

I think the society needs to readdress those issues and say that the VET sector is a great option from which people can get great jobs and have outstanding careers. We, as a government, need to change the narrative and industry needs to be part of the solution. When I was at school 60-odd per cent of people, or a large number of people, actually left school in year 10, became apprentices and entered the workforce. The change in age for people to leave school and the preoccupation of the popular stance that most people should go to university has detrimentally affected the number of people who choose a VET career in year 10. I think it is a problem when people are kept at school until the age of 17. I think the bias towards going to university is also a difficulty. I think this Government needs to encourage young people to consider in years 7, 8 and 9, before choosing their subjects in year 10, the great VET careers that are available, which can lead to great and rewarding careers in industry.

**The Hon. COURTNEY HOUSSOS:** I have limited time so I will stop you. I agree with your sentiments that we need to encourage more students to undertake VET education, but this is not happening in a vacuum. This is happening in the context of your government increasing fees by 20 per cent and slashing staff. This is not just purely a societal affect; this is also a direct consequence of your government's decisions. How are you addressing skills shortages in the fibrous plastering skills trade?

**Dr GEOFF LEE:** I will take that question on notice unless the secretary or deputy secretary would like to add anything.

**Ms O'LOUGHLIN:** What I would add is that under our Smart and Skills Program, which is administered by Training Services NSW, we have funding for occupations and skills on the skills list. That skills list includes the skills that are in shortage across New South Wales. I could take on notice if the one you have asked about is on the skills list.

**The Hon. COURTNEY HOUSSOS:** I can tell you that it is on the 457 temporary work (skilled) visa list—fibrous plastering. If you do not have the information at hand about where it is being offered I can tell you that only two TAFEs offer it—Albury and Maitland. Minister, what is your reflection on that?

**Dr GEOFF LEE:** Certainly there are skills shortages right across different industries, whether it is construction, manufacturing, service industries—many different industries. We have something like, off the top of my head, 600 courses on the Smart and Skilled list that we actually fund. We have invested significant amounts—something like \$2.3 billion—in the Skills budget in New South Wales this year. We acknowledge that we must develop a comprehensive approach to how we target the right skills and the skills shortages. Let me assure you that TAFE is part of that solution.

**The Hon. COURTNEY HOUSSOS:** TAFE is a key part of the solution.

**Dr GEOFF LEE:** Absolutely, I agree with you, and I am more than happy to look at individual cases. It is great to see that TAFE is actually delivering in two sections, that it delivers some 1,200 courses across 130 different campuses right across the State. Certainly we would be more than happy to take individual cases on notice and get back to the Committee.

**The Hon. COURTNEY HOUSSOS:** Minister, I can tell you that of the 130 TAFE campuses in New South Wales it is offered at two, one being at Albury and one being at Maitland. So instead of offering fibrous plastering, amongst other things, at any number of the TAFE campuses in Sydney or in perhaps slightly more accessible locations than Albury and Maitland, it is listed on the 457 temporary visa.

**The CHAIR:** Is there a question?

**The Hon. WES FANG:** That is what I was about to say, Mr Chair.

**The CHAIR:** I am ahead of the Hon. Wes Fang, and I am on the job.

**The Hon. COURTNEY HOUSSOS:** How are you addressing skill shortages that are on the 457 visa list? I am specifically asking you about fibrous plastering.

**Dr GEOFF LEE:** Overall, as a government we have committed to 100,000 fee-free apprenticeships over the next four years. We are very proud of that investment. As of 1 January next year we have committed to another 70,000 traineeships and 30,000 courses for mature age people.

**The Hon. COURTNEY HOUSSOS:** How many of those 100,000 are for fibrous plastering?

**The Hon. WES FANG:** Point of order—

**The CHAIR:** I think we will allow the witness to give his answer. He has only taken about 10 or 15 seconds. so you may continue, Dr Lee.

**Dr GEOFF LEE:** Thank you. As I said, this Government is committed to actually delivering significant numbers of traineeships and apprenticeships along with other programs for small business. We have things like Regional Industry Education Partnerships, we have regional skills attraction and we also have Smart, Skilled and Hired programs. But certainly it is necessary for us to choose the courses on offer. Not every TAFE of the 130 can offer all of the 1,200 courses. Certainly what we need to do for TAFE in my experience and in my belief is to offer those courses that reflect industry needs so that we focus on the industry needs and the student needs in that area. So we tailor our courses—

**The Hon. COURTNEY HOUSSOS:** I am just going to stop you there, Minister, because you just said you need to focus on the courses that are offering industry needs.

**Dr GEOFF LEE:** Yes.

**The Hon. COURTNEY HOUSSOS:** Industry is clearly needing these skills because they are on the 457 visa list and you are offering them at two TAFE campuses across New South Wales, one in Albury and one in Maitland. Let me move on and talk about the wall and floor tiling trade. Do you know how many TAFEs in New South Wales offer that one?

**Dr GEOFF LEE:** I will take that on notice, unless the Deputy Secretary or Managing Director of TAFE—

**Ms PENTON:** Given the nature of that particular trade, I will take that question on notice so that we can provide accurate information to the Committee.

**The Hon. COURTNEY HOUSSOS:** I can tell you that it is offered at four: It is offered at Griffith, Macquarie Fields, Newcastle and Randwick. This is another one that is on the 457 visa list. How are you addressing the skill shortage? This is another area of skill shortage where it is only offered at four out of 130 TAFE campuses.

**The Hon. WES FANG:** Point of order: I think the Hon. Courtney Houssos needs to cut down on the rhetoric that is mentioned before the question and just ask questions.

**Mr DAVID SHOEBRIDGE:** To the point of order—

**The CHAIR:** I think it is reasonable for questioners to have a preamble before coming to their point of questioning. I will allow the Hon. Courtney Houssos that latitude, although I think the best questions are short and direct. The technique is in the hands of the member of Parliament.

**The Hon. COURTNEY HOUSSOS:** Thank you very much. Minister, wall and floor tiling trade.

**Dr GEOFF LEE:** Certainly in terms of any of the skills that should be supplied and delivered as part of TAFE, we have a NSW Skills Board that provides independent advice to our Government to meet the training needs of New South Wales individuals, industry and the economy. The skills board activity and advice is underpinned by the New South Wales Government priorities for vocational education and training skills and workforce development. Our board oversees the effective functioning and performance of the funding of the New South Wales vocational education and training [VET] system and provides advice to ensure that the State's training and skills development needs are met. This includes making all recommendations to the Minister regarding the New South Wales skills list.

The board also oversees the reform of the VET system in New South Wales and maintains TAFE as the major provider. Over the next few years an increased focus on workforce development and labour market needs will enable the board to advise the New South Wales Government on how the training system can be more dynamically responsive to changing labour demand. Board members have extensive knowledge and experience in business skills and educational policy. They also have the expertise in education and training management, project risk management, business, industry and government, economics, market operations and finance.

**The Hon. COURTNEY HOUSSOS:** Perhaps, Minister, if you are reading from a document, it might be more useful if you table or provide that to the Committee because I am interested to draw you to the annual report, which says:

We forecast the future demand for skills, based on industry advice and our analysis of economic, demographic and labour market research and trends. This analysis helps us to plan which courses and qualifications we will deliver, in which locations.

Do you think that planning is appropriate? We are in the midst of a construction boom. We have two very specific skill sets that are clearly in demand and they are being offered at a very small number of TAFEs across New South Wales.

**Dr GEOFF LEE:** What I do think is appropriate is that we use the expertise within TAFE and its management and within the campuses, management of TAFE and the skills board to look at what is required, and that is in combination with Training Services NSW, and to look at the programs that should be on offer and are on offer, and that we make decisions, and from time to time we need to review those decisions and adapt to the market changes—

**The Hon. COURTNEY HOUSSOS:** And will you review them, Minister?

**The Hon. WES FANG:** Point of order: I am interested in what the Minister is trying to say and the Hon. Courtney Houssos is continuing to interject halfway through an answer. The Minister needs to be provided—

**The CHAIR:** Yes, we will give the Minister the latitude to finish his answer.

**Dr GEOFF LEE:** Thank you, Chair. As you would know, construction, manufacturing and servicing industries change over time. TAFE is not a stagnant offering of the same courses over time. It has to change and reflect the needs of the industry and needs of the students, and over time we change those course offerings. I think it is only reasonable that as information comes to hand, demand is realised, we change TAFE course offerings to reflect, as I said before. My thoughts on the matter are that TAFE should play two essential roles, not only for the learner, the students themselves, but deliver for the jobs and industry in their region. We are more than happy to continue our monitoring of each individual situation, each individual industry, and provide courses as necessary to meet market demand. I mean we are already offering some 1,200 courses across the 130-odd campuses, and that is I think the responsibility of TAFE, to actually look at demand.

**The Hon. COURTNEY HOUSSOS:** Minister, I am going to stop you there because we do have limited time. I have listened carefully to your answer and it seems like it is a generic answer to how TAFE should be approaching the provision of—

**The Hon. WES FANG:** Point of order: It is not for the honourable member to editorialise about what the Minister is answering. The Minister is able to answer the question as he sees fit and may delegate the answer to another member of the panel should he feel that they are the best person to answer the question. It is not for the Hon. Courtney Houssos to provide her commentary on what she believes the Minister is answering.

**The CHAIR:** With regard to the point of order, I am hoping common sense can prevail such that a Minister who clearly has given ample amounts of information can then be subject to a further question as the member jumps in. I do not think this is a meeting so formal that it is impossible to have common sense apply, so I will give the floor to the Hon. Courtney Houssos, who will ask her next question.

**The Hon. WES FANG:** It is the editorial comments, Mr Chair.

**The CHAIR:** With due respect to the Hon. Wes Fang, I am chairing the meeting. I am hoping to get a fair perspective whereby questions can be asked in the public interest, Ministers can provide ample information and we can have a decent flow without so much of our time taken up by points of order and procedural matters. I know they are important in any parliamentary forum, but here, with common sense and a reasonable flow of questions and answers, I am hoping we can arrive at a point of consensus where the meeting flows.

**The Hon. COURTNEY HOUSSOS:** Thank you very much, Mr Chair. Minister, this particular report said that the demand for construction trades is well above the national average in New South Wales. The national average is 4.5 per cent. The survey results are 6.8 per cent. We have two key skill shortages that we are bringing people in from overseas to fill but TAFE is not training our local kids. What is your answer to that?

**Dr GEOFF LEE:** I am very proud to say that New South Wales is doing exceedingly well in terms of its construction industry. I think that is largely due to the \$93 billion of infrastructure that New South Wales is delivering over the next four years through projects like WestConnex and others like that. We also have the Infrastructure Skills Legacy Program, which has allowed the opportunity for over 5,000, nearly 6,000 people to get their first taste of work in the construction industry. It is—

**The Hon. COURTNEY HOUSSOS:** Minister, we will get to trade work on government projects later in questioning. What I am asking is how you are addressing these specific skill shortages in TAFE.

**Dr GEOFF LEE:** As I said before—and I will hand it over to the secretary or to the acting managing director, Kerry Penton, in a second—there are 100,000 free apprenticeships that we are rolling out over the next four years. From memory, over 23,000 apprentices have taken up the free apprenticeships around that. I am more than happy to get the exact number if my colleagues have it. Certainly the 70,000 traineeships as of 1 January are very important and the 30,000 mature age places will be very—

**The Hon. COURTNEY HOUSSOS:** Minister, you have given us those figures.

**The CHAIR:** Order! The Minister will be allowed to finish. He has referred further information onto officials who will also be given the floor. Mr Scott?

**Mr SCOTT:** Of course it is a complex matter and it is not an precise science. We know that supply and demand of skilled workers for industry will not always be in immediate correlation, so we need to work closely with industry to get the best insights we can as to what that demand will be and also be in a position to respond quickly. You have identified already a report. I can assure you that the Minister and the department are in close contact with industry and are tapping into industry expertise. That is what the NSW Skills Board is all about. The board was created to provide the Government with advice from people very experienced in the industry as to what the supply and demand requirements of industry will be. Then, as the Minister said, we need to work closely with industry when we are looking to create apprenticeships. What the Government needs to do, and what it does do with its free offers and the like, is to create an environment where training is attractive to students. But also we need industry to step forward and provide those partnerships for apprenticeships. The Minister has been asking them to do that as well.

**The Hon. COURTNEY HOUSSOS:** I am going to stop you there because I have limited time left. I want to ask the Minister—

**The CHAIR:** There was an indication that perhaps Ms Penton would want to provide some information as well. I know there is an urgency to get through a large number of questions but we are here to elicit information from officials. Ms Penton, did you want to add to the answers that have been given?



**Ms PENTON:** Thank you, Chair. This is a really important question. It goes to the heart of what we do from a TAFE NSW perspective. It is based on the close relationship that we have with employers and with students as they make their way through school through programs like VET, and Technical and Vocational Education and Training [TVET] programs, which introduce young people to trades early on in their educational career. TAFE NSW does detailed planning on an annual basis. We work closely with 2,500 employers across the State to track and monitor skills and skills demand so that we can prepare and plan. In all of these areas, particularly the critical emerging skill shortage areas, it takes a range of strategies in order to respond to them. It takes our close relationship with employers and employers employing apprentices.

**The Hon. COURTNEY HOUSSOS:** I have 30 seconds left. I would like to pose one more question to the Minister—

**The CHAIR:** You do. One more question.

**The Hon. COURTNEY HOUSSOS:** —because we have plenty of time with the public servants this afternoon. Minister, how many of the 100,000 free places will be offered in fibrous plastering and wall and floor tiling?

**Dr GEOFF LEE:** Certainly as the secretary explained, this is a demand-driven system.

**The Hon. COURTNEY HOUSSOS:** Okay. Why don't you just take that on notice and why don't you tell me then how many of them will be offered—

**Dr GEOFF LEE:** No, I was trying to answer the question.

**The Hon. WES FANG:** Point of order: The Hon. Courtney Houssos has once again interrupted the Minister, who was providing a very detailed answer, with editorial comment. The member should ask her question and then listen to the answer. She should not interject during the answer with editorial comment.

**The Hon. COURTNEY HOUSSOS:** To the point of order: It was not editorial comment. I said he could take it on notice. I wanted to ask another question before my time expired but I was unable to do so because the Hon. Wes Fang took another point of order. I ask that the Hon. Wes Fang be called to order.

**The CHAIR:** I urge both Government and Opposition members to allow the Chair to chair the meeting. I hope Committee members have seen from Wednesday's hearing that I am fair-minded in what I am trying to achieve here—any witness who talks for too long and filibusters will be called to order and the next question will be asked. I urge Opposition members to consider that by interrupting and provoking a point of order from a Government member, having a debate about procedural matters and then me ruling on it, we are actually eating up more time than was available in the first place. At the moment it is the time of Mr David Shoebridge, later it may be at greater cost to the Labor Opposition.

**Mr DAVID SHOEBRIDGE:** It is not in order.

**The CHAIR:** I ask to be allowed to chair the meeting in a fair way. I can guarantee that I will not let witnesses talk for too long where they are clearly just trying to eat up time. I will also allow witnesses to answer questions in a reasonable way without being interrupted by Committee members.

**Mr DAVID SHOEBRIDGE:** Just to be clear, my time starts when I start asking questions and not, I assume, at the beginning of a lengthy ruling, which I am not in any way cavilling with.

**The CHAIR:** That is right. Fire away.

**Mr DAVID SHOEBRIDGE:** Minister, according to figures from the National Centre for Vocational Education and Research [NCVER], which I think is the best spot to go for numbers in vocational education, New South Wales TAFE student numbers have fallen between 2015 and 2018 by 20 per cent—from 296,000 students in 2015 to 234,000 students in 2018. How on earth has that happened given that we have a skills shortage?

**Dr GEOFF LEE:** I thank the member for his question. Are you talking about the NCVER report?

**Mr DAVID SHOEBRIDGE:** I am, total VET students and courses from 2018.

**Dr GEOFF LEE:** Let me assure you that TAFE NSW remains the largest VET provider in our nation. In fact, it is probably the largest VET provider in the southern hemisphere. This year's enrolment is over 400,000—I think it is close to 436,000. We will certainly continue to provide every assistance we can to encourage young people to take up VET at TAFE as fantastic skills training so that they can get a wonderful job and a rewarding career. In 2015 long before I was Minister—I think I have been Minister for 23 weeks or something like that, so obviously that historical legacy is before my time—the change in the VET-fee help rippled through the economy

and the demand. There was significant pressure when the Federal Government changed the way it funded the VET sector and we are seeing the results of that today.

I would also comment that there is an inverse relationship between employment and the demand for education. My experience at university certainly is that when the economy is doing well and there is close to full employment or unemployment is low, people actually choose not to go back to further studies because they can just get a job. When the economy flatlines and decreases, people think: I need some skills. I need some training. I need a better education. I need better qualifications to compete in a tight market. I think you would say that New South Wales has been doing particularly well as a strong financial centre. The employment in the sectors is very strong.

I acknowledge that we do face critical skills shortages, not just in construction but in a whole range of manufacturing and service industries. I guess that is the challenge for our Government. How do we upskill or reskill people in the workforce? How do we actually encourage young people to make the TAFE or VET sector an equal and alternate path once they leave school after year 12? I think, as I alluded to before, the preoccupation or the bias towards going to university really hurt TAFE as a sector. Certainly we have some work to do as a government in reorientating students and encouraging not only students but also their parents, career advisers and principals that choosing VET as a worthwhile and rewarding career can give them great jobs and fulfil their life's ambitions. I do not know if Ms Penton would like to elaborate any more about the changes in numbers?

**Mr DAVID SHOEBRIDGE:** The rules of questions and answers in this Committee is that answers have to be directly relevant to the question. I asked about the 20 per cent reduction in TAFE student enrolment numbers just between 2015 and 2018. If anybody wants to give some directly relevant evidence to that, I would be pleased.

**Mr SCOTT:** I am happy to add to it. The phenomenon that is identified in the report is of course not a specific New South Wales phenomenon but a national phenomenon. As the Minister has alluded to, there is now significant engagement on a national level around participation rates in TAFE and vocational education. I refer you to the Gonski report which identified the need for a more focused approach to vocational education in the senior years of schooling. As the Minister alluded to, changes in higher education policy settings around vocational education certainly had an impact on enrolments nationally. I would also add that what we are seeing here in the vocational education sector is the continued impact of, in effect, a deregulation of the higher education sector and a dominance of the ATAR around the operations of senior years of schooling both in New South Wales and nationally. That is why I am on the record and education Ministers and secretaries around the country are on the record of saying that we are concerned that we need to improve the pathway through school to vocational education to then lead students to good career building opportunities in TAFE or other VET options.

This is a national phenomenon. It is worthwhile noting, if you look specifically at the New South Wales figures, the most recent figures from New South Wales shows government-funded enrolments increasing by 4.8 per cent from Q1 2018 to Q1 2019; TAFE New South Wales programs increasing by 5.5 per cent over the same period; TAFE NSW accounting for 80 per cent of government-funded programs; and that by comparison to the rest of the country, New South Wales having the higher proportion of government-funded program enrolments under locally developed skill sets, New South Wales is at 11.8 per cent and TAFE NSW is at 13.8 per cent compared to a national average of 6.8 per cent. What you can see from that is this is an area of national debate. The Prime Minister and Premiers have been discussing this. It is a priority to improve pathways to VET and to TAFE and there is a national concerted effort around that.

**Mr DAVID SHOEBRIDGE:** With all due respect to both of those answers all I have heard is that it is everybody else's problem except for yours. It is about the reduction Commonwealth funding, it is about the economy, it is about the perceptions of TAFE but there has been a fundamental failure on your Government's watch, Minister, which has seen 60,000 fewer students in TAFE just between 2015 and 2018. Does your Government take any responsibility for that failure or is it all somebody else's fault?

**Dr GEOFF LEE:** Mr Shoebridge, quite to the contrary. Can I suggest to you that our Government is being very proactive in providing the funded places, which is demonstrated in the data and Mr Scott highlighted those great achievements compared to the rest of the States. What we are seeing is—

**Mr DAVID SHOEBRIDGE:** You are not saying that a 60,000 student reduction—a 20 per cent reduction in TAFE numbers—is a great result? You cannot be championing that seriously, Minister?

**Dr GEOFF LEE:** No. What I am saying is if we had no intervention strategies and no support—

**Mr DAVID SHOEBRIDGE:** It would be more catastrophic.

**The CHAIR:** The Minister will finish his answer, please.

**Dr GEOFF LEE:** In fact, through our strategies and our investment, a significant investment in VET, that the numbers for New South Wales look relatively good compared to our other States. Mr Secretary and I both agree—

**Mr DAVID SHOEBRIDGE:** If everybody else has their head chopped off you are 12 inches taller, that is your answer?

**The CHAIR:** Order! The Minister will be allowed to finish this answer.

**Mr DAVID SHOEBRIDGE:** Everyone else has had their head their chopped off. We are 12 inches taller so it is okay.

**The Hon. WES FANG:** Point of order—

**The CHAIR:** Order! Chopping heads off is not a reasonable point that we would normally make. The Minister will finish.

**Dr GEOFF LEE:** Just to reiterate, new programs such as the new 70,000 traineeships we are offering are starting 1 January next year, another 30,000 for mature age students. This Government is about getting on, looking at what it can do to assist people to enter the VET sector. It is a national trend. We know about the bias towards university and we know about the bias created over the last 20 or 30 years generally held in the community that most people should go to university. We know that with close to full employment that people are actually choosing not so much to go and need a skill and that they can actually get jobs and work and be very successful.

**Mr DAVID SHOEBRIDGE:** Minister, do you think any part of the reason for the reduction in TAFE courses might have been your Government's decision to reduce funding to TAFE from the 2015-2016 budget of \$1.9 billion to the 2017-2018 budget of \$1.7 billion? You do not think maybe ripping \$250 million out of TAFE—and that is in non-adjusted terms—

**Dr GEOFF LEE:** Sorry, what was the figure you had for this year?

**Mr DAVID SHOEBRIDGE:** \$250 million.

**Dr GEOFF LEE:** How did you get that?

**Mr DAVID SHOEBRIDGE:** No, I am asking about 2017. Between 2015-2016 and 2017-2018—

**Dr GEOFF LEE:** I can confirm to you that TAFE's budget this year, if I am wrong, and you might be correct—

**Mr DAVID SHOEBRIDGE:** But could you answer my question?

**Dr GEOFF LEE:** —is \$1.85 billion at 3.1 per cent.

**The CHAIR:** The question is about funding levels.

**Mr DAVID SHOEBRIDGE:** Could you answer my question.

**The CHAIR:** Yes, the question has been asked and the Minister will answer about funding levels.

**Mr DAVID SHOEBRIDGE:** This is the reduction that I was talking about. Between 2015 and 2018 it coincided with your Government slashing TAFE funding from the 2015-2016 budget of \$1.9 billion. This is not adjusted for inflation—

**The CHAIR:** Order! I think the question has been asked. I think you have made the point.

**Mr DAVID SHOEBRIDGE:** —2017-2018 of \$1.7 billion.

**Dr GEOFF LEE:** What I can confirm is that this year's budget is \$1.85 billion at 3.1 per cent increase. I am very proud to say that we are offering a whole range of fee-free courses and highly subsidised courses.

**Mr DAVID SHOEBRIDGE:** You are dodging it, Minister.

**The CHAIR:** Order!

**The Hon. WES FANG:** Point of order—

**Mr DAVID SHOEBRIDGE:** You took a quarter of \$1 billion out of TAFE and you take no responsibility.

**The CHAIR:** David, your time has expired because you have not allowed the Minister to provide the answer.

**Mr DAVID SHOEBRIDGE:** He did not answer the question.

**The Hon. WES FANG:** And you do not editorialise over them.

**Mr DAVID SHOEBRIDGE:** He did not answer the question. Settle down, Wes.

**The CHAIR:** The Hon. Wes Fang will not interrupt. In terms of answering questions, we cannot sit in that chair. The Minister gives the answers and we ask the questions. It is now my turn. Minister, I return to the question of quality in the TAFE system and also vocational education [VOCED] in general. Would there be advantages in going back to a system of grades at TAFE rather than just a pass or fail descriptor or, as they are actually described, achieved, competent or not yet competent?

**Dr GEOFF LEE:** Yes. A very interesting question and a debate I think is worthy of having in the vocational education sector. Of course as the training package is governed by the Federal Government's Australian Skills Quality Authority [ASQA] and its regulation around quality control and the way we grade it. I will ask Kerry Penton if she may want to elaborate as soon as I am finished in terms of the debate about whether competent or not yet competent is sufficient for people to actually judge the merit of their achievement in TAFE. Let us just say TAFE as in VET sector.

The grading system as I think we have talked about before in terms of are you competent to become an electrician, which means can I wire up a power point, or am I not competent? There are only two levels: either you can or you cannot. I know you have expressed some concern that you say maybe you should get an A in wiring up a power point in two minutes rather than half an hour. I think that is more the debate we should have. I have actually asked the TAFE to look at a process, would this be possible? I am certainly open to saying that I can see the advantages. I certainly see the advantage of having competent or not competent. Are you safe to do something? Are you safe to wire up power? Are you not safe? They are the two states that you have.

**The CHAIR:** Do you think the business sector would like to know who are the higher quality people coming through, the best, so they have got a guide as to who they should employ?

**Dr GEOFF LEE:** As I said, I have sought advice from the department about the potential use of gradings. I see some merit in it, absolutely. For an employer, if you get an A-plus it sounds better than a conceded pass.

**The CHAIR:** It is better.

**Dr GEOFF LEE:** Yes. Certainly as an indication to employers it may be useful for that. Of course, when you have 400,000 students or more than 400,000, one issue in my mind, anyway, that would come up is how do you objectively measure an A versus a B across different campuses, different cohorts, so that you provide quality across those issues?

I mean, as a past teacher, I know that some of the teachers may grade people really high and others may grade them really low but how do you actually ensure that there is consistency and objectivity? I am not saying it is not possible and I do not fundamentally disagree.

**The CHAIR:** In answering that question, is it time for TAFE to have a separate assessment authority that is monitoring quality control, grades and achievements inside the system separating the awarding of qualifications from the design and delivery of courses?

**Mr DAVID SHOEBRIDGE:** And the standards in TAFE should be common across campuses surely?

**The CHAIR:** Yes, as we do obviously in the school education system?

**Dr GEOFF LEE:** I will defer to the Secretary or Ms Penton about that, but I will just make some brief comments about the quality assurance across campuses. ASQA does a thorough and rigorous job to ensure that competency standards are consistent across the 130 campuses. There is the internal department looking at SkillsPoints developing the curriculum that reflects industry needs, the teaching materials and the assessment process. There is a significant amount of focus on how we provide a valid and reliable measure of people's learning outcomes and whether they are competent or not competent.

**Ms PENTON:** Certainly as the Minister has described, TAFE NSW works across a national training system. Under the national regulator standards are set but importantly also the national training packages are set, and this is where competency-based training developed over time. Importantly, the development of training

packages is done in conjunction with industry and industry played a primary part in that, at arms-length with TAFE. The other thing of note with respect to training packages is that they are national packages. As the Minister said, they are moderation between both campuses in an organisation like TAFE NSW across 130. Then looking at the broader sector nationally across about 56 TAFEs is important. The other reason for the national qualifications is for mobility nationally. If you get a qualification in New South Wales that qualification is then recognised in other States. So it is a balance but it is also a debate in the sector as well. It is something that employers debate and we debate as educationalists but it is the common moderator across the sector on balance.

**The CHAIR:** Can we come to this question of the ASQA audits? Because there is a single registered training organisation [RTO] registration system in place, they do not do the full 130 audits, do they? They just do a sample?

**Ms PENTON:** That is correct.

**The CHAIR:** Is that limited in itself?

**Ms PENTON:** Because the whole system is regulated from an ASQA perspective—it is the national regulator—and that is absolutely focused on consistency of quality across the sector, audits that are undertaken are, by and large, samples and they happen periodically.

**The CHAIR:** How many sites will they visit in New South Wales each year?

**Ms PENTON:** From a TAFE NSW perspective, before we transition to one TAFE and bring all of our 12 RTOs together, it happened on a cyclical basis approximately every five years but I will get that exact data.

**The CHAIR:** They do 20 per cent of colleges per annum?

**Ms PENTON:** Yes.

**The CHAIR:** So you could go five years without an audit?

**Ms PENTON:** That would normally be a re-registration order, for example, but if there are new courses coming online, ASQA also recognises where there may be high-risk areas and they may audit the sector in between that. We also have our own internal auditing system as well.

**The CHAIR:** In South Australia they have had a big problem; the audits have found substandard courses, courses that had to be suspended or abandoned. What has been the New South Wales experience in that regard?

**Ms PENTON:** TAFE NSW, as I have indicated, has moved to one RTO from our previous 12, so it is the largest transition of RTOs nationally at any one time. Previous to our transition all of our 12 RTOS were registered and active in the system and with such a large transition ASQA has undertaken an audit of TAFE NSW and we have been working with them through that audit.

**The CHAIR:** So in 2018 how many courses would have been suspended because ASQA found them to be substandard?

**Ms PENTON:** I would have to take that question on notice.

**The CHAIR:** Can you do that for the last five years, if the data is available?

**Ms PENTON:** I would have to take that question on notice.

**The CHAIR:** In April of this year *The Financial Review* reported that companies and training organisations are having to do their own skill accreditation arrangements because the regulations are just so slow; they want to be very responsive to the needs of the business sector. Isn't this a sign that things have gone wrong in the system if they are doing it themselves?

**Dr GEOFF LEE:** Is that a question for me?

**The CHAIR:** Yes, it is, Minister.?

**Dr GEOFF LEE:** In general I would tend to agree. What we need to do is build a system that is faster and responsive to industry requirements and learn the needs as changes develop—new industries as they are emerging. Cyber security, artificial intelligence, automation and software network engineering are emerging areas that we need to develop and deploy valid and reliable courses to cater for our future skill needs. I would suggest to you, as a national framework, we are constrained by the packages that need agreement from multiple States through the national regulator ASQA. In terms of the overall length of time to consult with industry to get

agreement from the States, to get Federal Government agreement and to go right down, it is a long and arduous path, but I believe that we can make some headway. That is one of the issues.

We are meeting at the Council of Australian Governments with Michaelia Cash and one of the things that will certainly be discussed is how we can truncate some of those long processes to try to deliver industry requirements as they require them, or as close to, because clearly the length of time between approved training packages at the national level, development material at the State level and delivery at that State level can be too long in some instances.

**The CHAIR:** With regard to the single RTO registration for TAFE for 130 campuses, how fair dinkum can the ASQA accreditation process ever be, given that if you fail one college you are failing the whole system, aren't you? The system is too big. The one TAFE process is too big to allow proper risk assessment and auditing.

**Ms PENTON:** With respect, is the question is directed at me, Chair?

**The CHAIR:** Yes, that is right.

**Ms PENTON:** Certainly the ASQA framework is a Federal regulatory body which we are subject to and we cooperate with. From that perspective, how the regulation is determined and then executed is a Federal matter. However, I would say that the benefit of the one TAFE model is that the aspiration of it is to be able to provide consistent high-quality training across the State rather than where we have come from historically with separate institutes all developing curriculum material separately. Our students are often mobile, needing to and wanting to move from campus to campus and wanting to be guaranteed that TAFE NSW is offering a high-quality service.

**The CHAIR:** But it would suspend the whole registration, would it not?

**Ms PENTON:** It will depend on the matter and the concern. Again, unless there was a specific issue that you wanted to respond to.

**The CHAIR:** Okay. Thank you.

**The Hon. COURTNEY HOUSSOS:** Minister, how many fee-free places have been taken up this year?

**Dr GEOFF LEE:** In terms of the apprenticeships?

**The Hon. COURTNEY HOUSSOS:** You have talked about a number of different programs?

**Dr GEOFF LEE:** Yes, 100,000—

**The Hon. COURTNEY HOUSSOS:** You have talked about a number of different programs, a number of different—

**The Hon. SCOTT FARLOW:** The Minister is attempting to answer your question.

**The Hon. COURTNEY HOUSSOS:** He asked a question back to me.

**Mr DAVID SHOEBRIDGE:** They are helping each other while he is waiting to get the note, Wes.

**The Hon. WES FANG:** I didn't say anything; it was Scott.

**The CHAIR:** The Minister has the floor.

**Dr GEOFF LEE:** If it is on the skills list the apprenticeships will be fee-free. The total number also depends on how many employers are willing to take them on. I will take it on notice for the exact number. I do not want to mislead anyone. I will take it on notice is probably the best way to do it rather than mislead you.

**Mr DAVID SHOEBRIDGE:** Is it on track is the question?

**Dr GEOFF LEE:** I would assume so, yes.

**Mr DAVID SHOEBRIDGE:** Assume? Guess?

**Dr GEOFF LEE:** I have said I will take it on notice.

**The Hon. WES FANG:** The Minister is taking the question on notice.

**The CHAIR:** That is the answer. He is assuming that it is.

**The Hon. ANTHONY D'ADAM:** Minister, how would you respond to reports such as the ones produced by Youth Action, Uniting and Mission Australia who have found through their consultations that course options for young people in rural and remote areas have decreased in recent years? Have they decreased?

**Dr GEOFF LEE:** Well, I am not aware of those reports. I am more than happy, if you have the reports there, to have a quick look at them, but let me just say that rural and regional areas are a particular focus of our investment in TAFE. We have rolled out 14 Connected Learning Centres [CLCs] throughout New South Wales and we have plans and commitments to roll out another eight. I have personally been to and opened a number of them—at Murwillumbah, Scone and Yamba. The wonderful thing about them is traditional campus models—

**The Hon. ANTHONY D'ADAM:** I might bring you back to the question because I am seeking that you be directly relevant. It was about—

**The Hon. WES FANG:** I think the Minister was answering the question.

**The Hon. COURTNEY HOUSSOS:** Have you got a point of order, Wes?

**The Hon. ANTHONY D'ADAM:** It was specifically about decreasing course options. Have course options decreased for young people? I am happy for you to take it on notice

**Dr GEOFF LEE:** No, I am happy to say that the CLCs are a major initiative and what a wonderful initiative they are, because unlike traditional campus models—

**The Hon. ANTHONY D'ADAM:** We will come back to CLCs later in our questioning, if you would like to wait, Minister.

**The CHAIR:** The Minister can give his answer.

**Dr GEOFF LEE:** We are very excited about the CLCs and their ability to deliver distance education. When you go to them it is not like a traditional campus where you have lots of buildings and teachers in front of students—

**Mr DAVID SHOEBRIDGE:** There are not a lot of teachers.

**Dr GEOFF LEE:** The CLCs have the ability to connect remote and regional students and teachers together over the internet, to overcome the tyranny of distance. We can join three people who want to stay in this group in one region with another six people and build up a whole class and share resources so that we can get a class together to run courses. They are in the early stages. I have seen them personally and they are wonderful operations. They have mobile units that go out to see people. It is a wonderful opportunity to put presence where TAFE has never been. In Yamba—I was up there for the opening—it was amazing. The whole community came together because this is the first time TAFE had a presence in Yamba. It is a great opportunity. The use of technology, especially for rural and regional areas, is particularly important.

**The Hon. ANTHONY D'ADAM:** In light of that, you appear to be very well briefed on CLCs. Can you tell me how many students are currently enrolled in the Quirindi CLC?

**Dr GEOFF LEE:** I will take that on notice, unless Ms Penton has a number.

**The Hon. ANTHONY D'ADAM:** Are you able to tell me how many students were enrolled at Quirindi TAFE college before the CLC was opened?

**Dr GEOFF LEE:** I will take that on notice.

**The Hon. ANTHONY D'ADAM:** What about Tenterfield CLC? How many students are enrolled at Tenterfield CLC?

**Dr GEOFF LEE:** I will take that on notice.

**The Hon. ANTHONY D'ADAM:** Are you able to tell us how many students were enrolled at Tenterfield TAFE college before the CLC was opened?

**Dr GEOFF LEE:** I will take that on notice too. I just want to get you the right figure, that is all.

**The Hon. ANTHONY D'ADAM:** Are you able to provide us details of how many students are currently enrolled in the eight Connected Learning Centres in New South Wales?

**Dr GEOFF LEE:** Certainly I will take that on notice. That is the 14 centres you are talking about?

**The Hon. ANTHONY D'ADAM:** Fourteen.

**Dr GEOFF LEE:** I will take that on notice, to give you an exact figure.

**The Hon. ANTHONY D'ADAM:** How many courses are offered at each centre? Are you able to provide details on that?

**Dr GEOFF LEE:** Again, I will take that on notice. That is probably best, unless Ms Penton would like to elaborate on that?

**Ms PENTON:** Certainly the design of the courses and the number of courses have increased over time. We have to give the exact course list but there are examples where we will increase the range of courses at some centres by 25 per cent. Some of them are in the early stages and are just being built, others are more mature. We are certainly sharing those learnings across the CLCs.

**Dr GEOFF LEE:** Can I say that many of those are in the establishment period. I have been fortunate enough to open three, as I said, at Yamba, Scone and Murwillumbah. As we build up capacity through the centres we can offer more courses through those centres. They are in their infancy in terms of their development. As people in the communities rally around the centres we will be able to offer more things. It is a case of building up the numbers as we go, as they are fairly new.

**The Hon. ANTHONY D'ADAM:** You will understand that there is concern about CLCs, given that they have appeared to replace existing TAFE colleges. There is a concern that the Government's intention is to replace existing TAFEs with CLCs. Can you guarantee that no existing TAFE facility will be closed to make way for further CLCs?

**Dr GEOFF LEE:** I can guarantee that we are going to offer different modes of delivery that suit industry and students—

**The Hon. ANTHONY D'ADAM:** So that is a no?

**The CHAIR:** Allow the Minister to answer.

**Dr GEOFF LEE:** Can I say that one model will not fit all students in all industries and all regions and all geographic areas and all communities. What we need to do, as a responsible government, is to offer different modes of delivery—what is most appropriate for students, what is most appropriate for the industry and what is most appropriate for the communities of concern. We are upgrading and building a new TAFE centre at Meadowbank, right next to the school, to offer a different super campus education model. What a wonderful opportunity it is to look at how we can combine high schools with TAFE together on one campus. That is an example of a different form of delivery. By saying that we are only stuck to one model is not the right way that we should manage TAFE—with 130 campuses, with 170-odd places that we deliver TAFE courses, with delivery online. I think we have a fantastic opportunity to offer different streams that suit different cohorts in different situations.

**The Hon. ANTHONY D'ADAM:** Minister, are you saying that CLCs are a preferred method of delivery to traditional TAFE colleges? This is your opportunity to assure communities that they will not lose their TAFE colleges.

**The Hon. WES FANG:** Is there a question there?

**The CHAIR:** Yes, the question is there is an opportunity to give an assurance, Minister.

**Dr GEOFF LEE:** I can assure you that CLCs are complementary to our nature of delivery, as TAFE online and distance education are complementary measures, as are traditional TAFE models and our mobile units, which actually go out and see remote communities. We have to provide an array of delivery-type services or channels and each one is not mutually exclusive but complementary to each other. I think with a large organisation—over 400,000 students across the State—we need different channels to reach different audiences which suit the industry and communities.

**The Hon. ANTHONY D'ADAM:** Minister, are CLCs just a mechanism to free up land so that the Government can sell off TAFE land?

**Dr GEOFF LEE:** No.

**The Hon. ANTHONY D'ADAM:** Will you give a guarantee that the Government will not sell off TAFE campuses in this next term.

**Dr GEOFF LEE:** I can give you a guarantee that we will use our assets to the best of our ability to educate students and provide them every opportunity with high-class training, training that is fit for purpose,



training that meets industry requirements. We will do everything we can to make sure that we address critical skills shortages in the industry and we will do everything we can to make sure that we respond to communities that they serve. I think it is a great opportunity because of TAFE's size and scope and importance. Let me assure you that the Government will make TAFE the gold standard in vocational education and training [VET] education. I make no bones about that and I will stand that up in every speech I give: TAFE should be the gold standard and VET education will drive our resources to do so.

**The Hon. ANTHONY D'ADAM:** Minister, you are confident that facilities available at CLCs are up to standard? Can you guarantee that all CLCs have toilets, for example?

**Dr GEOFF LEE:** I would assume every CLC has a toilet but I am more than happy to—it is an unusual question. I would assume that as part of their build—

**The Hon. ANTHONY D'ADAM:** As I understand it, in Dapto they do not—

**Dr GEOFF LEE:** —and their development application [DA] and their building application [BA]. I am more than happy to look at that but when you build a building, normal council compliance—you have access to toilets, you have access for people with special needs, you would have running water, you would have electricity. Mr Secretary?

**Mr SCOTT:** I would expect so.

**Dr GEOFF LEE:** Electricity is probably important too.

**The Hon. COURTNEY HOUSSOS:** Can I just stop you there. You said that you need to have access to toilets. That is not what my colleague was asking. Are there toilets included in the builds? That is a very different—

**Dr GEOFF LEE:** I see. I think you were confusing Dapto because Dapto has an access point in there. You can access the TAFE facilities. It is not actually a CLC.

**The Hon. COURTNEY HOUSSOS:** Sorry, so Dapto is not a CLC?

**Dr GEOFF LEE:** No, it is an access point.

**The Hon. ANTHONY D'ADAM:** Does it have toilets?

**Dr GEOFF LEE:** Access points provide students to self-service access to information available and support via digitally enabled spaces, which is quite different from a CLC. CLCs are a different beast.

**Mr SCOTT:** My understanding, Mr Chair, is that there is a toilet available at the access point, of course.

**The Hon. COURTNEY HOUSSOS:** Yes, it is available but it is not actually at the same location.

**Mr SCOTT:** My advice is the access point contains one toilet, which is shared by staff and students.

**The CHAIR:** So the access point has an access point for the toilet?

**Mr SCOTT:** Correct.

**The Hon. ANTHONY D'ADAM:** Minister, how many teachers are employed on a full-time basis at a CLC in New South Wales? What is the staffing model?

**Dr GEOFF LEE:** I will take that on notice.

**The Hon. ANTHONY D'ADAM:** You are not briefed on that one?

**Ms PENTON:** It varies across the State, depending on the location.

**The Hon. ANTHONY D'ADAM:** Is there a staffing formula for CLCs?

**Ms PENTON:** Staffing formulas? In the development of the CLCs we have looked at the workforce model for them but also considering that they are based at existing campuses. Some of them are refits of existing campuses as well. So all of our campuses have an existing workforce. Where there are new ones we are obviously adding staff for those as well in communities where we have not had campuses based previously. I can take that question on notice.

**The Hon. ANTHONY D'ADAM:** Minister, how much face-to-face contact does a student studying at a CLC receive?

**Dr GEOFF LEE:** Certainly it would depend upon the course on offer and whether the teacher is standing in the room or being beamed across to another CLC. If you have a specific course I can perhaps help you.

**The Hon. ANTHONY D'ADAM:** I do. I have a question about Certificate IV in Ageing Support which I understand is offered at Ultimo TAFE and has a very specific requirement in terms of face-to-face. Then at Singleton CLC that standard is substantially different. Do you have details of that?

**Dr GEOFF LEE:** I will take it on notice and get back to you.

**Mr SCOTT:** Can I add, it is a different mode of delivery. That is the way it has been designed. We have ongoing issues and challenges that have existed for decades now about access to high quality higher education, technical and further education and vocational education for students in regional areas. If you look at the data you will see that participation rates over decades now have been lower in higher education, vocational education and TAFE for students in rural and regional settings than they have been in metropolitan areas. I think one of the great opportunities that comes with digital technology and access to fast broadband is to help students overcome the tyranny of distance. That will mean different modes of delivery. One of the things that these CLCs provide with digital enhanced and flexible learning is access for students in regional communities and it provides access to great teachers wherever those teachers may be.

They may not be in every town or regional centre and you may need to beam them in, which is what this technology allows us to do. CLCs are complemented by mobile training units and these provide the physical resources to deliver high quality, practical hands-on training alongside digitally enabled and face-to-face learning. It is a different mode. If your question is: Are connected learning centres different and is the mode of delivery different? Yes, but there are real upsides that come with that opportunity and that is why they have been created, that is why they have been expanded, that is why the Minister has opened a few and that is why TAFE will continue to monitor the impact of these CLCs over time to see whether, in fact, as the Minister says, it is an important complement to the traditional offerings.

**The Hon. ANTHONY D'ADAM:** The line of questioning is about whether participants in courses in rural and regional areas through CLCs are getting a substandard course compared to what is provided in the urban context. Coming back to the question about Certificate IV in ageing, this is background to the question: 20 hours of face-to-face if you do it in Ultimo but in Singleton it is attend the CLC on every second Wednesday from 3.00 p.m. to 5.00 p.m. It is clearly a different standard. The same course but a different standard in terms of the expectations and quality of learning that is being provided. What do you say to that, Minister?

**Dr GEOFF LEE:** What you described, can you read it out again? Twenty hours face-to-face?

**The Hon. ANTHONY D'ADAM:** Twenty hours face-to-face 9.00 a.m. to 4.00 p.m. in Ultimo and at Singleton every second Wednesday 3.00 p.m. to 5.00 p.m.

**Dr GEOFF LEE:** You are asserting that it is 20 hours of face-to-face over what period? Is that per week or month?

**The Hon. ANTHONY D'ADAM:** Your weekly timetable.

**Dr GEOFF LEE:** I will get back to you about that with the specific details of courses. Can I say that Ms Penton was highlighting the need for quality assurance and common standards across the State delivering any Certificate IV. Each certificate has a requirement. The way it is delivered may be slightly different but there are common standards across all our Certificate IVs in any particular issue. I am more than happy to get back to you about it.

**Ms PENTON:** Without further detail, if it is 20 hours a week at Ultimo it might be full-time study for those particular students. Many of our students also study part-time because they are working at the same time as well. We will take that question on notice and provide additional information to the Committee to compare the two delivery modes.

**The Hon. ANTHONY D'ADAM:** Minister, are any students with disability involved at CLCs?

**Dr GEOFF LEE:** I would initially say yes but I will take that on notice. I do not want to mislead. TAFE on average has one out of 11 students that have identified with a special need. You would assume that ratio would continue through the CLCs because they are just part of the community.

**The Hon. ANTHONY D'ADAM:** Are there onsite support services provided for students with a disability at a CLC?

**Dr GEOFF LEE:** It depends what you mean by onsite services.

**The Hon. ANTHONY D'ADAM:** Are there any services provided for students, the kinds of supports that would normally be provided at a full TAFE college?

**Mr DAVID SHOEBRIDGE:** Learning aids, people to assist them.

**Dr GEOFF LEE:** Certainly we comply and have a strong dedication to looking after those people with special needs. I will ask the Secretary or Managing Director to comment about specific requirements. Certainly CLCs do not absolve themselves from those commitments to look at helping and assisting people with special needs or disability. We are proud that one out of 11 students have a disability throughout TAFE. I am more than happy to give you more detail.

**The CHAIR:** Ms Penton, do you have extra detail?

**Ms PENTON:** With respect to the access to support and disability services, when a student identifies that they require assistance they are allocated one of our disability consultants from across the State, depending on the geography. Each of those individual students are assessed and in conjunction with the teacher and teaching time we provide an adjustment to that program for that particular student. It is about valuing a team that is available. Because they are specialist roles they are not available at every campus. We provide that service across the State as a statewide service.

**The Hon. ANTHONY D'ADAM:** Minister, in February 2019 your Government announced a new TAFE campus at Nelson Bay, is that correct?

**Dr GEOFF LEE:** Nelson Bay, in terms of?

**The CHAIR:** A new TAFE campus. We will work on the assumption it is true. Is there a follow-up question?

**Dr GEOFF LEE:** It was a Connected Learning Centre.

**The Hon. COURTNEY HOUSSOS:** That was not the commitment.

**Dr GEOFF LEE:** No, we committed to another eight Connected Learning Centres over the next four years and they include Byron Bay, Batemans Bay, Coffs Harbour, Jindabyne, Nambucca Heads, Nelson Bay and West Wyalong.

**The Hon. COURTNEY HOUSSOS:** This is a case of the community being told one thing before the election and being actually given something different afterwards.

**The Hon. WES FANG:** Point of order—

**The Hon. COURTNEY HOUSSOS:** Was not the Nelson Bay community promised a new TAFE campus, not a new learning centre?

**The CHAIR:** The Hon. Wes Fang has taken a point of order.

**The Hon. WES FANG:** Mr Chair, the member again wants to editorialise. I invite her to write a column for the *Guardian*, otherwise just focus on the questions.

**The Hon. COURTNEY HOUSSOS:** Have you been practising that for a while, Wes?

**The CHAIR:** I am ruling on the point of order. I do not know about writing for the *Guardian*.

**The Hon. SCOTT FARLOW:** I do not think you have been published in the *Guardian*, Mr Chair.

**The CHAIR:** It is highly unlikely.

**The Hon. COURTNEY HOUSSOS:** Wes has written that down. He prepared it from earlier.

**The CHAIR:** The question is did the Government promise Nelson Bay a full TAFE or a CLC and what are you delivering?

**Dr GEOFF LEE:** We are delivering a Connected Learning Centre, which is a TAFE campus.

**The CHAIR:** What did you promise?

**Dr GEOFF LEE:** We are delivering a Connected Learning Centre, which is a TAFE.

**Mr DAVID SHOEBRIDGE:** Minister, the electoral commitment was eight new TAFE campuses. Are you now saying that the actual outcome will be eight new Connected Learning Centres? You understand there is a difference between a full TAFE campus and a Connected Learning Centre?

**Dr GEOFF LEE:** I understand that they are complementary modes of delivery.

**Mr DAVID SHOEBRIDGE:** You know they are different?

**Dr GEOFF LEE:** It is a TAFE institution.

**Mr DAVID SHOEBRIDGE:** Can we start at the beginning. You know there is a difference between a TAFE campus and a Connected Learning Centre?

**Dr GEOFF LEE:** It depends upon your definition. But there can be a difference between traditional TAFE campuses and new TAFE campuses.

**Mr DAVID SHOEBRIDGE:** You are the Minister, right?

**Dr GEOFF LEE:** Yes.

**Mr DAVID SHOEBRIDGE:** You know there is a difference between the CLC and the TAFE campus?

**Dr GEOFF LEE:** That is right, I am the Minister—

**Mr DAVID SHOEBRIDGE:** If you do not know that we are in trouble.

**Dr GEOFF LEE:** But they are both TAFEs.

**Mr DAVID SHOEBRIDGE:** No. Do you know—?

**The CHAIR:** I urge the Minister to give a direct answer to this.

**Mr DAVID SHOEBRIDGE:** Could you answer the question directly?

**The CHAIR:** It seems fairly clear cut: Is it a TAFE or a CLC?

**Dr GEOFF LEE:** It is a TAFE CLC. It is still a TAFE institution that delivers services.

**Mr DAVID SHOEBRIDGE:** Let us start at the basics, right? You have CLCs and then you have full TAFE campuses? Do you, as the Minister, do you have your head around the portfolio enough to know they are different?

**The CHAIR:** I rule that question out of order. That is not valid questioning.

**Mr DAVID SHOEBRIDGE:** Do you know they are different?

**The CHAIR:** The Minister has said they are different. Next question please.

**Mr DAVID SHOEBRIDGE:** The commitment your Government gave was eight new TAFE campuses. Are you delivering eight new TAFE campuses or are you delivering eight new connected learning centres?

**Dr GEOFF LEE:** We are delivering eight new connected learning centres, which are TAFE facilities run by TAFE.

**Mr DAVID SHOEBRIDGE:** I will put this to you: The promises your Government made were misleading when it said there were eight new TAFE campuses, because it is not delivering that, it is delivering eight new connected learning centres. What do you say?

**Dr GEOFF LEE:** We are delivering eight new connected learning centres, which are TAFE-run facilities.

**Mr DAVID SHOEBRIDGE:** What was the rationale for the choice of these new regional connected learning centres? What was the study? Where was the report that identified where they should happen?

**Dr GEOFF LEE:** Obviously, as Minister for the past 23 weeks, clearly the rationale and the election commitments were done before my time. I am more than happy to take that question on notice.

**Mr DAVID SHOEBRIDGE:** Perhaps Mr Scott can help.

**Dr GEOFF LEE:** Mr Scott, you may talk about the reasons why.

**Mr DAVID SHOEBRIDGE:** Like it or lump it, Minister, you are responsible for what happened before you, though.

**The CHAIR:** No, let us hear from Mr Scott.

**Mr SCOTT:** I would add, but I do not want to be churlish, that TAFE joined the Education portfolio after the election as well. But let me give a little more detail. The commitment is clear: The commitment was to invest \$62 million to allow students likely to access State TAFE's statewide network of campuses and courses. That is what it talked about—connecting students to TAFE's statewide network of campuses and courses, which is, of course, what these connected learning centres are all about. There it is in the commitment with the dollar figures. We can go through them. I am happy to go through them. There is going to be one at Batemans Bay, one at Nambucca Heads, one at Nelson Bay, Byron Bay, Cobar, Hay, Jindabyne and West Wyalong.

**Mr DAVID SHOEBRIDGE:** Point of order: I take a point of order on the question. My question was: What was the study? What was the detailed planning that was relied upon to choose the eight regional campuses—not a list?

**The CHAIR:** The difficulty we have is that neither the Minister nor the senior official was involved in this portfolio area when this was undertaken.

**Mr DAVID SHOEBRIDGE:** Rather than an unrelated answer—

**The CHAIR:** They will take it on notice and give us an answer, and hunt down the culprits.

**Mr DAVID SHOEBRIDGE:** Minister, do you accept that taking a \$286 million cut out of the TAFE budget between 2015-2016 and 2017-2018 is, at least in part, responsible for the 20 per cent reduction in students between 2015 and 2018?

**Dr GEOFF LEE:** I certainly think that what we are doing in the latest funding of the \$1.85 billion worth of TAFE is providing excellent news and that the national figure, as you mentioned, is saying that unlike other States New South Wales is leading in terms of student numbers of government-funded places. I am very proud—

**Mr DAVID SHOEBRIDGE:** Minister, you know that is not even an attempt to address my question. Do you accept any responsibility on behalf of your Government for the 20 per cent reduction in students over the same period that your Government ripped \$286 million out of TAFE? Do you accept any responsibility?

**Dr GEOFF LEE:** I think you are trying to make it a very simplistic argument. It is a complex issue that has multiple factors. If you are able to predict the outcome of change in Federal funding—

**Mr DAVID SHOEBRIDGE:** I can predict the outcome of taking a quarter of a billion dollars out of TAFE: You will have less students.

**The Hon. SCOTT FARLOW:** Point of order—

**The CHAIR:** I uphold the point of order. Let's get back to the answer.

**Dr GEOFF LEE:** I think you are trying to boil it down and make a political stunt out of something that is a very complicated situation—

**Mr DAVID SHOEBRIDGE:** This is not a political stunt, Minister.

**The Hon. SCOTT FARLOW:** Point of order—

**Mr DAVID SHOEBRIDGE:** Ripping a quarter of a billion dollars out of TAFE and questioning you on it is not a political stunt.

**The CHAIR:** Order! I urge both the questioner and the Minister to avoid phrases like "political stunt" and things about political content.

**Mr DAVID SHOEBRIDGE:** It is not funny either, taking a quarter of a billion dollars, Minister. Stop smirking.

**The CHAIR:** We are here to gain information about the working of Skills and these higher qualifications. Could we just stick to information and facts.

**Dr GEOFF LEE:** Thank you, Mr Chair. As I was saying, it is a very serious matter in terms of student enrolments and how we encourage our young people. I think we went into over detail, but I am more than happy to go into the detail, Mr Shoebridge, about my understanding of why, and it is only my understanding of why, we have had a decrease in enrolments. As I said, it is because of 20 or 30 years of bias towards going to university,

setting up an ATAR system that is focused on a knowledge-based test, not vocational educational careers. It is about employment. Where we have high employment, people tend not to go back and do skills training, and it is about changes in the Federal Government's payments and support of students.

**Mr DAVID SHOEBRIDGE:** Point of order: My question was about the Government's responsibility and the Minister is now just repeating earlier answers.

**The Hon. WES FANG:** To the point of order: The Minister is being directly relevant to the question.

**The CHAIR:** The Minister has finished his answer. You can ask your next question.

**Mr DAVID SHOEBRIDGE:** Minister, the TAFE budget in 2015-2016 was, in nominal dollars, \$1.991 billion. The TAFE budget in this financial year, not adjusted for inflation, in nominal dollars is \$1.85 billion less than it was in 2015-2016. How is that addressing a skills shortage?

**Dr GEOFF LEE:** What we have to do is be very careful that we use every dollar of taxpayers' money to actually address the skills shortages. That is why the Smart and Skilled Program, the Government's policy of looking at critical skills shortages across a whole range of courses that our skills list provides, and looking at those skills, so we must use every single dollar effectively. What we want to do, for instance, for those 100,000 fee-free apprenticeships and I understand—I was passed a note—that the uptake so far has been 23,000, and you asked that before, so we are roughly tracking on the right number of 100,000, so that is over four years. But certainly we must use every dollar properly. I think it is about efficiently using that so that is what the one TAFE reform is about: It is about reducing those back-end costs, the avoidable costs, so that we can actually have those frontline staff—our teachers.

**Mr DAVID SHOEBRIDGE:** Can you provide the figure on notice about what the real reduction, adjusted for inflation, has been—the real reduction between 2015-2016 and the current year budget? Can you provide that on notice?

**Dr GEOFF LEE:** All the figures are available in the annual reports and the budget papers.

**Mr DAVID SHOEBRIDGE:** This is budget estimates, Minister. We want to know and I think the community has a right for you to give the answer to what the reduction is, adjusted for inflation, between 2015-2016 and your current budget. Will you do that?

**Dr GEOFF LEE:** All that information is available in the budget papers.

**Mr DAVID SHOEBRIDGE:** What is it? They are not available in the budget papers. They are not available from the budget papers, Minister. They are not in the budget papers. Will you provide the answer?

**Dr GEOFF LEE:** I refer you back to the budget papers and the TAFE annual reports.

**Mr DAVID SHOEBRIDGE:** They are not in the budget papers, Minister.

**The CHAIR:** I think the point is if the material is not in the budget papers you can take it on notice and provide the information to the committee.

**Dr GEOFF LEE:** Yes.

**Mr DAVID SHOEBRIDGE:** Why does the Government not, in its budget papers, clearly set out the amount of money that is going to TAFE compared to the amount of money that is going to non-TAFE providers? Why is it not set out in clear terms as a percentage and as real figures?

**Dr GEOFF LEE:** I think you need to ask the Treasurer that. He is the one who creates budget papers. As the Minister for 23 weeks I have not had an oversight of those budget papers, the composition and how we actually put those together.

**Mr DAVID SHOEBRIDGE:** Do you agree that transparency is good?

**Dr GEOFF LEE:** I know as the local member that I always want items in my own area of Parramatta to get in the budget papers, but that does not mean they actually get in the budget papers, and that is the aim of it.

**Mr DAVID SHOEBRIDGE:** I will ask a simple question: How much went to TAFE and how much went to non-TAFE in the VET sector—New South Wales Government money? Just a number.

**Dr GEOFF LEE:** Can I say that of the \$2.3 billion Skills budget, approximately 80 per cent went to TAFE, which is about \$1.85 billion.

**Mr DAVID SHOEBRIDGE:** How much State Government money went to VET provides that are not TAFE?

**Dr GEOFF LEE:** Other registered training organisations [RTOs]?

**Mr DAVID SHOEBRIDGE:** Yes, other Vocational Education and Training.

**Dr GEOFF LEE:** I will take that on notice. I want to get you the exact figure. I told you TAFE gets 80 per cent. I think it is an increase in last year. I think it is a 3.1 per cent increase over the previous year. But certainly for the exact number in terms of the other 361 RTOs, I think it is probably best if I get the right number to give to the committee.

**The CHAIR:** Can I address a question about skills shortages and the best way of meeting them? Is it possible for governments to spend a lot more money on TAFE, but not address skills shortage because there is a huge wastage rate—people with non-completion? Victoria recently had shocking statistics to show that only 30 per cent of the students there gained a qualification—a 70 per cent non-completion rate. What are the comparable statistics in New South Wales?

**Dr GEOFF LEE:** I will defer to Kerry Penton probably, or the secretary, in terms of that. Let me assure you—you highlight a good point—it is not just about the quantum that we enrol in the course, it is about the quantum that we actually get out the other door.

**The CHAIR:** Yes, who completes it—the outcomes.

**Dr GEOFF LEE:** And as a past educator, I know one of our key metrics was to reduce attrition in year 1 because we know that if you get through year 1 you are probably going to get through your course. The difficulties I see in the VET sector is that we ask people to do apprenticeships. They are 16 or 17 years old, they may start an apprenticeship—I was in the landscaping industry—and they may think, "I like the outdoors life", but then they get a year into it and go, "Hang on, it is really hot and really cold and really wet and rainy", and they want to leave and do something else, maybe in an office, and are not suitable for that career. We are dealing with an area of people's decision-making that is changing rapidly in their formative years, and I think you are exactly right: The attrition rate, keeping them in the programs, is so important to actually gain the maximum—

**The CHAIR:** Yes, how are we going with that, Kerry?

**Ms PENTON:** From a completion rate, it does vary across levels of qualification, as the Minister said.

**The CHAIR:** But the 130 colleges—what is the comparable New South Wales statistic?

**Ms PENTON:** I would have to take that question on notice in order to provide you with an accurate—

**The CHAIR:** What was the general stat you were going to provide? Is that your answer: that it varies across qualifications?

**Ms PENTON:** It does vary between qualifications and between student cohorts.

**The CHAIR:** But you can get us the exact number?

**Ms PENTON:** We will provide that information for the Committee.

**The CHAIR:** Thank you. Just on quality again—

**Mr SCOTT:** Just on that, we are doing more work on this to try to track the patterns across vocational education and TAFE as the pathways through. There is no doubt that we can see the impact of school-based TAFE programs as being a good predictor of students then continuing through to do TAFE courses and to complete TAFE courses. So we are doing more extensive work trying to track and therefore predict the best pathways through for enrolments and completions.

**The CHAIR:** Okay, so we cannot say what the completion rate is, but we are trying to lift it.

**Mr SCOTT:** That is right.

**The CHAIR:** That is half reassuring. On this question of quality, there is a criticism of the TAFE system that the financial incentives are geared up for tick and flick, that basically anyone can get through if they want to do the full duration of the course. That is not really meeting skills shortages either, is it, because businesses must get a lot of people who are just not up to the task and they end up short-term employees and we are back to square one?



**Dr GEOFF LEE:** I could not agree with you more that any dodgy registered training organisation that does that should be driven out of the industry, that tick and flick is not suitable. It is taxpayers' money and we should never accept those courses. I just want to say that TAFE should be the gold standard in VET education and, as part of that, we are focused on that quality. The assessment of the quality assurance for all RTOs has a role in that—it has a very strong role—as does Training Services NSW, which has a very strong role in making sure that the RTOs, including TAFE, actually deliver what they are supposed to deliver.

**The CHAIR:** Has tick and flick been a problem particularly in the building industry, given the faults we have with apartment towers in Sydney?

**Dr GEOFF LEE:** Mr Chair, I would hardly—can I suggest to you that that is a long bow to draw and I would not like to presume that.

**The CHAIR:** But is it possible and something that you are examining, given the importance of it in terms of public safety?

**Mr DAVID SHOEBRIDGE:** It has been identified in a series of State and Federal reports; you are not denying it.

**Dr GEOFF LEE:** I am saying I would not like to make the comment that the Mascot or the Opal towers problems happened because of an RTO tick-and-flick methodology.

**The CHAIR:** What steps are being taken to improve measurement of TAFE and private RTO student outcomes in the building sector, especially those obtaining qualifications through recognised prior learning pathways?

**Dr GEOFF LEE:** We have a strong and robust framework for ongoing assessment in terms of our Training Services NSW and the 362 RTOs they fund, of which TAFE is one. I will ask Ms O'Loughlin to maybe detail some of those, but additionally we have Australian Skills Quality Authority [ASQA] reporting and monitoring and compliance requirements, which are significantly—

**The CHAIR:** Specifically, have the officials, departments and authorities said, "Look, there is a problem clearly with the standard of work in these apartment towers. Does it relate to the types of skills that we are producing in the building sector as vocational education providers in New South Wales, and can we examine that and, if there is a problem, how are we fixing it?"

**Mr DAVID SHOEBRIDGE:** You must have heard employers saying, "There is a certificate, but they haven't got the skills."

**The CHAIR:** Yes, "They don't know what they are doing."

**Mr DAVID SHOEBRIDGE:** You must have heard that.

**The CHAIR:** It is not a long bow; I think there is a direct linkage here. I am trying to get information on whether it is under examination and what solutions are being put in place.

**Dr GEOFF LEE:** I will let Ms O'Loughlin answer that in a second, but whenever there is a problem and there are complaints, those complaints are investigated. They are looked at to see whether there is a systemic problem. Of course, you often hear anecdotal evidence that someone got a certificate and they should not have got a certificate. But where there are systemic problems and we hear complaints—

**The CHAIR:** Yes, but this is a high-profile, specific industry problem that we are all very worried about. Has it been examined in terms of the skills quality, and what are we doing about it? Ms O'Loughlin?

**Ms O'LOUGHLIN:** In terms of the specific question going to the problems at the moment in the construction industry and buildings, I would have to take that on notice. I do not know if there has been an investigation into the skills quality for those builds.

**The CHAIR:** But if you do not know, it probably has not happened.

**Mr SCOTT:** Mr Chair, I suppose my perspective on this is that we know that there are significant government-wide inquiries that are going on into what has happened in the building industry, which goes to the nature of construction and the nature of regulation. We will fully co-operate with any inquiries that come from those broader government-wide reviews that go to the nature of training and the nature of certification, but we have not unilaterally on our own set off to investigate those matters where there are other government-wide reviews taking place. So we are happy to engage—



**The CHAIR:** So you are not examining the quality standards in building skills as a product of these apartment tower faults?

**Mr SCOTT:** No, I would say that the Government more broadly and, I am sure, questions in other committees particularly to do with planning and the regulation of that are looking at these matters. We are happy to co-operate and engage them, but I do not think that we are in a position to unilaterally do that on our own outside the broader context of investigations taking place.

**The CHAIR:** That has answered the question. Coming back to, "Achieve 'competent' or 'not yet competent' at TAFE", I have seen a document indicating that the term "fail" is not used because—I quote—"It is too upsetting to students and hinders educational outcomes", and instead of saying "pass" or "fail" they achieve "competent" or "not yet competent", because people cannot handle the word "fail". Is this a serious way of training people for the workplace—people who will go out into tough industries like construction, building, competitive industries like hospitality with a snowflake attitude that they cannot handle the word "fail"? Is this serious?

**Dr GEOFF LEE:** Mr Chair, as a teacher, I always used to say, "I have never failed a student; they fail themselves."

**The CHAIR:** So you are happy to use the word "fail"—

**Dr GEOFF LEE:** No, I am just making an opening comment—

**The CHAIR:** Did your students fall onto the classroom floor?

**Mr DAVID SHOEBRIDGE:** It is always the student's fault. That is pretty remarkable.

**The CHAIR:** Did they survive and go out and succeed in life?

**Dr GEOFF LEE:** I had some very successful students. I am very proud.

**The CHAIR:** Even though they heard the word "fail"?

**Dr GEOFF LEE:** Perhaps I should not make lighthearted comments on the debate between "pass" and "fail" and "competent" and "not yet competent". That was instituted long before my time. I think I was still teaching at Liverpool TAFE in the days when that progression came in, many years ago. I am sure that Ms Penton will be able to update when "competent" and "not competent" came in.

**The CHAIR:** No, but you are happy to go back to "pass" and "fail"?

**Dr GEOFF LEE:** I am happy to take advice and look at all the different things. I was not involved in it; that is what the system is. I think we have to have something that makes sense to the common person.

**The CHAIR:** Finally, changing the topic a little bit but in a critical area, we had NAPLAN results about 10 days ago indicating that, while there has been some improvement in primary school, the years 7 and 9 results are poor, and there was a suggestion out of Victoria that students in year 9 do not concentrate and are not engaged in the curriculum. Going back to the Keating Government's Working Nation statement, which was 25 years ago, the promise was that there would be a seamless interface between schools and TAFE so that a 13- or 14-year-old not engaged in the academic curriculum could move into vocational areas and get on with good qualifications and opportunities in life, with the added benefit that the academic students could study and concentrate more in the classroom without all the interruptions of students who were disengaged. Whatever happened to that and what are we doing to try to produce this improved interface, which looks so feeble in the New South Wales context?

**Dr GEOFF LEE:** I think that is a good question. As I said before, you and I are probably of the same era when most of our colleagues—or more than half—left in year 10 to go off and become tradespersons and apprentices. The change to all students having to stay to age 17 can be problematic for those kids who are not inspired by school. We need to inspire them into other areas to give them those realistic options. That is why we are looking at different sorts of—I will hand over to the secretary, because he is in Education.

**The CHAIR:** Yes, he has got a foot in both camps.

**Dr GEOFF LEE:** The opportunity for us to increase the number of people engaged with genuine VET education, and what I mean by that is not Mickey Mouse "keep it busy" stuff, but stuff that actually allows them to start off with serious careers. Even if they get engaged with it and they decide that they do not want to be a landscaper, that is probably a good outcome so they do not start an apprenticeship.

**The CHAIR:** Any engagement is good. Mr Scott.

**Mr SCOTT:** I think there are two things, particularly over the last decade. The increase in school retention rates and the open-door policy of universities in a deregulated environment has seen even more of a skew towards university education. This was identified in the Gonski report and it has been identified by the States' education Ministers, who recently commissioned Peter Shergold to do a national review into vocational education, which we think is a positive initiative.

One of the things we need to do is reinvent the perception of vocational education in schools and create a new array of vocational education programs so even for students who may aspire to go to university, there might well be very practical vocational education programs that are relevant for them as well. If you look at some high performing systems around the world like Germany, there is not actually the binary trade-off of either you go to university or you are doing hospitality, if you like. We recognise there is a lot more that can be done. In the charter brief given by the Premier, bringing vocational education and TAFE back into the education portfolio is a desire from the Premier for us to upgrade vocational education and allow far more seamless movement of students between schools, vocational education, TAFE and higher education. That is the direction we are planning to move in.

**The Hon. COURTNEY HOUSSOS:** Minister, you have spoken about the Government's infrastructure program and we have also spoken about the upper House inquiry into the building industry today. Are you aware of testimony provided to that committee by the Electrical Trades Union that tabled multiple examples of advertising for unlicensed trade work to be undertaken on those projects?

**Dr GEOFF LEE:** No.

**The Hon. COURTNEY HOUSSOS:** Minister, I am now alerting you to it. It has been tabled. WestConnex, NorthConnex, M5 upgrades are government projects that are seeking and advertising currently, as recently as only two weeks ago, for work that should be undertaken by licensed tradespeople. This is advertising for unlicensed workers.

**Dr GEOFF LEE:** If you are talking about licensing in general and advertising for a licence, I think that is a better question for the fair trading Minister. I direct your questions to him.

**The Hon. COURTNEY HOUSSOS:** Minister, you are the Minister for TAFE. You are not concerned that there is such a skills shortage that even on Government projects that you yourself are talking about they are advertising for unlicensed workers?

**Dr GEOFF LEE:** Obviously you should not advertise for unlicensed people to do licensed work. I have been quite up front in saying that we have critical skills shortages in New South Wales, as we do across the country and as many developed countries have. That is why we have focused on things like our government-funded places, whether it is the 100,000 fee-free apprenticeships, the 70,000 fee-free traineeships starting on 1 January next year or the 30,000 places for mature-age students. What we are doing in terms of TAFE and Training Services NSW is providing all the support we can to encourage people to engage with those critical skills shortages. That includes working with industry.

There are two parts to the problem, as I said. The first part is attracting people to do those apprenticeships or traineeships. Not all the time do we have enough people wanting to choose them. Mr Scott was talking about better engagement at the high school level and back to years 7, 8 and 9 so students make the right choices in years 10, 11 and 12 so they become apprentices and tradespeople. The second part of the problem when I talk to employer groups is that each one will say, "We have a skills shortage," just about all the time. I have not met a group that said, "We have too many qualified workers." The reality is that we need industry to be part of the solution. They need to take those apprenticeships.

Mr Scott mentioned the model in Germany, but if you really look at the cultural model in Germany, the industry is part of the solution and as part of its remit to give back to society it takes those apprenticeships and trainees. Let us face it, it is a commitment of an organisation. In fact, just the other day I was at the opening of barber facilities in Granville and I met Tim. He started a new business—

**The Hon. COURTNEY HOUSSOS:** I appreciate the anecdote, but we have very limited time. We have only got 10 minutes left. I pass onto my colleague.

**The Hon. ANTHONY D'ADAM:** Minister, I note that there is an acting managing director. How many managing directors or acting managing directors have you had in TAFE over the past two years?

**Dr GEOFF LEE:** I have been Minister for 23 weeks and I have had one acting managing director, who is very competent. I just want to say thank you very much, Kerry, for stepping up. Very good. And Caralee McLiesh as a managing director.

**The Hon. ANTHONY D'ADAM:** And before?

**Dr GEOFF LEE:** She was a fantastic part of Treasury. Highly reputable in Treasury. I think it is fantastic that in TAFE we have people—

**The Hon. ANTHONY D'ADAM:** I will bring you back, Minister. The question was about numbers. It is two acting managing directors? How long has it been?

**Dr GEOFF LEE:** Under the last 23 weeks.

**The Hon. ANTHONY D'ADAM:** And when do you expect to fill this vacancy?

**Mr SCOTT:** No, only one acting director.

**Dr GEOFF LEE:** One, sorry.

**The CHAIR:** One acting?

**Mr SCOTT:** One acting. Can I clarify? Ms McLiesh was the managing director of TAFE when the Minister took over the portfolio. I think we should acknowledge not only the tremendous job that she did but also the very important job that she was awarded, and that was to be the treasury secretary for New Zealand. She has now left to take up that role. We congratulate her on that. It is an outstanding job and a tribute not only to her long service in NSW Treasury but also to her distinguished stewardship of New South Wales TAFE. Now Ms Penton has taken over as acting managing director as we seek to fill the role.

**The Hon. ANTHONY D'ADAM:** And when will that be?

**Mr SCOTT:** The position has been advertised. I understand that applications have closed. Then we will proceed with the recruitment process and finally the appointment is made by the Governor under the Technical and Further Education Commission Act. That process is well underway. In the interim, Ms Penton is doing an outstanding job. She has 30 years experience in TAFE and has the wider respect of her executive team.

**The Hon. ANTHONY D'ADAM:** And you have got an acting chief delivery officer, is that correct? How many of those has TAFE had over the last two years?

**Dr GEOFF LEE:** Is that a question for me or—

**Mr SCOTT:** We do have an acting chief delivery officer, because Ms Penton was the chief delivery officer. She is already working 100 hours a week as TAFE acting manager and we thought it was inappropriate for her to keep her other job at the same time so of course we want someone acting.

**The Hon. ANTHONY D'ADAM:** So what about the other delivery officers in the regions? How many of those are in acting positions?

**Mr SCOTT:** We can take that on notice.

**The Hon. ANTHONY D'ADAM:** Given that I am advised that of the seven regions four are in acting positions and given that level of instability in the leadership of TAFE, are you confident that the people of New South Wales can trust your Government to deliver solid TAFE institutions for learning and skills development?

**Dr GEOFF LEE:** Yes, 100 per cent.

**The Hon. MATTHEW MASON-COX:** They can't trust yours.

**The Hon. SCOTT FARLOW:** Because somebody got a secretary's job in New Zealand? Wow. That is a long bow.

**Mr SCOTT:** Long cloud.

**Dr GEOFF LEE:** I reject the premise of your question.

**The Hon. ANTHONY D'ADAM:** Why are there so many acting arrangements in the agency? Why is it that so few of those senior leadership positions are held by permanent staff?

**Dr GEOFF LEE:** I will ask Ms Penton of her experience over time, or the secretary, but clearly TAFE is going through the One TAFE model. We have 12 RTOs coming into the One TAFE model. We are halfway through that process. It is a process that looked at how we can take the costs out of the back room to actually deliver more frontline staff. I am proud to say that we have had something like a 6.8 per cent increase in full-time staff equivalent numbers over the last year. I am very proud to say we are actually looking at how we could consolidate those 12 different RTOs in one. That has been a tough battle and I want to say—

**The Hon. ANTHONY D'ADAM:** Sorry, did you say you have had an increase in staff numbers?

**Dr GEOFF LEE:** Yes. In the last 12 months, I should say. You are right. I should clarify. Any organisation, especially like TAFE, which is a large and multifaceted organisation across many campuses, when it goes through a change process into the one organisation it is a big process and there are many changes. Perhaps that is the reason why. Can I clarify that there has been a 6.8 per cent increase in teacher numbers over the last 12 months. Can I just clarify, it has been a 6.8 per cent increase in teachers numbers over the past 12 months.

**The Hon. ANTHONY D'ADAM:** Mr Shoebridge referred to the 20 per cent reduction in student numbers. How does that reconcile with an increase in the number of staff? Is that a result of a change in the staffing mix in favour of more casual and temporary staff? Is that how that change in the workload is being managed?

**Dr GEOFF LEE:** What we are saying is there has been a 6.8 per cent increase in full-time equivalents.

**The Hon. ANTHONY D'ADAM:** But not in permanent staff, is it?

**Dr GEOFF LEE:** I will take that on notice in terms of numbers, unless Ms Penton would like to talk about the exact numbers. But I will take that on notice.

**The Hon. ANTHONY D'ADAM:** Would Ms Penton like to talk about the exact numbers? Do you have those numbers?

**Ms PENTON:** I will take that question on notice.

**Dr GEOFF LEE:** As a past casual teacher I think it is important that we have both the right mix of casual and full-time teachers. Full-time teachers obviously are important, but so are casual teachers. Casual teachers or part-time teachers bring us the ability of current industry experience and as a student I always used to like to hear industry people come in to talk about their real-world experiences and talk about what is actually happening up to date. I think part-time and casual teachers offer opportunities for people in communities to get part-time work. It is a fantastic thing to put on resumes for aspiring people in their careers. What we do not want to do is say that one is bad and one is good. What we want to say is we need the right mix, depending on the right TAFE in the right location and the courses they are teaching.

**The Hon. COURTNEY HOUSSOS:** Minister, are you confident that it is the right mix at the moment?

**Dr GEOFF LEE:** What happens is, let me—

**The Hon. COURTNEY HOUSSOS:** It is a yes or a no.

**The Hon. WES FANG:** No. It is however the Minister likes to answer.

**The CHAIR:** The Minister will give his answer. He can answer yes or no, or he can provide other supporting information.

**Dr GEOFF LEE:** Thank you, Chair. I think it is a dynamic and fluid situation with TAFE: 400-odd thousand students, 1,200 courses. We change the mix of teachers to suit the delivery. I think the other advantage of part-time and casual staff is we are able to flex up and down as demand changes. In different areas, demand changes from time to time and, in fact, from semester to semester. We need that ability to be able to bring on more teachers when required and then we may need different teachers in different areas of discipline, like the new and emerging areas of technology, which we talked about before. I think the question is really: How do you optimise the situation to best suit the teaching environment, the requirements within TAFE, the quality standards and also the best for the student learning outcomes?

**The Hon. ANTHONY D'ADAM:** It is fair to say that you are shifting the balance in favour of a more contingent workforce in order to manage this volatility that you have spoken about?

**Dr GEOFF LEE:** No.

**The Hon. ANTHONY D'ADAM:** It is not correct? That is not part of the strategy?

**Dr GEOFF LEE:** No.

**The Hon. ANTHONY D'ADAM:** Minister, can you tell me why there has been a 16.7 per cent increase in the number of injury claims last year?

**Dr GEOFF LEE:** I will take that on notice, unless Ms Penton has any advice on the OHS injuries?

**Ms PENTON:** Certainly, safety in TAFE NSW is a high priority and we carefully track all of the statistics that we have with respect to injury and those things.

**The Hon. ANTHONY D'ADAM:** That is a big increase, though, isn't it, in one financial year?

**Ms PENTON:** I would like to take the question on notice, but I will also note that, by way of—

**The Hon. ANTHONY D'ADAM:** It is derived straight from the annual report.

**Ms PENTON:** Yes.

**The Hon. ANTHONY D'ADAM:** Some 250 claims in 2016-2017, up to 300 claims in 2017-2018.

**Ms PENTON:** We look at the trend data over time. Certainly, under the old—

**The Hon. ANTHONY D'ADAM:** You have no idea what is driving that?

**Mr SCOTT:** Can I add? I know from my discussions with Ms Penton and I know from my time attending TAFE board meetings that there is an absolute blitz and focus in TAFE on work health and safety, and the safety and wellbeing of students, teachers and anyone who is engaged with TAFE. At the commencement of every meeting there is a safety share, which puts on the agenda, early on, the priority of safety. There has been a strong push throughout the organisation to increase reporting to make it clear that if there is an incident or a near miss we expect for that to be reported through and for that to be documented. We note the figures this year. As Ms Penton said, what is most significant will be the long-term trend of that, given the focus on safety that has come to bear under Ms McLiesh and Ms Penton. The Chair of the TAFE board is very strong on this as well. We want to make sure that everyone goes home feeling even better, fitter and healthier than when they arrived at the college. That is the aim. Let us monitor the figures over time and we want to see improvement.

**The Hon. ANTHONY D'ADAM:** Is part of this increase being driven by psychological injuries, stress-related?

**Ms PENTON:** Again, I would want to be giving you detailed figures, so I will take that question on notice.

**The Hon. ANTHONY D'ADAM:** On 30 April 2018 TAFE NSW recruitment sent an invitation to an information session on 8 May. According to the invitation the information session would provide participants with details of how to become a part-time casual teacher with TAFE. How many people attended this information session? Are you aware of this? This is the Calling All Tradies.

**Dr GEOFF LEE:** Can I say that you have highlighted an important issue in TAFE, and its management of its staff and qualified staff to teach. You will see that we need more qualified people in some disciplines or some areas of expertise.

**The Hon. ANTHONY D'ADAM:** Are you aware of the numbers, Minister?

**Dr GEOFF LEE:** I will certainly take that on notice in terms of the numbers if you have any specific examples you want me to find out about. Can I suggest to you that one of the areas that we are trying to do is develop pools of qualified people who are able to teach in our system because we know our teachers are the most important asset we have in TAFE. They are the ones who provide that world-class training and, as a former TAFE teacher, and, in fact my father was a TAFE teacher—

**The Hon. ANTHONY D'ADAM:** I suppose I am trying to get to the detail of whether this particular program was successful.

**Dr GEOFF LEE:** I am more than happy to take that on notice. I think—

**The Hon. ANTHONY D'ADAM:** Does Ms Penton have anything to contribute on this.

**The Hon. WES FANG:** Point or order: It is not for the member to request answers from other members of the panel. The member will have an opportunity to ask questions of the executive members later in the afternoon. It is up to the Minister to decide if he wants to take the question, take the question on notice or direct the question to be—

**Mr DAVID SHOEBRIDGE:** To the point of order: Members are allowed to direct their questions wherever. The Minister may take it over, though. That is the way it works.

**The Hon. ANTHONY D'ADAM:** Which the Minister didn't.

**The CHAIR:** Do you want to try one more question here?

**The Hon. ANTHONY D'ADAM:** Ms Penton, do you have a view about the success or otherwise of the Calling All Tradies program? Was it a disaster?

**Ms PENTON:** No. I do not believe so. We are looking at a range of strategies to attract staff into the organisation and teachers, and those who are interested in contributing back to their industries by taking up teaching, both full time and part time. Like all organisations using different strategies to attract and inform individuals about the opportunities for working in TAFE NSW, we track and monitor those and then we roll out those programs across the State. These initiatives, I think for us, are very important.

**Mr DAVID SHOEBRIDGE:** Minister, what is the current proportion of teaching staff in TAFE that is casual and what is the current proportion that is permanent?

**Dr GEOFF LEE:** As I said, staff is the most important part of our business with our students. As a past teacher I know that we need to focus on—

**Mr DAVID SHOEBRIDGE:** Minister, I have only 6½ half minutes. It was a simple question about the proportion that is casual and the proportion that is permanent. If you do not know, you can take it on notice.

**Dr GEOFF LEE:** I will take it on notice if I can, and ask Ms Penton to do that as well.

**Mr DAVID SHOEBRIDGE:** Could you provide the same for support staff?

**Dr GEOFF LEE:** Yes.

**Mr DAVID SHOEBRIDGE:** As Mr Scott said earlier, getting a historical view of this is important. Can you give us what the changes have been over the past three years—the figures for the past three years?

**Dr GEOFF LEE:** I am happy to see if they are available. I would assume they would have been in annual reports.

**Mr DAVID SHOEBRIDGE:** Minister, what was the thinking for the Government to decide to produce an \$80 million new TAFE campus in western Sydney when there is a large number of campuses already existing in western Sydney that would greatly benefit from an injection of capital funding to help bring them up to current industry standards and to enable them to continue to meet vocational education requirements? Why a super campus and not investing in the existing campuses?

**Dr GEOFF LEE:** What you will find in western Sydney is we are actually investing in western Sydney overall. We have spent \$22 million recently upgrading facilities right across western Sydney, and this new super campus is part of the metro aerotropolis initiative. In western Sydney we know and we have talked about the critical skills shortages. This super campus will focus on 700 construction students a year.

We know we have great places like Nirimba and Mount Druitt as construction training centres—and they are doing a great job—but with the boom and the projected need for construction jobs in the future, especially the predicted 200,000 extra jobs created by the aerotropolis and the development, we know we will need more construction jobs. That is why we are predicting that. That is why we are putting in the time, the effort and the money into delivering this new \$80 million super campus. As I said, 700 construction students will go through there each year. As we have discussed today, construction is one of those areas at the moment where we simply cannot get enough people, whether it is in wall tiling, roof tiling, carpentry, plumbing, electrics—there are a heap of trades we need to give every student the opportunity to do. Mr Scott is working in the Department of Education, in the school sector with us, to encourage people.

**Mr DAVID SHOEBRIDGE:** Minister, my time is limited. I think you are straying well beyond being directly relevant now. I might move on to another matter.

**Dr GEOFF LEE:** Thank you.

**Mr DAVID SHOEBRIDGE:** You are responsible for the relevant Acts establishing Sydney university, the University of New South Wales and Newcastle university, amongst others, is that correct?

**Dr GEOFF LEE:** Yes, that is correct.

**Mr DAVID SHOEBRIDGE:** Minister, are you going to undertake a review of those three universities' arrangements with the Hanban Institute to provide Confucius institutes on those three campuses?

**Dr GEOFF LEE:** Can I say that you are absolutely right that the University of Newcastle, the University of New South Wales and the University of Sydney all have a Confucius Institute.

**Mr DAVID SHOEBRIDGE:** Are you going to undertake a review?

**Dr GEOFF LEE:** I certainly understand your concern and rest assured that I have talked to all three vice-chancellors about their Confucius institutes within the last couple of weeks. The Confucius institutes are external partnerships with those universities. As you would well know, the universities are autonomous institutions that have boards of governors who make up other boards that control what they do.

**Mr DAVID SHOEBRIDGE:** Have you looked at the agreements? The agreements provide terms like this, which has the Confucius Institute at Sydney university, for example, "must accept the assessment of the Hanban headquarters on the teaching quality of the teaching resources provided by the headquarters". Are you troubled by that?

**Dr GEOFF LEE:** What I do support is the action taken by the Federal Minister for Education, the Hon. Dan Tehan, that universities must have robust mechanisms in place to ensure international educational partnerships comply with the Australian laws, educational quality standards and academic freedoms.

**Mr DAVID SHOEBRIDGE:** Again from the University of Sydney, and I will quote from the Confucius Institute—

**The CHAIR:** Is there a question?

**Mr DAVID SHOEBRIDGE:** "Activities must be in accordance with the constitution and by-laws of the Hanban headquarters and also respect cultural custom and neither party shall act inconsistently nor be directed to contravene the Chinese and Australian laws and regulations in place in the jurisdiction of that party." That kind of arrangement has no place in a liberal, open university like Sydney university, does it—requiring compliance with Chinese laws?

**Dr GEOFF LEE:** I would suggest to you that universities are autonomous institutions that have strong, robust governance measures—

**Mr DAVID SHOEBRIDGE:** Clearly not, because these arrangements are entered into.

**The CHAIR:** Order! Confucius himself would want order. The Minister will finish.

**Dr GEOFF LEE:** Well said, Mr Chair. They are autonomous institutions. Dan Tehan is working with the vice-chancellors as we speak in looking at those arrangements.

**Mr DAVID SHOEBRIDGE:** What are you doing?

**The CHAIR:** Order! The Minister must be allowed to finish his answer. He has only just started.

**Dr GEOFF LEE:** As I have said, I have spoken to the vice-chancellors concerned and they have assured me that there are strong, robust curriculum developments. Let me assure you that these institutes are focused on language, culture and arts. Each institution is slightly different from the others. Dan Tehan, the Federal education Minister, is speaking to the universities at the moment as to how they comply and they work into the system, and I have every confidence in the Federal Minister's ability to be able to influence universities as autonomous institutions.

**The CHAIR:** Thank you, Minister. Staying on this topic of your ministerial responsibility for the enabling legislation for universities in New South Wales, are you determined to continue maintaining and policing the provision in university establishment Acts such that religious or political affiliation, views or beliefs of the students cannot be used as a way of excluding them from university admission or stopping them from graduating?

**Dr GEOFF LEE:** Could you just repeat that, I am sorry?

**The CHAIR:** There is a provision written into the university establishment statutes around 1989—so it is a Metherell-type reform, but it was a good one—that religious or political affiliation, views or beliefs of students cannot be used to exclude that student from university admission or to graduate from the institution.

**Dr GEOFF LEE:** Yes, with a provision that some people have widely unlawful views in life—

**The CHAIR:** No, within the law?

**Dr GEOFF LEE:** Yes, within the law, so we do not vilify.

**The CHAIR:** Religious and political views within the law, of course?

**Dr GEOFF LEE:** Yes.

**The CHAIR:** Are you worried about the practice, say, of the Australian National University [ANU] just across the border from us giving bonus points for students who believe in diversity and inclusion philosophy as an early entry qualification into university whereas obviously libertarians and conservative students might not necessarily subscribe to that particular aspect of political philosophy?

**Dr GEOFF LEE:** ANU is not one that we have any governance over as a State member.

**The CHAIR:** No, but are you worried about that trend at ANU to have a qualification based on belief in diversity and inclusion, as defined in the broader political debate? I think we all know where it comes from and where it heads.

**Dr GEOFF LEE:** I think universities should be a place where people are welcome from many different faiths and cultural backgrounds and have freedom.

**The CHAIR:** No, but you need to believe in it to get the bonus points to get into the university. Will you give an undertaking that you will monitor such entry requirements if they are replicated in New South Wales institutions?

**Dr GEOFF LEE:** I certainly will; if I am alerted to any instances of that, I will make inquiries.

**The CHAIR:** Is the Government worried about some of the practices most notably at Sydney university, where you do have a jurisdictional responsibility, that in August last year they established in their own assessment of sexual assault and sexual harassment matters that they be determined not on guilty beyond any reasonable doubt but on balance of probability?

**Dr GEOFF LEE:** I start off by saying that no university campus, no TAFE campus, no RTO campus should ever accept sexual harassment or vilification.

**The CHAIR:** We know that, but should they be the policing and be jury-and-judge type institution in handling these matters different to the way in which they are handled in the New South Wales judicial system?

**Dr GEOFF LEE:** I think that universities, as you say, have their own policies and procedures to govern students, teachers and academics and staff behaviour—acceptable behaviour—on campus but certainly the overriding legislation should be held with the legislative framework, absolutely.

**The CHAIR:** So will you raise that with Sydney university, that they should comply with New South Wales judicial law and arrangements rather than a balance of probabilities?

**Dr GEOFF LEE:** I am more than happy but I am not sure—

**The CHAIR:** Because it is obviously a major concern for people because if you are found guilty at these universities—some call them kangaroo courts, let us call them tribunals—it is the destruction of the life of the individuals we are talking about because the reputational damage is massive?

**Dr GEOFF LEE:** Maybe Mr Scott could comment?

**Mr SCOTT:** The only thing I would add, Mr Chair, is as you know Sydney university engaged the former commissioner, Elizabeth Broderick, to do a review of the work and operations in its college. There had been well-documented numbers of areas of very significant concern about behaviour. So I think the question remains for the governance of those universities to make it clear what they believe to be the appropriate standards and behaviours of those people who are partaking of that experience. I do not think it would be uncommon in an educational setting, even in a school setting—and I can tell you in a school setting it is not the rule of law that necessarily takes place; it is like, "This is how things work around here, these are the standards to which we operate. This is the behaviour that we believe to be acceptable."

I think, broadly, that is what the University of Sydney is saying. They are saying, "If you are a student here, if you are a resident here of a residential college, this is the behaviour that we believe to be acceptable." And they are putting guidelines in place in response to what I think has been universally conceded as pretty terrible behaviour that has taken place in those colleges. I think that is the context of the issue that you are raising.

**The CHAIR:** No, no. That is within the residential colleges.



**Mr SCOTT:** Yes.

**The CHAIR:** This is across the entire university. Most students are not residents of a university.

**Mr SCOTT:** That is true.

**Mr DAVID SHOEBRIDGE:** It is a community.

**Mr SCOTT:** I suppose it is an institution that operates across day and night. Students will be there 52 weeks a year. The university, in a sense, engages in a contractual arrangement with its students who are there. As the Minister says, the final responsibility for those things lies with the governing body at the university. They have to say, "These are the rules, and standards and expectations that we have in place."

**The CHAIR:** This system of universities becoming judge and jury comes out of the United States. Have the Minister and the officials examined the circumstances in the US, particularly The Hunting Ground project, where a young African American man had a large part of his career and life opportunities destroyed by false allegations that were made at Harvard Law School. They were subsequently condemned by 19 Harvard law professors, including Charles Ogletree, who is not a conservative and was the mentor of Barack Obama.

**Mr DAVID SHOEBRIDGE:** Mr Chair, I am going to take a point of order.

**The CHAIR:** Are those practices that have come from the United States being monitored for their impact in Australia?

**Mr DAVID SHOEBRIDGE:** Point of order—

**The Hon. WES FANG:** The Chair asked a question.

**Mr DAVID SHOEBRIDGE:** I am taking a point of order on the question. It is outside the terms of reference of this inquiry to be asking about US universities. It is well outside the budget estimates and it is not fair—

**The CHAIR:** No, it is not because The Hunting Ground project came to Australia and funded the Australian Human Rights Commission inquiry—

**Mr DAVID SHOEBRIDGE:** I have taken a point of order.

**The CHAIR:** —that has led to the laws and practices that I am talking about.

**Mr DAVID SHOEBRIDGE:** I would ask you to rule on my point of order.

**The CHAIR:** If you knew the facts, you would know the linkage. The question is entirely valid, as I have just explained.

**Mr SCOTT:** We will take that on notice.

**The CHAIR:** Thank you. That brings us to 11.30 a.m.. I thank all the MPs and the witnesses for their participation. Our practice after lunch is to come back between 2.00 p.m. and 5.00 p.m. with officials only. There is some distressing news about a tragedy on a footpath outside a school in the St George district. Mr Scott, if you felt that that was something you needed to attend to, I am sure the Committee would understand if you did not come back after lunch. If a replacement representative could be arranged, we would give you that latitude in light of those distressing reports that have come to hand.

**Mr SCOTT:** Thank you, Mr Chair.

**(The Minister for Skills and Tertiary Education withdrew.)**

**(Luncheon adjournment)**

**The CHAIR:** Would you like to say something about the terrible circumstance at Hurstville.

**Mr SCOTT:** Thank you, Mr Chair. Before we broke you referenced a terrible accident this morning. I am sorry to inform the Committee that a year 7 student from Sydney Technical High School has died after being struck by a car on his way to school this morning. This has caused great grief at his school, the nearby Hurstville Public School and other schools in the area. I assure the Committee the department is providing full support to the communities on the ground. We have extra directors and leadership teams in place at the schools. We have counselling teams who are deployed in circumstances like this to work with students and teachers, and also additional counselling available to staff through our Employee Assistance Program.

I want to thank all those who worked on, by all accounts, a terrible accident scene—from the first responders, to the teachers and the parents who were there. It was in the prime drop-off time before school. I thank everyone for all the work they did. Our work and commitment to the school community continues today; it will continue in the weeks and months ahead. This is clearly a traumatic incident. Our thoughts are with the family and friends of the boy who has died.

**The CHAIR:** On behalf of the Committee, our deepest condolences to the boy's family, teachers and friends. We thank the department and all involved who have provided assistance in what is the very worst of circumstances. Our work goes on as a committee and the hearing is reopened.

**The Hon. COURTNEY HOUSSOS:** We associate ourselves with the Chair's comments and thank the department for the work they are doing. This is every parent's, every family's worst nightmare as they send their child to school. I want to ask some data questions around private providers. If you do not have the information you can take it on notice. In 2018 how many students were enrolled in private providers in New South Wales?

**Mr SCOTT:** You said your questions were going to be on TAFE. Are you referring to private providers in the Smart and Skilled division?

**The Hon. COURTNEY HOUSSOS:** Rather than dealing with the tragic circumstances of what we were discussing earlier, more generally around TAFE.

**Mr SCOTT:** Under the Smart and Skilled program, as it operates by the government, TAFE provides the majority of programs but there are private providers as well. I suppose I was just seeking clarification. Are you asking about private providers who are operating under the Smart and Skilled program?

**The Hon. COURTNEY HOUSSOS:** I am asking how many private providers are operating in New South Wales in total. Perhaps if you could provide a break down as to how many within the Smart and Skilled program and how many outside that would be helpful as well.

**Mr SCOTT:** Ms O'Loughlin will be able to help us with the registered training providers who are operating through Smart and Skilled.

**Ms O'LOUGHLIN:** Under the Smart and Skilled program there are 362 contracted registered training organisations, one of which is TAFE—because it is one TAFE. So there are 361 private providers and that would include community providers.

**Mr SCOTT:** They are the community providers who under Smart and Skilled have delivery agreements with us. There are many times more than that who do not have a contract with Smart and Skilled.

**The Hon. COURTNEY HOUSSOS:** Can you tell me how many complaints were received for the 361 providers?

**Mr SCOTT:** We will take that on notice.

**The Hon. COURTNEY HOUSSOS:** Can you tell me how many of them were shutdown?

**Ms O'LOUGHLIN:** What I can say is that we had 21 contracts terminated in 2018-2019.

**The Hon. COURTNEY HOUSSOS:** What about for the previous year?

**Ms O'LOUGHLIN:** I have the figures from 1 January 2015. I can give you that number. Since 1 January 2015 there were 97 contracts terminated, 54 quality issues—

**The Hon. COURTNEY HOUSSOS:** When you say since 1 January 2015, does that include the 21?

**Ms O'LOUGHLIN:** Yes, it does.

**The Hon. COURTNEY HOUSSOS:** Is that 1 January 2015 to the end of 2018-19?

**Ms O'LOUGHLIN:** That is right

**The Hon. COURTNEY HOUSSOS:** Then 30 June 2019.

**Ms O'LOUGHLIN:** So 54 quality issues, 26 were due to liquidation or receivership and 21 were deregistered by the Australian Skills Quality Authority [ASQA].

**The Hon. COURTNEY HOUSSOS:** From a New South Wales Government perspective who are they accountable to?

**Ms O'LOUGHLIN:** The RTOs?

**The Hon. COURTNEY HOUSSOS:** Yes.

**Ms O'LOUGHLIN:** Their first and foremost threshold accountability is to ASQA. ASQA is the Commonwealth regulator of all registered training organisations in Australia. They register all RTOs and they have compliance regulation. Following the ASQA registration and compliance, when we go to contract for our RTOs we then have our own quality framework in addition to ASQA's.

**Mr SCOTT:** I can add. The Smart and Skilled organisations, those that have met the quality standards for Smart and Skilled, are a little over 350. There are 3,000 registered training providers. Smart and Skilled is really only taking a narrow slice of that—10 per cent or thereabouts.

**The Hon. COURTNEY HOUSSOS:** Where did you get your figure of 3,000 RTOs in New South Wales from?

**Mr SCOTT:** I have got it in my briefing note. I will check and find the source of that for you—footnotes are not exhaustive. The quality training requirements and standards for Smart and Skilled are outlined in a few different places if you would like to find them: the Smart and Skilled terms and contracts, the operating guidelines for Smart and Skilled, the New South Wales quality framework and a statement of expectation for Smart and Skilled providers.

**The Hon. COURTNEY HOUSSOS:** Obviously ASQA is the regulator. Who then provides guidance and advice to the RTOs?

**Ms O'LOUGHLIN:** ASQA will provide guidance and advice because it is the regulator at the Commonwealth level. In addition, under our contracts, our training Service NSW regional offices, which are all over the State, will provide advice to our RTOs.

**The Hon. COURTNEY HOUSSOS:** I want to ask you about any plans to sell off TAFE facilities or TAFE land. This has been reported in the media. *The Sydney Morning Herald* said that 27 TAFE sites were going to be sold in 2015-16.

**Mr SCOTT:** Can I ask when they wrote that?

**The Hon. COURTNEY HOUSSOS:** In 2015.

**Mr SCOTT:** Are you saying it was an incorrect article?

**The Hon. COURTNEY HOUSSOS:** No, I am wondering how many of those 27 listed have been shutdown?

**Mr SCOTT:** If you can table a copy of the article we can provide you with that detail.

**The Hon. COURTNEY HOUSSOS:** Yes, I can grab that out of my notes. If you could tell me how many TAFE sites have been sold since 2015?

**Mr SCOTT:** Yes. We will take that on notice.

**The Hon. COURTNEY HOUSSOS:** Can you tell me how many have been partially sold?

**Mr SCOTT:** We will take that on notice.

**The Hon. COURTNEY HOUSSOS:** Can you tell me about any plans or scoping studies that have been made to sell any land?

**Mr SCOTT:** There is a broad infrastructure review that is underway. There are not specific plans.

**Ms PENTON:** Part of our broader undertakings for TAFE NSW is we are developing a 20-year infrastructure plan to clearly understand where training is going, where the skills demands are going and what the facilities and training requirements will be for the future. The 20-year infrastructure plan is due to be delivered, as I understand it, in June 2020. We will confirm that date for you.

**The Hon. COURTNEY HOUSSOS:** Is Chullora going to be sold?

**Mr SCOTT:** There is no detailed plans or approvals for the selling of the Chullora site. I am sure the Chullora site will, as all the TAFE sites do, form part of the 20-year infrastructure strategy. There is currently no approved plans to sell the Chullora site.

**The Hon. COURTNEY HOUSSOS:** Why was it closed?

**Ms PENTON:** The facility is ageing. We have a range of campuses in that part of the region and ensuring that we have fit-for-purpose facilities that meet the training requirements is my understanding. I was not party to the decision of the day and could provide more information on notice.

**Mr SCOTT:** I do not think it is surprising. Someone pointed out to me the other day on schools—and I have not had a chance to inspect the figures—that since 1848 in New South Wales some 7,000 schools opened and 5,000 closed. From time to time decisions will be made on the appropriate location and facility of premises, and choice made on where the investment needs to be. In a sense, investment in other places in and around the Chullora campus—if, in fact, that campus is no longer meeting industry standards and is not providing students with the optimal educational experience, and there are facilities in the environment that allow students access to those courses and to the optimal educational experience we want them to have, then I think it is not unreasonable to say that we are just going to pause on that Chullora facility at the moment. We are going to look at the broad infrastructure footprint and where those assets would be best deployed. We are going to pause and we think no students are being disadvantaged through that. That is just prudent management of an extensive capital base that exists in an organisation of the scale of TAFE NSW.

**The Hon. COURTNEY HOUSSOS:** Is a major upgrade of Chullora planned?

**Mr SCOTT:** This will all be considered as part of the TAFE 20-year infrastructure strategy.

**The Hon. COURTNEY HOUSSOS:** We will have to wait until June next year?

**Mr SCOTT:** Yes, that is why we are having the review. We are having the review to look at the asset base and how we best deploy the capital resources that we have. There is no teaching taking place at Chullora now. TAFE has not divested of that Chullora site. TAFE will consider that Chullora site as part of the 20-year infrastructure review. We have to wait for the work to be done. That is why we are having the review.

**The Hon. COURTNEY HOUSSOS:** Is the review underway at the moment?

**Mr SCOTT:** Yes.

**The Hon. COURTNEY HOUSSOS:** And will be announced in June 2020?

**Mr SCOTT:** Yes. It is a very extensive piece of work, as we talked about this morning.

**The Hon. COURTNEY HOUSSOS:** Who is undertaking the review?

**Mr SCOTT:** Do you have the detail of that?

**Ms PENTON:** TAFE NSW is undertaking the review.

**Mr SCOTT:** Yes, it is an internal management review.

**The Hon. ANTHONY D'ADAM:** Has a commercial valuation been undertaken of the Chullora site?

**Mr SCOTT:** A commercial valuation will have been undertaken of the Chullora site as part of the asset and balance sheet of TAFE NSW.

**The Hon. ANTHONY D'ADAM:** "Will be" or "has been"?

**Mr SCOTT:** It is regularly done. Asset valuations are part of balance sheets. I do not have detail on that yet. I understand the thrust of the question but I would simply say there has been no rush clearly to divest the Chullora site. The decision was made to not keep operating this at the moment. TAFE has held onto that asset. TAFE will consider the strategic role of that asset once a broader consideration of infrastructure requirements have been made and then a decision will be made. I do not want to pre-empt that decision. I do not want to pre-empt the work that is being done as part of this infrastructure review. I am sure when the infrastructure review lands it will give us ample opportunity to discuss its range, depth and findings.

**The Hon. COURTNEY HOUSSOS:** Ms Penton, you said that they will be serviced by other TAFEs in the area. What TAFEs are they?

**Ms PENTON:** It is my understanding that those students are going to nearby campuses such as Miller and other campuses nearby from that perspective.

**The Hon. COURTNEY HOUSSOS:** Let me give a specific example. Someone who is studying electrical at Chullora now will have to travel to Ingleburn to continue their studies, which is more than an hour on public transport. Is that reasonable?

**Ms PENTON:** Again, it is a balance between having fit-for-purpose facilities that are available for students and then providing access to facilities within a reasonable distance, yes.

**The Hon. COURTNEY HOUSSOS:** Has any campus that was listed for shutdown in 2015 been replaced by a connected learning centre?

**Ms PENTON:** I will have to take that question on notice, given it was 2015 and I was not managing director at the time.

**Mr SCOTT:** As we said, we would like to look at the list and we can come back to you on notice. I point out as well, when it comes to looking at investment in and around western Sydney \$22 million worth of upgrading of fit-for-purpose facilities is taking place there at the moment. We are happy to provide detail of that to the Committee. In a sense, prudent management of asset bases, working out where to invest and where to deploy courses, is something that TAFE has always done and responsibly needs to continue to do.

**The Hon. COURTNEY HOUSSOS:** Is the proposal to build an ambulance superstation on the Randwick TAFE site still proceeding?

**Mr SCOTT:** I will check that. I am advised that an ambulance superstation is being developed at Randwick and part of that has been an intra-government transfer of a portion of the TAFE NSW site to NSW Health. My advice is that it will have absolutely no impact on the core operations of that Randwick campus. No classrooms have been affected and no training takes place on that land of the Randwick campus. The proximity of the ambulance superstation will create opportunities clearly for collaboration and training. I think it represents a pretty good example of prudent optimisation of a government-owned asset to the benefit of Health and to no detriment to TAFE. That is my advice.

**The Hon. COURTNEY HOUSSOS:** Will a car park be built on that site?

**Mr SCOTT:** I will have to take that on notice. I do not have advice about that.

**The Hon. COURTNEY HOUSSOS:** What consultation and consideration has taken place, given the impact of the decision on students and staff at TAFE?

**Mr SCOTT:** As I said, my advice is that there is no impact on the core business of TAFE, no classrooms have been affected and no training takes place at that part of the site.

**The Hon. COURTNEY HOUSSOS:** Will there be a payment for the land?

**Mr SCOTT:** I will take that on notice.

**The Hon. COURTNEY HOUSSOS:** Can you guarantee that the Randwick TAFE site is not being considered for closure or sale?

**Mr SCOTT:** I have no information at all to suggest that it is being identified for closure or sale.

**The Hon. COURTNEY HOUSSOS:** Ms Penton?

**Ms PENTON:** No. As we said, we are focussed on the 20-year infrastructure plan to ensure that we have got the plan across the State. That asset is not listed for sale.

**The Hon. COURTNEY HOUSSOS:** It is not being considered for sale?

**Ms PENTON:** No, not that I am aware of.

**Mr SCOTT:** No. Look, the land was there. There were no classrooms on it. It was not being used for training. It was identified that it would be a valuable asset for NSW Health. It is valuable to utilise that land for an ambulance facility the way it is. That will be of benefit to the community and it may also be a benefit to TAFE as a possible training centre. There is nothing more to it than just trying to find best value for a public asset.

**The Hon. COURTNEY HOUSSOS:** I will take your word, and I will be interested to see in future budget estimates hearings about what opportunities for collaboration are there.

**Mr SCOTT:** Absolutely. yes.

**The Hon. COURTNEY HOUSSOS:** How much was spent by TAFE on consultancy in the last financial year?

**Ms PENTON:** It is approximately \$500,000. I will check my notes.

**The Hon. COURTNEY HOUSSOS:** What was the scope of that work?

**Mr SCOTT:** There were a number of reviews and advisory work, standard kind of consultancy work.

**The Hon. COURTNEY HOUSSOS:** Can you provide more specific details on notice?

**Mr SCOTT:** Yes, certainly.

**The Hon. COURTNEY HOUSSOS:** Do you have any more specific details Ms Penton?

**Ms PENTON:** No, I will provide that additional advice on notice.

**The Hon. COURTNEY HOUSSOS:** Were any reports commissioned or did any reports consider the disposal of TAFE assets, including buildings and land?

**Ms PENTON:** Certainly.

**The Hon. COURTNEY HOUSSOS:** How many students were enrolled in TAFE?

**Mr SCOTT:** The Minister discussed these figures.

**The Hon. ANTHONY D'ADAM:** Earlier on in the discussion we talked about the decisions around how the agency forecasts for courses and skills gaps. I want to ask about the analytical capacity. My question goes to the source of advice to the NSW Skills Board when it is determining the course mix of TAFE. Is there a specific unit in the agency that does the analytical work to inform the decision-making of the skills board?

**Ms PENTON:** The skills board is not directly associated with TAFE.

**Mr SCOTT:** That is right, so yes, indeed. The skills board receives an annual grant under the national agreement worth the best part of a million dollars for research and they also tap into expertise that is provided by—

**The Hon. ANTHONY D'ADAM:** Maybe I have misunderstood. I am really trying to understand the decision-making about the TAFE course mix—the offering. I thought in the previous evidence that those recommendations were being made by the skills board, but in fact there is some internal process for determining the course mix?

**Mr SCOTT:** There are two issues I think. What the skills board will do is provide the shape of the Smart and Skilled work, some of that contestable funding of which TAFE wins a handsome majority share, so what are the courses that are on offer? The skills board, as we said this morning, has strong representatives of industry. As I have said just now, it has the ability to identify further research and get further research done itself, and there is a strong analytical capability that exists within the department that also provides a lot of information.

**The Hon. ANTHONY D'ADAM:** That sits within the department, does it?

**Mr SCOTT:** That sits within—

**The Hon. ANTHONY D'ADAM:** To provide advice to the skills board in order to set the priorities?

**Mr SCOTT:** And advice to the department.

**Ms O'LOUGHLIN:** If I may, we do have analysts within the department that advise and analyse the labour market and skill shortages for the NSW Skills Board, but in addition the Government funds NSW Industry Training Advisory Boards, called ITABS. There are 11 of those ITABS and one of their really important functions is to assist the department in identifying industry skill needs, priorities and skills development for funded training in New South Wales, so we draw heavily on their advice as well across New South Wales, thinking of where the skill needs are, and that informs our skills list that we review every year to see that it is appropriate and up to date for the needs that we fund under the Smart and Skilled program.

**Mr SCOTT:** And then TAFE?

**Ms PENTON:** Yes. From a TAFE NSW perspective we access that broader data to understand where the broad economy in New South Wales is going, but importantly at the operational level within TAFE NSW our course planning actually starts at the local level. So we work with our communities, local industries and local businesses to understand what their immediate training needs are so that we can ensure that, whilst there are broader trends from a skills perspective across the State, those communities of interest and particular areas across the State—you have to understand what is actually happening at the local level, so it is important to be able to get that local level information. That actually comes from our head teachers. For example, they start that course planning process and we build our course planning from the bottom up so we can get that balance between broad

strategy across the State, broad trends across the State, but ensuring we get the local needs as well, and how we actually undertake that planning, which is an important element of it.

**Mr DAVID SHOEBRIDGE:** Mr Scott, international student numbers at TAFE, according again to the NCVER—and if there is a better way of pronouncing that acronym—

**Mr SCOTT:** It is a tough one.

**Mr DAVID SHOEBRIDGE:** Yes, if you can help on that, that would be appreciated. International student numbers for TAFE have fallen from 4,400 in 2015 to 2,555 in 2018. Do you know why?

**Mr SCOTT:** Yes, perhaps we can hear from the acting managing director.

**Ms PENTON:** Certainly in the international student area I think what I can say with respect to that, when you look at the time period, part of that is impacted by what is happening in the market and the numbers of students who are interested in studying, and I think it would also be fair to say that as we have been undertaking our large modernisation program through this transition, given the size and scale of it, particularly from an international perspective, also ensuring that we meet the regulatory requirements in the international sector, there has been an impact and certainly there is a focus for TAFE NSW to improve in this space.

**Mr DAVID SHOEBRIDGE:** Ms Penton, it is not an impact, it is a collapse; it is a 40 per cent collapse in international student numbers. Is it because TAFE's reputation has been trashed because of the cuts in funding and the cuts in standards that have followed the cuts in funding?

**Ms PENTON:** I certainly do not believe so. The international student market, certainly from a higher education perspective—the universities have expanding numbers over that particular time period.

**Mr DAVID SHOEBRIDGE:** Yes, but TAFE is going in exactly the opposite direction.

**Ms PENTON:** Yes.

**Mr SCOTT:** I think Ms Penton's point—

**Mr DAVID SHOEBRIDGE:** Exactly the opposite.

**Mr SCOTT:** I think Ms Penton's point is a good one, though. They are small numbers. They are a fraction of the number of international students I suspect you would find at any one of the dozen-plus universities across the State—2,000 to 4,000. They are relatively small numbers. At the same time—it is part of the broader trend that we identified this morning when we talked about changes in the sector—there has been very significant and ongoing growth as we have seen in the international student sector over the last decade, aggressive international recruitment by the universities, not just in New South Wales but all around the country, and the magnitude of students now going to universities is many, many multiples higher than what you see in TAFE.

**Mr DAVID SHOEBRIDGE:** But, Mr Scott, that condemns TAFE.

**Mr SCOTT:** No, that is the truth.

**Mr DAVID SHOEBRIDGE:** Universities have managed to see international student numbers surge and in the same market, where there is clearly an interest in Australia's educational offerings from overseas students, TAFE's numbers have collapsed. Far from explaining or justifying what went wrong with TAFE, that is damning of TAFE, is it not? The comparison with universities damns TAFE.

**Mr SCOTT:** It is the question, isn't it—

**Mr DAVID SHOEBRIDGE:** It damns TAFE.

**Mr SCOTT:** I am just seeking where the question is here. I would simply say to you that we note the figures you identify. International students, as a proportion of TAFE and a proportion of TAFE's revenue, have always been significantly smaller than in the higher education sector.

**Mr DAVID SHOEBRIDGE:** But they got 40 per cent smaller in just three years.

**Mr SCOTT:** It is increasingly smaller given the aggression of the Australian higher education sector international recruitment. This is but a small percentage of the total number of students who come to TAFE.

**Mr DAVID SHOEBRIDGE:** So you are just giving up and walking away?

**Mr SCOTT:** No, I am saying—



**Mr DAVID SHOEBRIDGE:** You just note a 40 per cent collapse. That is what you are doing; you are noting it.

**Mr SCOTT:** I am not noting your language, I am simply putting this in some sense of context and perspective, which I think is reasonable to do.

**Mr DAVID SHOEBRIDGE:** I am going to take that as a white flag.

**Mr SCOTT:** No, no.

**Mr DAVID SHOEBRIDGE:** You just raised the white flag.

**Mr SCOTT:** There is no white flag being raised here, Mr Shoebridge. I am simply pointing out to you that we have had a lot of discussion in the media—I think we had some discussion the other day about international students in the higher education sector. It has generated a lot of attention. I am simply pointing out to you that international students have never been a large percentage of the TAFE enrolment, have never been a large part of the TAFE revenue stream, and there has been a lot of aggression in the sector by higher education. I can assure you that there has been no diminution of quality of courses that are on offer from TAFE. TAFE does not simply operate against higher education, it operates in a national marketplace and an international marketplace for international students.

**Mr DAVID SHOEBRIDGE:** The review of last year's budget has seen a \$230 million shortfall in sales of goods and services below the target. What is the explanation for that, or do we just note it?

**Mr SCOTT:** We will take the detail on notice.

**Mr DAVID SHOEBRIDGE:** It is quite a big bit of detail; it is almost a quarter of a billion dollars. Do you have no explanation?

**The CHAIR:** No, I have to call you to order. It has been taken on notice.

**Mr DAVID SHOEBRIDGE:** Do you have no explanation?

**Mr SCOTT:** I take it on notice.

**Mr DAVID SHOEBRIDGE:** With all due respect, Chair, we are in budget estimates—

**The CHAIR:** Mr Shoebridge, the suggestion is that the witnesses are withholding information they have available now and would rather take it on notice. You cannot operate on that basis. If they take it on notice, we have no option but to accept that at face value and move on.

**Mr DAVID SHOEBRIDGE:** Mr Chair, we can test it in budget estimates, and when we are talking about a figure of \$230 million in a \$1.8 billion budget we are allowed to test—

**The CHAIR:** Respectfully, I am suggesting that you should test it through questions—

**Mr DAVID SHOEBRIDGE:** That is what I am seeking to do.

**The CHAIR:** Rather than statements trying to defy or suggest that the witnesses have the information there.

**Mr DAVID SHOEBRIDGE:** That is what I am seeking to do.

**The CHAIR:** Do you have a question?

**Mr DAVID SHOEBRIDGE:** Do you have no explanation to hand for any part of that quarter of a billion dollar shortfall?

**Mr SCOTT:** I am happy to confirm that we have an increase of 3.1 per cent in the total funding available to TAFE, and that now is a budget figure of \$1.85 billion based on the 2018-19 forecasts. In addition, there is another \$137.2 million of capital expenditure for TAFE in the 2019-20 year. I am happy to take further details of that on notice.

**Mr DAVID SHOEBRIDGE:** Mr Scott or Ms Penton, there is an obligation on TAFE to report in its annual report on the number of senior executives. Do you agree with that?

**Ms PENTON:** Yes.

**Mr DAVID SHOEBRIDGE:** The most recent annual report, 2017-18, only reports on 12 senior executives. Is that right?



**Ms PENTON:** Yes. It is my understanding that the report includes the numbers of senior executives who report directly to the managing director at that time.

**Mr DAVID SHOEBRIDGE:** I have reviewed the annual report. There are 12 senior executives referenced in the annual report. TAFE employs a significantly larger number of senior executives who receive salaries greater than the band one senior executive rate, which is \$178,850—or was as at the time of the last annual report. It employs vastly more than 12 senior executives who receive remuneration greater than that band one amount, does it not?

**Ms PENTON:** I would have to take that question on notice, given that it was the 2017 period that you were speaking of.

**Mr DAVID SHOEBRIDGE:** Could I suggest to you the executives who were not reported on in last year's annual report included the general manager of governance, legal and risk; general manager of marketing and communication; general manager of business development; deputy regional general managers; heads of SkillsPoints; heads of skills teams and other executives at a grade of TAFE manager six or contract equivalent of greater than \$187,000. There are dozens of them and yet the annual report only reports 12 senior executives. How does this happen?

**Ms PENTON:** It is my understanding that the annual report produced meets the reporting requirements. Certainly from that perspective, the 2017 report makes it clear that it is the executives reporting directly to the managing director.

**Mr DAVID SHOEBRIDGE:** Ms Penton, do you agree that there are substantially more than 12 senior executives in TAFE who receive a salary of greater than \$178,000?

**Mr SCOTT:** I think the question that emerges here is the definition of "senior executive". As Ms Penton says, the TAFE annual report will be constructed under the same guidelines as other reports for government departments and government agencies. As I heard the definition articulated by Ms Penton, the definition of "senior executive" is one who directly reports to the managing director. So who is on the senior executive team at TAFE? Here are the 12. This is who they are. Now, that might be different to those who are members of the executive service at different band levels. I am not sure you will find there is absolute consistency across government as to how people report, but the senior executive team of TAFE is known, I think, as the senior executive team. It meets as an executive team and directly reports to the managing director.

**Mr DAVID SHOEBRIDGE:** So am I to understand the way TAFE constructs these reports is unless a senior executive reports directly to the managing director they are not being reported as senior executive members or senior executive staff in the annual report?

**Ms PENTON:** That is my understanding, but I am certainly happy to take that question on notice and provide additional information.

**Mr DAVID SHOEBRIDGE:** And could I ask you to take on notice how it is you say that complies with the reporting obligations that TAFE has for senior executives?

**Ms PENTON:** I would certainly be happy to.

**The CHAIR:** I think a reporting discrepancy has been identified there. The Committee would appreciate a serious examination of the particular matter that has been raised.

**Mr SCOTT:** We will take that on notice. Yes.

**The CHAIR:** Could I come back to something? Ms Penton, I thought I heard you say earlier that the Chullora students are expected to travel to Miller TAFE? Did you mention Miller?

**Ms PENTON:** That is my understanding, unless I have been mistaken in my words.

**The CHAIR:** It is not the best known suburb; it is on the other side of Liverpool. For instance, it would involve a bus trip to Strathfield station, a 40-minute train ride to Liverpool and then another substantial bus ride out to Miller. Is it reasonable to expect people to go that far if those are the public transport links?

**Mr SCOTT:** The only thing I would say is it is a bit like when the Department of Education moved its head office from Bridge Street—where it had been for 100 years—out to Parramatta. Some of the commentary was: How long is it going to take everyone to get to Parramatta? What was noteworthy was how much less time it took many people to get to Parramatta because they had been travelling past Parramatta to get into the city. I think the answer to your question is, if we assume that everyone is living in the perimeter of Chullora then it

might be a distance. There will be students who have been travelling to Chullora who will now go to Miller, and it may not necessarily follow that that is the full distance from Chullora to Miller. That is the point I am making.

**The CHAIR:** If you live close to Miller, you go to Miller. If you live close to Chullora, you go there.

**Mr SCOTT:** Yes. I am saying it may not be—

**The CHAIR:** It does not exist now as an option. Is it really comparable to the movement from Bridge Street to Parramatta where you had no existing Parramatta office?

**Mr DAVID SHOEBRIDGE:** We understand not everybody lives in Chullora.

**Mr SCOTT:** It may not be the full distance. That is what I am saying.

**Ms PENTON:** Certainly depending on the area of study that the students are undertaking—for example, electro-technology, civil construction and carpentry were transferred so the training is delivered at Miller. However, other students, depending on the training that they were undertaking, are going to Lidcombe or Bankstown. It really depended on the area of study.

**The CHAIR:** Okay. So Lidcombe and Bankstown in addition to Miller?

**Ms PENTON:** Yes.

**The CHAIR:** Okay. That is helpful, I am sure, for everyone.

**Ms PENTON:** Yes. I come from western New South Wales, so I am not as familiar with all of the suburbs of Sydney. I do apologise.

**The CHAIR:** I know Miller reasonably well. It is not up the road.

**Ms PENTON:** No.

**The CHAIR:** Thanks for your answer. Can I come back to the question of the interface between school and TAFE, which I think is vitally important for both sectors?

**Mr SCOTT:** Yes.

**The CHAIR:** I just come back to the point of 25 years of government effort to make this work in a seamless way with multiple benefits. I think the behavioural discipline issues in high schools are becoming acute and there is evidence that it is dragging results from NAPLAN down. Is there any early understanding or examination of why it has not worked for 25 years despite acres of government rhetoric and good intentions? Are these institutionalised cultural problems where schools and TAFE just do not like talking to each other? Is it a lack of financial incentives or a lack of willpower in the system to actually turn rhetoric into results?

**Mr SCOTT:** Really good questions, Chair. I am sorry that Minister Lee is not here. This has been the first strong, clear matter that he put on the table for us. Within days of his swearing in we got a task force that has been established to look at this pathways question.

**The CHAIR:** He has got the right priorities.

**Mr SCOTT:** As I said earlier, I think it is on the national agenda—Gonski references it and Peter Shergold is doing the report. I think a little bit of it is all the above. One of the things I sometimes reference is that the New South Wales HSC, a highly regarded credential, was first examined in 1967. For the students who do the HSC this year—it is still instantly recognisable from that 1967 credential when the number of students staying on to complete year 12 would have been well under 30 per cent—retention rates now are closer to 80 per cent. Question number one: Is the HSC different enough? I think there is an argument that the HSC is still dominated by the universities and the rules that they put in place around the ATAR, and how vocational education courses are treated. Even though we have a situation now where universities, in a sense, are more moving away from the ATAR and going to their own selection processes, there is no doubt that the ATAR is absolutely dominant.

There are financial issues I want to look at again, now that schools and TAFE are in the portfolios together. I think there is a question as to whether schools financially suffer if students are doing TAFE courses, and whether the money follows the students and there is a defensiveness of schools around students going out to do TAFE programs. Part of the work that is being done by Graeme Plato, who leads the analytics team that works with Ms O'Loughlin, indicates the great success of school-based apprenticeship programs. Students who do school-based apprenticeship programs are most likely to go on and study those subjects once they leave school to actually get the credential. You do not actually see that correlation between a lot of other vocational education courses that are on offer.

The other thing is that I think we really have to, in a sense, rebrand how vocational education is offered. I am looking to work closely between schools and TAFE to create a whole new breed of vocational education programs on offer that even students who may aspire to go to university would find meaningful, demanding and challenging, but that also would be well respected by any ATAR process. It is quite complex and multidimensional, but I think everybody is in heated agreement that for all the rhetoric and the insight over 25 years we do not have a lot to show for it. That is going to be untenable in a future pathway where a lot of the predictions would suggest that students will move from schools to higher education to vocational education and back into higher education, that they will move in the pursuit of lifelong learning which will see pathways in and out of vocational education. The Vice Chancellor of UTS, Professor Brungs, points out that a very significant number of his students graduate from university and then go and do vocational education on the back of that. The world is changing; our school system has not changed as quickly and that is why it has been identified as a priority area for the Minister.

**The CHAIR:** I am very glad to hear that. I visited a school in Liverpool that maps its student enrolment from war zones around the world. These are kids who have got obvious issues in getting on their feet and moving forward in Australian society, but they are bright, energetic and entrepreneurial. The principal there said he had the feeling that if they could get into something that engaged them, say in the vocational education area, as adult learners they are probably going to come back into university and do all sorts of wonderful things. These pathways have been too fixed and stereotypes have applied to them that do not really fit in a modern Australia. Is that a fair depiction?

**Mr SCOTT:** I think pathways were set too early and too binary, whereas I think our information will be that vocational education will often be a stepping stone to higher education and higher education might move into vocational education as well. There is also a better story—and, again, some of the work we are doing in the department reflects this—telling how a vocational education study can lead to a meaningful wage and sustainable family income over time. One of the things we are trying to do with the new datasets we have created is to track the different pathways of students, those who get very high ATARs, those who may have struggled in year 9 NAPLAN, and look at pathways through further education and training to earning capacity a decade later. That is going to be quite a valuable piece of research when we can finally release it.

**The CHAIR:** On the flipside, is there excessive stigma about the thing that used to be called "streaming"? It seemed to get a bad name in the 1990s and dropped off everyone's agenda, but if a 14-year-old is not engaged in the academic curriculum is there any shame in saying vocational education is more likely to engage them to reduce the discipline, the energy, the results and give them a future?

**Mr SCOTT:** No. That is a really insightful question. The difficulty comes, and I think part of the reaction would be, if that streaming resulted in very high walls which made it impossible for a child to move from that stream over time. That is what we are most concerned about. If I was teaching 14- and 15-year-olds and there was an opportunity to really engage them in something that was practical and they saw the value in, and they were still having rigorous learning as part of that, you understand the appeal of that. You just do not want that decision of a 14-year-old to lock them into a pathway from which they cannot escape for the rest of their working lives. I think if you go back, probably before even the era of when we were at school, those walls were high. When you went down a tech high school path it was very, very unlikely that you would ever find a pathway into higher education. We just need to make sure that there are good bridges across no matter where students are learning from now, and that is what we aspire to do.

**The CHAIR:** What work is being done with TAFE to move to the outcome-based funding system? What inspiration is taken from the Wellings report at a Commonwealth level where the Morrison Government for growth university places will be measuring how the universities perform in graduate employment outcomes: student success, student experience and enrolment of Indigenous, disadvantaged and rural students? It would obviously have some great potential for improving TAFE, Vocational Education and Training Research Database [VOCED] quality and also this question of school interface, would it not, to go down outcome-based funding?

**Mr SCOTT:** Let me speak to that. As you would be aware, the New South Wales Government is moving to outcomes-based budgeting and the Education cluster is the first cluster to be engaged in that. We did a body of work in the lead up to the election around schools. What we have done as part of that business plan is agree to a series of outcome measures across a broad range of criteria that we think are indicative of building a world-class education system. Some of those things will be literacy and numeracy targets of course, but also issues like attendance, student engagement and performance of different groups of students in the system. We are happy, in a sense, to report on progress on that over time. We are also working with schools to create school-based targets

around literacy and numeracy, engagement, attendance and the like. This will just give us a sense of how we are going.

Now, the Expenditure Review Committee and Treasury have asked us to expand that work to take in the work of school infrastructure but also to take in the work of skills and TAFE. That work is underway now. Part of the art of this is to find the right kind of measures; the measures that are meaningful. It is very clear to me that given the size and operation of TAFE that it produces strong levels of data that will be meaningful for reporting. We are making an investment and I think, in a way, this is a very legitimate question: What return do we expect to see and how will we know if we are being successful? Then, what will happen if we are not seeing improvement? I think these are positive things. The schoolwork has been done. Now the work is being done on school infrastructure and on TAFE and skills. That work is continuing in the months ahead.

**The Hon. ANTHONY D'ADAM:** I might pick up on that theme and see if we can get a bit of data around those policy directions. How many schools are providing advice to students on pathways to apprenticeships through TAFE?

**Mr SCOTT:** I think you would find that all schools will provide career advice—

**The Hon. ANTHONY D'ADAM:** That is your evidence, is it? All schools provide it?

**The Hon. WES FANG:** Point of order: The secretary is about five seconds into his answer.

**The Hon. SCOTT FARLOW:** Five words exactly.

**The Hon. WES FANG:** And the member is starting to verbal him about his answer. The secretary needs a chance to be able to respond to the question in a manner that he is provided with respect.

**The CHAIR:** The secretary should be allowed to complete his answer.

**Mr SCOTT:** I would simply say that there are career counsellors in all of our schools. One of the things that career counsellors will do is provide advice around further learning opportunities, including TAFE and higher education. We have a range of other initiatives around now to provide further information and detail as far as career counselling as well. Ms O'Loughlin has some of those details.

**Ms O'LOUGHLIN:** I wanted to bring to the Committee's attention to a really interesting product that was launched just a couple of weeks ago by Minister Mitchell and Minister Lee—it is called LifeLauncher. It is a web-based product. It helps students identify career options and pathways most suitable for their circumstances, aptitudes and interests. It is the first time it has been available. It provides end-to-end student experience to enable them to identify what they want to do, do the research and see not just the courses but where the courses end up in terms of careers, where there are good career vacancies, good job opportunities, good incomes—if that is what they are interested in. It is agnostic in terms of what sector it is. A lot of them available at the moment direct you to a university or direct you to a course. This does not do that. It starts the student and says: What are your interests? What are your aptitudes?

It actually leads through a web-based interaction with a student and allows them to test different options. Then either come back and think about it later or in fact go through and enrol. We are very excited about it—I hope you can tell—because it is the first time. It has more information on more than 3,700 careers and 1,534 VET, university and higher education courses. It is a very different way of trying to get over this problem. There is so much information out there for young people to try and find their way through without jumping to conclusions too early about going to university because that is kind of where you end up. Rather, it opens the options for them. It allows them to test what most interests them and to also look further down the track. Not just "let's do this course", but what does it mean for their job and career.

**Mr SCOTT:** And also, of course, some of the best information on what is on offer at TAFE will come from TAFE. Ms Penton, do you want to speak to that?

**Ms PENTON:** Yes, certainly, Mr Secretary, building on this broader policy framework and how you actually take that down to the grassroots level. Certainly from a TAFE perspective, and in my experience our campuses are working collaboratively on a daily basis with schools on the ground and building those relationships. The sorts of programs we offer in a really practical sense for kids are things like Taste of TAFE programs where they come in—it is done in consultation with the school—and we pick particular program areas where there are local jobs available. They come in and listen to our teachers about the courses that are on offer, the careers that are available. There is also a broader range of programs through our youth engagement strategy, which again is a collaboration at the local level between our TAFEs and schools on the ground where particularly young people at risk of disengaging with education come, as part of their weekly program, into TAFE for practical training, to

engage them as early as possible to ensure that they stay in school. Certainly our early data indicates that it is those sorts of things that make the biggest difference.

**The Hon. ANTHONY D'ADAM:** How much funding has been allocated for this type of program and school support?

**Ms PENTON:** I will take that question on notice, and provide that information and data to you.

**The Hon. ANTHONY D'ADAM:** Can you tell me how many students are starting a subject in TAFE as part of their HSC?

**Ms PENTON:** We offer those programs through what is known as the external vocational education and training contract, and again I will take that question on notice so I can provide you with that data.

**The Hon. ANTHONY D'ADAM:** Are you able to provide locational data as well around that?

**Ms PENTON:** Yes, we certainly can.

**The Hon. ANTHONY D'ADAM:** Particularly how many students are studying the HSC at TAFE?

**Ms PENTON:** Yes, certainly.

**The Hon. COURTNEY HOUSSOS:** Can you tell me at how many locations across New South Wales students can study their HSC at TAFE?

**Ms PENTON:** I would have to take the absolute number on notice, but certainly from my perspective it is a local decision. We offer training programs often because schools offer vocational education and training [VET] in schools' programs and we complement those programs either because of our facilities, which are obviously more broadly available, but also other courses as well, from my experience, having worked in regional New South Wales—for example, in Young, Narrandera and Hay, so certainly we can give you the data around those sorts of things.

**The Hon. COURTNEY HOUSSOS:** Ms Penton, I think you misunderstood my question. My question was: Students studying their HSC at TAFE, the actual HSC?

**Ms PENTON:** Yes, we will take that one on notice for you, certainly.

**The Hon. ANTHONY D'ADAM:** Are you able to provide information about school-based apprenticeships and traineeships?

**Mr SCOTT:** Yes.

**The Hon. ANTHONY D'ADAM:** The numbers around that?

**Ms PENTON:** Yes.

**The Hon. ANTHONY D'ADAM:** And what pre-apprenticeship courses are offered and where those courses are offered?

**Ms PENTON:** Most certainly we can provide that.

**The CHAIR:** Ms O'Loughlin, do you have those statistics? You reached for a piece of paper with expectation in your eyes?

**Ms O'LOUGHLIN:** Thank you, Chair. I can tell you how many school-based apprenticeships and traineeships we have. At the moment there are 2,400 enrolments, but there are also 45,495 enrolments in other VET in-school courses, which would be units, modules and certificates that are not the full apprenticeships or traineeships.

**The Hon. ANTHONY D'ADAM:** I want to ask about community service obligation funding. Are you able to tell me how much is provided in the budget for the community service obligation funding?

**Ms PENTON:** I would say is approximately \$150 million, but we will confirm that number exactly for you.

**The Hon. ANTHONY D'ADAM:** I would also appreciate that amount for the previous three financial years as well?

**Ms PENTON:** Yes, certainly.

**The Hon. ANTHONY D'ADAM:** Are you able to indicate off the top of your head whether that is an increase or decrease on last year's budget?

**Ms PENTON:** I would not be able to give you that exact number; not off the top of my head, no.

**The Hon. ANTHONY D'ADAM:** That will be evident from the figures? You are happy to provide that on notice?

**Ms PENTON:** It will be when we provide them to you, most certainly.

**The Hon. ANTHONY D'ADAM:** Coming back to my earlier line of questioning about the analytical capacity around feeding into the decisions around course mix, I conflated two processes. There is clearly the skills board process, but then there is also TAFE's internal process. To what extent is the specification of occupations list for 457 visas taken into account in the determination of TAFE's course mix?

**Ms PENTON:** As we indicated earlier, we take the broader data that is available from the other agencies as well as our other environmental scans and take those sorts of things into consideration to ensure that we are offering the right courses in the demand areas that are needed. In areas where there are high skills gaps where we are seeing the use of visas, we look at those sorts of things to ensure that we have the right provision of skills.

**The Hon. ANTHONY D'ADAM:** It would seem to me that the 457 visa list is a pretty comprehensive map of the skills gaps in the economy.

**Ms PENTON:** Yes.

**The Hon. ANTHONY D'ADAM:** So it should be fairly front and centre in determining the course mix that TAFE offers. Can you guarantee that there is a TAFE course at multiple locations across New South Wales that offers all trades-based skills listed on the list of skills eligible for a 457 visa?

**Ms PENTON:** We would have to gather that data and provide it to the committee, given the breadth and the number of programs and campuses that we have.

**Mr SCOTT:** And you need a caveat on that as to whether TAFE is ever in a position to provide training on some of the areas that might be on that list. For example, some of those things might be better provided by a higher education provider than by a TAFE provider.

**The Hon. ANTHONY D'ADAM:** Sure, of course.

**Mr SCOTT:** So you cannot just—

**The Hon. ANTHONY D'ADAM:** But any areas obviously?

**Mr SCOTT:** Yes, that is the caveat I just needed to put on.

**The Hon. ANTHONY D'ADAM:** I have a particular case study where someone living outside metropolitan Sydney wanting to become, say, a locksmith—that is on the 457 list—they are only able to undertake that course in one location, that is Ultimo TAFE. How do you propose that a skill like being a locksmith could be achieved by someone who is outside metropolitan Sydney?

**Ms PENTON:** In very specialist areas—and we would start to describe that particular training area and that skill area as a fairly thin market; it is not a large enrolment base across New South Wales—what we do, in this area and numbers of other areas where there are small cohorts, we work with the employers concerned and frame the training in block release, for example. It would provide an opportunity for the student to travel on a block period rather than on a regular basis to limit travel. We are also looking at these particular training areas to see how much they can do through connected learning, but also leveraging off TAFE Digital as well, digital learning and digital opportunities. We continue to review these small areas. We continue to work with the agency around these small skills areas, but importantly we continue to deliver that training even though it is a very small cohort because we understand it is a skill that is required in the State. But in this case it is not something that we can offer everywhere.

**Mr SCOTT:** To follow that, it is quite interesting in the Smart and Skilled programs there are a number of areas where your 457 visa illustration would suggest there is demand, but because it is a relatively thin market or it might have quite strong capital demand, the private sector has not rushed in to meet that demand so it falls to TAFE. But in a land mass the size of New South Wales, geography dispersed the size of New South Wales, even if you had other settings outside Ultimo, it is still a long way from a lot of people and there clearly is not the demand to offer this everywhere, so I think what we are seeing from TAFE is how can it organise as effectively as possible to make it as accessible as possible to as many people. That is the example we see in the circumstance.

**The Hon. ANTHONY D'ADAM:** Can I ask about the digital campus? Can you elaborate on what that is?

**Ms PENTON:** TAFE Digital is part of our delivery group. We talked early this morning about the regions in TAFE NSW across the State. We have five regions that are geographically based—south, west, north, Sydney and western Sydney and they are complemented by the entity known as TAFE Digital. That is our online delivery arm, so it is able to offer provision to students through online learning.

**The Hon. ANTHONY D'ADAM:** The connected learning centres CLC are part of TAFE digital campus, is that how it works?

**Ms PENTON:** No, the connected learning centres are part of our physical regions, so they are under the auspices of the regional general manager at the local level. One of the advantages that I have seen in the development of the one TAFE model is that if you are a student who is studying online or through TAFE Digital, if you are a student of TAFE NSW you can access our facilities right across the State, and particularly for some of those students who are in our regional and remote areas, for example, who may not have access to stable internet connections, those sorts of things, to do their study, they can access our campuses, access our information technology [IT], access technology, access library services and our support services as well.

**The Hon. ANTHONY D'ADAM:** Is TAFE Digital a growing area of delivery or is it relatively stable?

**Ms PENTON:** We have seen slight growth in it and what we are seeing across the board, educationally, is a shift in delivery models. Some of our students will opt for online delivery, some will opt for face-to-face delivery—that is certainly what we are seeing on our physical campuses—and others will opt for a blended mode, depending on their circumstances, their age, their educational level, but also whether they are working at the same time as they are studying. I think that is the benefit—education is far more flexible and training is far more flexible than it has ever been.

**Mr SCOTT:** I think that is right. In a way, we identify it as an opportunity. If I can draw a parallel from schools, we have created this facility called Aurora College. You have students, through their schools, hooked into fast broadband and that enables us to offer courses in high schools that may not have been able to offer those courses because there were not enough students enrolled. It also allows us to effectively run extension programs for talented and gifted students in a way that it may not have been possible to deliver for them at their regular school. Several hundred students are taking advantage of Aurora College in geographically isolated areas around the State.

That is simply an opportunity that digital technology creates and it is not a trade-off; it is a sense of, with fast broadband, digital technology and good use of digital infrastructure, you can expand your reach and the impact of the courses that you have on offer. It is an exciting opportunity for TAFE to expand its reach and its impact, particularly for students in more isolated areas.

**The Hon. ANTHONY D'ADAM:** Is there any evidence where TAFE campuses have closed that that has driven enrolments into the digital campus model?

**Ms PENTON:** From a campus closure, we have not been having campus closures from that perspective. Where we have, if there is a shift in a course, for example. The secretary is quite right. In some of our very small communities—and I will use the example of Hay, where the whole demographic of those communities are changing; a more ageing population requiring different skills and different needs—our courses have to vary over time. So it is often more of a shift of courses that we can offer and, under the traditional role of face-to-face full-time that we would have experienced 20 years ago, having 20 students in Hay who want to do the same thing is really challenging.

The educational response around online learning, distance learning and connected learning is our way of looking at using the technology for the benefits of people—to provide a broader range when it is only three people who might want to do accounting in Hay and we can still connect them to that learning. And also to connect them to an expert teacher, which is the other challenge in some of those smaller communities.

**The Hon. ANTHONY D'ADAM:** Just following on from that about the locational decision-making matrix that might be used to decide where you place a Connected Learning Centre, is that informed by any formal policy document? Are there specific parameters that are set out somewhere?

**Mr SCOTT:** I think we took this question on notice this morning.

**Ms PENTON:** We can provide that information it.



**Mr SCOTT:** We will take it on notice again.

**The Hon. ANTHONY D'ADAM:** This is about what is underpinning the decision-making.

**Mr SCOTT:** Yes, I think we took that on notice.

**The CHAIR:** Must be a good question.

**The Hon. ANTHONY D'ADAM:** Can I ask a similar question about the Country University Centres?

**Mr SCOTT:** Sure.

**The Hon. ANTHONY D'ADAM:** What are the locational criteria and what is the policy document that is the foundation for decision-making around the Country University Centres?

**Mr SCOTT:** Again, I am happy to come back and take that on notice. I would say that this goes fundamentally to the issue that has already been identified before the Committee: Students with identical Australian Tertiary Admission Ranks [ATARs] are that much less likely to go to university if they are from a regional rural setting. It is quite stark—at the 75 ATAR level, even at the 85 ATAR level. We are doing some significant research into "What are the factors that mean that students from regional and rural areas will not take advantages that are opening up to them in higher education?"

I think the Country University Centre initiative is a really interesting initiative to try to improve access to university education for regional students. We have three that have supported nearly 700 students thus far—many of those students are first in family and we have a significant percentage of Aboriginal and Torres Strait Islanders. I think nearly half the students in those centres are the first in their families to ever take advantage of higher education. The focus of investment has been about building university centres in regional locations where there are not currently tertiary education facilities.

**The Hon. COURTNEY HOUSSOS:** Does that include TAFE?

**Mr SCOTT:** Tertiary education facilities, so not—

**The Hon. COURTNEY HOUSSOS:** Not vocational?

**Mr SCOTT:** No. And then to expand on existing and developing centres that already exist in places such as Broken Hill, Cooma and others, and to provide those students with access to specialised services. I think this will be an interesting initiative and if we can track students using those centres to provide an easier pathway into higher education to successfully commence and, as the Chair was talking about earlier, complete higher education degrees—this is the kind of thing that will develop performance indicators and have reporting requirements. It is an investment worth watching because the goal is very worthwhile.

**The Hon. COURTNEY HOUSSOS:** Can you just expand on that? You said you are doing research into students from regional areas with identical ATARs.

**Mr SCOTT:** Yes, I can. This has happened as part of our rural and remote strategy in the Department of Education. Some of the people who talk to me—and going to Australia's educational performance over time—suggest that the debate and the discussion under-emphasises the challenge of educational outcomes in rural and remote areas, and that really the divide in educational outcomes from young people in metropolitan areas and regional and rural settings is stark and is not closing. One of the things we have been looking at is what the pathways are for young people. It is quite stark at those ATAR points—I think of 75 and 85—what the gap is of students and taking that ATAR, which clearly gets them into university, and actually going to a university. We are now trying to do more digging as to what those factors are. A key to high education performance is high expectations and familial expectations, also familial responsibilities and what your peers and cohort are doing. Those are all things we are looking at.

**The Hon. COURTNEY HOUSSOS:** If you can provide us a differential at each of those points, on notice, that would be fine.

**Mr SCOTT:** Yes, I am happy to provide that.

**Mr DAVID SHOEBRIDGE:** Staying on the university theme, last year was the first time that the Victorian Government required its universities to report directly to it on the overall yearly data about insecure work. It showed that of the eight largest Victorian universities, 63 per cent of the staff had insecure employment—either casual or fixed-term contracts. Does the New South Wales Government have any similar requirements for reporting by New South Wales universities?



**Mr SCOTT:** I do not think so.

**Mr DAVID SHOEBRIDGE:** Does anybody in the department track the very incomplete data that comes out of the Workplace Gender Equality Agency, federally, on insecure employment?

**Mr SCOTT:** As far as universities go?

**Mr DAVID SHOEBRIDGE:** Yes.

**Mr SCOTT:** I will take that on notice but I do not believe so.

**Mr DAVID SHOEBRIDGE:** I might just put to you a couple of the highlights from that data from the most recent year reported on, which is 2016-17. It found that of the four universities nationally that had the greatest rate of insecure work, three of them were in New South Wales: Wollongong University had 75.8 per cent of its staff in insecure work, University of Technology Sydney had 74 per cent of its staff in insecure work and University of New South Wales [UNSW] also had 74 per cent of its staff in insecure employment. Do those figures raise alarm bells, in terms of the nature of the employment?

**Mr SCOTT:** Let me answer that in a few different ways. I read some of this material—there was quite a major piece in *The Saturday Paper* a month ago or six weeks ago, by an academic who identified similar types of issues. I would say, as the Minister reported this morning—and the Minister is a former TAFE teacher and former university lecturer. I think there can be an argument that can be constructed that in some areas to have people who are teaching who also have very real practical working experience in that field, that there are benefits to that. For example, I know in business schools it is not uncommon to have people who are practically working the field and also providing lectures and the like.

**Mr DAVID SHOEBRIDGE:** Mr Scott, there are some reasons for that, I accept that.

**Mr SCOTT:** There are some reasons for that.

**Mr DAVID SHOEBRIDGE:** It is 75 to 76 per cent of the workforce.

**Mr SCOTT:** I accept what you are saying on that figure. The thing we need to say and reinforce is what exactly is the role of the State Government when it comes to the operations of higher education? It is one of the quirks of federation. The University of Sydney was established well before federation; clearly it was under State legislation. The university Acts are overseen by the State Government. There are ministerial appointees to the governing boards. The Minister will be responsible for lands and the audit of accounts and annual reports.

**Mr DAVID SHOEBRIDGE:** At different times there have been scandals on colleges and governance requirements.

**Mr SCOTT:** Yes. For example, on issues around residential colleges, as was referenced this morning, they were also pieces of State legislation.

**Mr DAVID SHOEBRIDGE:** Correct.

**Mr SCOTT:** However, when it comes fundamentally to the funding of universities of course disproportionately that comes from the Federal Government. No funding really comes from the State Government. On top of that as well is the managerial and operational decisions of universities and that, I can assure you, is fundamentally a management decision. The shape of that workforce will be a decision made by the management teams at UTS and the University of Wollongong.

**Mr DAVID SHOEBRIDGE:** Mr Scott, that includes the Senate and the various structures in place that are established under State law and they are not doing their job in reviewing this.

**Mr SCOTT:** Let us talk to that further. The ministerial appointees to the governing bodies, that is simply how, in a sense, it comes together. Fundamentally, when those people are on the governing board they are not the Minister's vote or the Minister's proxy; that is simply how they got to be on the board. When they are on the board they are a member of that governing board like everyone else on the board—those who are voted in by the academic board, those who are voted in by the congregation and the graduates and the like. In no way, I can assure you, are members of the governing board appointed by the Minister providing reports back to the Minister on decision-making.

**Mr DAVID SHOEBRIDGE:** The governing bodies are established under State legislation and those governing bodies appear to not be tracking this core issue of insecure employment. Surely that is the moment when the State Government should step in, particularly on those figures that I told you. Three of the top four worst offenders are principal universities in New South Wales?

**Mr SCOTT:** I do not want to be at cross-purposes, Mr Shoebridge. I understand the argument you are making and the concern you are expressing on the staffing mix. I would simply say that under the governance model that has been created through this legislation, and through custom and practice of how that has worked out for over a century now, the New South Wales education Minister or the Minister responsible for higher education does not have operational influence on the decisions made and nor does that Minister have influence on the governance that takes place in those universities. The Minister is responsible for a couple of appointees to that university or if the university comes back to the Minister and says it has concerns with its governance model or legislative structure then the Minister will be engaged. But if I take your example, you seem to be suggesting that ministerial appointees should be reporting back to the Minister on decisions that are being made.

**Mr DAVID SHOEBRIDGE:** No, you are misrepresenting my position. I am sure it is not intentional, Mr Scott.

**The Hon. WES FANG:** Mr Chair, I think a bit of order—

**The CHAIR:** There is a point of order. I call Mr Shoebridge to order. This line of questioning would be relevant if there was a New South Wales statutory requirement for universities to report back on insecure employment. By virtue of it being done in Victoria, for whatever reason, is not evidence of New South Wales needing to do the same thing.

**Mr DAVID SHOEBRIDGE:** Allow me to finish the line of questioning. I have one more question.

**The CHAIR:** Unless the universities have got a statutory requirement, I am suggesting that these questions are not relevant.

**Mr DAVID SHOEBRIDGE:** All of the universities are established and their governance arrangements are under State law, which is why it is relevant.

**The CHAIR:** That does not mean they have a requirement to do a whole range of things that you want them to do. It must be set out in the statute.

**Mr DAVID SHOEBRIDGE:** I have one more question and we can put a line under this.

**The CHAIR:** Thank you.

**Mr DAVID SHOEBRIDGE:** Given the WGEA data does not include the total or even the average number of employees employed over the reporting period but just those employees from April to May—and that inadequacy of the data is what prompted the Victorian Government to seek proper data—will your department review what Victoria does to see if we can get some accurate data for universities in secure employment?

**Mr SCOTT:** I am happy to say that our higher education team will look at what has taken place in Victoria.

**The CHAIR:** That is very generous.

**Mr DAVID SHOEBRIDGE:** I think it is sensible rather than generous.

**The Hon. WES FANG:** We are not here for your opinions, David.

**Mr DAVID SHOEBRIDGE:** Nor yours, Wes. Mr Scott, how many TAFE NSW teachers were required to undertake the update of Certificate IV in training and assessment in 2019?

**Mr SCOTT:** Ms Penton can speak to this.

**Ms PENTON:** Certainly the most recent upgrade was a requirement from a regulatory perspective set right across the sector for all RTOs and specifically for those teaching staff that did not have the two units of competence that were specific to that requirement, all of our educational staff were required to gain that qualification.

**Mr DAVID SHOEBRIDGE:** I know that history which is why I am asking you how many TAFE NSW teachers were required to undertake the update.

**Ms PENTON:** I will get those figures.

**Mr DAVID SHOEBRIDGE:** While you are doing that I will put the next series of questions that probably relate to the same data. What was the cost to TAFE NSW to deliver the course units for those updates and what was the cost to TAFE NSW to reimburse teachers for the cost of completion of those course units for the update at training providers other than TAFE NSW?

**Mr SCOTT:** We will take the detail on notice, Mr Shoebridge, if we may. It was a big effort from TAFE. Yes, that was a requirement; yes, there was a deadline. Our staff made that deadline. Can I say, the New South Wales Teachers Federation and unions have been supportive of staff in achieving their compliance with new standards. I appreciate that this was a new or a fresh requirement for many and significant work was entailed to reach this standard.

**Ms PENTON:** Certainly, at the highest level, and we can provide additional data, 91 per cent of our TAFE NSW workforce did meet the requirement and undertake training.

**Mr DAVID SHOEBRIDGE:** What is the strategy in place for the 9 per cent that haven't not?

**Ms PENTON:** The 9 per cent that haven't have got a varying range of circumstances. Some of them may be our full-time teaching staff that may be on leave—for example, sick leave or long service leave—so we will work with those staff when they return to work.

**Mr SCOTT:** Mr Shoebridge, as we were working to those deadlines—and you do get these deadlines; we had them in schools around Working With Children Checks and the like—what was interesting is that overwhelmingly the teachers who are teaching at TAFE who are regularly in front of classes now have made the compliance. You will have other people who are nominally TAFE teachers who are not teaching at the moment.

**Mr DAVID SHOEBRIDGE:** It was a kind of roping-in exercise?

**Mr SCOTT:** No, I am saying that 91 per cent is a high figure. It does leave the 9 per cent. It is a legitimate question: What about the 9 per cent? In reality, the 9 per cent were not teaching classes. Either they were on leave or they were still ostensibly tagged as a TAFE teacher but they weren't taking courses this semester. Now what we will do is we will ensure that before any of them get in front of classes again that they have reached this requirement. It is not a point of concern for us.

**The CHAIR:** Coming back to the question of university governance. I come back to the point in the 1981 university establishment Acts about not discriminating against students on the basis of political affiliation, views or beliefs. Is there any precedent for a student in New South Wales who sought assistance in this space, having exhausted all their appeal and argumentative rights at the university?

**Mr DAVID SHOEBRIDGE:** Isn't university governance the very point about which you took a point of order on me?

**The Hon. WES FANG:** You are not the chair.

**Mr DAVID SHOEBRIDGE:** I will take the point of order. If it is good for the goose, it is good for the gander. You took a point of order on me from the chair about university governance and now you are going down that exact same path.

**The CHAIR:** I will rule on this and say in this debate I am not the goose. That is putting forward a false equivalence. My memory is that Mr Shoebridge raised the matter asking New South Wales to do what Victoria did even though New South Wales had no statutory requirement to do such thing.

**Mr DAVID SHOEBRIDGE:** Your rationale was because—

**The CHAIR:** What I have done is very different in the goose-gander space in that I have cited from New South Wales laws a requirement for the 11 universities in this State to comply with the statutory requirement. I will read it out:

A person must not, because of his or her religious or political affiliations, views or beliefs, be denied admission as a student of the University or be ineligible to hold office in, to graduate from or to enjoy any benefit, advantage or privilege of the University.

That is the law in New South Wales, unlike the question of insecure work. Insecure work is an important issue, but it is not in the law governing what universities do in this State. The provision I have read out is the law, and I am asking is there any precedent for students, having exhausted all their appeal rights at the university, seeking that law to be enforced via State Government avenues?

**Mr DAVID SHOEBRIDGE:** I take it I lost that point of order.

**The CHAIR:** I am ruling against the point of order for the reasons I have outlined.

**Mr SCOTT:** Not to my knowledge, Mr Chair, but I am happy to take that on notice and review. You reference 1989 legislation, so we are 30 years on. But let's check our records and see if there is anything—

**The CHAIR:** I think you might have been there.

**Mr SCOTT:** A long, long time ago that you are talking about. My memory is vague.

**The CHAIR:** In a very different capacity.

**Mr SCOTT:** The memory is vague.

**The CHAIR:** We are all remember the scene in The Domain.

**Mr SCOTT:** Yes, we do.

**The CHAIR:** I think that is etched in many minds.

**Mr SCOTT:** Yes, we do.

**The CHAIR:** But not necessarily this provision in the 1989 university establishment Act.

**Mr SCOTT:** For another day.

**The CHAIR:** I take that as true.

**Mr SCOTT:** We will take that and see if we have any records.

**The CHAIR:** Could you provide some advice on what a student would do in the circumstance? Because I do have a constituent at a Sydney university who has put the matter to me where they believe, having exhausted all their university appeal rights, they would be seeking relief or some sort of ruling from the State Government under this provision.

**Mr SCOTT:** Let me take advice, almost like legal advice, on what would be the State's response to such a submission.

**The CHAIR:** A constituent—I appreciate that. My final issue, where I can wrap up, comes to an answer I received from the Minister on notice on 10 July pointing out that earlier this year that 200 TAFE staff for a total of 200 hours undertook unconscious bias training from the Diversity Council of Australia. Could I ask why that training was thought to be necessary?

**Ms PENTON:** Certainly TAFE NSW complies with all the legislative requirements around safe learning and safe workplace so that provision of training—

**The CHAIR:** It is unconscious bias; it is not really to do with workplace safety. It is an interesting concept because it is unconscious, nobody really knows what that means.

**Mr SCOTT:** During the operational workplace. I am aware of unconscious bias training being used around recruitment and performance management issues and the like, but let's take some detail on the specifics of the course.

**The CHAIR:** If you take that on notice and answer why this was thought necessary and particularly the feedback from staff? In my experience, particularly with local government staff who have to do these courses, they walk out more confused than when they started. If you have any feedback on unconscious bias—the voices in our heads, as they are sometimes described—we would also like to have that.

**Ms PENTON:** Certainly.

**The CHAIR:** That answers my round of questions.

**(Short adjournment)**

**The Hon. ANTHONY D'ADAM:** How many scholarships did TAFE NSW award as part of the New South Wales Government's allocation of \$48 million to fund 200,000 scholarships between 2015 and 2018?

**Mr SCOTT:** I will see if Ms Penton has detail on that. Sorry, can you repeat the question?

**The Hon. ANTHONY D'ADAM:** The question is: How many scholarship were allocated out of the 200,000 scholarships that were part of the \$48 million fund under the Government's announcement for the period 2015 to 2018?

**Mr SCOTT:** I will have to take that on notice.

**Ms PENTON:** It is a detailed question.

**The Hon. ANTHONY D'ADAM:** Can you also tell me how much did that work out to be per recipient?

**Ms PENTON:** We can provide that information. I will take the question on notice, with your concurrence.

**The Hon. ANTHONY D'ADAM:** According to the TAFE NSW website, the average total course fee can range from \$4,210 to \$15,340 per semester. My question is really about whether the scholarships are a meaningful contribution? Are you able to provide a comment on that?

**Ms PENTON:** Certainly what I can say is the policy around this, and the ability for students to seek exemptions is quite extensive. The range of parameters for those exemptions is extensive as well. There is a range of areas whether they are welfare recipients and a number of other areas do contribute to that. The proportion of TAFE NSW students paying fees is actually proportionately low. I will be comfortable to take that question on notice and provide that information to the committee.

**The Hon. ANTHONY D'ADAM:** What happened to the money that was allocated, but not distributed?

**Mr SCOTT:** We will take that on notice.

**The Hon. ANTHONY D'ADAM:** Are you able to provide, and I am assuming on notice as well, the locational detail and the courses of study for those students who accessed those scholarships?

**Ms PENTON:** Given the time period you have provided, we will take that question on notice and make that information available, yes.

**The Hon. ANTHONY D'ADAM:** Are you able to provide how much total funding was allocated for this commitment?

**Mr SCOTT:** Yes, we will take that on notice.

**The Hon. ANTHONY D'ADAM:** In terms of the 700,000 new fee-free courses over the next four years promised in the lead-up to the 2019 election, are you able to provide details of how much of the total funding is allocated for this commitment?

**Mr SCOTT:** Just one moment and we will pull some material up for you. No, we just have the detail on the number of places, I think.

**Ms O'LOUGHLIN:** I have it for—it is 70,000. Is that the fee-free traineeships to which you are referring?

**Mr SCOTT:** Is that what you are referring to?

**The Hon. ANTHONY D'ADAM:** I have 700,000 in the material. Is that right?

**Mr SCOTT:** We are talking about 100,000 fee-free TAFE and VET courses. Then there are 30,000 for the mid-career transition. But we can come back and give you details on those.

**The Hon. COURTNEY HOUSSOS:** Can you say how many have been provided thus far?

**Mr SCOTT:** I think the Minister referenced that this morning.

**The Hon. ANTHONY D'ADAM:** Yes, we have already asked that question.

**Mr SCOTT:** The Minister said 23,000 this morning.

**Ms O'LOUGHLIN:** The traineeships start on 1 January next year.

**The Hon. ANTHONY D'ADAM:** Are you able to specify what course areas are being targeted?

**Mr SCOTT:** We can come back to you with detail on that, yes.

**The Hon. ANTHONY D'ADAM:** Is there a published list of the 70,000 fee-free courses, whatever the number is, of fee-free courses?

**Mr SCOTT:** We can come back to you. We can give you the detail.

**The Hon. ANTHONY D'ADAM:** Are you able to identify how many of the courses will meet a skills shortage as identified on the Department of Skills 457 visa list?

**Mr SCOTT:** Yes, we can do the correlation back to 457, as you identified earlier.

**The Hon. ANTHONY D'ADAM:** Are you able to provide details on the eligibility criteria for students?

**Mr SCOTT:** Yes.

**Ms PENTON:** Yes, we can.

**Mr SCOTT:** I have a lot of material here. I can tell you that \$71 million has been allocated in the budget over four years to deliver the 100,000 fee-free TAFE and VET courses, including 30,000 scholarships available to mature-aged workers looking to reskill through TAFE. That is a \$71 million commitment over four years. I think there was another question as to where the figure of 3,000 registered training providers came from. That came from the Australian Children's Education & Care Quality Authority [ACECQA]. I took that question on notice earlier, but ACECQA is our source for that.

**The Hon. ANTHONY D'ADAM:** I have a case study here. If a student wanted to enrol in a Certificate III air-conditioning and refrigeration course at TAFE how they would get access to the tools and equipment they needed?

**Ms PENTON:** A student enrolling in a TAFE qualification, if that is funded via a Smart and Skilled funded place, the resources that are required by the student to undertake that training program—so the consumable resources we would use in teaching and learning—are provided by TAFE NSW. If they are an apprentice, their tools of trade are a separate matter, as I understand, if that gives sufficient advice to you from that perspective.

**The Hon. ANTHONY D'ADAM:** On a TAFE site, how are those resources made available to the student?

**Ms PENTON:** When we are developing a course, and we will use the example of the Certificate III in air-conditioning, there is specified in the training package the competencies that needs to be undertaken, and also broadly in the teaching and learning materials, in the curriculum, and we assess what is required to deliver that training program. Certainly the consumable resources, whether it is gases that are required to train the students with the equipment that we have on the campus in those particular training areas—we supply all of those consumable resources, so that is not an out-of-pocket expense for the student.

**The Hon. ANTHONY D'ADAM:** On a TAFE campus, whose responsibility is it to look after those resources?

**Ms PENTON:** The consumable resources? Each of our teaching areas has an assigned head teacher, so in the development of the course profile or the course plan for that particular teaching section, once we have identified that and we know the number of students we then provide, obviously through the funding, an allocation of funding in order to purchase those resources, and the actual undertaking of purchasing that is supported both by the class support team, for example, who do some of that work, particularly in our trades areas, or other administrative staff in order to support our teaching—

**The Hon. ANTHONY D'ADAM:** Are the tools of trade stored on site?

**Ms PENTON:** There is a difference. If you are a student who has come in, we provide the hand tools, for example, the equipment that we have in our training centres. They are made available and we have sufficient equipment available to teach a group of students. The normal tools of trade of an apprentice, for example, would be there separately.

**The Hon. ANTHONY D'ADAM:** And they are stored in a secure place on campus. Is that right?

**Ms PENTON:** If a student was bringing their own equipment for whatever reason, many of our campuses have lockers and those sorts of things that are available in their training centre.

**The Hon. ANTHONY D'ADAM:** What about the equipment that is provided by TAFE NSW?

**Ms PENTON:** TAFE NSW, through our practical training areas particularly and the example that you have given, use a range of methods for that. Some of our areas have specific stores and the students would access materials via the class support officer in order to access those stores, but because they are simulated work environments it is also important that when the students are unpacking at the beginning of a class they are repacking at the end of the class as well, and that is under the supervision of the teacher concerned, because what that is doing is simulating what would happen in any workplace, in any workshop, for example, so we monitor that use.

**The Hon. ANTHONY D'ADAM:** Where there is a store, there is a tool store person. Is that right?

**Ms PENTON:** If it is a situation and a learning environment that does require a store—

**The Hon. ANTHONY D'ADAM:** And it is their responsibility to secure the tools at the end of the day. Is that right?



**Ms PENTON:** Yes, in the classrooms, and particularly the practical teaching areas that I have been in, it is sign in, sign out. In other situations we have all of those pieces of equipment, particularly hand tools, out in the workshop itself where it would be again simulating a work environment, and the teacher does that with the students, making sure that what was there at the beginning of the day is there at the end of the day. Also, when you look at the size and scale of a practical training area in some of our very large facilities, like Ultimo, compared to a small workshop at our campus at Young, for example, it does vary depending on the size and scale of that particular workshop area.

**The Hon. ANTHONY D'ADAM:** Where you have a specific storehouse, do you have a tool store person who maintains every site where there is a storage area for tools?

**Ms PENTON:** It varies across the State, depending on the size and scale of the facility.

**The Hon. ANTHONY D'ADAM:** How does that affect access to the tools?

**Ms PENTON:** As I indicated, all of our practical training areas are, by their nature, a simulated work environment, so when you have students who are undertaking this training it is important for us to ensure that they can behave and be accountable in our training facilities in the same way that they would be in a workplace.

**The Hon. ANTHONY D'ADAM:** But access to the tools is critical to the delivery of the course, so you would need to guarantee that the tools are available. Is that right?

**Mr SCOTT:** Is there a specific—?

**The Hon. ANTHONY D'ADAM:** Yes, there is a specific case. In Tighes Hill I am advised that there are just over 200 students enrolled in either the first, second or third year units in air-conditioning and refrigeration, and they do not have access to their tools when the course is actually being delivered.

**Mr SCOTT:** And where is this?

**The Hon. ANTHONY D'ADAM:** Tighes Hill. The tool store person is not available in the evening when the course is delivered.

**Mr SCOTT:** We will take that on notice and find out what is happening there.

**The CHAIR:** We have got to the bottom of storegate. The Labor Opposition has eight minutes left.

**The Hon. COURTNEY HOUSSOS:** Mr Scott, I want to come back to the question of universities. You talked about the research into children or young people from regional areas attending university.

**Mr SCOTT:** Yes.

**The Hon. COURTNEY HOUSSOS:** I think at some point in the future it might be useful to provide an informal briefing for the committee on this work.

**Mr SCOTT:** Sure, I would be happy to.

**The Hon. COURTNEY HOUSSOS:** It is very important work.

**Mr SCOTT:** We are happy to do more work on that and come and talk about it. It is very important.

**The Hon. COURTNEY HOUSSOS:** I am aware of at least one university, but there are possibly several, that is doing some work around what it is calling a year 13 project. Are you familiar with that?

**Mr SCOTT:** Yes, we are aware of that.

**The Hon. COURTNEY HOUSSOS:** Is your research working with them on that?

**Mr SCOTT:** We currently have a tender out with universities to work with us on rural and remote education strategies. I think we just need to wait for that tender to land and then I will be able to give you more details.

**The Hon. COURTNEY HOUSSOS:** When is the tender closing?

**Mr SCOTT:** I think it is imminent.

**The Hon. COURTNEY HOUSSOS:** I can have a look at the New South Wales Government website, that is fine. I want to come back to the question of the Country Universities Centre.

**Mr SCOTT:** Yes, sure.

**The Hon. COURTNEY HOUSSOS:** Do you think that the Country Universities Centre model, as it stands, provides the best value for money?

**Mr SCOTT:** We certainly think that, for the sum of money invested, this is an investment worth making and we will monitor its effectiveness over time. It is a different model, it is a new model, and it is targeting particularly those children or young people from regional and remote areas, many of whom have had no access to university at all up until this point. The other thing I think I should say is that part of the advantage of this model is that it does stop, to a degree, a brain drain that can happen in country areas for students who leave the country towns or regional centres and move to the city, and also helps industry and employers continue to get access to a local skilled and qualified workforce. So there are a lot of things in its favour. We will monitor its effectiveness over time, but I think the early signs have been positive. I am keen to see what happens with this expansion and we will review over time.

**The Hon. COURTNEY HOUSSOS:** What processes are in place to review that?

**Mr SCOTT:** We will be setting up key performance indicators and reporting requirements as the expansion takes place.

**The Hon. COURTNEY HOUSSOS:** Have those key performance indicators been determined already?

**Mr SCOTT:** No, I think they are in the process of being negotiated now, and to a degree it goes to my answer to the question by the Chair earlier on. We are keen to see clear outcome measures. It is no use aiming at nothing and hitting it; you really do want to have a sense of what investment the public money is going to bring in terms of improved outcomes, and if in fact you are not seeing improved outcomes then you need to ask what the opportunity cost of that investment is, so across the board, across the Government, but certainly for those of us working in education, clarity around performance indicators is something that we are focusing on.

**The Hon. COURTNEY HOUSSOS:** Mr Scott, have you had any conversations about the utilisation of TAFE locations for future country university centres?

**Mr SCOTT:** No, I have not.

**The Hon. COURTNEY HOUSSOS:** Ms Penton, have you?

**Ms PENTON:** Certainly we have a Country Universities Centre based on our Goulburn campus, for example, and that was in one of the early tranches. There have been approaches, depending on the community and where they are looking at, with respect to TAFE campuses.

**The Hon. COURTNEY HOUSSOS:** Are you aware of any others?

**Ms PENTON:** Not that are in negotiation at this particular point in time, but I can take that question on notice and provide additional information.

**Mr SCOTT:** I must say—and, as I said, I have had no approach or discussion about it—you can see arguments around co-location. There would be a certain logic to that. But I think it would clearly be determined on a case-by-case basis as circumstances arise.

**Ms PENTON:** It was certainly in our Goulburn situation—it was seen to be appropriate.

**Mr SCOTT:** Yes, collocation. It goes to the issues raised by the Chair earlier. I think our efforts around collocation across the sector have not been as good as they should be. Certainly with the big growth in the student population that we see coming and the new infrastructure that that requires, a priority around collocation is something that has been emphasised by the Government and that we are working on in our infrastructure planning.

**The Hon. COURTNEY HOUSSOS:** Thanks very much, Mr Scott. I turn now to questions of students with disability in TAFE. How many students with disability are currently enrolled in TAFE NSW courses?

**Mr SCOTT:** I have a percentage here, and I can give you a few figures. It says 11.4 per cent of TAFE NSW's total enrolments are by a student with disability.

**The Hon. COURTNEY HOUSSOS:** And how many staff members are employed to develop individual learning programs for those students?

**Mr SCOTT:** We can take that on notice.

**The Hon. COURTNEY HOUSSOS:** Okay. If you can tell me how many TAFE disability services and careers counsellors are employed by TAFE NSW?



**Mr SCOTT:** Yes, we can take that on notice.

**The Hon. COURTNEY HOUSSOS:** If you can tell me the total hours of support and how many students were supported during this time?

**Mr SCOTT:** We are really very happy to do that. What you will find through that answer is extensive work that is being undertaken. Course and assessment modification, note takers, interpreters, assistive technology and software, and innovative learning support, all of which are currently funded by the community service obligation that we talked earlier as being worth \$150 million per annum, and we encourage students with disability to meet with a disability teacher consultant prior to enrolment to help with appropriate course selection and the timely provision of this support, and the consultants actively engage with organisations and local communities who are supporting people with disability. TAFE has been around for a long time. TAFE has provided outstanding support for people with disability. It has long done that and continues to do that. TAFE continues to look again at the provision of services for students with disability and it continues to access experts from industry, government and academia as we review the TAFE provision.

**The Hon. COURTNEY HOUSSOS:** Mr Scott, I am told that the funding for students with disability is 15 per cent of all students with disability. Is that correct?

**Mr SCOTT:** I do not have that figure in front of me. I am happy to look at that on notice.

**The Hon. COURTNEY HOUSSOS:** Okay. And if you can tell me how often the funding is delivered and whether it is annually or during another period?

**Mr SCOTT:** Of course.

**The Hon. COURTNEY HOUSSOS:** Can you tell me how many students with disability dropped out of their course early in the past financial year?

**Mr SCOTT:** Let us take that on notice.

**The Hon. COURTNEY HOUSSOS:** And the financial year before that?

**Mr SCOTT:** If we can have that data, we will provide that for sure.

**The Hon. COURTNEY HOUSSOS:** Excellent. And if you could give me the dropout rate for Aboriginal or Torres Strait Islander students and how that compares with the general student population?

**Mr SCOTT:** Yes. I am happy to provide that data.

**The Hon. COURTNEY HOUSSOS:** If you could give me those dropout rates.

**Mr SCOTT:** Again, we absolutely understand that perhaps students with disability and Aboriginal or Torres Strait Islander students benefit from additional support that can be provided to help them not only to enrol, but also to complete their studies. As the Chair said earlier, completion of studies is a very important benchmark for us. We continue to work extensively with communities and key stakeholders to provide the important level of support that is needed.

**Mr DAVID SHOEBRIDGE:** Mr Scott, I think you took a series of questions on notice just then from Ms Houssos. Can I ask you in that same stretch of data, not only for the percentage of students with a disability, but also for the number of students with a disability?

**Mr SCOTT:** Yes.

**Mr DAVID SHOEBRIDGE:** You said it was 11.4 per cent. Do you know what the number is?

**Mr SCOTT:** No, I did not have the number in front of me. I had the percentage. But we can take that on notice.

**Mr DAVID SHOEBRIDGE:** And can we have that over two years, including the percentage and the number?

**Mr SCOTT:** Yes.

**Mr DAVID SHOEBRIDGE:** And could we also have over two years the numbers of specialist educational staff? I think Ms Houssos asked you about the current numbers, but could we have the numbers over the past two years?

**Mr SCOTT:** Yes.

**Ms PENTON:** Yes, two years.

**Mr DAVID SHOEBRIDGE:** As well, you gave some evidence about—and I think the Minister might have earlier—the community service obligations [CSOs]. Did I understand it correctly that it is currently \$150 million?

**Mr SCOTT:** I have been told the figure is \$150 million, yes.

**Mr DAVID SHOEBRIDGE:** Do you know how that has tracked over the past five years?

**Mr SCOTT:** No. That was asked earlier. We put that on notice earlier. We will come back and provide that answer.

**Mr DAVID SHOEBRIDGE:** Sorry, I missed that.

**Mr SCOTT:** No, that is fine. We will put that on notice.

**Mr DAVID SHOEBRIDGE:** Just over the past five years, how that has tracked?

**Mr SCOTT:** Yes, sure.

**Mr DAVID SHOEBRIDGE:** And can you provide a breakdown on how the CSO is allocated as well?

**Ms PENTON:** Yes, we can. We would be happy to take that on notice, yes.

**Mr DAVID SHOEBRIDGE:** All right. Thank you.

**Ms PENTON:** It is a combination of the provision of services as well as the provision of programs, so we can provide that data.

**Mr DAVID SHOEBRIDGE:** Yes. I think you have effectively answered much of this in your last answer to Ms Houssos, but TAFE NSW has a legislative requirement to provide accessible training across New South Wales for all and specifically for people facing disadvantage. If you could provide us on notice some detail about how you are satisfying that statutory obligation?

**Mr SCOTT:** Yes.

**Mr DAVID SHOEBRIDGE:** Mr Scott, you gave some evidence earlier about the 20-year, I had here "asset strategy".

**Mr SCOTT:** Yes, infrastructure strategy.

**Mr DAVID SHOEBRIDGE:** Infrastructure strategy.

**Mr SCOTT:** Yes.

**Mr DAVID SHOEBRIDGE:** I note that is about real property and other infrastructure as well. It is about both, I assume?

**Mr SCOTT:** Yes.

**Ms PENTON:** Yes.

**Mr DAVID SHOEBRIDGE:** But land and fixtures?

**Mr SCOTT:** Yes. That is right.

**Mr DAVID SHOEBRIDGE:** And I assume it is not dealing with personnel?

**Mr SCOTT:** No, it is to do with—it is the capital infrastructure.

**Mr DAVID SHOEBRIDGE:** Having embarked upon that, I assume there is a series of predictions or assumptions about what is going to be happening to student numbers, to student make-up over the next 20 years. Can you shed light on what those assumptions are?

**Mr SCOTT:** As I said earlier, this is why we are doing the work.

**Mr DAVID SHOEBRIDGE:** I am not objecting to the work.

**Mr SCOTT:** No, no. Let me just say this is why we are doing the work, but we do not have the detail yet at the moment. But what can we broadly see? We know the State is continuing to grow. If you identify that the school system is, in a sense, the feeder for TAFE higher education and vocational education more broadly,

what we expect to see over the next decade in the school system is a movement in public schools from 800,000 to 960,000 or even a million by 2035. That is currently holding the same market share for government schools as in the non-government sector.

**Mr DAVID SHOEBRIDGE:** Although the numbers have been going more towards public schools than private in the past five years?

**Mr SCOTT:** Actually, to be precise there is growth in the independent schools sector, there is growth in the government schools sector, and the Catholic sector is static or slightly in decline. We are seeing big growth, and big growth is expected to come—hence the \$6.4 billion building program. So it is a reasonable modelling expectation that TAFE will have more students and certainly more students will be coming into the TAFE system and the university system. Part of the fine art of this, and you see this in the school system, is that that growth is not being equally distributed across the State. Some arguments say that about 30 per cent of the State is taking that kind of growth. And so, part of the important modelling that we need to do is not just the aggregate number, but where it is going to be. And the added complication of TAFE of course is some modelling therefore on the kinds of no-risk provision with some expectation of what industry demands and that are going to be. So that is why it is a big, complex, important piece of work.

**Mr DAVID SHOEBRIDGE:** The reason I am asking you about the assumptions is that previously the education department has made some disastrous assumptions about student numbers, and shut and sold a whole—not on your watch, Mr Scott, so far as I know—series of public schools in the city, the land was sold off and now we are scrambling to make good. Can you give us some detail on notice about what assumptions are underpinning this 20-year infrastructure strategy in terms of student numbers, in terms of the ratio of face to face as opposed to online students, geographic coverage and what, if any, financial assumptions underline the strategy? Is there a financial element to it insofar as the portfolio needs to make a cash-positive return to TAFE or not?

**Mr SCOTT:** I am happy to provide more detail on the assumptions that will underpin the planning work. I am not sure when we will be in a position to do that. It might well be that that is very much part of the report as it lands.

**Mr DAVID SHOEBRIDGE:** I accept that it is up to now in June.

**Mr SCOTT:** Let me pick up now your earlier question or the issue that you raised, because I think it is an important one. I concede, and I think it has been widely documented, that the Department of Education in decades gone by made planning decisions that are now legitimately regretted, given the pattern of population development. Schools were closed in areas where we would be happy to have schools now and they were closed under governments of all political colours. And that was the pattern over several decades. What we have done now to mitigate that risk is that the Department of Education's planning is very closely aligned with the broader planning decisions that are being made by Government, decisions made by the Parliament, planning decisions made about where housing releases are going to be and the provision of other infrastructure, health and transport alike.

**Mr DAVID SHOEBRIDGE:** To the extent that is predictable, given how relatively unstrategic that is.

**The CHAIR:** I call the debate to order. We have now drifted well and truly into school education.

**Mr SCOTT:** Mr Chair, if I could just conclude—

**Mr DAVID SHOEBRIDGE:** I would be interested in the answer because learning from that history in what you are doing on TAFE is—

**Mr SCOTT:** If I could just briefly conclude. The suggestion made earlier that the Department of Education, on its own, went and made planning decisions that have not proven to be advantageous over time, what I am saying now is that the Department of Education's planning for schools and TAFE is very much locked into the other planning mechanisms of Government, including the Greater Sydney Commission and so therefore we are integrated with key decision-makers around where growth will be as far as Government controls those decisions.

**Mr DAVID SHOEBRIDGE:** The Greater Sydney Commission no longer has any strategic planning powers at all, it is now attached to Premier and out of Planning, so there is a huge amount of uncertainty about future planning outcomes. Will you be adopting a precautionary principle in terms of protecting TAFE campuses?

**Mr SCOTT:** We are happy to report on the infrastructure plan when the infrastructure plan lands, including the principles and underpinnings that guided the thinking. I am sure it will be a rich source of discussion in events like this.

**Mr DAVID SHOEBRIDGE:** That question about a precautionary principle—if in doubt, keep it—is that going to be part of the strategy?

**Mr SCOTT:** I understand. As I said, let's get the work done. I am sure people will be keen to learn from the lessons of the past and let's see what the findings are.

**Mr DAVID SHOEBRIDGE:** Mr Scott, what is the average cost now for a Certificate III course at TAFE?

**Mr SCOTT:** The average cost we may have to take on notice.

**Ms PENTON:** The average cost we would take on notice. It does vary. If it is a Certificate III, for example, as an apprenticeship there are rules around those depending on eligibility for fee free if someone is on a benefit where they are able to access the qualification for free. The average cost, we will take it on notice.

**Mr DAVID SHOEBRIDGE:** Perhaps you could give me the average cost or more ranged data.

**Mr SCOTT:** Mr Shoebridge, it might be best to give you a range in criteria because an average will not give great insight.

**Mr DAVID SHOEBRIDGE:** I suppose the average cost before those deductions are done and then perhaps some insight into the extent to which those deductions apply across the board. That would be useful.

**Ms PENTON:** Yes. That would be useful information

**Mr DAVID SHOEBRIDGE:** I am going to ask the same for Certificate IV courses as well.

**Mr SCOTT:** Yes. Happy to do it.

**Mr DAVID SHOEBRIDGE:** Has there been any modelling done about what it would actually cost TAFE so as TAFE was free for all students up to a Certificate IV course? There was modelling done about 100,000 free courses. Has there been any modelling about what it would cost for basically free TAFE access up to Certificate IV?

**Mr SCOTT:** No, we have not seen that.

**Ms PENTON:** Not that the department has undertaken.

**Mr SCOTT:** No, I am not aware of that; any modelling.

**Mr DAVID SHOEBRIDGE:** Has there been any modelling done about what the cost of TAFE will be on the Government's current policy for free access to TAFE? What the net cost to TAFE is?

**Mr SCOTT:** I did outline in an earlier answer what the cost was over four years and you will find that on the record.

**Mr DAVID SHOEBRIDGE:** What has been the change in staff numbers in TAFE—and I am talking here full-time equivalents—between 2011 to now?

**Mr SCOTT:** What we can do is give you the latest staffing figures and we can go back and look at the history, but I am advised on preliminary figures for June this year we have an increase of 6.8 per cent of full-time equivalent teachers over the previous year. I appreciate the question was going back on that, but what we are seeing is an uptake in the past financial year of 6.8 per cent of equivalent full-time teachers.

**Mr DAVID SHOEBRIDGE:** Right, but the balance will be taken on notice?

**Mr SCOTT:** Yes.

**The Hon. ANTHONY D'ADAM:** In the past two years what courses have been discontinued in regional and remote areas? Are you able to provide us data on that?

**Ms PENTON:** We will take that question on notice and look at the data that is available, and provide it to the committee.

**The Hon. ANTHONY D'ADAM:** And if you could provide the reasons why that course was discontinued, whether it was a demand or availability of teaching staff, whatever the reason was?

**Ms PENTON:** Yes.

**Mr SCOTT:** Yes. And there will be good reasons. Student demand changes and TAFE needs to be responsive to those demand changes.

**The Hon. ANTHONY D'ADAM:** And can you provide data on the percentage of courses offered at regional TAFE campuses that are offered face to face versus those that are not?

**Ms PENTON:** Face to face versus other delivery methods in regional New South Wales?

**The Hon. ANTHONY D'ADAM:** Regional New South Wales, yes. Are you able to specifically explain the process for non-face to face in regional areas? What do the other delivery methods look like in terms of the student experience?

**Ms PENTON:** From a student perspective it can range from fully online—and a range of our programs is offered fully online—through to face to face and in the middle it is a range of delivery modes. For some apprentices, for example, it may be day release or block release when they are released from work. For others of our programs they could be blended learning, particularly for students who are working and studying at the same time. So they may do part of their course online, they may do part of their course face to face, and that is often balanced around the amount of practical training that is required for the course versus the theory component. Given the size and scale and breadth of our programs—we have approximately 180 courses on our scope of operation and about 1,200 courses—so that is quite varied between business programs, for example, through to apprenticeships.

**The Hon. ANTHONY D'ADAM:** Are you able to elaborate? Is there some mechanism for mobile workshops or something along those lines?

**Ms PENTON:** Yes. Part of the rollout of the Connected Learning Centres was grappling with the challenge of not only providing new ways of learning—whether it is through blended learning or face-to-face learning or connected learning—but also, particularly for some of these very small communities, how we can get practical training to them where we cannot have full training facilities at every location. As part of the design and working in conjunction with our teaching sections on the ground we have identified a fleet of mobile training units that are moved around particularly our regional communities. If we wanted to deliver a skill set for construction, for example, that would be made available to that community, or if it was hospitality. What it enables us to do is to be far more flexible in these training spaces.

**The Hon. ANTHONY D'ADAM:** Are you able to tell me how many campuses in regional areas allow for course progression on the same campus? I am happy for you to take that on notice.

**Ms PENTON:** I take that on notice. That is a complex question that you have asked, given the range of programs and the size and scale of the campuses.

**The Hon. ANTHONY D'ADAM:** Do you have any data on how many graduates from regional and remote areas improve their employment status within six months of completing a course with TAFE?

**Ms PENTON:** I would consider that would be within the NCVR data and our other data so we will take a question on notice and provide that material.

**The Hon. ANTHONY D'ADAM:** Do you have results from the feasibility study into regional relocation services undertaken by PricewaterhouseCoopers in the 2017-2018 financial year?

**Ms PENTON:** I would take that question on notice, not being the managing director of the data.

**The Hon. ANTHONY D'ADAM:** I am going to come back to the Calling All Tradies initiative.

**The Hon. WES FANG:** Brilliant initiative.

**The Hon. ANTHONY D'ADAM:** We were talking earlier about the information session on 8 May. Are you able to provide—happy for you to take that on notice—how many people applied to be part-time casual teachers after attending the information session?

**Ms PENTON:** Yes we will provide that question on notice.

**The Hon. ANTHONY D'ADAM:** And how many people were approved as part-time casual teachers through this recruitment campaign?

**Ms PENTON:** Yes. We will provide the data on notice for you.

**The Hon. ANTHONY D'ADAM:** And what sort of areas did they come from, what trade backgrounds?

**Ms PENTON:** Trade background? Yes, certainly, we can correlate that.

**The Hon. ANTHONY D'ADAM:** And can you tell us how much time passed on average between this information session and the commencement of part-time teaching for participants?

**Ms PENTON:** We should be able to track that information. We will look at our data and see what is available for you.

**The Hon. ANTHONY D'ADAM:** And how many people currently are still employed as TAFE teachers as a result of this initiative.

**Ms PENTON:** Yes. We will provide that. We will be able to track them through our SAP system for you.

**The Hon. ANTHONY D'ADAM:** Is it correct that a compulsory requirement of the recruitment campaign was that successful applicants taught under supervision while completing a Certificate IV in training and assessment in their own time.

**Ms PENTON:** From that perspective as a part-time casual teacher, if someone comes in, as we have talked about previously, when we were having the TAE discussion earlier for the Certificate IV, there are circumstances under the regulatory environment where staff can teach under supervision while they are undertaking that qualification. And it is not unusual for part-time casual teachers to undertake that qualification and pay for it themselves.

**The Hon. ANTHONY D'ADAM:** So that was the expectation, that they would do the Certificate IV in their own time?

**Ms PENTON:** Yes, as a part-time casual teacher, most certainly.

**The Hon. ANTHONY D'ADAM:** Was this requirement specifically communicated to the applicants?

**Ms PENTON:** I believe so, unless there is information to the contrary.

**The Hon. ANTHONY D'ADAM:** Can you advise what the total cost of this Calling All Trades campaign was?

**Mr SCOTT:** Yes, we took that on notice this morning.

**The Hon. ANTHONY D'ADAM:** Did we? Okay. What was the initial target for recruitment in terms of numbers? How many people were you trying to recruit?

**Ms PENTON:** This was a new initiative for TAFE NSW, given that these are some of the areas where we do have skills shortages and growth in demand. We have looked at a range of different attraction mechanisms for people to enter into TAFE teaching and obviously to give back to their industries, particularly those more experienced in the latter part of their career, but we can provide that to you on notice.

**Mr SCOTT:** As we do provide those details on notice, let me say that I think it is entirely appropriate for TAFE to be looking at different ways of recruiting particularly experienced people with great workplace experience into the opportunities of TAFE teaching. They may not have ever thought of it in the past. The opportunities and incentives that TAFE can offer may not be available to them so this is worth trying, I think. We will look at what the data shows and then we will make an evaluation of it as to whether in fact that is the best way or whether in fact we learn from that experience and we try other things. I hope there is an acknowledgement of the value of TAFE trying to tap the expertise of experienced tradespeople to come in and teach, to help them get the appropriate skills to be able to do it, and the value that this might mean for our students but also for them, particularly if they are mature, mid-career or advanced beyond mid-career. There could be advantages for everyone and that is one of the reasons why this kind of initiative was undertaken.

**The Hon. ANTHONY D'ADAM:** Can you also provide detail of what consultation you undertook prior to commencing this initiative with stakeholders, including industry and unions?

**Ms PENTON:** Yes, we can provide information.

**The Hon. COURTNEY HOUSSOS:** I was asking about dropout rates earlier.

**Mr SCOTT:** Yes, sure.

**The Hon. COURTNEY HOUSSOS:** Can you give me—and you may need to do this on notice—the total number of dropout rates of students undertaking Certificate IV courses?

**Mr SCOTT:** We will track the data of completion rates and from that we will be able to see who has completed and who has not completed.

**The Hon. ANTHONY D'ADAM:** You may have already taken this on notice, but I was wondering if you are able to provide data not only on full-time equivalent, but head count for total staff and have that broken down by institutes?

**Mr SCOTT:** Yes, we should have that detail.

**Ms PENTON:** By institute or by region?

**The Hon. ANTHONY D'ADAM:** By TAFE campus, if that is possible?

**Mr SCOTT:** As we go through this in granular detail I would like to put on the record, Chair, my thanks to those hardworking staff. It is very easy for us to say we will take that on notice; they will have to go into minor detail to put it out.

**The CHAIR:** You do not personally do it yourself?

**Mr SCOTT:** I must say that is not what I am anticipating, Mr Chair. I know there is a team of hardworking people for whom this will mean a lot of work.

**The CHAIR:** As long as we don't break it down by toilet block.

**Mr SCOTT:** I wanted to put that on record.

**The Hon. ANTHONY D'ADAM:** That would be difficult at Dapto, wouldn't it?

**Mr SCOTT:** They do have access.

**The Hon. SCOTT FARLOW:** They have access to one.

**The Hon. WES FANG:** Yes, access point.

**The Hon. ANTHONY D'ADAM:** Are you also able to provide that data in relation to employment status, that is, are they permanent or casual?

**Mr SCOTT:** Yes, we can track all that detail.

**The CHAIR:** But the committee does very much appreciate the work of research staff in the department and agencies who provide us with the accurate information that has been requested in some volume today and Wednesday.

**The Hon. COURTNEY HOUSSOS:** Provided it actually answers the questions that we asked.

**Mr SCOTT:** It has turned nasty. They will do the best job they can with the data that is available.

**The CHAIR:** Just when we were all starting to get along nicely, with no points of order, it has all just turned to seed.

**The Hon. WES FANG:** Oh, the negativity oozing from that side.

**The CHAIR:** Order!

**The Hon. ANTHONY D'ADAM:** Can I request some information about the requirements around being a TAFE teacher? Does every TAFE teacher require some formal teaching qualification?

**Ms PENTON:** The minimum qualification to deliver training for a training package type qualification is Certificate IV, which is known as the TAE, yes.

**The Hon. ANTHONY D'ADAM:** I am not sure if I asked this question about staff on some form of leave or as a result of stress. Did you provide information about that or the number of staff?

**The CHAIR:** No, I do not think we have had stress yet.

**Mr SCOTT:** I think we may have.

**The Hon. ANTHONY D'ADAM:** I asked about psychological injuries.

**Mr SCOTT:** Yes, that is right.

**The CHAIR:** There are many categories of stress in the modern environment.



**The Hon. ANTHONY D'ADAM:** There are. It is very stressful.

**Mr SCOTT:** We were talking earlier about—

**The CHAIR:** We had students who can't handle the word "fail". That was stressful.

**Mr SCOTT:** We certainly covered that, I remember, Mr Chair. We talked earlier about our work health and safety commitment. We have seen that increase. That was identified, but we have also said that we put a real focus on it. We are happy to provide a breakdown of categories of work health and safety incidents that will take into account the things you raise.

**The Hon. ANTHONY D'ADAM:** Are you also able to provide information about the amount of money paid in settlements in relation to stress-related claims, psychological injuries?

**Mr SCOTT:** I will need to take advice on that.

**The Hon. ANTHONY D'ADAM:** The total quantum, not individual settlements?

**Mr SCOTT:** You will find that settlements are often—

**The Hon. ANTHONY D'ADAM:** Confidential?

**Mr SCOTT:** Yes, they will be confidential by nature and by agreement. In aggregate we should be able to provide it.

**The Hon. ANTHONY D'ADAM:** Are you able to provide information about how many permanent staff have exited TAFE since 2015, broken down for each financial year since 2015?

**Mr SCOTT:** Yes.

**The Hon. ANTHONY D'ADAM:** Does TAFE NSW undertake exits surveys for permanent staff?

**Ms PENTON:** Yes, it does. It is part of the off-boarding of our staff.

**The Hon. ANTHONY D'ADAM:** Do you publish information around exit surveys?

**Ms PENTON:** Not to my knowledge.

**The Hon. ANTHONY D'ADAM:** In some aggregated form?

**Ms PENTON:** Not to my knowledge, we don't publish it.

**Mr DAVID SHOEBRIDGE:** But do you collate it?

**Ms PENTON:** In our people and safety teams we do look at the data to see whether there are trends, but not in a sophisticated way, just for the evidence required.

**Mr DAVID SHOEBRIDGE:** What is the main reason people are leaving TAFE?

**Ms PENTON:** The reasons vary. Certainly, we have an ageing workforce so you do have a proportion of retirements that are happening across the workforce. People's personal circumstances change in that perspective and their interests change as well.

**Mr DAVID SHOEBRIDGE:** Apart from retirement, what is the main reason people are choosing to leave TAFE?

**Ms PENTON:** We would have to get that data and make it available to you.

**The Hon. ANTHONY D'ADAM:** I ask about Gunnedah and Tamworth. Both those TAFE colleges introduced a Certificate IV in programming for the first time, is that correct?

**Mr SCOTT:** There are a lot of courses and a lot of colleges. We will have to take that on notice.

**The Hon. ANTHONY D'ADAM:** Are you able to provide information on how many students enrolled at each campus in this course?

**Mr SCOTT:** We could go to the website, but that would take unnecessary time.

**Ms PENTON:** We will take the question on notice and provide the data.

**The Hon. ANTHONY D'ADAM:** And are you able to provide information about whether the course is delivered in person or online?



**Mr SCOTT:** Yes. You said programming?

**The Hon. ANTHONY D'ADAM:** Certificate IV in programming?

**Mr SCOTT:** Of course I would put it to you that the vast majority of programming courses offered around the world are now offered online, so we are happy to provide the detail, but if there is a premise to your question that somehow that is inferior, I would say of programming, of all areas this is an area—

**The Hon. ANTHONY D'ADAM:** I don't think there is a premise in that.

**Mr SCOTT:** I just wanted to make sure there wasn't, but I just say that on programming, there are a lot of programming courses that are delivered online.

**The CHAIR:** It might be a question directed at the paucity of people who took up the course?

**Mr SCOTT:** Yes, I accept that, Mr Chair.

**The Hon. ANTHONY D'ADAM:** The cost to complete the course apparently was \$9,540. How many students are not eligible for any government subsidy?

**Ms PENTON:** We will take that question on notice.

**Mr DAVID SHOEBRIDGE:** How many students from Gunnedah could afford that?

**The Hon. ANTHONY D'ADAM:** And what was the average cost for students enrolled in Certificate IV in programming in both Gunnedah and Tamworth campuses? I am advised that in Gunnedah and Tamworth shire the number of people employed in information, media and telecommunications has been in decline in both these areas. Are you able to provide information about why TAFE picked these sites for this course?

**Mr SCOTT:** Yes.

**Ms PENTON:** It would be dependent on the delivery mode of course.

**Mr SCOTT:** Yes.

**The Hon. COURTNEY HOUSSOS:** Mr Scott, in the Treasurer's Speech announcing the budget earlier this year he outlined that there would be a significant number of job cuts?

**Mr SCOTT:** Yes.

**The Hon. COURTNEY HOUSSOS:** Has TAFE NSW, or within the Skills portfolio, been granted an exemption from this?

**Mr SCOTT:** There are productivity savings that we are working our way through, but there is a range of caveats that apply on that as well about where job cuts fall and we are falling within the broader government parameters.

**The Hon. COURTNEY HOUSSOS:** But there is no clear exemption for the areas that we are examining today?

**Mr SCOTT:** No.

**The Hon. COURTNEY HOUSSOS:** Other than the overarching ones of not being in regional New South Wales?

**Mr SCOTT:** There are broader things about rural jobs and frontline staff, as you know. Other than that, we are looking to manage within the budget that is provided. The budget has increased, as we have talked about a lot today—it is up in dollar terms, it is up in real terms and, as we have said, full-time equivalent teaching staff is up as well. The trend lines have been positive in the last budget for TAFE.

**The Hon. COURTNEY HOUSSOS:** I am interested to come back to this question of universities and how they interact with the New South Wales Government.

**Mr SCOTT:** Yes.

**The Hon. COURTNEY HOUSSOS:** Is it predominantly through the Department of Education. Would you characterise it as that?

**Mr SCOTT:** Yes, so we have a couple of things. We have a higher education division that reports through to Ms O'Loughlin. It was formerly in the Department of Education. That is where we get those areas identified earlier that have ministerial responsibilities, which go to the governing structures, ministerial appointees

to boards, some land issues and other by-law issues and the like. We would have people in Ms O'Loughlin's area who look after higher education and provide advice in those areas.

**The Hon. COURTNEY HOUSSOS:** But it is specifically on those areas, it is not a broader—

**Mr SCOTT:** As I said earlier, the key policy settings for higher education belong with the Federal Government. It provides the funding and there is a Federal Minister who is responsible for higher education. On the matters that we have discussed—we were discussing Confucius earlier and other matters like that—it is Minister Tehan, the Federal Minister, who is talked most about in national education partnerships to make sure they comply with Australian laws, education quality standards and academic freedoms.

Over the history of Federation, certainly in the last 50 or 60 years, all the key policy decisions that really oversee higher education, have been in the purview of the Federal Minister and the Commonwealth Government, because fundamentally it provides the funding, the research grants and all that supporting infrastructure. But there are things that we are doing in New South Wales. For example, we created the waratah grants—a grant mechanism for when we aggregate State government grant money and allocate it to universities. That is an initiative but really the scope for us is limited, it is fair to say.

**The Hon. COURTNEY HOUSSOS:** I would be interested if you could provide some more information on notice about the waratah grants.

**Mr SCOTT:** Would you like information now on the waratah grants?

**The Hon. COURTNEY HOUSSOS:** I just have a couple of other questions, so perhaps we could come back to it.

**Mr SCOTT:** I am happy to do that.

**The Hon. COURTNEY HOUSSOS:** These are major institutions that face different challenges, they are drivers of the New South Wales economy. I appreciate that they are funded and predominantly regulated to a Federal level. I am interested to know whether that interaction comes primarily through the Department of Education?

**Mr SCOTT:** Yes it does. The Minister has said to me that he has had conversations now with the vice-chancellor of every university, so there is engagement on the matters that are within the legislation. From time to time the Minister will go, or I will go, and address meetings of vice-chancellors. Also, importantly, at the meeting of the Education Council, which is when the State and Territory education Ministers come together with the Federal Minister, there have been occasions when the Minister—Minister Stokes certainly and I think Minister Lee will as well in the future—will raise higher education issues and put it on the national agenda, after discussions with other States. Legislatively, and in the precedent of how funding has operated, certainly the big issues in higher education are more in the domain of the Federal Minister.

**The Hon. COURTNEY HOUSSOS:** Ms O'Loughlin, would you like to add to that?

**Ms O'LOUGHLIN:** No, I totally agree with the secretary.

**The CHAIR:** Minister Stokes was very robust about academic freedoms and free speech issues.

**Mr SCOTT:** Yes, he was. There were a number of other issues, as well, that the vice-chancellors raised with him and that he continued to raise with the Commonwealth Minister.

**The Hon. COURTNEY HOUSSOS:** I guess I am coming back to more around that there might be issues that are broader than the Department of Education. Whether they come through you or whether there—

**Mr SCOTT:** What type of issue? If you give me some examples of different types of issues I can tell you how we deal with them.

**The Hon. COURTNEY HOUSSOS:** I am just interested in whether you seek to facilitate their interaction with other parts of the government or whether they—

**Mr SCOTT:** I think the best example in recent times is the waratah grants—and again, this was an initiative of the government under Minister Stokes—where we recognised that many government departments had engagements with universities in seeking research and getting work done, and the value that came from bringing them together and almost increasing the leverage, in a sense, or the buying power of the State Government when it comes to research from universities coming with the waratah grants. It is a pretty good example and we will monitor how that works over time and that might create a precedent for looking at other areas as well.

**The Hon. COURTNEY HOUSSOS:** How much is the total value of waratah grants?

**Mr SCOTT:** Do we have the detail there?

**Ms O'LOUGHLIN:** The waratah research network is \$7.5 million to the end of 2020.

**The Hon. COURTNEY HOUSSOS:** When did the program start?

**Mr SCOTT:** In the last 12 months.

**Ms O'LOUGHLIN:** Yes.

**The Hon. COURTNEY HOUSSOS:** If you can give me a breakdown of where the money has gone.

**Mr SCOTT:** Yes.

**Mr DAVID SHOEBRIDGE:** Mr Scott, I asked you some questions about the total staff numbers in TAFE—2011 to now. Could I ask you to provide the same information—and, perhaps if we just pick a data point, maybe 30 June 2011 compared to 30 June 2019—the same for TAFE New South Wales teaching positions?

**Mr SCOTT:** Yes.

**Mr DAVID SHOEBRIDGE:** And for educational support positions and for corporate positions?

**Mr SCOTT:** Yes, we will take that on notice.

**Mr DAVID SHOEBRIDGE:** There has been a series of reports that one of the fundamental barriers to access for employment, particularly for Aboriginal young people and for children leaving care, is access to a driver licence.

**Mr SCOTT:** Yes

**Mr DAVID SHOEBRIDGE:** Are you aware of that as an issue?

**Mr SCOTT:** Yes, I have heard that discussed as an issue.

**Mr DAVID SHOEBRIDGE:** If it would assist, I am more than happy to provide you with a series of reports and fairly small initiatives in that area. Given TAFE's obligation that we spoke about earlier, especially to provide access for disadvantaged people and for access across New South Wales, what, if any, courses does TAFE offer for, perhaps one of the most basics things to get a job, which is driver licences?

**Ms PENTON:** In my experience over time, TAFE NSW has offered a range of support in this area—more in the area of readiness for sitting the test. From time to time there is interaction with learner driving itself. If I could take the opportunity to take the question on notice, we can provide you with data and the types of programs that we are currently offering. Certainly, in my experience, we have become involved with it from time to time and I understand the value of it.

**Mr DAVID SHOEBRIDGE:** Yes and to be clear, I am asking beyond just sitting the test—it is also getting the points and passing the course and, for many—particularly young Aboriginal people, young people leaving care—access to the motor vehicle, to get the 120 hours up. What initiatives are in place and what opportunities does TAFE see?

**Mr SCOTT:** We will take that on notice, we understand the question.

**The CHAIR:** That brings this session of the Committee to a close. We will not be requiring the witnesses to 6.00 p.m. I thank the witnesses today, headed up by Mr Scott, but also Ms Penton and Ms O'Loughlin, for the professionalism and consideration they have given us as a committee in providing all this information. We look forward to meeting again in the future in the interests of education in New South Wales. Thanks again and thanks to our committee staff and the MPs involved, for the manner in which it was conducted. It was a bit easier to Chair in the afternoon, I have to say. As people start to expire and look forward to other activities this evening—

**Mr DAVID SHOEBRIDGE:** We also have an outbreak of answers in the afternoon, that is the difference.

**The CHAIR:** Always a dampener.

(The witnesses withdrew.)

The Committee proceeded to deliberate.