

PORTFOLIO COMMITTEE NO. 3 – EDUCATION

Thursday, 3 March 2022

Examination of proposed expenditure for the portfolio area

SKILLS AND TRAINING, SCIENCE, INNOVATION AND TECHNOLOGY

The Committee met at 9:30

CORRECTED

MEMBERS

The Hon. Mark Latham (Chair)

The Hon. Lou Amato

The Hon. Anthony D'Adam

The Hon. Wes Fang (Deputy Chair)

The Hon. Scott Farlow

The Hon. Courtney Houssos

Mr David Shoebridge

PRESENT

The Hon. Alister Henskens, *Minister for Skills and Training, Science, Innovation and Technology*

* Please note:

[inaudible] is used when audio words cannot be deciphered.

[audio malfunction] is used when words are lost due to a technical malfunction.

[disorder] is used when members or witnesses speak over one another.

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: It being 9.30, we shall commence this hearing of Portfolio Committee No. 3. Welcome to the additional public hearing for the inquiry into budget estimates 2021-2022. Before I commence, it is the custom of this Parliament to acknowledge the traditional inhabitants of this land, the Gadigal people of the Eora nation. I do that with all due respect as well as acknowledging the important contributors to the history of this site: those who constructed the Parliament House building, very often working in a dangerous industry, and the parliamentary staff over many decades who have supported MPs and made our work and representative role possible. We acknowledge and thank them all. I welcome today Minister Alister Henskens, who is before the Committee for the first time, and accompanying officials for this hearing. Today the Committee will examine the broader brief following the Government's reshuffle of the portfolio of Skills and Training, Science, and Innovation and Technology.

Before we commence, I make some brief comments about the procedure for today's hearing. The proceedings are being broadcast live from the Parliament's website, and a transcript will be placed on our Committee website when it becomes available. In accordance with the broadcasting guidelines, media representatives are reminded they have to take responsibility for what they publish and we do not tolerate fake news.

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 and certain documents to hand. In those circumstances, witnesses are advised they can take a question on notice and provide an answer within 21 days. But on that point, I am sure it would be the wish of the entire Committee that we do not repeat the Geoff Lee and Steffen Faurby experience where everything was taken on notice and there was a deliberate strategy not to provide any direct, useful information to this Committee.

We all unfortunately lost three hours of our lives one afternoon when it took that long to extract the basic information about the sale of Scone TAFE, when the Minister and his hapless official, now departed, merely had to say they were selling it to Racing NSW because it would be better as an equine specialist facility. I do not know if there have been rehearsals, strategic agendas or whatever, but this Committee is for serious people with serious lines of inquiry and we expect direct, straight, serious answers rather than taking everything on notice. There will be some questions taken on notice, of course, but if the information is logically at hand then it should be presented to the Committee.

If witnesses wish to hand up documents, they should do so through the Committee staff. I remind the Minister and his officers that they are free to pass notes and refer directly to advisers seated at the table. Finally, could everyone please turn their mobile phones to silent for the duration of the hearing. All witnesses will be sworn prior to giving evidence. I remind Minister Henskens that as a member of Parliament and the Leader of the House in the Legislative Assembly, he has already taken an oath as an MP and does not need to do so here.

Ms CHLOE READ, Deputy Secretary, Education and Skills Reform, NSW Department of Education, on former affirmation

Ms GEORGINA HARRISSON, Secretary, NSW Department of Education, on former affirmation

Professor HUGH DURRANT-WHYTE, New South Wales Chief Scientist and Engineer, Investment NSW, affirmed and examined

Ms AMY BROWN, Secretary, Department of Enterprise, Investment and Trade, and Chief Executive Officer, Investment NSW, sworn and examined

Ms JULIE TICKLE, Chief People and Culture Officer, TAFE NSW, on former affirmation

Ms KIRSTY HOSEA, Chief Delivery Officer, TAFE NSW, on former affirmation

Dr MARGOT McNEILL, Chief Product and Quality Officer, TAFE NSW, on former affirmation

Mr STEPHEN BRADY, Acting Managing Director, TAFE NSW, before the Committee via videoconference, sworn and examined

Mr DAVID WITHEY, Chief Operations Officer, NSW Department of Education, on former affirmation

Ms SIMONE WALKER, Group Deputy Secretary, School Improvement and Education Reform, NSW Department of Education, on former oath

Mr DAVID COLLINS, Executive Director, Training Services NSW, NSW Department of Education, on former affirmation

Mr VIK NAIDOO, Chief Strategy and Commercial Officer, TAFE NSW, on former affirmation

Mr MICHAEL ALACQUA, Chief Transformation Officer, TAFE NSW, on former affirmation

The CHAIR: Today's hearing will be conducted from 9.30 to 12.45 with a 15-minute break at 11.00 a.m. We are joined by the Minister in the morning. In the afternoon we will hear from departmental witnesses from 2.00 to 5.15, with a 15-minute break for afternoon tea at 3.30. During those sessions, there will be questions from the Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of the morning and afternoon sessions for Government questions. Thank you very much for your attendance today. I give an advance apology that I might not be able to be here for the afternoon session, because there will probably be an opening before the next big rain belt when I can get back into my house in south-west Sydney. I am told the water has receded this morning, and I will have a one-off opportunity this afternoon to go home, unlike yesterday. I apologise for that, and we will have alternative arrangements for the chairing of the meeting in these treacherous weather conditions. I hope that is understood. We begin with questions from the Opposition.

The Hon. COURTNEY HOUSSOS: Good morning, Minister.

Mr ALISTER HENSKENS: Good morning.

The Hon. COURTNEY HOUSSOS: Thanks to everyone for being here this morning. Minister, why did Steffen Faurby resign?

Mr ALISTER HENSKENS: I do not know. That predates my time as Minister.

The CHAIR: Minister, can you bring the microphone a bit closer? All the witnesses need to get them as close as possible so we can hear.

Mr ALISTER HENSKENS: I do not know. That matter predated me being sworn in as Minister.

The Hon. COURTNEY HOUSSOS: So you have no insights to offer the Committee as to why a man who was being paid \$181,000 more than the Premier left the role less than two years into it?

Mr ALISTER HENSKENS: No.

The Hon. COURTNEY HOUSSOS: You did not ask for some information when you became a Minister about why he had left?

Mr ALISTER HENSKENS: No. Ms Houssos, I am actually interested in the future, not the past, like you are. I am interested in making sure that TAFE is the best organisation it can be. We are offering a whole lot of fee-free and low-fee courses at TAFE. It is the largest skills provider in the country, with over 460,000 enrolments. My future—

The Hon. COURTNEY HOUSSOS: Thanks, Minister. We will talk plenty—

The CHAIR: Order! The Minister can finish his answer.

Mr ALISTER HENSKENS: Thank you, Mr Chair. My focus—

The Hon. ANTHONY D'ADAM: Point of order: The Minister is not being directly relevant.

The CHAIR: The Minister is giving a perspective on why he has not inquired about the departure of Steffen Faurby, which is perhaps regarded as somewhat unusual. He is giving his perspective as a Minister about his priorities. He has said he is interested in the future, and he is obviously putting the Faurby experience in the past. At the moment it is a valid, relevant answer.

Mr DAVID SHOEBRIDGE: Let us just get it out of the system and then move on.

The CHAIR: Yes.

Mr ALISTER HENSKENS: I am interested in how the largest skills training provider in this nation, with over 460,000 enrolments, can be the best it can be. I am not interested in ancient history.

The Hon. COURTNEY HOUSSOS: It is not ancient history, Minister. It happened in December, weeks before you took on the portfolio. There have been six managing directors in six years. Surely, as the Minister, you should be concerned about this constant turnover within the organisation that you are now responsible for.

Mr ALISTER HENSKENS: Ms Houssos, I cannot control the past. I can only control the future, and that is what I am focused on.

The Hon. COURTNEY HOUSSOS: But you are not interested in learning the lessons from the past?

Mr ALISTER HENSKENS: It is completely irrelevant to me why someone may have resigned. That is a matter that I cannot change. It is done; it is a matter of historical interest only. I am interested in the future. I am interested in working constructively with Mr Brady, which is what I have been doing, to ensure that this organisation continues to be the best skills trainer and provider in the nation—which it is. It is the largest; it is the best. I am focused on making this organisation the best. I am not focused on talking down TAFE, like the Labor Opposition continually does.

The Hon. COURTNEY HOUSSOS: Minister, I completely reject your assertion about talking down TAFE. Was an exit interview conducted with Mr Faurby after he left?

Mr ALISTER HENSKENS: Not by me.

The Hon. COURTNEY HOUSSOS: Is there someone else that can answer?

Mr ALISTER HENSKENS: I have absolutely no idea.

The Hon. COURTNEY HOUSSOS: Is there anyone else who conducted an exit interview?

GEORGINA HARRISSON: These are matters for the former Minister. The managing director [MD] of TAFE is a ministerial appointment, and that would be a matter for Minister Lee.

The Hon. COURTNEY HOUSSOS: So there was no-one who conducted an interview, that we can ascertain.

Mr ALISTER HENSKENS: If, Ms Houssos, you would read the legislation which governs TAFE, which no doubt you have probably done, you would realise that there is no requirement for an exit interview. It is not something that is mandated by legislation; it is not known to legislation. I cannot see why such an interview would have taken place unless you can draw my attention to some section of the Act which I am unaware of.

The CHAIR: Can we clarify the answer to the question that was put to Ms Harrison? Was an exit interview undertaken—yes or no?

GEORGINA HARRISSON: I met with Mr Faurby, but not in the context of an exit interview.

The Hon. COURTNEY HOUSSOS: Okay. Can you explain what that meeting was in regard to?

GEORGINA HARRISSON: I would meet with leaders across the Education cluster on a regular basis. Following the Minister's decision, I met with Mr Faurby. We discussed a number of matters, and he talked to me about his next plans following this role.

The CHAIR: You never really asked him, "Steffen, why have you been sacked?"

GEORGINA HARRISSON: As I indicated, the decision in relation to the employment of the MD of TAFE is a matter for the Minister and the MD.

The Hon. COURTNEY HOUSSOS: Sorry, so was he sacked or did he resign, Ms Harrisson?

GEORGINA HARRISSON: This, as I have indicated, is a matter for Minister Lee. He is the employer of the MD of TAFE. That is who they report to.

The CHAIR: Ms Harrisson, that is completely unacceptable to this Committee.

Mr DAVID SHOEBRIDGE: And it is wrong.

The CHAIR: You are the head of the education department. It would be a matter of record in your documents as to whether he was sacked or there is a letter of resignation. You need to give a straight, honest answer to this Committee.

Mr DAVID SHOEBRIDGE: Furthermore, he was not employed by the Minister. He was employed by TAFE NSW, a public entity for which you have overall ministerial responsibility. It is plainly false to say he was employed by the Minister—plainly false.

GEORGINA HARRISSON: The appointment of the MD of TAFE is a ministerial appointment. So it is not false, Mr Shoebridge. I do not accept that assertion.

Mr DAVID SHOEBRIDGE: He is not employed by the Minister; he is employed by TAFE.

The Hon. COURTNEY HOUSSOS: This is my time.

The CHAIR: Ms Harrisson, in your records is there a letter of resignation?

GEORGINA HARRISSON: Not in my records, no.

The Hon. ANTHONY D'ADAM: Is it a GSE appointment?

GEORGINA HARRISSON: I will need to take that on notice.

Mr ALISTER HENSKENS: It is an appointment by the Governor under the Act. I would have thought you would look at the Act before you started asking questions on this matter, but apparently you have not.

Mr DAVID SHOEBRIDGE: Well, let us get the Governor in.

The Hon. COURTNEY HOUSSOS: We are just trying to get some information, Minister, about whether he resigned or whether he was sacked. What is your understanding?

Mr ALISTER HENSKENS: I have no understanding. I am not focused on what happened with staffing arrangements in the authority before—

Mr DAVID SHOEBRIDGE: Two months ago.

The Hon. COURTNEY HOUSSOS: Weeks before you took on the portfolio.

The Hon. SCOTT FARLOW: Point of order: Let the Minister finish.

The CHAIR: Order! The Minister can answer the question before he is interrupted. Thank you, Minister.

Mr ALISTER HENSKENS: Thank you, Mr Chair. I am not interested in what happened prior with staffing arrangements. Do you want me to go into all the staffing arrangements at TAFE? I am interested in—

The Hon. COURTNEY HOUSSOS: Minister, I am interested—

The CHAIR: Order! Let him answer.

Mr ALISTER HENSKENS: —what this organisation is going to do in the future and the great things that are in train. Why are you not asking me about Meadowbank Institute of Applied Technology? Why are you not asking about more positive things about TAFE?

The Hon. COURTNEY HOUSSOS: Minister, we will get to those matters this afternoon. We will get to those issues in due time. At the moment we are interested in why TAFE has had six managing directors in six years and why, just weeks before your appointment, a man who was headhunted and paid \$181,000 more than the Premier suddenly resigned from his position. And yet you took up your position as the Minister weeks after this resignation and you are telling us—you expect us to believe—that you did not make a single inquiry about whether he resigned or whether he was sacked?

Mr ALISTER HENSKENS: I am not interested in things I cannot change, Ms Houssos.

The Hon. COURTNEY HOUSSOS: You are not interested in learning from the past?

The Hon. ANTHONY D'ADAM: Your sworn evidence is that you made no inquiries? Is that what you are saying, Minister?

Mr ALISTER HENSKENS: I cannot change the past.

The Hon. ANTHONY D'ADAM: You made no inquiries?

Mr ALISTER HENSKENS: No.

The Hon. ANTHONY D'ADAM: None?

Mr ALISTER HENSKENS: It is not a matter of interest to me.

The CHAIR: The question has been answered. Next question.

The Hon. COURTNEY HOUSSOS: Minister, how much did it cost the taxpayer?

Mr ALISTER HENSKENS: Again, consistent with me not focusing on matters of the past which I cannot change, I have not asked that question.

GEORGINA HARRISSON: Ms Tickle might be able to provide the details on that.

JULIE TICKLE: Yes, certainly. Mr Faurby was paid as a public service senior executive and so received the payout that is in line with that legislation—so the 38 weeks that senior executives receive.

The Hon. COURTNEY HOUSSOS: It was the 38 weeks? It was not the balance of his contract?

JULIE TICKLE: No, that is correct. It was the 38 weeks, and any leave owing which is the normal practice.

Mr DAVID SHOEBRIDGE: Which you only get paid when you are sacked.

The Hon. ANTHONY D'ADAM: That is right. Can you just clarify, Ms Tickle, that payment is only available if your contract is terminated. Is that not correct?

JULIE TICKLE: That is my understanding, in principle, yes, and I can confirm that that was the payout that was provided, as well as any leave that was owing.

The Hon. COURTNEY HOUSSOS: Can you provide us with any insight as to why he was sacked? What was the reason for the termination?

JULIE TICKLE: No, that is not a matter for me. That is, as has been stated, a matter for the Minister, not for me.

The Hon. COURTNEY HOUSSOS: It is a bit convenient is it not, Minister, that someone is sacked, they are paid 38 weeks' payout, and there is no-one who is prepared to answer the question as to why he was sacked?

Mr ALISTER HENSKENS: Ms Houssos, I cannot change what has occurred.

The Hon. COURTNEY HOUSSOS: I am not asking you to change what has occurred. I am asking you to provide this Committee with information about why such a highly paid, headhunted managing director, who was brought in, was sacked only two years into his contract.

Mr ALISTER HENSKENS: It was not my decision, Ms Houssos. I do not know what was going around—

The Hon. ANTHONY D'ADAM: You are accountable for the money that is spent, and that is spent in this budget period.

The Hon. LOU AMATO: It was prior to his time.

The Hon. COURTNEY HOUSSOS: Minister, what is the criteria then for the new managing director?

Mr ALISTER HENSKENS: I am sorry?

The Hon. COURTNEY HOUSSOS: The new managing director will be a ministerial appointment made by you. What is the criteria? What have you learnt from the fact that there have been six managing directors in six years? What will be the criteria for the new managing director?

Mr ALISTER HENSKENS: The criteria for the new managing director will be a person who is able to fulfil my vision for TAFE. And I am happy to expand on that, if you would like to hear that.

The CHAIR: Please. That is why we are here.

Mr ALISTER HENSKENS: My vision for TAFE is that it continues to be an outstanding training organisation, the largest in Australia, which has a strong presence throughout New South Wales, as it does. It teaches in over 140 different locations around the State, with a substantial staff of over 10,000 full-time equivalents, and TAFE fulfils a number of important remits for our community. It trains about 80 per cent of apprentices in New South Wales. It is the major trainer of apprentices in New South Wales. It provides training opportunities in a range of skill areas in regional areas where there are very thin markets with regard to the provision of training services. So it provides an important regional equalisation remit. But, importantly, it is now engaged in institutes of applied technology and looking at the cutting-edge skill opportunities that our economy needs for the future, not just the traditional trades—as important as they are and as important as they will always be, plumbing, electrotechnology and the like—but the advanced manufacturing skills and—

The Hon. COURTNEY HOUSSOS: I am going to stop you there because we have specific questions on those issues that we will come to.

The Hon. SCOTT FARLOW: Point of order—

Mr ALISTER HENSKENS: I am answering the question.

The CHAIR: I think we will give the Minister another 30 or 40 seconds to wrap up this overview answer.

Mr ALISTER HENSKENS: Particularly, Mr Chair, as the Minister for Science, Innovation and Technology, going around our innovation precincts and seeing the great world-leading research that we have here in New South Wales, there are a whole lot of new advanced manufacturing techniques which are happening in New South Wales where the skills are so unique and so cutting-edge that, at the moment, only PhDs can actually operate the machinery, which do not require you to have a PhD. We need to have a trickle-down of training so that we can have a whole base of skilled people within our economy who can operate this sort of advanced equipment.

The Hon. COURTNEY HOUSSOS: Minister, I am going to stop you there because we only have limited time today. You certainly have some very passionate supporters of TAFE around the table and we have plenty of questions for you today. Did you have a handover? Did you conduct a handover or did anyone in your department conduct a handover with Mr Faurby after he left?

Mr ALISTER HENSKENS: I certainly did not myself. I have never met the gentleman. I cannot speak for the department. Maybe Ms Harrison could—

GEORGINA HARRISSON: It is probably a question for Mr Brady in relation to him coming into the role and, of course, the corporate knowledge is held in a number of people in this room also in relation to that, but Mr Brady would be able to talk about whether or not there were handover meetings.

The Hon. COURTNEY HOUSSOS: Before I hand to Mr Brady, can you just give me the—

The CHAIR: It has been referred to Mr Brady.

The Hon. COURTNEY HOUSSOS: I just want to ask for one clarification before it goes to Mr Brady, which is: Minister or Ms Harrison, can you tell us what was the final date on which Mr Faurby worked?

GEORGINA HARRISSON: I will need to take that on notice but I can come back to you with a specific date.

Mr DAVID SHOEBRIDGE: Mr Brady might know.

The Hon. COURTNEY HOUSSOS: Mr Brady?

STEPHEN BRADY: I can only really speak to the date when I commenced, which was on 13 December.

The Hon. COURTNEY HOUSSOS: Was Mr Faurby working then?

STEPHEN BRADY: No, Mr David Backley was acting in the role prior to my commencement.

The Hon. COURTNEY HOUSSOS: Was there any handover with you and Mr Faurby?

STEPHEN BRADY: I had a telephone conversation with Mr Faurby which really focused on some of the key issues and priorities, but we did not discuss the reasons for his departing the organisation. It was not appropriate for me to engage in that conversation.

The Hon. ANTHONY D'ADAM: What is product transition?

KIRSTY HOSEA: Product transition is when a product becomes obsolete and then we enrol students in a newer course.

The Hon. ANTHONY D'ADAM: I understand that a large number of courses were subject to this product transition circumstance. Can you give the Committee some background around why those courses needed to be transitioned?

KIRSTY HOSEA: Actually I would like to address that question to my colleague, Dr McNeill, who leads their product and quality. That is under her jurisdiction.

MARGOT McNEILL: If I can just take the Committee back a couple of steps, I can talk to you about what the transitioning training packages are. They are actually the sets of skills and knowledge that students need to demonstrate if they are going to achieve a qualification that is a nationally recognised vocational education qualification. Those are developed completely outside the remit of TAFE NSW. All RTOs need to adjust what they teach so their course learning and teaching materials are adjusted to reflect the changes in those training packages.

The Hon. ANTHONY D'ADAM: A lot of training packages needed to be transitioned by the beginning of the first semester this year. That is correct, is it not?

MARGOT McNEILL: Transitioned during this year. So for the training packages we get 12 months in which to transition our students and convert our learning and teaching materials to be able to deliver those new courses. But it is during this year rather than starting from semester one.

The Hon. ANTHONY D'ADAM: How much notice did TAFE have that these training packages were required to be transitioned?

MARGOT McNEILL: We do always have 12 months notice about that.

The Hon. ANTHONY D'ADAM: So you knew at the beginning of 2021—

MARGOT McNEILL: Yes.

The Hon. ANTHONY D'ADAM: —that those packages needed to be transitioned?

MARGOT McNEILL: Yes, that is true.

The Hon. ANTHONY D'ADAM: Was there a large number for this year?

MARGOT McNEILL: Yes. In fact, there was an unprecedented number. Usually when we think about transitioning training packages, we would expect there to be about 30 or so transitioning in a year, and this particular year there were more than 200, when you take into account all the upgrades and the refinements that happened.

The Hon. ANTHONY D'ADAM: What triggered that?

MARGOT McNEILL: As I said, the training packages are developed and released by federally funded skills service organisations. So we are the recipient—

The Hon. ANTHONY D'ADAM: But surely TAFE knows what drives that process? You must have some understanding of the background as to what drives the process of requiring packages to be updated.

MARGOT McNEILL: Yes, we do. It is usually driven by industry expectations that things like technologies change. If I think about something like the Diploma of Nursing, which is transitioning later this year—or in fact very early next year—most of the units will stay the same if you think about something like taking blood pressure. But there are a few very specific, very new units that are part of that training package. They are made up of units of competency to get down to the specific units, if you think about most courses. Some of those—for example, midwifery and changes to Aboriginal and Torres Strait Islander cultural competencies—are new units which need completely new development. Lots of other ones, like units about taking blood pressure, do not need as many changes. But every RTO needs to go through and check and update our materials to make sure—

The Hon. ANTHONY D'ADAM: This is a routine practice, though. It is something that TAFE should be able to do.

MARGOT McNEILL: Yes, that is true. We do this on an ongoing basis. Part of the product development team, which I lead, certainly has that as part of our remit.

The Hon. ANTHONY D'ADAM: You draw on in-house expertise to do that.

MARGOT McNEILL: Yes, we do. Because we knew we had this unprecedented number, we expanded our team.

The Hon. ANTHONY D'ADAM: When did you actually know? You said you had 12 months notice. Was there some indication that this might be in the offing prior to the 12 months?

MARGOT McNEILL: We do have connections with the training package development process, so we knew that it was going to be an unprecedented number. It is a fluid number nonetheless, because things happen. For example, some of the training package releases were updated from the previous year. If you think about something like early childhood and bakery, they were the sorts of courses that, even though they were expecting to be updated earlier, the training package release was delayed due to COVID in the previous year.

The Hon. ANTHONY D'ADAM: Does that push back the transition period?

MARGOT McNEILL: It does.

The Hon. ANTHONY D'ADAM: If they are delayed, you get more time so you should be able to—

MARGOT McNEILL: Yes, that is true.

The Hon. ANTHONY D'ADAM: Why did TAFE have to outsource the transitioning project? If this is a routine thing, you should have internal capacity. You have some inclination that there is going to be work required so you could upscale internally, potentially. You are drawing on internal resources, I am assuming, so the subject matter experts are on staff in TAFE. Why did you have to outsource?

MARGOT McNEILL: Just a slight correction. We commissioned the assistance of two professional services firms to help us because, despite our ongoing efforts to expand our team, refine our processes so we could increase our production volume, if you like, from 189 courses that we upgraded in the 2020-21 period compared to 133 the previous year so we changed our processes, we also increased our velocity. So instead of taking again the previous year, it took about 26 weeks per unit and we reduced that down to about 16. So that was an increase in velocity. We expanded our team internally from 370 on 31 January last year to about 530 on 31 January this year.

All of those activities meant that we still realised that we were not going to be able to meet this unprecedented demand, and that is where we worked with the two professional services firms to make sure that we harnessed their global capacity to be able to work within our own quality assurance frameworks. I need to stress that quite firmly. To stay registered, we need to have very robust self-assurance processes internally, and we work with our own quality assurance team, our own skilled learning and assessment designers—who have done an amazing job dealing with this unprecedented demand—and of course the subject matter expertise of the teachers. And that is where we have been working with those collaborative partners.

The CHAIR: Just before I hand to Mr Shoebridge, I have two matters. Mr David Blackley, the Chief Information Officer of TAFE, is not with us today because, sadly, he has had a passing in the family and cannot attend. The second matter is that apparently the microphone system has been a problem in this room all week and, as much as physically possible, can everyone just talk directly into the microphone—right up against it—because it is very hard to hear, and it must be difficult for Hansard, in particular, to pick up each and every one of the words. Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Thank you, Chair. Mr Brady, when you took on your position did you speak with Mr Backley about his time as the acting MD?

STEPHEN BRADY: Yes I did, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: We do not have Mr Backley in attendance today, but we may need to get him and Mr Faurby at a hearing in the near future, given we have so little light on this. Maybe you could assist the Committee for the moment by telling us what Mr Backley told you about the reasons why Mr Faurby ceased to be the managing director.

STEPHEN BRADY: Mr Backley did not give me any indications for the reasons for Mr Faurby's departure.

Mr DAVID SHOEBRIDGE: Mr Brady, I find it impossible to believe that you come into an organisation to be the acting managing director and you do not inquire about why the previous managing director left. Are you seriously telling me that is what you did? You came in and you did not inquire about why Mr Faurby left?

STEPHEN BRADY: What was important was the discussion I had with Minister Lee around the priorities he had for me as I stepped into the acting role. He certainly emphasised to me that he wanted me to work

more closely with the Department of Education to ensure we were getting a greater integration between the secondary school system and the vocational training that TAFE provides to school students, seeing that as a priority to increase the number of school students that see vocational training as a strong pathway for them and increase the ability to introduce those students to vocational training. There was also obviously a discussion around the transitioning product and the criticality of us being ready for semester one.

Mr DAVID SHOEBRIDGE: Mr Brady, I was asking you if you made any inquiries about why the previous managing director left. I am putting it in the context, just to be fair to you, that it beggars belief to suggest that you would pick up someone's job and not make basic inquiries about why it was vacant. I am giving you the opportunity to persuade me—and I think anyone listening—how it is you could go into a vacant position and not make those basic inquiries about how it became vacant. Please persuade me, because otherwise we will have to have a fresh hearing and bring back Mr Backley and Mr Faurby and get it directly from them, and I am trying to avoid that.

Mr ALISTER HENSKENS: Perhaps the world does not operate entirely on gossip and innuendo like your world does.

Mr DAVID SHOEBRIDGE: Mr Brady.

The Hon. ANTHONY D'ADAM: The question is to Mr Brady, not to you, Minister.

The CHAIR: Mr Brady, there was a question to you please.

Mr DAVID SHOEBRIDGE: I am trying to avoid that future hearing. If you could help us here that will help.

STEPHEN BRADY: I cannot give you information that is not within my knowledge. The discussion between Minister Lee and Mr Faurby was between them alone. I was asked to step into the acting role and Minister Lee and I had a discussion around his priorities while I was in that acting role.

Mr DAVID SHOEBRIDGE: Did former Minister Lee explain to you why he chose to replace Mr Faurby?

STEPHEN BRADY: No, he told me what he wanted me to focus on.

Mr DAVID SHOEBRIDGE: Did you ask what went wrong before that has created this need for a new managing director? Did you ask that basic inquiry?

STEPHEN BRADY: We did not specifically discuss the reasons for Mr Faurby's departure. Minister Lee impressed on me the things that he wanted to see happening in TAFE and I have already started to outline those. He wanted to see a closer connection with the Department of Education to ensure secondary school students had a pathway into vocational education. He wanted me to focus on the transitioning product for semester one and he also wanted me to make sure we had a developed strategic plan for TAFE NSW that provided the right levels of accountability through the organisation to deliver on the Government's priorities for TAFE.

Mr DAVID SHOEBRIDGE: Did you sign off on the \$420,000 exit payment to Mr Faurby? Was that your job to sign off on it?

STEPHEN BRADY: No, I did not.

Mr DAVID SHOEBRIDGE: Do you know if Mr Backley signed off on the \$420,000 exit payment?

STEPHEN BRADY: I am not aware of that, but perhaps Ms Tickle could—

Mr ALISTER HENSKENS: But, Mr Chair, would that not just flow as a matter of law?

The CHAIR: Ministers do not get to take points of order. The question is being answered by the official.

Mr ALISTER HENSKENS: Sorry. I know Mr Shoebridge has got a legal degree.

The CHAIR: Order!

Mr DAVID SHOEBRIDGE: Did Mr Backley sign off on the \$420,000 exit payment?

STEPHEN BRADY: I am not aware of that, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Have you satisfied yourself about a payment of that sort of size to a previous chief executive, whether or not that was done in accordance with the law, Mr Brady?

STEPHEN BRADY: I have. Ms Tickle has assured me that the payment was in accordance with the provisions under the Government Sector Employment Act.

Mr DAVID SHOEBRIDGE: Ms Tickle, were you responsible for the exit payment then?

JULIE TICKLE: Can you hear me okay?

Mr DAVID SHOEBRIDGE: I think you had better pull the mic a bit closer.

JULIE TICKLE: It will not come any closer.

The CHAIR: Can you just try and straighten it a bit? That might lengthen it.

Mr DAVID SHOEBRIDGE: If you just shove the desk forward, Ms Tickle.

JULIE TICKLE: I will just lean right in. That is better, isn't it?

The CHAIR: You have got to come right into it. The building manager spent all summer on this room so naturally the mics are not working.

JULIE TICKLE: Like a singer. Okay, I have got it. It is a matter of process, Mr Shoebridge. The payment is not a negotiated payment or anything like that; it is an automatic payment. It is under the GSE Act so it is a matter of process. The payment is calculated by our payroll team. Any leave that is required to be paid is paid at the time and it happens as a matter of process.

Mr DAVID SHOEBRIDGE: You told Mr Brady about the exit payment to Mr Faurby?

JULIE TICKLE: Yes. I told him that it had been completed.

Mr DAVID SHOEBRIDGE: Did you tell him how much it was?

JULIE TICKLE: I do not recall telling him how much it was because there is no conversation to be had because it is the same no matter what because it is under the GSE Act. So it is a process matter.

Mr DAVID SHOEBRIDGE: How about you tell us how much it was?

JULIE TICKLE: It is 38 weeks.

Mr DAVID SHOEBRIDGE: And how much is that?

JULIE TICKLE: I am not very good at maths. I would have to take that on notice and provide it to you.

Mr DAVID SHOEBRIDGE: He was on a \$575,000 salary, is that right?

JULIE TICKLE: I believe so, yes.

Mr DAVID SHOEBRIDGE: I make it out to be a \$420,000 exit payment from the people of New South Wales to Mr Faurby. Does that ring a bell?

JULIE TICKLE: I would have to check that that is correct. However, if your maths is accurate that would be correct if it was 38 weeks.

Mr DAVID SHOEBRIDGE: Payroll has all the details?

JULIE TICKLE: Correct.

Mr DAVID SHOEBRIDGE: Could I ask you during the course of this hearing to make the basic inquiries with payroll and tell us the exact amount that was paid to Mr Faurby, please?

JULIE TICKLE: Yes. I can take that question on notice and come back.

The Hon. COURTNEY HOUSSOS: And if there are any leave components to that.

JULIE TICKLE: I think leave is a matter for the person. I would have to make sure that we are procedurally correct in providing people's personal details. I think leave is a personal detail. But the matter under the GSE Act is very clear and the payment is the payment. So that is not a problem.

The Hon. COURTNEY HOUSSOS: We just want the total payment.

Mr DAVID SHOEBRIDGE: If you could give us the total payment and then break it down with any payment under the GSE Act? I am sure payroll can help.

GEORGINA HARRISSON: If I may, Mr Shoebridge, the leave entitlement I think Ms Tickle is referring to is the entitlement that Mr Faurby would have accrued. So it is not part of any exit payment. It is simply the 38 weeks plus any leave that has already been accrued to the individual that is paid out. So, as Ms Tickle has

indicated, the 38-week payment I am confident they will be able to provide on notice. But the leave accrual is a personal matter.

Mr DAVID SHOEBRIDGE: Ms Tickle has indicated she can provide it today, not on notice. Ms Harrison, maybe you were not listening.

GEORGINA HARRISSON: I believe she said she would take it on notice, Mr Shoebridge—

Mr DAVID SHOEBRIDGE: No, she said she would provide it today.

GEORGINA HARRISSON: —as is her entitlement as a witness, Mr Shoebridge, to take the matter on notice.

Mr DAVID SHOEBRIDGE: No, Ms Tickle said she would provide it today.

GEORGINA HARRISSON: No, she indicated she would take it on notice.

The Hon. SCOTT FARLOW: That was not what Ms Tickle indicated.

The Hon. COURTNEY HOUSSOS: She did.

The Hon. SCOTT FARLOW: No, she did not.

Mr DAVID SHOEBRIDGE: She most definitely did say she would provide it today. I am not going to have a debate with you, Ms Harrison.

The CHAIR: Ms Tickle, what is your intention—to provide that information today or at a later date?

JULIE TICKLE: I believe I said I would provide it on notice. But may I make clear, and the Secretary is correct—

Mr DAVID SHOEBRIDGE: Maybe we will just play the transcript back.

JULIE TICKLE: —in saying that we can provide the 38-week payment because it is very clear and it is a simple calculation—it is 38 weeks times whatever the salary is. However—

Mr DAVID SHOEBRIDGE: I have never had to do this before—

JULIE TICKLE: However, accrued leave is a matter for the individual and I would not—

The CHAIR: Ms Tickle, can I make a request on behalf of the Committee that you provide that information by researching it during the lunch break, please?

JULIE TICKLE: Yes.

Mr DAVID SHOEBRIDGE: Chair, can I indicate I have never had to do this before and challenge the evidence so soon after it was given, but I am going to ask Hansard, if they can, to provide a copy of the exchange earlier and then we will play it back later today because I have never seen the evidence change so quickly—evidence given under oath change so quickly—in an estimates hearing.

The CHAIR: I acknowledge that—

JULIE TICKLE: Mr Shoebridge, may I—

The CHAIR: Order!

Mr DAVID SHOEBRIDGE: We will have it played back later today.

The CHAIR: Order! I acknowledge the point that Mr Shoebridge is making and I have requested Ms Tickle to provide that information this afternoon using her resources, or if she can text someone now to find it out, or do it during the lunch break. I think we can overcome the changing nature of the evidence by actually providing the information this afternoon.

Mr ALISTER HENSKENS: The alleged changing nature of the evidence.

The Hon. SCOTT FARLOW: There was no changing of evidence.

Mr ALISTER HENSKENS: I know what I heard.

The CHAIR: Minister, I am chairing the meeting. I heard what I heard and I believe Mr Shoebridge is right in saying that the evidence is altered. It is probably inadvertent. I am not alleging any deliberate altering of the evidence—

Mr ALISTER HENSKENS: No, there were two parts to the evidence.

The CHAIR: But Ms Tickle clearly said she would provide that to the Committee this afternoon and I am hoping she will meet that commitment, please. Let us move on.

JULIE TICKLE: Chair, may I just make it clear what my intention was? My intention is that the 38-week payment is very clear, and we can provide that. What I said I would take on notice is considering the procedural fairness and process of providing any information that is personal to that individual based on their accrual of leave.

Mr ALISTER HENSKENS: And that is my recollection of what the witness said.

Mr DAVID SHOEBRIDGE: We will play it back.

Mr ALISTER HENSKENS: And the suggestion that she changed her evidence is offensive and ought to be withdrawn. And when the recording is made available I hope Mr Shoebridge does the right thing after impugning Ms Tickle's character in the way that he has and withdraws it.

Mr DAVID SHOEBRIDGE: You can add—

The CHAIR: Order! Order!

Mr DAVID SHOEBRIDGE: You can add to the flipped evidence if you want, Minister.

The CHAIR: Order! Let us not escalate to the point of being silly.

Mr DAVID SHOEBRIDGE: Or plainly false.

The CHAIR: If it needs to be replayed back by Hansard, that is what will happen. But nobody is making an allegation about anyone's character. These things can happen accidentally in the moment of answering questions. Let us be a bit adult about it and say that Ms Tickle will make the effort to provide the information that will be useful to the Committee and we can move on. Your time has expired now, I am sorry, but I am sure you can come back to it. Minister, what handover meeting in the portfolio did you have with Geoff Lee?

Mr ALISTER HENSKENS: I met with Mr Lee many weeks after I became the Minister, to be honest, because I became the Minister only just prior to Christmas. So I have met with Mr Lee at the end of January and I discussed with him his view as to the opportunities within the portfolio.

The CHAIR: It took you six weeks to have a handover meeting with the previous Minister to find out the immediate past issues in the portfolio?

Mr ALISTER HENSKENS: I cannot remember the exact date, Mr Latham.

The CHAIR: You said end of January.

Mr ALISTER HENSKENS: As I said, there was Christmas, then I had a period of sickness and then I came back to work and I met with Mr Lee when it was convenient.

The CHAIR: And in that meeting what discussion did you have about the departure of Steffen Faurby?

Mr ALISTER HENSKENS: Look, we did not discuss that. We discussed, as I said, the opportunities in the portfolio—which it sounds like it was quite a similar discussion to the evidence that Mr Brady has given. We certainly discussed the great opportunities for the Educational Pathway programs within our schools, which I think you would be interested in, Mr Latham, which is expanding to 144 schools the opportunity to do vocational study within our high schools in the pilots, in the 24 pilots. It has tripled the number of school-based apprenticeships and traineeships, which I think is a great outcome for those students—the 70 per cent of our high school students that never go to university.

The CHAIR: Minister, I asked about the discussion about Mr Faurby. It is your evidence that at no stage did you say to Geoff Lee, "What went wrong with Steffen Faurby? Being a high-profile appointment, headhunted by Gladys Berejiklian and paid extra money, but you have sacked him. What went wrong? What can I learn for the future?" Those words and that conversation was never had?

Mr ALISTER HENSKENS: No. We were just talking about the future.

The CHAIR: Do you believe the taxpayers of New South Wales would find that a remarkable omission in the handover, given the importance of the appointment, the money that was paid, the extent of the payout and the future of TAFE to learn the lessons of what went wrong in the tenure of Steffen Faurby?

Mr ALISTER HENSKENS: Mr Latham, something I always learnt as a barrister was that you do not sweat on the things that you cannot control. That was something that was out of my control that had happened.

I am very much focused on the future and how I can be the best Minister I can be. The opportunities in this portfolio are absolutely exciting, particularly the synergies with the science, innovation and technology—

The CHAIR: That is not answering my question. You are going onto a filibuster now that is unacceptable to the Committee. We all love *Back to the Future*. But wouldn't you, as a Minister, have a basic curiosity as to what went wrong? It would have been the first question I asked, given that he was there to the organisation and it was such a high-profile appointment that achieved substantial media attention. Wouldn't you just have a basic curiosity to learn what had gone wrong and why he had to leave?

Mr ALISTER HENSKENS: We certainly discussed the immediate challenges for the organisation but it was not within the context—

The CHAIR: Was the name Steffen Faurby mentioned in the discussion?

Mr ALISTER HENSKENS: No.

The Hon. ANTHONY D'ADAM: Never? Unbelievable.

The CHAIR: That is the evidence. We will not have to play it back; that is the evidence.

Mr DAVID SHOEBRIDGE: Just airbrush him out like Moscow, 1948.

The CHAIR: Order! I will ask about a discussion with another ministerial colleague: Minister Kean. What discussions have you had with him about the reskilling and retraining needs of the 500 workers at Eraring who will lose their job because of the early closure of the power station?

Mr ALISTER HENSKENS: We have not had a specific discussion around those employees. I have certainly been focused on how we can grow employment opportunities in advanced manufacturing—

The CHAIR: Have you had any specific discussion at all with Matt Kean about the needs of those workers?

Mr ALISTER HENSKENS: No.

The CHAIR: At no stage did Matt Kean ring you up after you got the portfolio, or you were in adjoining seats and you could have a cup of coffee up there on the northern end of Sydney, and say, "Listen, I have known since the middle of last year that Eraring is closing. You are the new Minister for Skills and Training. We are going to have to put in place a package to help those workers. There is 500 of them, in the reasonably high unemployment area of Lake Macquarie. Let us get cracking with some retraining to get them in better shape for their redundancies."

Mr ALISTER HENSKENS: We have not yet had that discussion, Mr Latham. I think the power station is going to close in 2025, so we will certainly have an opportunity to have those discussions. I have not had them yet.

The CHAIR: Minister Kean announced a very expensive so-called job creation package. Have you had a discussion with him about the sort of access for those workers and the skills they would need to access those jobs? It is useless having a jobs package, isn't it, if the workers have not got the skills to take up new employment opportunities, even the limited ones that would be available in their geographical area?

Mr ALISTER HENSKENS: I agree that it is incredibly important to have a plan and to develop a plan in terms of how we can transition those workers into new employment and new skills so that they continue to be employed. If I can just draw on my own personal experience, I know when the BHP shut in Newcastle in the 1980s there was a similar program. That is certainly something I will work with Mr Kean towards, but we have not had those discussions yet as to the details.

The CHAIR: Learning from BHP and other experiences, why do you think Minister Kean did not raise it with you days into the portfolio?

Mr ALISTER HENSKENS: I think the announcement was only—

The CHAIR: No, he knew from the middle of last year that this closure was imminent. When did you first find out about the early closure of Eraring?

Mr ALISTER HENSKENS: Only a couple of weeks ago.

The CHAIR: When it was in the media?

Mr ALISTER HENSKENS: Yes.

The CHAIR: At no stage did Minister Kean ring you, in the eight weeks between your appointment and the Eraring announcement, and say, "You have got to know that the Eraring closure is coming up. Let us get working on a reskilling program for these 500 workers."

Mr ALISTER HENSKENS: I have certainly had discussions with Minister Kean around how we can invest in the jobs of the future, but it was not in that specific context.

The CHAIR: You have said nothing about Eraring. I ask a general question of the officers in TAFE and reskilling. Has there been any contact from the Treasury or the energy sector as to the situation at Eraring and the need to get moving with a reskilling package?

AMY BROWN: I have some visibility of that. We, at Investment NSW, have been working closely with the Department of Planning and Environment around the opportunities that are going to come out of a lot of the initiatives to accelerate renewable energy, such as renewable energy zones, hydrogen hubs and so on. I suppose the question for us, being the jobs and investment agency, is what are the jobs opportunities that will come out and, to your point, how do we make sure that the skills match? We have come up with a net-zero investment action plan that identifies nine subsectors where New South Wales has some natural capabilities. When you overlay some developments in technology and advanced manufacturing, there are a lot of job opportunities. In terms of making sure that the local workforces are skilled and ready to take up the job opportunities, I agree with you that there are challenges ahead but so much opportunity if we can get it right. Of course, the vocational education and training system has a big part to play, but we are also undertaking certain programs—

The CHAIR: You are not a training authority, are you?

AMY BROWN: No, we are not a training authority but—

The CHAIR: Net-zero investment does not sound all that lucrative if you are a worker. Is there anyone with a remit for training and skills that has had contact with the Treasury or the energy sector—

AMY BROWN: Mr Latham, could I just finish my answer to your question? We do have specific programs.

The CHAIR: With all due respect, we have got limited time and you are talking about investment opportunities rather than my question, which is about skills and training.

AMY BROWN: We have got the Driving Digital Skills Pilot Program to assist employees move toward the future. We have got workforce development—

The CHAIR: What discussions have you had with Origin Energy about applying that to Eraring? None.

AMY BROWN: That is not the case.

The CHAIR: Could I get an answer, please? What discussions have you had with Eraring and Origin?

AMY BROWN: I am on the whole-of-government steering committee with respect to that particular project. I am inputting as to what existing government programs for reskilling would be relevant here.

The CHAIR: Is there anyone in skills and training who has had contact with Treasury? Mr Collins, please.

DAVID COLLINS: We only found out about this after the announcement. Training Services NSW has—and it is a fairly formative stage at this stage—started discussions with regional New South Wales and with a local jobs taskforce in the Hunter. It is a process that is tried and true—we used it, for example, with changes to BlueScope in the Illawarra—where we will work to get an understanding of what the labour market opportunities are. We will start discussions with the organisation and the workforce.

The CHAIR: Have you had any discussions with Origin Energy?

DAVID COLLINS: Not yet.

The CHAIR: So you are at the very early stages.

DAVID COLLINS: It is very preliminary.

The CHAIR: There is no discussion with Origin or the Eraring workforce at this time?

DAVID COLLINS: Not yet, but that will be part of the process that we will go into, which will be about identifying what opportunities there are and working with those workers to see what their interests are, what skills they have got and what they may need to help them to move to other opportunities.

The Hon. ANTHONY D'ADAM: I am going to tender some documents.

The Hon. COURTNEY HOUSSOS: In the meantime, I will ask some questions. Ms Tickle, I understand that Mr Faurby received a bump up in his pay on 1 July from \$575,000 to \$589,500. Is that correct?

JULIE TICKLE: I would have to check the amount, but it was under the SOORT determination for the blanket across sector increase. If that contributes to that increase, then yes. The SOORT determination determines that, and that was applied to all of the executives.

The Hon. COURTNEY HOUSSOS: So his 38-week payout would be at his existing rate, wouldn't it? It would not be backdated to the previous amount.

JULIE TICKLE: That is correct. That is what I understand, yes.

The Hon. COURTNEY HOUSSOS: What is the process for triggering the payment? Does the Minister have to tell you? What is the formal process of actually triggering that payment?

JULIE TICKLE: It depends on the circumstances. Once there has been a determination that the employment is coming to an end for whatever reason, that is what triggers the payment. We then work with our payroll team to have the payment calculated, the tax calculated and that sort of thing. Then the employee gets the payment in the next pay run.

The Hon. COURTNEY HOUSSOS: What is the authorisation that you require to start that process? Does the Minister have to send you an email? Does the chief of staff? Who actually has to authorise it? Who has to tell you?

JULIE TICKLE: It depends on the circumstances.

The Hon. COURTNEY HOUSSOS: Well, let's use Mr Faurby's example.

JULIE TICKLE: In this circumstance we worked with the Department of Education as the cluster lead to trigger the next set of processes, which included determining what the amount was. It went to payroll, was calculated and Mr Faurby was advised and paid in the next pay run.

The Hon. COURTNEY HOUSSOS: Who actually advised you?

JULIE TICKLE: On the day? It was one of my colleagues from Department of Education who I spoke to early on the day. I do not recall the person's name but I could certainly provide that on notice.

The Hon. COURTNEY HOUSSOS: Can you recall their position?

JULIE TICKLE: It was somebody in People and Culture, but the name is just slipping my mind right now.

The Hon. ANTHONY D'ADAM: Mr Brady, in your earlier answer in relation to your discussion with Minister Lee you specifically singled out the product transitioning issue. Was that a serious concern that Minister Lee had about this product transitioning going off the rails?

STEPHEN BRADY: I would not put it in those terms, Mr D'Adam. Minister Lee was certainly aware of the unprecedented volume of transitioning product. As Ms McNeill mentioned earlier, over 200 transitioning products, compared to a more normal rhythm of 30, means that we were all aware that there was a significant challenge and we were deploying not only our extended internal resources but buying product from other TAFEs. We were getting support from other providers in the market, including bringing on the support of Deloitte and EY as expanding our capability.

The Hon. ANTHONY D'ADAM: Was the Minister worried about it running late—that you were going to miss the deadline of the first day of first semester this year?

STEPHEN BRADY: I think he was aware that there was complexity around the transitioning products and I think it is fair to say that when we transition these products my understanding is that it is normal to transition and commence delivery with the components we need to start those courses with further units of those courses coming in over time so that they are ready for delivery at the appropriate point in time. It is a complex delivery challenge and Minister Lee was certainly emphasising the need for to us to be focused on the delivery and making sure that we were ready for those classes.

The Hon. ANTHONY D'ADAM: How much was at risk in terms of revenue if you missed the deadline?

STEPHEN BRADY: Again, I think that is not a proper way to characterise the challenge, Mr D'Adam. We had a series of decisions which were taken over a period of time about how we would manage this unprecedented volume of transitioning courses. Some of those decisions were influenced by the general state of the education sector that was heavily impacted by COVID. So, for example, the late HSCs flowing through to late

ATARs meant that secondary school students were uncertain of their choices until much later than in a normal period. We made proactive decisions to start those class courses later and give those students the opportunity to make the choice that was a really significant choice in their life direction. There were a series of things that influenced across the course of semester one commencements and how we scheduled those products in.

The Hon. ANTHONY D'ADAM: I might turn now to Ms Hosea. I have tabled a document titled "Recommendation to Award". Do you have that document in front of you?

KIRSTY HOSEA: I am sorry, I do not have that document in front of me. The question is to me?

The Hon. ANTHONY D'ADAM: Yes. In your role, are you the person who is responsible for managing the award of contracts like this?

KIRSTY HOSEA: No, I am not. I was not responsible for this contract.

The Hon. ANTHONY D'ADAM: No, not this particular contract but contracts like this—normally these would fall within your brief?

KIRSTY HOSEA: It depends on the outcome and the work to be done, but accelerated product development is not in my remit, no. It is in Ms McNeill's.

The Hon. ANTHONY D'ADAM: Is contract management in your brief?

KIRSTY HOSEA: It is in every executive's brief.

The Hon. ANTHONY D'ADAM: Ms McNeill, are you the author of this document?

MARGOT McNEILL: I am not the author of the document but I certainly endorsed the process.

The Hon. ANTHONY D'ADAM: Who was the author of the document?

MARGOT McNEILL: There are several people who contributed to it. If I can have a look at the document? Thank you.

The Hon. ANTHONY D'ADAM: Perhaps I should ask: Was your signature the final signature on the brief that went to the managing director in relation to this recommendation to outsource the product transitioning work?

MARGOT McNEILL: Sorry, I am just trying to have a look through, as the document has just been tabled. I certainly worked very closely with the team on developing it. I cannot quite—

The Hon. ANTHONY D'ADAM: Ms Hosea has just told us that this is within your area of responsibility. You are the senior officer.

MARGOT McNEILL: Yes, that is certainly true.

The Hon. ANTHONY D'ADAM: Surely you know whether you signed this brief off?

MARGOT McNEILL: Well, it is the question about whether mine is the final signature before it goes to the managing director. I absolutely worked with the team on the process and my signature is there. But I was just trying to do the check whether it was actually the last one before it went to the managing director.

The Hon. ANTHONY D'ADAM: In terms of the substance of this document, it is primarily your responsibility?

MARGOT McNEILL: Yes, certainly.

The Hon. ANTHONY D'ADAM: It is correct to say that \$454 million was at stake if TAFE missed the deadline in terms of product transitioning, isn't that correct?

MARGOT McNEILL: I will just clarify a couple of things. That is the total amount if none of the courses that we currently teach were transitioned to the new requirements from the transitioning training packages, and also there is not a specific deadline. Part of the process we went through in managing this unprecedented number of transitioning training packages was to make sure we had categorised what were the courses that needed to begin very early in this semester. There are some courses that did not actually need to be transitioned until the beginning of next year, so we pushed those out. Then there are various, obsolete dates is what they are called. I will also stress that the courses are still current until they reach that obsolete date. Just on the fact that there is not really a deadline.

The Hon. ANTHONY D'ADAM: How many courses are we talking about?

MARGOT McNEILL: We are talking about in this complete package of work—250. That was a moving number because initially we had a higher number when we were first entering into these negotiations, but there was some streamlining that we could include. For example, one of the courses was completely new so we decided then to delay the delivery of that course. We had never taught it before.

The Hon. ANTHONY D'ADAM: Can I clarify then what was the minimum number of courses that needed to be transitioned by the first day of first semester this year? To avoid the risk that you have identified, what was the absolute bare minimum that you could have transitioned without any issues arising for day one of first semester this year?

MARGOT McNEILL: As you can imagine, there is not exactly one day that the semester starts. Some of our teaching involves things like terms and then some of them have a different start date because of things like going through investigations of application processes and some of the apprenticeship classes start—

The Hon. ANTHONY D'ADAM: Dr McNeill, I understand that. The point of my question is to determine what was the minimum action that needed to be taken to avoid negative financial implications for TAFE?

MARGOT McNEILL: So if I broaden it out for the first couple of months of this semester that number that needed to be developed was 156 courses.

The Hon. ANTHONY D'ADAM: That is 156 courses?

MARGOT McNEILL: Yes.

The Hon. ANTHONY D'ADAM: In your earlier evidence you said in 2020 you transitioned 133 courses.

MARGOT McNEILL: We developed the materials for 133. That was in 2020, yes.

The Hon. ANTHONY D'ADAM: So 156, is that what you said?

MARGOT McNEILL: Yes.

The Hon. ANTHONY D'ADAM: That does not seem like a huge number above that 133 in terms of the internal capacity of TAFE.

MARGOT McNEILL: Just a slight correction, if you remember when I was describing the 133 that was from 2020. In 2021 we developed 189. I am talking about that 156 since then, so since November last year that is the number that we have worked on.

The Hon. ANTHONY D'ADAM: In 2021 you did 189, which is more than the bare minimum that you needed to get through the issue in relation to transitioning products for 2022. So why, if you had the internal capacity to do 189 courses, did you choose to outsource rather than use your internal capacity?

MARGOT McNEILL: Because the 189 took the whole of the year, so more or less from the middle of January until the end of November. That is the total that we developed for course materials during 2021. That 156 has really developed since then, so that is why we needed so much more capacity.

The Hon. ANTHONY D'ADAM: I ask about the risk assessment that was done as part of this brief. Why was Ms Hosea identified as a risk, given that she has just told us that she was not responsible for this tender and it is not within her brief.

KIRSTY HOSEA: I was not responsible for the brief but, as executives, and given that product and teaching is the foundation of what we do at TAFE NSW, it is every chief's responsibility to raise risks, where they may exist, as well as construct some mitigations. So I was acting in my duty, as with everybody else, to help solve the problem.

The Hon. ANTHONY D'ADAM: Why were you identified as a risk? You are a former partner at Deloitte, are you not?

KIRSTY HOSEA: I am a former partner at Deloitte.

The Hon. ANTHONY D'ADAM: Yes, and it was one of the successful organisations that was given the work, was it not?

KIRSTY HOSEA: It was.

The Hon. ANTHONY D'ADAM: Minister, are you concerned about the perception of favouritism that might have arisen by Ms Hosea's involvement in this process, even if at arm's length?

Mr ALISTER HENSKENS: I assume, Mr D'Adam, that you are talking about number three on page 10 of 10 of the document? Is that what you are referring to?

The Hon. ANTHONY D'ADAM: Yes.

Mr ALISTER HENSKENS: As you will see there on the document, it states:

Chief Delivery Officer has not been involved in the development of the Procurement Strategy and is not involved in the Procurement Selection Approach; there are also limited providers who can meet the scale, velocity and professional services required.

It seemed to be suggesting that they had managed the bias risk internally to ensure that the chief delivery officer was not involved in the process and, as you would know, Mr D'Adam—

The Hon. ANTHONY D'ADAM: It is also a reputational and perception risk, is it not, Minister?

Mr ALISTER HENSKENS: No. The perception risk is above that, and that is paragraph number two on page 10, and that does not refer to the chief delivery officer. So I think you need to be very careful here that you are not unfairly impugning the reputation of the chief delivery officer. It seems to me all organisations have potential conflicts of interest. The important issue is that you manage them properly. This document says to me that they have identified the risk, they have managed it properly and so, as Minister, I do not have any concern about that because it seems to have been dealt with entirely appropriately.

GEORGINA HARRISSON: I can help the Committee with this. Within the procurement rules for government, it is required that declarations of interest are made and that there are appropriate processes put in place to prevent any undue influence and to manage the very perception risk that you have raised. I think, as the Minister has indicated from the papers, that risk has been explicitly managed in this case.

Mr ALISTER HENSKENS: Mr D'Adam, you have spent your life in the trade union movement in various different unions, but you regularly deal with matters that deal with unions without declaring any conflict. So I think it is a little bit rich that you would be having a go at this public servant in the way that you are.

The Hon. ANTHONY D'ADAM: Minister, the point of this exercise is not to interrogate my background; it is to make sure that TAFE is being administered correctly.

The Hon. SCOTT FARLOW: It is slinging mud; that is what you are doing.

The Hon. ANTHONY D'ADAM: I will move back to the subject matter.

The CHAIR: Yes, let us get back to TAFE.

The Hon. ANTHONY D'ADAM: I have tendered a document entitled *eTendering: Department of Education/Accelerated Product Development-CW8916*. Do you have that in front of you, Ms McNeill?

MARGOT McNEILL: Yes, I do.

The Hon. ANTHONY D'ADAM: Were you the person responsible for letting the tender?

MARGOT McNEILL: The people in my team worked with the procurement process—the team within TAFE New South Wales—yes, and I was responsible for the outcomes.

The Hon. ANTHONY D'ADAM: Who has ultimate oversight of this tender?

MARGOT McNEILL: Me, as the person who is responsible for product development, and the managing director has the ultimate responsibility for TAFE.

The Hon. ANTHONY D'ADAM: I take you to the second page of that document. If you go down to the bottom of the page, you will see a section headed "Industrial Relations Details for this Contract". Can you see that?

MARGOT McNEILL: Yes, I can.

The Hon. ANTHONY D'ADAM: Underneath that is "Name of Sub-contractors". You can see that, can you not?

MARGOT McNEILL: Yes, I can.

The Hon. ANTHONY D'ADAM: It states, "Not Applicable".

MARGOT McNEILL: Yes, that is true.

The Hon. ANTHONY D'ADAM: But this work was subcontracted, was it not? EY subcontracted it. Why was that permitted?

MARGOT McNEILL: If I can just clarify, we worked with the professional services firms partly because of their experience with TAFE NSW, partly because they were on the New South Wales Government panel, but also because of their global reach, where they had acquired some additional capacity overseas.

The Hon. ANTHONY D'ADAM: I understand that EY has capacity. That has been identified in the breach, but it was not authorised to subcontract the work, was it?

MARGOT McNEILL: They were able to work—

The Hon. ANTHONY D'ADAM: That was your responsibility to make sure that it did not subcontract the work.

The Hon. SCOTT FARLOW: Point of order: The witness is trying to answer Mr D'Adams' question. He is just throwing a barrage of further questions at her as she is attempting to answer.

Mr DAVID SHOEBRIDGE: I do not think the question was finished. It was a bit each way.

The CHAIR: We will have question, answer and then a new question, rather than have people talk over each other.

MARGOT McNEILL: We worked with EY and Deloitte, as the professional services firms, for them to be able to collaborate with us—with our internal teams—and they, as part of that development process, could then work with third-party providers. It was not in a subcontracting capacity. It was able to use—for example, things like textbooks. If you think about that as part of being added into the overarching course materials and assessment design, they would be the sorts of things that we acquire from other third-party providers, and I imagine that is what you are referring to.

The Hon. ANTHONY D'ADAM: The third-party providers are providing direct input in the product development, are they not?

MARGOT McNEILL: They are, because they are part of that whole package that we develop.

The Hon. ANTHONY D'ADAM: That is subcontracting, is it not?

MARGOT McNEILL: It was certainly not part of our arrangements with EY and Deloitte. We were working with them.

The Hon. ANTHONY D'ADAM: The document also refers to "Location of Work" as "Not Applicable". Where are the subcontractors located?

MARGOT McNEILL: The arrangements of the professional services firm with their staff are not part of our agreement with them. We work with them, and they were both based in Sydney when we were doing the arrangements part of the procurement process.

The Hon. ANTHONY D'ADAM: Did you know that EY was going to subcontract overseas?

MARGOT McNEILL: I would caution on the term "subcontract", but part of the reason we chose them was because we could work with them with this global capacity that they had.

The Hon. ANTHONY D'ADAM: So you knew that they had global capacity?

MARGOT McNEILL: Yes.

The Hon. ANTHONY D'ADAM: You knew that they were likely to draw on that global capacity, but when you were drawing up the contract arrangements, when you were asked about location of the work, you said, "not applicable". When you were asked about subcontracting, you said "not applicable". You did not provide that detail in full knowledge that they actually were going to do that.

The CHAIR: There needs to be a question.

The Hon. ANTHONY D'ADAM: The location was going to be overseas, and the work was going to be subcontracted to third parties. Why did you omit that detail in the contract preparation?

Mr ALISTER HENSKENS: There is an assumption as to knowledge within that question that I do not think has been established with the witness, is there not?

The CHAIR: It is a question that the witness can answer based on her knowledge.

Mr ALISTER HENSKENS: EY subcontract out its cleaning services, its IT services.

The Hon. ANTHONY D'ADAM: The Minister cannot take points of order.

Mr ALISTER HENSKENS: It probably has a whole lot of subcontractors.

The CHAIR: Minister, we welcome your presence here, but I am running the meeting. Your interventions are taking time away from the witness's answer. I do not want to have to deal with you at any stage.

Mr ALISTER HENSKENS: I apologise.

MARGOT McNEILL: Our agreement was with EY and Deloitte, as the professional services firms, and these statements were made in the context of us negotiating with them. How they arrange their work was not part of that process. We just knew that they had a large global capacity, and we welcomed that. For example, while our teams oversee the development of assessment and course materials, they have things like teams that do the digital development, which means the students are able to access practice opportunities before they do their more high-pressure assessment tasks. Because those activities are built into a digital platform that we manage, we can then enable the students to have those practice opportunities 24/7 while they are building their confidence. We know that confidence in students leading up to an assessment task is a really big criteria in terms of student success.

Mr DAVID SHOEBRIDGE: Ms McNeill, while we are on this document, it might be useful. Page 4 states:

If TAFE NSW does not update the 261 transitioning Training Products, it cannot offer these products and puts at risk \$100M of budgeted revenue [this financial year] ...

Mr ALISTER HENSKENS: I am sorry, Mr Shoebridge. Just so I can follow, which document are you referring to?

Mr DAVID SHOEBRIDGE: It is the TAFE document *Recommendation to Award*. Have you got it, Ms McNeill?

Mr ALISTER HENSKENS: That was not the document that the witness was previously being asked about.

Mr DAVID SHOEBRIDGE: Have you got it there on page 4, Ms McNeill?

MARGOT McNEILL: Yes.

Mr ALISTER HENSKENS: Two documents have been shown to the witness. We have now heard which one he is talking about.

Mr DAVID SHOEBRIDGE: Chair, I ask you to remind the Minister again that he is not here to give commentary. He is constantly disrupting the questioning.

The CHAIR: I have reminded the Minister of that. It is the ministerial session, though. Perhaps normally we would have more questions to the Minister and not so many to officials.

The Hon. ANTHONY D'ADAM: He thinks he is at the bar.

Mr DAVID SHOEBRIDGE: There are rules in court.

Mr ALISTER HENSKENS: I feel like I should sit in the corner.

The Hon. SCOTT FARLOW: Yesterday you were complaining because bureaucrats were answering questions.

The CHAIR: Minister, this is not the Legislative Assembly, where you are the Leader of the House. This is our Committee. You need to just keep your place and allow the meeting to flow. Mr Shoebridge.

Mr DAVID SHOEBRIDGE: You see that, Dr McNeill?

MARGOT McNEILL: Yes.

Mr DAVID SHOEBRIDGE: How many of the 261 products have been transitioned?

MARGOT McNEILL: The term "transitioned" is very specific in this context. They are all transitioning this year, and the obsolete date appears at various points throughout the year—some as late as January next year. Our work is around developing the learning and teaching and assessment materials to prepare for that obsolete date, the transitioning.

Mr DAVID SHOEBRIDGE: Why do we not just use the language that you have here? How many of them have been sufficiently updated, of the 261 transitioning training products, that the revenue from them is not at risk? How many of the 261 have been sufficiently updated?

MARGOT McNEILL: One hundred and fifty-six so far. The rest are going to be delivered during this year because it is for the whole of the 12-month period.

Mr DAVID SHOEBRIDGE: No. That is not what this document says, is it, Dr McNeill.

MARGOT McNEILL: I am talking about—sorry—the transitioning training packages during this year. This document relates until the end of June. That is when it will be—

Mr DAVID SHOEBRIDGE: So you are going to miss the financial year 2022 target, aren't you, because it is revenue in this financial year that you are talking about.

MARGOT McNEILL: Just to clarify, EY and Deloitte were not responsible for developing the whole suite of the training package materials that we needed to develop.

Mr DAVID SHOEBRIDGE: Dr McNeill, just to be clear, I was not talking about what has been done by EY or what has been done by Deloitte. I know you are doing some in-house.

MARGOT McNEILL: Yes.

Mr DAVID SHOEBRIDGE: You said in this brief that, unless you have 261 products updated for this financial year, \$100 million of revenue is at risk. You are not going to have that done, are you.

MARGOT McNEILL: We are going to have that done to be able to deliver because we have a handover period so that when the courses are starting in semester 2 we need to be able to give the teaching teams information and guidance about what they need. So that has to be finished by the end of June this year. That is why we were focusing on that financial year.

Mr DAVID SHOEBRIDGE: Sorry. You said that only 156 have been updated to date. You say that the extra 105 you hope to have done by the end of this calendar year. That was your evidence earlier, wasn't it? Unless I misheard it—

MARGOT McNEILL: They need to be delivered but developed during—this financial year is when we are doing all of the development of the learning and teaching materials.

Mr DAVID SHOEBRIDGE: Dr McNeill, I am going to ask you again, simply. You said that if TAFE NSW does not update the 261 transitioning training products, it cannot offer these products and puts at risk \$100 million of budgeted revenue in financial year 2022. We are in financial year 2022. How many of the 26 transitioning training products have been updated?

MARGOT McNEILL: One hundred and fifty-six so far. But they were the ones that needed to be developed for semester 1. We are still working on the remainder, which will be delivered for semester 2. In some cases, they do not start being delivered until January next year. But we needed to make sure they were developed this calendar year.

Mr DAVID SHOEBRIDGE: Dr McNeill, January next year cannot be providing budgeted revenue in financial year 2022. Are you saying that this is wrong, what is in the brief?

MARGOT McNEILL: I am saying that some of the training package dates were extended. The Australian Skills Quality Authority, our regulator, is responsible for giving extensions if they realise that so many RTOs—registered training organisations—are dealing with this unprecedented number. So, for several of our courses—in fact, in December we had 42 courses that were approved by ASQA to have an extended transitioning date, but this information was accurate at the time.

Mr DAVID SHOEBRIDGE: How many of the 261 training products have not been able to be offered in financial year 2022 because the update was not done?

MARGOT McNEILL: If I go back to what was required for delivery for this semester, rather than the whole, because we are developing to be able to deliver in semester 2, there were only two courses that were removed, not because of product development gaps but because of operational decisions around things like—we knew that there was one course, that was the certificate III in nursery operations, that had low and dwindling student numbers. In fact, there were small numbers last year, and that had been trending down. So we decided that we would put that course on hold so that we could do some analysis to see whether it would be ultimately removed from scope. That does take a consultation process. The students can do at least three other courses with almost exactly the same units of competency.

Mr DAVID SHOEBRIDGE: Dr McNeill, I will take you to page 10 of this document—risk management. Do you see that?

MARGOT McNEILL: Yes.

Mr DAVID SHOEBRIDGE: Can you explain what you meant in point one, where you said:

TAFE NSW will experience reputational risk due to the nature of this engagement unless a targeted approach to supplier selection is followed.

What was the reputational risk that you were highlighting there in point one?

MARGOT McNEILL: It was because we needed to make sure that we followed proper procedure in terms of selecting our partner for this type of work. That is why the selection process was established, to identify these two successful professional services firms.

Mr DAVID SHOEBRIDGE: Was the reputational risk that you were picking winners without going through a proper, fully transparent procurement process? Was that the reputational risk?

MARGOT McNEILL: We needed to make sure that we would go through the proper process. We used the whole-of-government performance and management services scheme, and we were absolutely guided by the ICAC guidelines around direct negotiations to make sure that we were not at risk of a short supply of what we needed to be delivered.

Mr DAVID SHOEBRIDGE: We might come back to that this afternoon. Minister, you say you are not really interested in the history of TAFE. Is that right?

Mr ALISTER HENSKENS: I am not interested in the history of the chief executive officers. I am far more interested in the history of the organisation and the future of the organisation is what I said.

Mr DAVID SHOEBRIDGE: Maybe that is what you said.

The CHAIR: It is what he said.

Mr DAVID SHOEBRIDGE: Why do we not talk about the history of TAFE? Sorry, let's start with now. Do you know how many senior executives there are employed by TAFE, at least according to the annual reporting of TAFE, as at 30 June 2021?

Mr ALISTER HENSKENS: The number of senior executives.

Mr DAVID SHOEBRIDGE: Yes. The ones on the fat cat salaries.

Mr ALISTER HENSKENS: I think that is a fairly ambiguous question, if I may say so.

Mr DAVID SHOEBRIDGE: Paid between \$192,000 at the very bottom, up to Mr Faurby who was on \$589,000. You describe that how you like. Paid a lot.

Mr ALISTER HENSKENS: I have seen documents with those numbers in them, but I cannot bring the exact number to my memory. I wonder if Mr Brady or one of the other—

The CHAIR: It can be taken on notice.

Mr DAVID SHOEBRIDGE: The good news—I am in a position to help. The annual report says that there were 31 senior executives, paid at the very bottom \$192,000 but the bulk of them paid somewhere between \$274,000 and almost \$600,000—31 as at 30 June 2021. Do you think that is the right number?

STEPHEN BRADY: If I might, Mr Shoebridge. My notes indicate that there were a total of 108 TAFE employees paid a salary equivalent to public sector employee executive rates as at 30 June 2021.

Mr DAVID SHOEBRIDGE: One hundred and eight in that pay. But, in terms of senior executives, according to your report, you identified 31 senior executives, Mr Brady. Is that right?

STEPHEN BRADY: Ms Tickle might be able to give some more detail on this, but the employment arrangements for executives in TAFE are—there are some historical employment arrangements, which relate to the way in which TAFE engaged senior people over many years under the TAFE Act. More recently, TAFE has employed people under the GSE Act so that may explain some of the difference. Ms Tickle, perhaps you could elaborate.

JULIE TICKLE: Yes, certainly. That is correct: We are in the process of transitioning our senior executives to the public service senior executive regime, and a number of senior executives, including everybody here, are under that agreement. We do have historically a number of executives in TAFE that were paid under a different contract type, the TAFE common law contract. That number is made up of both of those people.

The CHAIR: Thank you. Minister, in your visits to universities in this new expanded Science and Skills portfolio—it is great you have visited so many universities so early in your tenure—how have you found the level of sophistication of their equipment, machinery and technology?

Mr ALISTER HENSKENS: Mr Latham, I have been incredibly impressed with the level of investment in their research equipment that I was able to see. For example, in the Sydney Nano Institute at the University of Sydney—our respective alma mater—they are investigating the very finest matter that we can observe in the universe, all for the purposes of a number of different research outcomes, including but not limited to quantum computing. That building has such fine machinery that when the same machinery was put in at Harvard University, they could only use it between 1.00 a.m. and 3.00 a.m. because the vibrations from the underground system interfere with the way in which the machinery operates. Sydney university invested over \$100 million in building a building into the side of a hill which can allow that level of machinery to be used 24 hours a day. The importance of that, as you will appreciate, is that there is a global arms war in getting the best research minds in the world into different universities. We have a natural advantage in Sydney because it is probably the best major city in the world to live in, but we cannot rest on those laurels. We can attract the best minds in the world when we have the best research facilities in the world to complement the great city that we live in. That is but one example.

The CHAIR: And there are others.

Mr ALISTER HENSKENS: There is a huge amount of investment in state-of-the-art technology, whether it be in biotech foundries or whether it be in foundries to produce very fine silicon-based computer-type chips. The Chief Scientist will probably be having a heart attack; I think I am using the wrong terminology. But in these universities, we have the best equipment in the world. It is a function of a whole lot of State and Federal government investments in this machinery, and we have the best minds in the world working on them.

The CHAIR: How much State investment is there in the machinery, specifically, in the building that you visited at the University of Sydney?

Mr ALISTER HENSKENS: I do not know if the Chief Scientist knows particularly in respect of that matter.

HUGH DURRANT-WHYTE: Yes. In terms of that equipment, we fund equipment almost always—and I can mention a few exceptions—by co-funding what is called the National Collaborative Research Infrastructure Strategy [NCRIS].

The CHAIR: What is the size of that budget annually?

HUGH DURRANT-WHYTE: Our budget for that occurs every other year, and we put in about \$5 million every other year.

The CHAIR: Five million dollars over two years, so \$2.5 million per annum. That is just a small fraction of what the Commonwealth contributes, is it not?

HUGH DURRANT-WHYTE: It is, but it is not just us that are contributing. The universities themselves contribute, and often industry contributes.

The CHAIR: Minister in this new portfolio area, will that budget increase? At the moment, clearly, it is paltry.

Mr ALISTER HENSKENS: Mr Latham, there is a budgetary process, but I think you can be assured that I am very interested in doing everything I can to ensure that that investment does increase. What I would just say to you, Mr Latham, is that the constant feedback I receive from our universities where they are doing this cutting-edge research is that they very much appreciate the State Government support, because it provides them with funding to then be able to obtain the larger grants from the Federal Government. As the Chief Scientist said, there is a degree of co-investment with industry as well. Our precincts that we are developing, Tech Central and so on, are great opportunities for some of this equipment not just to be stuck away in a university laboratory that industry cannot access but actually to be put in a precinct where both industry and university researchers have access to the machinery, so that it is better and more beneficially utilised for the community.

What is happening in some of our universities—such as, for example, in Macquarie University, where I went and looked at their biotechnology research—is that they actually have industry people who are looking to develop startups within the laboratory with the university lecturers. The vice-chancellor there says that there are completely porous walls in his university between industry and university. As you would understand, Mr Latham, this is happening all around the world. But it is very important for our economy that we are harnessing our world-leading research capacity and our intellectual capital for better economic outcomes, which is what my portfolio of Science, Innovation and Technology is geared towards doing.

The CHAIR: Would you also agree, Minister, in terms of rubber hitting the road and the substance of it, that a \$2.5 million annual investment for the new Premier, Perrottet, to establish a State ministry of science and technology looks more like a political marketing exercise to piggyback on the much more substantial

Commonwealth investments and responsibilities in science and technology, and that \$2.5 million in comparison to the Commonwealth investment is basically next to nothing?

HUGH DURRANT-WHYTE: I think the first thing to say is that the total investment this year in science and technology is \$37.8 million, which is quite a significant fund. It is larger, in fact, than any other State at the moment in R&D.

The CHAIR: What is that, 1 per cent of the Commonwealth budget? Can you get an answer to that on notice?

HUGH DURRANT-WHYTE: No, I can tell you what the Federal budget is, actually. In the Australian Research Council [ARC], it is \$1.8 billion a year, and the NCRIS facility over 10 years is \$4.2 billion.

The CHAIR: And all the other science agencies? Perhaps, on notice, we could get an outline of the make-up of the \$37 million State contribution compared to all the Commonwealth funding.

HUGH DURRANT-WHYTE: Yes, I have that here.

The CHAIR: Okay, maybe you could table that for our benefit and we can look at it. But what is the \$37 million as a percentage, roughly?

HUGH DURRANT-WHYTE: Of the Commonwealth?

The CHAIR: Of the total Commonwealth spend on science and technology, which obviously runs into many billions.

HUGH DURRANT-WHYTE: I will have to take that on notice.

The CHAIR: Okay, you can take that you notice.

Mr ALISTER HENSKENS: If I could just add, because it is an important issue and it is great to have some questions on it, the Chief Scientist and Engineer has advised me that we have not been very good at calculating all the different amounts of money in a whole lot of different agencies that the New South Wales Government puts towards research in our State.

HUGH DURRANT-WHYTE: Yes, it is true.

Mr ALISTER HENSKENS: Please correct me if I am giving the wrong number, but he has advised me that the number is probably close to about \$400 million that the New South Wales Government supports—

The CHAIR: It is gone up from \$2.5 million quickly, has it not?

Mr ALISTER HENSKENS: —when you look at the research support that goes into a whole lot of different government agencies which we do not record and which we should be recording.

The Hon. COURTNEY HOUSSOS: Can we get a breakdown of that \$400 million, on notice?

HUGH DURRANT-WHYTE: Yes, I can. I actually have it in front of me.

The Hon. SCOTT FARLOW: How good is this? He has got the details in front of him.

The CHAIR: And Minister—

HUGH DURRANT-WHYTE: Excuse me a second, if I could finish answering the question. We need to be clear: What my office presides over is 38.5 million. What this Government expends in research annually—the last statistic is \$386 million a year, of which approximately \$110 million of that—

The CHAIR: The point I am coming to, Minister, is you must find it hopelessly inadequate and something of an embarrassment to this Government that when it came to pulling all this together in an actual higher education strategy for the State Government, it was a paltry one-page document produced by Mark Scott and your predecessor, Geoff Lee. Surely we can do better than that.

The Hon. SCOTT FARLOW: It worked out alright for Scott.

The CHAIR: It did not hurt at Sydney University, of course. Such is their decline that one page was enough to become the vice-chancellor.

Mr DAVID SHOEBRIDGE: If Professor Durrant-Whyte has a list, maybe he could print that out and table it.

HUGH DURRANT-WHYTE: Yes, and I would like to say that Mark Scott's one-pager referred to a series of hundred-page documents that we have prepared which explain exactly what the investment strategy is. That was merely a summary of all the impacts that we have achieved in that research area.

The CHAIR: Was it a summary or a higher education strategy afresh?

HUGH DURRANT-WHYTE: It was literally under the column that says, "Research and research support", where it referenced the office of the Chief Scientist and Engineer and the Waratah Research Network, which Chloe and I both chair.

The CHAIR: We were promised a strategy, not a summary. Will there be any expanded strategy, Minister, in the next budget?

HUGH DURRANT-WHYTE: There is, yes.

The CHAIR: You are the Minister?

HUGH DURRANT-WHYTE: There already is a strategy.

Mr DAVID SHOEBRIDGE: I am just inviting Professor Durrant-Whyte over the tea break to print it out and table it with us, which would be the best way of getting it in front of us.

HUGH DURRANT-WHYTE: No problem.

The CHAIR: Minister, an expanded strategy in the next budget?

Mr ALISTER HENSKENS: There will be a continual updating of the strategy and, can I just say, Mr Latham, the very purpose of creating a dedicated ministry is to ensure that there is a greater focus on these issues. Because, as you will appreciate, we need to take the opportunities that are presented to us, particularly in, for example, advanced manufacturing, where the high labour cost economy like ours actually has great opportunities to be able to compete with anyone in the world once we harness our research and apply that in an appropriate fashion. This is a great opportunity for us to reverse all the manufacturing shutdowns of the 1970s and 1980s that we all lamented. This is an opportunity for us to actually increase the wealth generation of our nation for the future and the jobs of the future, particularly in western Sydney, which I know you are very passionate about.

The CHAIR: Yes, I was planning to talk about advanced manufacturing after the break.

(Short adjournment)

The CHAIR: We will resume with the Opposition.

The Hon. ANTHONY D'ADAM: I just want to clarify the reporting arrangements. Dr McNeill, do you report directly to the MD or do you report through Ms Hosea?

MARGOT McNEILL: I report directly to the MD.

The Hon. ANTHONY D'ADAM: Can I also ask about the use of these professional service companies. Is this the first time that you have utilised them for this type of product transition?

MARGOT McNEILL: I joined TAFE in December the year before last.

The Hon. ANTHONY D'ADAM: Maybe I should rephrase that. Is this the first time TAFE have used these professional service companies for product transition type work?

MARGOT McNEILL: For this type of work, as far as I understand, yes, because it is an unprecedented number of transitioning training products.

The Hon. ANTHONY D'ADAM: So TAFE has never used a professional service company for product development, product, that type of work, developing training packages?

MARGOT McNEILL: Because it has been an unprecedented situation, we work closely with the professional services firms in other capacities and that is, in fact, why we were confident working with them—because they had been working with us—and other arrangements, professional services, over the previous—

The Hon. ANTHONY D'ADAM: Why did you think these companies were uniquely positioned to provide this service?

Mr ALISTER HENSKENS: It is in the document, isn't it?

The Hon. ANTHONY D'ADAM: I am asking Dr McNeill.

MARGOT McNEILL: They were uniquely positioned because they had the size and the scale, back to that global capacity that I mentioned before. We do work with another panel of lots of much smaller providers. They are third party providers that I was mentioning earlier. They produce things like, to use a metaphor, the textbook sort of environment. So we do work with a lot of those third party providers, as we call them, but this is a different capacity. This is working with them in that collaborative environment to develop the whole suite of learning and teaching materials.

The Hon. ANTHONY D'ADAM: If you had not utilised them for this kind of task before, how did you know that they had the capacity to do it?

MARGOT McNEILL: Because we developed a selection criteria and they were able to respond to those. We do know their capacity—

The Hon. ANTHONY D'ADAM: But they were the only ones who were asked, weren't they?

MARGOT McNEILL: They were, as part of that direct negotiation.

The Hon. ANTHONY D'ADAM: They are being offered work. You ask them whether they can do it, and they tell you, yes, they can do it. That does not seem like a very robust process.

MARGOT McNEILL: We knew because we had been working with them in other capacities and we also knew that they did have that global reach.

The Hon. ANTHONY D'ADAM: When you say they were working with you in other capacities, what other capacities were these? Are you specifically talking about EY and Deloitte?

MARGOT McNEILL: I am talking about those working with us in their professional services capacity with other projects within TAFE New South Wales—for example, end strategy and planning processes. Within my own team, we started working with them and with Ms Tickle on a workforce strategy pilot in January—only the month after I first started—because we knew that there were some aspects in the product and quality team, which is the team that I lead, where we knew that we had to move towards more evaluative processes. That is one of our key regulatory requirements. We need to demonstrate very transparent processes for continuous improvement.

The Hon. ANTHONY D'ADAM: Ms Hosea, did you work with TAFE when you were at Deloitte?

KIRSTY HOSEA: No, I did not.

The Hon. ANTHONY D'ADAM: Is that how you made your way into the TAFE leadership?

KIRSTY HOSEA: No, I did not.

Mr ALISTER HENSKENS: It was not like a union—

The CHAIR: Minister, zip. You have been warned.

The Hon. ANTHONY D'ADAM: Ms Tickle, are you able to provide on notice the value of all contracts that have been awarded to EY by TAFE for the last five years and the same for Deloitte?

JULIE TICKLE: Yes, we would be able to provide that on notice.

The Hon. ANTHONY D'ADAM: The cumulative value. Yes, on notice, thank you.

JULIE TICKLE: Yes. Can I check what you are after? Deloitte and EY?

The Hon. ANTHONY D'ADAM: Deloitte and EY, the cumulative value of the contracts that they been awarded in TAFE over the past five years.

JULIE TICKLE: Yes, we can take that question on notice.

The Hon. SCOTT FARLOW: You do not want PwC or KPMG?

The Hon. ANTHONY D'ADAM: No, just those two because they are the special ones that have been selected. Dr McNeill, were you aware of the involvement of Infopro Learning in this process prior to the awarding of the contract?

MARGOT McNEILL: No, certainly not. I was not aware of their existence. They are an international firm.

The Hon. ANTHONY D'ADAM: Did you not inquire with EY whether they were going to draw on other support?

MARGOT McNEILL: As I said, we were keen to engage with EY because of their global reach and they had spoken to us during the previous year around things like acquisitions they had made of the digital development teams, for instance. Some of those I knew were offshore. For example, I remember them talking about a particular team that was in San Francisco but that was during last year. I did not engage with them about specifics. We were working with them to make sure they collaborated with us going through our quality assurance processes and collaborating with our own internal team.

The Hon. ANTHONY D'ADAM: When you were drawing up the tender criteria, why did you not inquire about the subcontracting?

MARGOT McNEILL: One of the reasons why we knew, even if we thought it was a good use of taxpayers' dollars to actually bolster our team internally for this unprecedented situation—

The Hon. ANTHONY D'ADAM: It is a very specific question about tendering and why, when you drew up the documentation, you did not specifically inquire about the subcontracting.

MARGOT McNEILL: We were interested in working with them on the outputs and the quality assurance processes but how they manage their part of the arrangements was not part of our discussions.

The Hon. ANTHONY D'ADAM: But this is a requirement on you as the person preparing the contract to meet the requirements of the New South Wales Government procurement processes. You were asked a specific question about the contract, whether subcontracting is involved, and you chose not to answer that. Why?

MARGOT McNEILL: Because we were making our arrangements with EY specifically. They were based in New South Wales. We knew that they would be harnessing this global network that they work with and there was the discussion around them drawing on that network capacity.

The Hon. ANTHONY D'ADAM: So you were cognisant that they were going to use workers outside of New South Wales because they are drawing on their global reach, as you put it?

MARGOT McNEILL: Yes.

The Hon. ANTHONY D'ADAM: But in preparing the contract documentation, you did not specify the location of the work. You said that is not applicable. Why did you do that?

MARGOT McNEILL: The work was managed through New South Wales. That was the office that we were negotiating with.

The Hon. ANTHONY D'ADAM: Do you take a tick-a-box approach to the preparation of contracts like this?

MARGOT McNEILL: Absolutely not. It was a very close collaboration between our team and the procurement office.

The Hon. ANTHONY D'ADAM: In preparing the risk register you knew that EY was one of the candidates for selection. Why did you not include the issue of EY being a substantial donor to the Government, to the Liberal Party? Why is that not identified as a potential reputational risk?

The Hon. SCOTT FARLOW: I think they are a substantial donor to the Labor Party as well.

The CHAIR: Yes, I am not too sure this is within the remit of a public servant to have knowledge of electoral donations.

The Hon. ANTHONY D'ADAM: Is that not a representational risk that the mere perception—

The CHAIR: I think it is more a question that should be directed to the Minister.

The Hon. ANTHONY D'ADAM: Perhaps I can direct it to the Minister. Are you concerned that a substantial donor is a beneficiary of a closed process where they were effectively going to be selected? No alternative providers were identified in the proposal that was advanced by TAFE? Are you concerned about the fact that this company, Ernest & Young, was selected? It is a donor to the Liberal Party—

The Hon. SCOTT FARLOW: And the Labor Party.

The Hon. ANTHONY D'ADAM: Does that not create a perceptual risk about a flawed procurement process?

Mr ALISTER HENSKENS: I would say a couple of things. First of all, professional services firms donate to all political parties, not just the Liberal Party.

Mr DAVID SHOEBRIDGE: They just love democracy.

Mr ALISTER HENSKENS: That is point number one. Point number two is that those donations always go directly to the head office of our party, unlike cash in Aldi bags to the head office of your party.

Mr DAVID SHOEBRIDGE: It is not true. You took \$10,000 in cash. You left a dog on the operating table, if you remember, in the Hunter and took \$10,000 in cash from a property developer and you spent it. That is what your party does.

The CHAIR: Order!

Mr DAVID SHOEBRIDGE: You took the cash from a property developer in a Bentley.

Mr ALISTER HENSKENS: I think it is a bit rich that Mr D'Adam is talking about this. Your political party has received the largest political donation in Australia's history, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: You left a dog on the operating table, went to the Bentley and took the cash.

The Hon. COURTNEY HOUSSOS: Point of order—

The CHAIR: Order! Everyone, please! I know we are now getting into partisan party politics rather than budget estimates strictly. Minister, you have made your political point about the Aldi bag. Can we come to the substance of your knowledge about this EY donation, if you have any, and then the estimates can move on?

Mr ALISTER HENSKENS: I do not know what donation the honourable member is referring to.

The Hon. ANTHONY D'ADAM: They made a donation to the Liberal Party in 2021.

Mr ALISTER HENSKENS: It has not been established that anyone within TAFE was aware of any such donation, if it took place. There has not been established any breach of the procurement rules of the New South Wales Government, which is regularly looked at by the ICAC. So I have no concerns about the process. It seems to have been done with due probity. I think any broad-ranging attack on the integrity of public servants should be rejected by this Committee as completely unfair. They are always talking about—

The CHAIR: Next question please, not what they are talking about.

The Hon. ANTHONY D'ADAM: Minister, you say that no breach of the procurement arrangements has been committed here. What about the issue around the location of the work and the use of subcontractors? Clearly, the officer responsible for this contract knew that there was going to be subcontracting, knew that the work location was going to be somewhere other than New South Wales, and chose not to provide that information in the tendering arrangements. What do you think about that?

The CHAIR: Is there a question? What do you think about that?

Mr ALISTER HENSKENS: I think Mr D'Adam seems to be asking me to respond to his incorrect characterisation of the evidence. The evidence, as I heard it, was that Dr McNeill knew that Ernst & Young would use their international network—an international network of offices all around the world. She has not said that she knew that there would be any subcontracting arrangements that would take place. She, therefore, completed the form entirely honestly from her point of view as to the state of her knowledge. I think any attack on her is completely unfair. Ernst & Young subcontract cleaning services for their offices. They have a whole lot of subcontract arrangements.

What the Government does when it engages third parties is to engage a party to produce a contract. If that party is explicit, in that they are using a subcontractor and disclose that to the relevant public servant, then they can fill out the part of the form which Mr D'Adam has referred to. If there is no identification of that up-front then the public servant is entirely within their rights to fill the form out as this form was. All we know is what is in the *Daily Telegraph* about this matter; that is, an Ernst & Young person was quoted as saying that for the digitalisation, which was a relatively small component of the work, there was a subcontract arrangement. Can I just point out, Mr Chair, that we have been spending hours of this Committee on a contract which constitutes 0.00000076 per cent of TAFE's budget.

The CHAIR: With all due respect, probity cannot be quantified in that fashion.

Mr ALISTER HENSKENS: I agree with that.

The CHAIR: These are legitimate questions. Please answer them.

Mr ALISTER HENSKENS: I think I have.

The Hon. ANTHONY D'ADAM: Minister, given what you have just said, you are completely comfortable with the offshoring of jobs overseas that could easily have been done in New South Wales?

Mr ALISTER HENSKENS: Mr D'Adam can I say a few things? I am very concerned with what seems to be this continual xenophobic approach by the New South Wales Labor Party, exemplified by your former leader in the last election, talking about Chinese PhDs in a derogatory fashion.

The Hon. COURTNEY HOUSSOS: Point of order—

The CHAIR: Order! It is not relevant. Let us just stick to the question. I think the question was along the lines of the Government level of comfort about offshoring these services.

Mr ALISTER HENSKENS: This is a contract with the Sydney office of an international professional services firm which has foreign nationals working within its office, and Australians working within the offices overseas of that very same company. What is the Labor Party's policy on that?

The CHAIR: Order! It is not about the Labor Party.

Mr ALISTER HENSKENS: It seems to be a completely ridiculous attack that the Government would engage an international professional services firm. What is Mr D'Adam suggesting should be the rule here?

The CHAIR: No, Minister, we are asking you your policy. It is not an examination of Labor policy as such.

Mr ALISTER HENSKENS: I do not see that there is anything objectionable to any government authority engaging with a Sydney-based professional services firm for the provision of services. It is not offshoring. It is actually engaging the Sydney office of a professional services firm to perform services for the New South Wales Government.

The Hon. COURTNEY HOUSSOS: Minister, we will move on to a different issue. How many TAFE sites have you visited since taking on the role as the Minister for Skills and Training?

Mr ALISTER HENSKENS: I have been to the North Wollongong site, I have been to Ultimo, I have been to Loftus. I think they are the three sites I have been to so far.

The Hon. COURTNEY HOUSSOS: Minister, in your initial meeting with Minister Lee about the portfolio did he raise the question of campus sales with you? Did you raise it with him?

Mr ALISTER HENSKENS: No, that was not an issue we discussed.

The Hon. COURTNEY HOUSSOS: Has anyone in your brief time in the portfolio sought any approval for the sale of campuses?

Mr ALISTER HENSKENS: No. That is not an issue that has been discussed.

The Hon. COURTNEY HOUSSOS: Minister, you might not be aware but in our previous budget estimates hearing we questioned the Minister extensively on a plan to sell or partially sell 19 campuses to collect \$123 million. Can you rule out those sales now?

Mr ALISTER HENSKENS: I have not, to be honest, been focused at all on the disposition of any TAFE sites. That is not what I am focused on at all. I am actually focused on ensuring that TAFE is operating on the sites that they operate and teach students in to the absolute best ability that they can. What I have been very impressed by is the degree of investment in infrastructure within the TAFEs that I visited. Over the last two years this Government, in this current financial year, has committed \$251 million of capital investments in TAFE off the back of a \$1.97 billion record operational budget. So that is \$251 million in addition to the \$1.97 billion operational expenditure. Last year the capital expenditure was a bit over \$260 million.

So the Government has actually committed half a billion dollars in terms of capital investments in TAFE over the last two years. I am interested in seeing that the \$251 million in capital investments is being realised and performs so that the physical environment and the teaching resources are absolutely state of the art and meet industry expectations so that TAFE can perform—

The Hon. COURTNEY HOUSSOS: I understand, Minister. We just have limited time this morning. So can you rule out the sale of the Richmond campus?

Mr ALISTER HENSKENS: We are investing in the Richmond campus.

The Hon. COURTNEY HOUSSOS: I am just asking you—

Mr ALISTER HENSKENS: We have invested \$1.5 million. We are in the process of investing \$1.5 million in the Richmond campus.

The CHAIR: Minister, the question is about a sale. You just need to answer yes or no.

Mr DAVID SHOEBRIDGE: That did not stop you selling Scone.

The Hon. COURTNEY HOUSSOS: Exactly.

The CHAIR: Have you ruled out the sale of Richmond? That is the question.

Mr ALISTER HENSKENS: There is no agenda to sell the Richmond campus. It is performing great teaching services. We are building a VET centre—

The Hon. COURTNEY HOUSSOS: I am not asking you about an agenda. I am not asking you about the investments. I am asking—

The CHAIR: Let the Minister finish.

The Hon. SCOTT FARLOW: Point of order: Let the Minister finish.

The CHAIR: Let the Minister finish.

Mr ALISTER HENSKENS: We are building a VET centre, we have got a whole lot of investments within that Richmond campus. Selling Richmond is not on any agenda, and it is really disappointing—

The Hon. COURTNEY HOUSSOS: So can you rule it out?

Mr ALISTER HENSKENS: It is really disappointing that—

The Hon. COURTNEY HOUSSOS: No, Minister, can you rule it out?

The CHAIR: Order! Let the Minister finish quickly.

Mr ALISTER HENSKENS: It is really disappointing that there is this continual scare campaign about divestments by the Labor Party.

The CHAIR: Okay, that is not part of the answer.

Mr ALISTER HENSKENS: It is about time we started talking up TAFE instead of trying to destroy the dreams of young people who want to get the skills they need for the jobs they want.

The Hon. COURTNEY HOUSSOS: Minister, I am asking you—

Mr ALISTER HENSKENS: It really is—

The CHAIR: No, Minister, that is enough. Next question.

The Hon. COURTNEY HOUSSOS: Minister, you are cutting courses at Richmond TAFE site. I am going to give you one final opportunity—

Mr ALISTER HENSKENS: We are putting new courses in as well.

The CHAIR: Order! Minister, you have got to allow the member to ask the question.

The Hon. COURTNEY HOUSSOS: I will give you one final opportunity to rule out—to say you will not sell the Richmond site.

Mr ALISTER HENSKENS: I do not know what more I can say when I say there is no agenda to sell the Richmond TAFE.

The Hon. COURTNEY HOUSSOS: No, no, no, we have heard this before. We have heard these words before, "I have got no agenda. I have got not plans", and then, miraculously, a plan pops up.

Mr ALISTER HENSKENS: It does not matter what I say, you will run a scare campaign. You will run a scare campaign about a lot of different things.

The Hon. COURTNEY HOUSSOS: You need to say, "I will not sell Richmond TAFE site." Just say those words, "I will not sell Richmond TAFE site."

The Hon. SCOTT FARLOW: This is not dictation.

The CHAIR: Time has expired. Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Thanks, Chair. Minister, you said before you were not interested in the history of TAFE. You do not think—

Mr ALISTER HENSKENS: No, in the history of the chief executive officers of TAFE.

Mr DAVID SHOEBRIDGE: So just the chief executives?

Mr ALISTER HENSKENS: Please do not twist and misrepresent my words, Mr Shoebridge. When you were a barrister they did not allow that and I do not think the Chair is going to allow that either.

The CHAIR: I am the judge here and you will follow my instructions and Mr Shoebridge will get to ask his questions. Judge Latham presiding.

Mr DAVID SHOEBRIDGE: A sort of more televised judge than others.

The CHAIR: I could do with a show.

Mr DAVID SHOEBRIDGE: Magistrate Khan. Minister, the TAFE annual report says that there were 31 senior executives employed by TAFE at the end of June 2021. Do you know how many senior executives were disclosed in the annual report at the end of June 2017? Thirty-one now, or 31 at the end of the last financial year; how many do you think in 2017?

Mr ALISTER HENSKENS: I am not carrying around—I do not have a photographic memory, so I do not know that.

The CHAIR: Take it on notice.

Mr DAVID SHOEBRIDGE: Good news, I can help. There were 15. The senior executive staff in TAFE has doubled in just five years. Do you reckon there is a lesson to learn from history there?

Mr ALISTER HENSKENS: I am sure you will share your proposed lesson.

Mr DAVID SHOEBRIDGE: One lesson is maybe spend more on teachers rather than senior executives. Have you asked about the doubling of the senior executive team in TAFE in the last five years? That is all in your Government's term of government. Have you asked about that?

Mr ALISTER HENSKENS: It is interesting you should ask about teachers, Mr Shoebridge, because if you would also look at the full-time equivalent teacher numbers in the annual reports from 2016 to the last annual report last year, you will see—

Mr DAVID SHOEBRIDGE: Did they double?

Mr ALISTER HENSKENS: You will see that the number of teachers year on year has increased from 2016 until last year's annual report. So I do not think that you should necessarily draw a connection between the number of chief executives and the number of teachers because, on your own proposition, they have both increased over that period.

Mr DAVID SHOEBRIDGE: So are you saying the number of teachers has doubled? Because the number of chief executives has doubled in TAFE.

Mr ALISTER HENSKENS: No, I have said that the number of teachers has increased year on year, the full-time equivalents, from 2016 until the last annual report.

Mr DAVID SHOEBRIDGE: I know it is awkward and I know it is embarrassing, but do you not think there is a problem here when the number of chief executives getting hundreds and hundreds of thousands of dollars from TAFE has doubled in just five years under your Government? You do not think that is a little bit awkward, Minister?

Mr ALISTER HENSKENS: Your definition of "awkward" and mine seem to be quite different, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: No, you seem to have, I agree, a high threshold for embarrassment. I accept that.

Mr ALISTER HENSKENS: You should not impute emotions to me, I can assure you.

Mr DAVID SHOEBRIDGE: I have never imputed emotions to you, Minister. I have always thought you had an empathy deficit; it is okay. I have never imputed emotions to you, just to be clear.

Mr ALISTER HENSKENS: That is a level of—

Mr DAVID SHOEBRIDGE: I have seen you at work and I have always thought you had an empathy deficit.

Mr ALISTER HENSKENS: That is a level of self-examination that you have clearly never applied to yourself, Mr Shoebridge.

The CHAIR: The Greens have got lots of emotions.

STEPHEN BRADY: Mr Shoebridge—

Mr DAVID SHOEBRIDGE: If it is not awkward—I will come to you in a sec, Mr Brady—if not awkward, then how do you describe the doubling of TAFE chief executives in just five years? If not "awkward", what is the adjective you would put on it?

Mr ALISTER HENSKENS: Mr Shoebridge, there has been a huge amount of organisational change within that period, and I would need to look at—which I confess I have not done a deep analysis since 2017 to 2021—why that change has occurred. It is all very well you sprouting numbers, but I think you need to look at the underlying reasons for the change in the numbers, and that is something that I would need to look at.

Mr DAVID SHOEBRIDGE: Will you look at it? You said you will not look at the managing director exiting. You were not interested in checking out why the seat was warm. Will you look at what on earth has gone wrong in TAFE that has seen a doubling in the number of chief executives?

Mr ALISTER HENSKENS: This is where there is obviously a logical disconnect between—

Mr DAVID SHOEBRIDGE: I accept the Coalition likes chief executives.

Mr ALISTER HENSKENS: —your thought processes, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: You like chief executives. We like teachers.

Mr ALISTER HENSKENS: There are still 31, on your proposition, senior executives in place. There is no longer the former managing director in place. It is a completely different exercise, and I will have a look at it.

Mr DAVID SHOEBRIDGE: Mr Brady, why doesn't the annual report detail the 108 employees in TAFE that are getting the equivalent of senior executive salary packages?

STEPHEN BRADY: Obviously the last annual report was prior to my appointment. I would have to ask Ms Tickle to see if she can provide some more detail.

JULIE TICKLE: The reason for that is the numbers reported in the annual report include only those employed under the GSE Act and those reporting to the managing director. The managing director reports who you see before you, as well as those employed under the GSE act. This is in accordance with the Annual Reports (Statutory Bodies) Regulation 2015.

Mr DAVID SHOEBRIDGE: So this is a way of avoiding, in your annual report, putting the true number of people employed by TAFE who are getting the equivalent of senior executives? There is a technical way you avoid putting that through. Is that right, Mr Brady?

STEPHEN BRADY: No. As Ms Tickle has outlined, we are compliant with the Act. That is what we are required to do in the annual report. I would also say that we are talking about 1 per cent of the TAFE workforce. I do not think that is excessive when you are running a big, complex organisation across 159 campuses, delivering around 10,000 course options. I think 1 per cent executive oversight is not out of the ballpark.

Mr DAVID SHOEBRIDGE: No, 1 per cent senior executive staff. These are people on senior executive salaries. It turns out there are not 31, as your annual report suggests, but over 100. Do you not think you owe transparency?

STEPHEN BRADY: So 108, I think we said, across over 10,000 staff is around about 1 per cent.

Mr DAVID SHOEBRIDGE: Senior executives.

STEPHEN BRADY: That is right.

Mr DAVID SHOEBRIDGE: These are people on at least \$200,000 a year, isn't it, Mr Brady?

STEPHEN BRADY: Managing \$2 billion worth of operational expenditure.

Mr DAVID SHOEBRIDGE: Ms Tickle, can you provide the number of staff who are earning that equivalent not only for this financial year but for the past five financial years, so we can see where the trend is happening?

JULIE TICKLE: I believe the number that Mr Brady mentioned to the Committee before is the accurate number of people employed at a salary equivalent or above the public sector senior executive level. That is 108 at 30 June 2021. The other numbers in the previous financial years we will take on notice.

Mr DAVID SHOEBRIDGE: Minister, do you know how many attempts were made to enrol on the online enrolment portal but failed in the period between December and January? If you do not, maybe Mr Brady does.

Mr ALISTER HENSKENS: There are a number of different ways in which you can enrol at TAFE. There is—

Mr DAVID SHOEBRIDGE: I am asking about the enrolment portal. I am not after 10 other options.

Mr ALISTER HENSKENS: There is a website, there is the 131 601 number, there is the ability to go into TAFE and enrol there and there is also a chat function on the website. There are a number of different avenues in which students can—

Mr DAVID SHOEBRIDGE: If you would answer my question about the enrolment portal—we will come to the fact that it failed so often that many people had to try to enrol in person at TAFE. I am asking you how many attempts failed on the enrolment portal. If you do not know, maybe Mr Brady does.

Mr ALISTER HENSKENS: The problem with that question is—

Mr DAVID SHOEBRIDGE: You are not here to debate the questions, Minister. You are here to answer them.

The Hon. SCOTT FARLOW: This is the Minister's answer.

Mr ALISTER HENSKENS: The difficulty with the question is that there can be a number of different reasons for a failure to enrol. I seem to muck up filling out online forms all the time.

Mr DAVID SHOEBRIDGE: I do not doubt that for one instant.

The CHAIR: That is how you became Minister.

Mr ALISTER HENSKENS: There can be human error. There can be a whole lot of reasons. The very fact that you failed means that there will be no record of your attempt.

Mr DAVID SHOEBRIDGE: Mr Brady—

The CHAIR: Mr Brady, can you give us the data, please?

Mr DAVID SHOEBRIDGE: How many had failed because of a problem with the portal?

STEPHEN BRADY: I am aware that there was an issue with our search functionality, which came to our attention and we resolved that within 24 hours. I am not aware of us having ongoing issues with enrolling. In fact, I think our inquiries through our call centre have been dealt with in record time this year. We have actually dropped down wait times and response times significantly. A lot of the process we have seen around enrolments has actually been improved over the previous years.

Mr DAVID SHOEBRIDGE: We will come back—

The CHAIR: Time has expired.

Mr DAVID SHOEBRIDGE: —to the 7-hour wait on the call line later.

The CHAIR: Okay, thank you. Minister, in your visits to three TAFE colleges, how would you describe the level of sophistication of the machinery, equipment and technology that you observed, especially in advanced manufacturing?

Mr ALISTER HENSKENS: I will answer that in two parts. The degree of investment in resources, I have found quite impressive. They have what appears to be, within our TAFEs, workplaces which completely reflect, for example, a carpentry factory, where they are building modular buildings onsite in North Wollongong. There are simulated hotel rooms, where people who are training to work in hospitality have exactly what looks like a routine hotel room within the TAFE campus. They have kitchens that look like an industrial kitchen in any restaurant that you would have. They even have simulated restaurants and cafes within the environment.

In North Wollongong, they had to train plumbers to do their trenching work and piping. They have got an Olympic swimming pool-sized facility with sand. These are massive big sheds. The many millions of dollars of investment in equipment is very impressive. I also went into a motorcycle mechanic area where they had all different types of motorcycles, from the very best to some of the more historic types. The level of capital investment in the TAFEs that I have gone to has been very impressive.

The CHAIR: Do you acknowledge, though, that we have a problem in the sophistication and investment for advanced manufacturing? I concede, in some of the traditional trades and hospitalities, TAFE is doing the job.

But I recently visited a very impressive advanced manufacturing plant in the Hunter Valley that is servicing the mine industry. They employ 16 apprentices, which is fantastic. I spoke to a number of them, who basically said that, in learning what they need to learn in advanced manufacturing, they only get 5 per cent of it in their time at TAFE. They get the rest on the job, with the very high level of investment in sophisticated machinery that they have at that manufacturing plant.

The owner, who built this company up from nothing over a couple of decades in the Hunter Valley—and it is incredibly important for their local economy—said that they could double their workforce if they had the skilled staff available. He has got the 16 apprentices, but he would like to do a lot more. Do you concede that, when it comes to advanced manufacturing, and visiting some of the TAFE colleges, it is like a museum? You have got lathes from the 1970s and 1980s. The traditional approach, where the students go to TAFE to learn these skills, we now need to reverse it given the investment backlog that is impossible to clear. TAFE needs to spend more time going to the workplace to lift that 5 per cent proportion to something much higher and much more useful, like this enterprise near Maitland.

Mr ALISTER HENSKENS: I would say a number of things in response to your question, Mr Latham. The first is that you are absolutely correct that we need to have more engagement with industry and to ensure that our skills training is more in alignment with what is designed by industry. Our institutes of applied technology and the investments that we have announced in them, as a response to the Gonski-Shergold review, is very much geared towards exactly what you are talking about. What is happening out at the Bradfield aerotropolis, where we have got a joint venture between TAFE and a number of universities, is a good example of how we are moving in the direction that you are talking about. Is there more to do? Yes, there is.

One of the difficulties with advanced manufacturing, Mr Latham, is that there is a range of activities which fall within the umbrella of advanced manufacturing. It is everything from these very high-tech foundries with regard to synthetic biology—it runs all the way from there to, for example, advanced medical device manufacture. There is a huge range of activities that we would refer to as advanced manufacturing and by definition they are cutting edge. I am in agreement with you that there is more to be done but there is a plan to do more, and we are making investments to do more. As I have said previously, it is the great economic opportunity of New South Wales. We have the most diversified economy in Australia. We have a very strong manufacturing sector, in western Sydney particularly, as well as traditional manufacturing areas in the Hunter and the Illawarra. We have a great opportunity. I have not even spoken about some of the advanced manufacturing that they are doing in the innovation hub at the University of Wollongong and the associated industries there where they are making synthetic skin and all the rest of it.

The CHAIR: Let's just stick to TAFE.

Mr ALISTER HENSKENS: TAFE has an important role there. When the new manufacturing processes are developed and are capable of being commercialised, that is when TAFE needs to come in and support so that we can skill—

The CHAIR: Yes, but the level of support is artificial. You said earlier that TAFE trains 80 per cent of our apprentices in New South Wales, but if in advanced manufacturing they are only doing 5 per cent of the useful training for those apprentices, the 80 per cent number is a bit artificial.

Mr ALISTER HENSKENS: That was one business though, Mr Latham, and I think you have to be careful extrapolating one business.

The CHAIR: Let me give you another business in Tomago of a similar nature, advanced plant. They received a notice from TAFE which stated:

Dear valued employer—

which is quite nice—

during 2021 TAFE New South Wales has been planning for the introduction of virtual learning to new metals and engineering apprentices in the following qualifications: Certificate III in Engineering-Mechanical Trade, Certificate III in Engineering-Fabrication Trade.

These business owners regard—must be out of desperation—virtual learning with TAFE to be quite delusional. The best way by far for these apprentices to learn how to use these machines is to actually use the machines, which TAFE has not got. This seems to be an acknowledgement in going to virtual learning. Don't we need to concede that TAFE needs to spend a lot more time in the workplace assisting? This is what the businesses are calling for and if TAFE did that with those resources those businesses could employ more apprentices.

Mr ALISTER HENSKENS: What I would say is two things. First of all, Gonski-Shergold has given us a pathway to get greater industry engagement, and greater focus and partnerships between TAFE and industry

in terms of the development of the institute of applied technology. I think that is incredibly important and it is world best practice to do that. The second thing I would say is that part of TAFE training is in the workplace as well as within the TAFE campus. There is an opportunity there. Even though TAFE may not necessarily have the machinery, that does not preclude TAFE from being able to train people. If I may say so, some of this advanced manufacturing that we are talking about, some of the equipment, there might only be one or two pieces of that equipment in the whole of Australia and very few in the whole world.

The CHAIR: That makes the point, does it not? TAFE is not going to invest in something so unique. But haven't we got a problem when I ask the question, "What do you get off TAFE in this training module?" and a 20-year-old apprentice on the outskirts of Maitland says to me "Oh, it is so basic at TAFE. Maybe I get 5 per cent of what I know. I get the other 95 per cent here." And there is no TAFE officer to be seen on those premises. Isn't that just the basic problem we have got that can't be overcome? It might be a new government that says it will invest in TAFE. No government is going to buy these unique machines; you have to get to the workplace. It has to happen quickly otherwise we are wasting a lot of resources.

Mr ALISTER HENSKENS: But our precinct strategy is an opportunity there. The whole strategy around our precincts is that this unique infrastructure is then provided in a precinct with access rights to the machinery so that they are not stuck away in a university, they are actually made accessible. I think that is one of the great components of our precinct strategy—whether it be Westmead or the aerotropolis or Tech Central. We actually have a strategy for this cutting edge manufacture for there to be industry and educational access to this machinery in a way that it has not been available before.

The CHAIR: But what is virtual learning for advanced metal fabrication? This is some sort of fantasy out of desperation, isn't it? Virtual learning, when the apprentices will say, "The only way I can really learn how to use this machine is to use the machine."

Mr ALISTER HENSKENS: In any course, no matter how practical it is, there is always an element of theory which could be done virtually. I agree with you, and we can all reflect on the education we got both at school and after school and say whether we thought it was adequate or whether we learnt more in other contexts. I am in agreement with you that we need to be gearing our TAFE education towards the skills that not only the students want but also industry needs from them when they get the job. The whole point of TAFE is not that it is a credential for the sake of a credential, we have to be training people for the jobs that they want.

The CHAIR: But the whole point of any system is the outcome. We will get a better outcome if the business can actually run the business and the people doing the training are there on the machine in the workplace helping the apprentice. That is not happening at the moment.

Mr DAVID SHOEBRIDGE: They do online bricklaying as well.

The CHAIR: Online bricklaying? Fantastic. Opposition, please.

The Hon. COURTNEY HOUSSOS: Minister, are you aware of what the asset sale target is for TAFE NSW?

Mr ALISTER HENSKENS: There is no target, as far as I am aware.

The Hon. COURTNEY HOUSSOS: You are not aware that each cluster—

Mr ALISTER HENSKENS: My understanding is that there is a target for the Department of Education, of which TAFE has met its component of the target.

The Hon. COURTNEY HOUSSOS: And how much is that?

Mr ALISTER HENSKENS: Ms Harrison can correct me, but I think DOE's target was \$90 million-odd and our target has been exceeded.

GEORGINA HARRISSON: That is correct. We talked about some of the Department of Education cluster targets yesterday. Mr Withey can come to the table and talk to the specifics of how that is allocated across the cluster and where we are up to in relation to that for TAFE.

The Hon. COURTNEY HOUSSOS: That would be great. Thank you, Mr Withey. We have time pressures, so the amount and what has been sold to meet it?

DAVID WITHEY: Yes, Ms Houssos. Thanks for the question. As the Minister said, the target for the Education cluster is \$90 million.

The Hon. COURTNEY HOUSSOS: Yes, as we discussed yesterday.

DAVID WITHEY: By the end of 2023.

The Hon. COURTNEY HOUSSOS: I am sorry?

DAVID WITHEY: By the end of the financial year 2023. We have apportioned that across the cluster based on asset value by total. Of that, \$8.5 million is for the department and \$8.5 million for TAFE.

The Hon. COURTNEY HOUSSOS: How much does that mean? My understanding is it is \$2.4 million for this year. Is that right?

DAVID WITHEY: For this year it is \$2.2 million.

The Hon. COURTNEY HOUSSOS: Has that been met this year?

DAVID WITHEY: From a cluster perspective, which is what I can talk to, we are on track to meet the \$90 million target by the end of 2023.

The Hon. COURTNEY HOUSSOS: I am interested in specifically what has been sold to meet the \$2.2 million that is required in this financial year?

DAVID WITHEY: The \$2.2 million is a TAFE number, so I have to turn to Mr Brady for that.

The Hon. COURTNEY HOUSSOS: Mr Brady?

STEPHEN BRADY: Thank you. My understanding is that the target is over that period up to the end of financial year 2023 and TAFE has met its overall target, the \$8.5 million. The sale of the Randwick property for an ambulance superstation and then the Scone transaction more than met our target.

The Hon. COURTNEY HOUSSOS: So, Minister, there is no need for further campus sales, so can you rule out any further campus sales?

Mr ALISTER HENSKENS: I have no campus sales on my agenda, as I said in answer to your previous question. I have not asked about campus sales. I am not interested in campus sales. That is my position. I am interested in running TAFE as best as it can be run.

The Hon. COURTNEY HOUSSOS: Minister, I want to be clear. This is something that we have heard from Government Ministers time and time again.

Mr DAVID SHOEBRIDGE: Those exact words.

The Hon. COURTNEY HOUSSOS: In fact, your predecessor came in here and said, "I have no plans." By the time we got to the next estimates, miraculously plans appeared. That is why I am asking you to say, "I will not sell any further TAFE campuses."

The CHAIR: He got sent to jail, the predecessor, so hopefully this guy will go better.

Mr DAVID SHOEBRIDGE: No, Geoff Lee is not in jail.

The CHAIR: He is in jails, isn't he?

Mr DAVID SHOEBRIDGE: Geoff Lee?

The Hon. SCOTT FARLOW: The corrections Minister.

The Hon. COURTNEY HOUSSOS: He is running them. This is my time. Minister?

The CHAIR: Boom, boom. Minister?

Mr ALISTER HENSKENS: Look, there is no agenda to sell any campuses.

The Hon. COURTNEY HOUSSOS: I am not asking about agendas or plans.

Mr ALISTER HENSKENS: I cannot be any more clear than that.

The Hon. COURTNEY HOUSSOS: You can be really clear. I am giving you the opportunity. I am wanting you to say, "I will not sell off any further TAFE campuses."

The Hon. SCOTT FARLOW: Point of order—

The Hon. COURTNEY HOUSSOS: You have met your asset sales.

The Hon. SCOTT FARLOW: The honourable member has already put the question to the Minister. The Minister has answered it as he sees fit. This is not an exercise in dictation. It is not for the honourable member to put to the Minister a certain phrase and ask him to repeat it. It is the honourable member's prerogative to ask a question. The Minister has the right to answer it in whichever way he sees fit. I ask that he be allowed to continue to answer the question as he sees fit.

The CHAIR: Minister, have you finished your answer? You have no intention to sell these properties?

Mr ALISTER HENSKENS: No intention.

The Hon. COURTNEY HOUSSOS: So, Minister, why are you cutting courses at Richmond TAFE?

Mr ALISTER HENSKENS: I assume that you are talking about the equine courses at TAFE.

The Hon. COURTNEY HOUSSOS: Yes.

Mr ALISTER HENSKENS: You are talking about four low-enrolment equine courses at Richmond TAFE, as I understand it. Is that what you are referring to?

The Hon. COURTNEY HOUSSOS: I am talking about the four courses that were cut at the Richmond facility, yes.

Mr ALISTER HENSKENS: The four low-enrolment equine courses—no decision has finally been made in respect of those courses, but they have actually had about a 90 per cent reduction in enrolments with regard to those courses.

The Hon. COURTNEY HOUSSOS: Minister, let me stop you there because you know you are being disingenuous when you say that.

Mr ALISTER HENSKENS: Do not attribute motives to me please.

The Hon. COURTNEY HOUSSOS: There was a decrease because of an industry induction course that was required in 2016. If we look at the figures over a shorter period of time, you know there is not a 92 per cent decrease. Why are you cutting those courses at Richmond?

Mr ALISTER HENSKENS: My advice is that there has been a 90 per cent reduction in enrolments in the courses and that those courses are under review as a consequence of those low enrolments. The Government has invested \$1.5 million in TAFE Richmond for a new vet clinic, agricultural livestock and equipment, and connected learning points.

The Hon. COURTNEY HOUSSOS: You told us that already.

Mr ALISTER HENSKENS: We are investing in Richmond TAFE.

The Hon. COURTNEY HOUSSOS: Minister, you are cutting four key courses there. Melbourne Cup-winning jockey Darren Beadman said that it is the entry point for training staff and that some people who do not have that opportunity will not have the horse skills that the industry requires to handle horses. You know that in 2016 there were 434 people who enrolled in a mandatory industry induction program. That is why there was such a decrease. Why are you cutting courses at Richmond TAFE that are so important to the equine industry?

The CHAIR: It is a big equine cluster there in the Hawkesbury—Agnes Banks. There are many training and breeding facilities.

Mr ALISTER HENSKENS: Students make their own decisions as to where they can best get the skills that they want. My understanding is that there is a range of providers for this sort of training in Sydney. The students are clearly choosing to go there rather than to Richmond TAFE. We need to be ensuring that TAFE is responding to the wants of students. If the students are choosing not to enrol in those courses, we cannot make them enrol.

The Hon. COURTNEY HOUSSOS: No, Minister—

Mr ALISTER HENSKENS: If they are choosing to go elsewhere, to perhaps do courses with Racing NSW or elsewhere, that is their decision.

The Hon. COURTNEY HOUSSOS: No, Minister. You cannot say—

The CHAIR: Let the Minister finish. He is answering the question.

Mr ALISTER HENSKENS: Whatever compulsion you think the Government should be putting on students, we do not agree with. They are making their decisions, and TAFE has no apology for looking at the circumstances of enrolments and making decisions about where we can best put our resources to train the greatest number of people. That is the responsible thing to do.

The Hon. COURTNEY HOUSSOS: Off the back of a pandemic, off the back of an industry induction course, you are going to cancel these courses that experts in the industry say are crucial. You are going to make them go all the way to Scone to do farriering?

Mr ALISTER HENSKENS: No, the farrier courses are continuing. That is entirely incorrect. The farrier courses at Richmond are continuing. That is a misstatement. I do not know where you have got that from, but it is wrong.

The Hon. COURTNEY HOUSSOS: Minister, do you stand by your assertion that there has been a 92 per cent decrease or will you acknowledge now that that is wrong?

Mr ALISTER HENSKENS: Mr Brady, are those figures—

The Hon. COURTNEY HOUSSOS: I am not asking Mr Brady; I am asking for you to acknowledge that that is not correct.

The CHAIR: The Minister is allowed to defer to his official to get clarification on the data.

STEPHEN BRADY: I think the point that is missing is that Racing NSW established its own registered training organisation in 2019, and what we have seen is the students have chosen to go to that training organisation and others rather than participate in the TAFE courses. Since then we have tried a number of measures to increase enrolments. We have not just sat back. We have tried a series of non-nationally recognised short courses on equine health and welfare. We have tried a youth engagement strategy. We have undertaken advertising well above normal in local and trade magazines. So we tried a number of measures and we tried to work with industry to increase the enrolments, but the fact is they are choosing to go elsewhere and we have reached an unsustainable level from a delivery perspective.

The Hon. COURTNEY HOUSSOS: Minister, I move to a new issue. The question of innovation funding for western Sydney is an ongoing issue. What plans do you have to ensure that innovation funding gets to western Sydney and does not stay just in the existing innovation hubs?

Mr ALISTER HENSKENS: We are doing a huge amount of work with regard to the Bradfield aerotropolis, which is working, as I have already said, between TAFE and the universities in respect of new and emerging industries around that precinct and hub. That is one of the many investments that we are making in western Sydney. We are also doing a range of other things. We have the Westmead medical precinct. There is a whole lot of innovation going on in Westmead.

The CHAIR: You have the Sydney Science Park.

The Hon. COURTNEY HOUSSOS: I think the Minister can answer.

Mr ALISTER HENSKENS: That is right. We also have the new education and training model associated with the Multiversity there at Bradfield. There is also our Kingswood Institute of Applied Technology out in—

The CHAIR: Kingswood.

Mr ALISTER HENSKENS: Thank you, Mr Chair. That is in western Sydney.

The CHAIR: It is.

Mr ALISTER HENSKENS: We also have our Educational Pathways Program in our schools, which is promoting vocational education. I was out in western Sydney in relation to that program just last week.

The Hon. COURTNEY HOUSSOS: Minister, that is an excellent program. We will talk about that at another time this afternoon.

The Hon. SCOTT FARLOW: Talk about it now.

Mr ALISTER HENSKENS: There is a range of innovation going on in western Sydney. May I just say there is a whole lot of advanced manufacturers who are innovating in their workplaces in western Sydney.

The Hon. COURTNEY HOUSSOS: And they should be congratulated for that.

Mr ALISTER HENSKENS: I have had the privilege of being able to speak to them.

The Hon. COURTNEY HOUSSOS: Excellent.

Mr ALISTER HENSKENS: There is a huge amount of innovation going on in western Sydney.

The Hon. COURTNEY HOUSSOS: Minister—

The CHAIR: Western Sydney is very important. The Minister should wrap up his answer.

Mr ALISTER HENSKENS: There is a whole amount of innovation going on in western Sydney in each of those localities that I have identified. The Government is investing substantial resources in innovation in

western Sydney. We are very proud of what we are doing there. I thought that your question was rather suggesting that we are not investing in innovation in western Sydney when, in fact, we are doing quite a lot.

The Hon. COURTNEY HOUSSOS: Minister, perhaps you can provide a breakdown, on notice, of where the innovation funding is being provided to and what part of Sydney.

AMY BROWN: One comment, if I may.

The Hon. COURTNEY HOUSSOS: Sure.

AMY BROWN: The \$35 million Entrepreneurship and Innovation Ecosystems action plan—that is a \$35 million fund—\$10 million of that have been quarantined specifically to generate innovation in Westmead specifically. There are, obviously, separate funds that relate to the Western Parkland City, which is its own innovation ecosystem, and things like the Western Sydney Startup Hub, which is going to be located in the innovation district. There is quite a lot of targeted government intervention to ensure innovation.

The Hon. COURTNEY HOUSSOS: We might talk about that a bit more this afternoon. Minister, do you have any specific initiatives to bring back international students? Obviously, it is one thing to say "You're welcome back". Other markets, including Canada and the UK, have been aggressively pursuing the international students who would have come here over the last two years.

Mr ALISTER HENSKENS: I am very happy to say that international students are coming back. Some of them never left, of course. But we have taken a range of measures to introduce or reintroduce international students. Obviously, a lot of that work happens in the particular international presence that we have overseas, in our many New South Wales offices around the globe, where they are engaging with international communities to get international students coming back into New South Wales universities and schools. But, Ms Brown, did you want to add to that?

The Hon. COURTNEY HOUSSOS: Ms Brown, we are going to run out of time, so I am going to come back to this this afternoon with you if that is okay. Minister, you announced a new agreement with the Premier just a couple of weeks ago about a new MOU with universities. How is this different to the Multiversity? How is this different to previous MOUs?

Mr ALISTER HENSKENS: The MOUs that we have signed with the 11 different universities—those MOUs contain a protocol for the way in which government and universities will work together. There are actually schedules to the agreements, where there are very specific matters identified, where the Government will work with the individual university. There is also set out some of the desired future directions for those particular institutions. One of the things that has really impressed me since I have been the Minister responsible for tertiary education is the way in which government, the university sector and industry is collaborating in a far greater way. These memorandums of understandings are all part of giving a structure to that engagement. We see that happening in other parts of the world. It is very important that that happens here in New South Wales as well so that we can harness our world-leading universities, the great human capital that we have within New South Wales that resides within our universities. But—

The Hon. COURTNEY HOUSSOS: I am huge fan of our universities, Minister. I just want to know how it is different to previous agreements.

Mr ALISTER HENSKENS: There has been individual, bespoke arrangements, but there has never been a standalone agreement between the New South Wales Government and particular institutions previously in terms of formalising the future relationship between those institutions. That is the difference.

The Hon. COURTNEY HOUSSOS: Thanks. Minister, that answers my question. Thank you. Was the Australian Catholic University party to those?

Mr ALISTER HENSKENS: Yes.

The Hon. COURTNEY HOUSSOS: Does that include support for their new campus, at Blacktown?

AMY BROWN: It includes a schedule of projects that are going to be explored in good faith by the Government and the relevant university. I cannot confirm whether or not—how much detail it goes into with relation to Blacktown.

The Hon. COURTNEY HOUSSOS: We might come back to that this afternoon. My colleague has a few questions.

Mr ALISTER HENSKENS: Can I just ask for an indulgence for one minute? I will be back in a minute.

The Hon. ANTHONY D'ADAM: Are we going to get this time back?

The CHAIR: We will just take a short interval while the Minister has a comfort break. We will make up the time at the end of the session.

(Short adjournment)

The Hon. ANTHONY D'ADAM: Minister, the National Centre for Vocational Education Research documents course completions. In 2013 the course completion rate for New South Wales was 61.9. In 2021 it is 22.5. In 2020 it was 24.6. Minister, what is your understanding on what is driving the decline in course completions?

Mr ALISTER HENSKENS: Thank you for that question. I think it is important to really talk about both ends of the spectrum. That is both commencements and completions. What I think we should be quite excited about is the fact that we had a record number of New South Wales apprenticeships and traineeships last year, by a significant factor of increase. For example, if you look at the New South Wales apprenticeship commencements between 2015 and 2021—the commencement numbers for most of the years up to about last year were hovering around the 21,000 to 22,000 number. In 2021 we had almost 28,000 apprenticeships commence, which is an outstanding increase.

The Hon. ANTHONY D'ADAM: Minister, I have got limited time, so I would like to draw you back to the specific question about completions.

Mr ALISTER HENSKENS: In respect of traineeships, we went from around 24,000 on average to almost 35,000 in 2021. We have had a huge uptick, which I think is a good story, in 2021 in terms of the commencements of our New South Wales apprenticeships and traineeships. In respect of the National Centre for Vocational Education Research which you are referring to, New South Wales actually had a higher completion rate, of 48½ per cent, compared to the national rate of 43.4 per cent. So—

The Hon. ANTHONY D'ADAM: Minister, I am trying to get an idea of what is driving the completion rate down. That is the nub of the question.

Mr ALISTER HENSKENS: I am answering your question.

The Hon. SCOTT FARLOW: The Minister is giving you that idea.

The Hon. ANTHONY D'ADAM: He is not. He is talking about—

The CHAIR: I think he is trying to answer it. Give the Minister a bit more scope, please.

Mr ALISTER HENSKENS: TAFE NSW actually had a higher actual completion rate than the national average, the national average being 43.4 per cent. The completion rate in New South Wales has to be viewed within that context. That is a historical trend. I might add, Mr D'Adam, that you may not be aware that the completion rate for bachelor degrees at university is within the 60 per cents. So—

The Hon. ANTHONY D'ADAM: Are you saying, Minister, that you do not know what is driving the completion rate down?

Mr ALISTER HENSKENS: What I am saying—

The Hon. ANTHONY D'ADAM: You do not seem to be addressing that specific question. What is driving the completion rate down?

Mr ALISTER HENSKENS: There are a number of different explanations. One of the reasons in respect of that completion rate that you are referring to is the fact that the New South Wales economy has been performing so well. You may have seen the figures released on growth around Australia yesterday. We are actually much higher than any other State, more than double the next best State, in Victoria. So we have a—

The CHAIR: We had a longer lockdown, from which we are bouncing back.

The Hon. ANTHONY D'ADAM: Minister, if you do not know the answer, perhaps you should not—

Mr ALISTER HENSKENS: I am trying to answer the question, Mr Chair.

The Hon. SCOTT FARLOW: The Minister is explaining.

The CHAIR: Yes. Answer the question.

Mr ALISTER HENSKENS: I am trying to answer the question. We have a very robust, strong economy. That means that there is a proportion of students who decide to go on to another career mid-course. They get a better job opportunity because of our very historically low unemployment rates: an unemployment rate that the governor of the Reserve Bank said would have a three in front of it in the near future; an unemployment

rate almost unimaginable when I finished high school, when unemployment was up around the 8 or 9 per cents. Many economists thought that 6 per cent was the natural rate of unemployment, so we have got a very low unemployment rate. We have got a lot of people; we have got a highly mobile workforce and a highly mobile training sector, where people are moving on and not necessarily completing their credentials because they are actually getting a better job offer in a different area before they finish.

Mr DAVID SHOEBRIDGE: Minister, have you spoken to Racing NSW about Richmond TAFE?

Mr ALISTER HENSKENS: No.

Mr DAVID SHOEBRIDGE: Mr Brady, have there been any discussions between anybody in TAFE and Racing NSW about Richmond TAFE?

STEPHEN BRADY: I will have to ask Ms Hosea, who has been handling the engagement with our local delivery in Richmond. She is best placed to answer that question.

Mr DAVID SHOEBRIDGE: Ms Hosea, you are in the saddle.

KIRSTY HOSEA: Thank you. Yes, I am not aware of any direct conversations that have been had with New South Wales about Richmond TAFE.

Mr DAVID SHOEBRIDGE: What about indirect?

KIRSTY HOSEA: As I said, I am not aware of any conversations.

Mr DAVID SHOEBRIDGE: Putting conversations to one side, have there been any engagements or exchanges of documents between TAFE and Racing NSW about Richmond TAFE?

KIRSTY HOSEA: Not to my awareness. I have had conversations with Training Services NSW as we were evaluating the other programs that could be delivered, and I asked if Training Services NSW could investigate to see if there were programs that could be covered to ensure that we were not walking out entirely without providing any services, but no direct conversation with Racing NSW.

Mr DAVID SHOEBRIDGE: When you say, "Training Services NSW", do you mean the training entity associated with Racing NSW?

KIRSTY HOSEA: No, I mean when we are looking at the Smart and Skilled contracts and other providers that would provide such services.

Mr DAVID SHOEBRIDGE: Have you had a chat or do you know if there has been any communication with any training entity associated with Racing NSW in relation to Richmond TAFE?

KIRSTY HOSEA: I am not aware of anything that is connected with Racing NSW.

Mr DAVID SHOEBRIDGE: Minister, in answer to my questions about the more than doubling of senior executives between 2017 and June 2021, which were the numbers I put to you, you said that teacher numbers increased in the same time. Do you remember that exchange?

Mr ALISTER HENSKENS: Full-time equivalents, yes.

Mr DAVID SHOEBRIDGE: Thankfully, I have been able to do the numbers, and you are right: Teaching staff increased by 7 per cent in the period between June 2017 and June 2021, more than half of whom were part-time casual. How do you explain a 7 per cent increase in teaching staff and a 107 per cent increase in senior executives? How do you square that circle?

Mr ALISTER HENSKENS: I refer to my previous answer. I can keep going through it if you want to.

Mr DAVID SHOEBRIDGE: So you are sitting there defending total teaching staff increasing by 7 per cent and at the same time total senior executive staff—none of whom are part-time casual, I might add—increasing by 107 per cent.

Mr ALISTER HENSKENS: Mr Shoebridge, as I said previously, I would need to go back and look into the history of the organisation back to 2017 to understand what has achieved that result. As I have made very clear, I am focused on the future of this organisation, not going over the entrails of ancient history.

Mr DAVID SHOEBRIDGE: I know that it is embarrassing.

Mr ALISTER HENSKENS: If you want me to do that, I am happy to do it. I will take it on notice and I will do it, but that has not been my focus.

Mr DAVID SHOEBRIDGE: TAFE managed to operate with 15 senior executives in 2017, with almost exactly the same number of teachers. You are in charge of the same unit and it has 31 senior executives—and in fact, as we heard from Mr Brady, maybe 108 being paid senior executive equivalent salaries. Do you not think there is a lesson to learn from history and that it is worthwhile working out how TAFE managed to operate without paying so many people hundreds of thousands of dollars in senior executive roles?

Mr ALISTER HENSKENS: What I do know is that there have been internal reforms, the One TAFE reforms, which have centralised certain functions, which has been able to achieve a great deal of consistency in the organisation that was not there previously. There were a whole lot of regional variations in the delivery of services. That may be an explanation for why the numbers have gone up in the way that you have described, but I would need to get advice on that. I would need to have a look at it. I am merely hypothesising that that could be one explanation for it.

Mr DAVID SHOEBRIDGE: And the only reason you will make this inquiry is that I have raised it with you. Otherwise, you are perfectly comfortable with senior executive numbers increasing by 107 per cent and teacher numbers increasing by 7 per cent.

Mr ALISTER HENSKENS: Again, Mr Shoebridge, I would have to look at the reason for that increase.

Mr DAVID SHOEBRIDGE: You might have to ask Mr Faurby.

Mr ALISTER HENSKENS: I am not going to hypothesise beyond what I have already offered as a possible explanation for why that might be the case.

Mr DAVID SHOEBRIDGE: Why not ask Mr Faurby? He is the one who was sitting there while it surged up. Maybe give him a bell, Mr Henskens.

The CHAIR: He is not in *Back to the Future*. He was left in 1955.

The Hon. SCOTT FARLOW: He is in the DeLorean.

Mr DAVID SHOEBRIDGE: He has been airbrushed out of TAFE.

Mr ALISTER HENSKENS: This reflects your failure to embrace the future, Mr Shoebridge. There will not be any questions about science, innovation and technology from you. It is all going to be an ancient history lesson.

Mr DAVID SHOEBRIDGE: I will ask you a question about the future. Will you commit, 100 per cent, not to sell all or part of the Bega TAFE campus at Barrack Street? That is a question about the future.

Mr ALISTER HENSKENS: Again, I repeat my previous answers: The sale of campuses is not part of my agenda. I cannot be any more clear than that.

Mr DAVID SHOEBRIDGE: You could commit to not selling it.

Mr ALISTER HENSKENS: It is not part of my agenda.

Mr DAVID SHOEBRIDGE: But the previous Minister said he did not have any current plans to sell Scone.

Mr ALISTER HENSKENS: It is not part of my agenda.

Mr DAVID SHOEBRIDGE: We will get to your agenda later. Mr Brady, what is the Barrack Street campus currently being used for? What are the plans over the next 12 months?

STEPHEN BRADY: Sorry, Mr Shoebridge, I am not familiar with the Barrack Street campus.

Mr DAVID SHOEBRIDGE: Is anybody familiar with the Barrack Street campus in Bega? Does anybody know what you plan to do with a major TAFE asset? There is no collective memory in TAFE.

Mr ALISTER HENSKENS: I know there is a new multi-trades hub in Bega.

Mr DAVID SHOEBRIDGE: Does nobody have any collective memory?

KIRSTY HOSEA: I can speak to the Barrack Street—

Mr ALISTER HENSKENS: The multi-trades hub, delivering high demands across the community: agriculture, commercial cookery, bricklaying, early childhood education and care, engineering, and individual support. I know there is a multi-trades hub in Bega doing great work.

Mr DAVID SHOEBRIDGE: So that is your understanding: that there is commercial cooking happening at the Barrack Street TAFE campus in Bega. Is that what you are told, Minister?

Mr ALISTER HENSKENS: Commercial cookery.

The Hon. SCOTT FARLOW: No, he said the multi-trades hub.

Mr DAVID SHOEBRIDGE: I am not asking about the multi-trades hub.

Mr ALISTER HENSKENS: That is what I was talking about.

Mr DAVID SHOEBRIDGE: I am asking about the Barrack Street TAFE campus, the one where all you do is mow the grass and put up real estate signs.

KIRSTY HOSEA: The Barrack Street campus, at this moment, has been decommissioned. But the focus is on the connected learning centre, which was relocated to the other side of the campus, much closer to and integrated into the central business district. The commercial cookery kitchen there is actually integrated as part of the community—and a welcome part of the community, I might add—where there are limited restaurants and an area of opportunity to provide greater service to the Bega community.

Mr DAVID SHOEBRIDGE: Mr Brady, what are your plans for the decommissioned Barrack Street campus in Bega?

STEPHEN BRADY: I do not currently have a plan for that site, Mr Shoebridge. What I am interested in at the moment is developing our strategic plan, understanding where our service delivery trends are going and what service delivery supports we need—whether that is technology or improvements or changes to campuses—to deliver on those outcomes. I have a piece of work to do to understand the portfolio and to understand the requirements to deliver the objectives.

Mr DAVID SHOEBRIDGE: Did you get a real estate valuation done of the Barrack Street property?

STEPHEN BRADY: I would have to take that question on notice. We obviously have to provide a value of our land and buildings for our annual report, but I have to take it on notice in terms of Barrack Street.

Mr DAVID SHOEBRIDGE: If you are doing that, could you also take it on notice for the Chullora, Loftus, West Wollongong, Quirindi, Glendale, Gosford, Richmond, Hornsby and Campbelltown sites?

STEPHEN BRADY: Will do.

Mr DAVID SHOEBRIDGE: Ms Tickle, you are probably the person to answer the more detailed HR questions. Do you know, over the last financial year, what proportion of advertised jobs on the mobility list were actually teaching jobs?

JULIE TICKLE: No, I would have to take that specifically on notice. I know over the last academic year we advertised around 305, I believe, full-time teaching positions. We had a campaign called Teach at TAFE, which attracted part-time casual teachers and assessors into industry skills area such as child care and construction. It was a very successful campaign, and I would be happy to provide those numbers if you are interested in those.

Mr DAVID SHOEBRIDGE: Ms Tickle, you know what I am referring to when I speak about the mobility list?

JULIE TICKLE: Yes, I do.

Mr DAVID SHOEBRIDGE: Do you want to explain to the Committee what that is?

JULIE TICKLE: The mobility list exists under the GSE regime or Act and we at TAFE, as I said before, are transitioning from where we were previously, with 11 separate institutes under the TAFE Commission Act, to under the GSE Act, and we are moving our senior executives across to there first. So, as I said, I would have to take on notice the specific question you asked because it is not something that we use a lot.

The CHAIR: You can do one more question.

Mr DAVID SHOEBRIDGE: I have got a number. I might just put them all on notice and make it quicker, Chair?

The CHAIR: You have got this afternoon with the officials.

Mr DAVID SHOEBRIDGE: Indeed. Ms Tickle, do you know what percentage of advertised teaching jobs are actually permanent rather than temporary or part-time casual? Do you have a breakdown of that?

JULIE TICKLE: Certainly. I just provided the number across the academic year, which was 305. I can certainly provide the percentage this afternoon, if you would like?

Mr DAVID SHOEBRIDGE: That would be great.

The CHAIR: Minister, you mentioned earlier on the general economic conditions where growth is roaring back in New South Wales after the very long New South Wales lockdown. How, then, do we explain these skilled labour shortages in manufacturing, hospitality, retail, just about everything, and what is the structural failure here whereby 30 years after the Working Nation statement, and after 30 years of massive Federal and State investment to make young people in particular job ready, businesses are calling out—screaming out—for staff and cannot find them? What has gone wrong?

Mr ALISTER HENSKENS: We have obviously had a huge external shock to our labour market, which is the pandemic. That is an explanation but not an excuse. And it is an opportunity. That is why my message continues to be that there is never a better time to get skills because there are so many jobs available.

The CHAIR: Yes, but where have they been? The point is that, yes, there has been a degree of external shock, perhaps exacerbated by internal policy missteps. But, after 30 years of all this investment, shouldn't we have the small army of youth unemployed, still in places like Fairfield and so forth, which have got well and truly double-digit youth unemployment—shouldn't these young people be job ready to take up the new opportunities? And why is it that the Government's only answer is the new Premier's statement that he wants to lazily go back to the immigration numbers to flood the labour market, when these young people, if they were job ready and there were the right circumstances, could take up the employment and bring youth unemployment down to next to nothing?

Mr ALISTER HENSKENS: Mr Latham, if I can push back a bit on what you put to me. Can I just point out that under the JobTrainer program, which is a joint venture between the Federal and State governments to provide training places free of charge to people who wish to enrol and get a credential, in New South Wales we have had 168,000 places delivered since September of 2020. That is actually more than 100,000 places more than the next best jurisdiction, which is Queensland.

The CHAIR: That is a number on your sheet of paper. It does not fulfil or satisfy the real live problem where you and I know that we could walk down the main street of any commercial centre or industrial estate in western Sydney, the Hunter or the Illawarra and the first thing they will say to us is, "I cannot get the staff. Where are they? Where are the trained people—young people in particular—to come and work for me?"

Mr ALISTER HENSKENS: Mr Latham, we have had 71,000 fee-free apprenticeships and we have a whole lot of free traineeships. Those numbers that I earlier quoted about the commencements—there has been a massive uptick and thousands and thousands more than in previous years in terms of our apprenticeship commencements last year and our traineeship commencements. These are significant increases. These are encouraging. I agree with you. It is a tragedy when young people are not skilled and not in work. But you will remember also, in terms of a historical context, when I left school in 1981 in the Hunter they had youth unemployment rates of 28 per cent.

The CHAIR: I am only interested in the future.

Mr ALISTER HENSKENS: I am glad we are on a unity ticket there, Mr Chair.

The CHAIR: You are back in 1981. I am here in 2022.

Mr ALISTER HENSKENS: What I am saying is 14 per cent or 15 per cent is not acceptable, but it is much better than it has been in the past.

The CHAIR: That is cold comfort.

Mr ALISTER HENSKENS: These commencement numbers, I believe, are very encouraging. And they are showing, with 100,000 more training places delivered in New South Wales than the next best jurisdiction and ours is 168,000, that what we are doing here in this State is having an impact. You can say to me, "Is that level of youth unemployment acceptable?" I would say to you, "No, we want to get it down. We want to get those people into jobs." But what I am saying to you is that we are having some success. Those numbers are not lying. We are actually doing some things here which are achieving those outcomes. I would add that the investment that we announced last week in those Educational Pathways Programs—I know you are very passionate about VET high schools, but the great thing about this Educational Pathways Program is that it is getting our young people engaged in vocational education in years 11 and 12 in 144 different schools throughout the State.

The CHAIR: Let's come to that. It is a good segue to VET in schools, my final topic in this survey of your Skills portfolios. We do have this enormous problem in high schools of males in particular who get to age 13 or 14 and disengage from the academic curriculum and can be a real handful. As you know, some of the schools have good kitchen-hospitality-type facilities but in many cases not much else. They lack a comprehensive suite of VET programs to engage these young fellows productively in the school. Why don't we use the ample Gonski money to allow these schools to buy in the specialised VET services—some of them need advanced machinery—

to engage every single young person in the high school system, whether they are academic or vocationally inclined? Why aren't we using the Gonski money to broaden? Why haven't we got a closer integration between TAFE and schools? I visited Liverpool Boys High School, for instance. It is within two-minutes' walking distance of Liverpool TAFE. There is no communication or contact between the two. It is so self-evident, in a disadvantaged community like that where most of the young fellows—14 or 15—want to do vocational stuff like that and not many are going on to university, that there should be a seamless interface between the school and TAFE college to give them productive learning engagement so that they actually have a good future.

Mr ALISTER HENSKENS: Mr Latham, we do have some engagement between our schools and TAFE.

The CHAIR: But not enough.

Mr ALISTER HENSKENS: Not every high school student has a TAFE in close proximity to their high school.

The CHAIR: You can buy their services in.

Mr ALISTER HENSKENS: Going to your youth unemployment point, the criteria that we applied in respect of who were the additional 120 schools that we would roll out the Educational Pathways Program to was areas of high youth unemployment. So we have actually targeted where we are funding those Educational Pathways Programs. Can I just give you a couple of encouraging statistics. In the pilot schools there was a three-times increase in skilled-based apprenticeships and traineeships arising out of the EPP program. The second thing I would say is that the students spend 100 hours in a workplace, and there has been a very high correlation between jobs following from their EPP program. They walk out of school with a credential from having done the course for apprentices. They are well on the way to completing their apprenticeship in a shorter time than they would otherwise, if they commence after school.

It is a very good program. I think it is going to have outstanding results in terms of the youth unemployment issue that you have raised, and I think it is something that we can be very excited about. We do not need Gonski money because the Government has committed substantial funds to this program. So we are backing it up. There is a capital component along the lines of what you were saying in terms of capital investment within the schools, and then there is an operational component of funding.

The CHAIR: That needs to be universal. Isn't it sullied by pork-barrelling that you have declared two technical high schools—one in the marginal seat of Tweed Heads and the other in the marginal seat of Seven Hills? The place where it is most needed, Airds High School, just south of Campbelltown public housing estate, you have declared that an Indigenous school instead of a technical high school. When will you stop the pork-barrelling of marginal seats and actually get these technical high schools in the places where they are desperately needed, even if it is in a safe Labor seat like Campbelltown?

GEORGINA HARRISSON: Chair, if I could just add, every single pilot school for the EPP program, including Airds High School and Liverpool Boys High School, is continuing with the EPP program because they see the benefit to their students. Airds High School is part of that program, in terms of the Educational Pathways Program, as is Liverpool Boys High School.

The CHAIR: It is more deserving of a technical high school status than Tweed.

Mr ALISTER HENSKENS: The two VET high schools that you have referred are in a pilot stage. I think it is very important to have a look at how those VET high schools—

The CHAIR: Why are the pilots only in marginal seats?

Mr ALISTER HENSKENS: Can I just finish, please? I think it is very important for us to compare the performance out of those VET high schools with the EPP program. Because my view is that you are far better off spreading it around the State. It is now about one quarter of the State high schools, or thereabouts, or maybe it is one-fifth that will have the Educational Pathways Program within them. I think we need to see which works better, because it may well be that the better results are achieved by having it within all of our high schools rather than investing higher sums of money in a couple.

The CHAIR: In the Department of Education they have—I forget the exact name but it is basically best practice schools that are doing really well and are right up at the standard. What are they called?

GEORGINA HARRISSON: Ambassador schools.

The CHAIR: Ambassador schools—our report called them best practice. Why haven't we got the equivalent in VET? I strongly urge you to attend Hoxton Park High School in the western districts of Liverpool,

where they have universal pathways for all these students that I am talking about, a homeroom approach. They have adapted the curriculum so it is much more important to learn the maths of the triangle for engineering purposes than algebra. And these students, so impressively, through the work of the school leadership only leave the school when they are confident they have got the skills and the school says, "You're ready to join the workforce," having been in work experience, work placement, TAFE programs, universally across the cohort, who would otherwise be disengaged and causing trouble in the school. Will you undertake to visit Hoxton Park High School and declare some best practice schools that are doing the VET agenda superbly and make that success, scaling it up universally?

Mr ALISTER HENSKENS: I would love to visit Hoxton Park. Before I give any undertakings as to designating schools, I would like to get some advice and understand a little bit more about it.

The CHAIR: I will even show you where Hoxton Park is and host the visit for you.

Mr ALISTER HENSKENS: Mr Latham, I think on a very high level your suggestion sounds a good one, but I would like to get advice on that before going any further.

The CHAIR: You know I would never lead you astray. These are all good ideas that you should brand as Hensken's ideas and just run with them.

GEORGINA HARRISSON: If I could just add that Hoxton Park High School is also in the EPP program—

The CHAIR: I know, I know. But they are doing—

GEORGINA HARRISSON: —and that we will be looking at the role of ambassador schools in relation to the work we do for VET in schools as part of the pathways target that will be set in the coming months for high schools.

The CHAIR: Yes, but they were doing superb work before EPP. They just take it as an extra resource. Their model is fantastic. If every high school in a working class area was like that, we wouldn't have any problems at all. So I urge very much that visit and I am happy to be part of it. At that point, we have reached the end of our time with the Minister, right on time. We thank our new Minister—a big improvement on the hapless Geoff Lee, which we appreciate in every respect. We will see the officials after the 75-minute lunch break.

Mr DAVID SHOEBRIDGE: The Government may have a series of probing questions for further clarification.

The CHAIR: I doubt it.

The Hon. SCOTT FARLOW: We can ask the Minister to elucidate his agenda for the portfolio potentially but I think we heard quite a bit on that today.

The CHAIR: He has elucidated a fair bit, so I think we are right. Thanks, Minister.

Mr ALISTER HENSKENS: Thank you very much.

(The Minister withdrew.)

(Luncheon adjournment)

The Hon. WES FANG: Welcome back to the afternoon session of this budget estimates hearing. We have obviously had a change of chair and I would like to thank the Hon. Mark Latham for inviting me to chair this afternoon's session. We will now move to questioning of the officials by the Opposition. The Hon. Courtney Houssos.

The Hon. COURTNEY HOUSSOS: Thank you very much, Mr Chair. Ms Tickle, did you have that figure for us, what the 38-week payment was?

JULIE TICKLE: Yes, certainly. I can confirm that Mr Faurby's exit date from TAFE NSW was 2 December 2021. At that time his remuneration was \$565,832 as well as super of \$23,568; TR—total remuneration package—of \$589,400. As I mentioned, under the PSSE agreement that he was on, he was paid—

The Hon. COURTNEY HOUSSOS: Sorry, for Hansard, the PSSE?

JULIE TICKLE: PSSE, Public Service Senior Executive and, as I mentioned this morning, 38 weeks, which totalled \$429,241.27 gross, less tax.

The Hon. COURTNEY HOUSSOS: Thank you very much. Ms Harrison, I want to come back to your conversation with Mr Faurby. It seems as though that was the only conversation that Mr Faurby had with anyone

in terms of a debrief, in terms of any kind of exit—I know we did not characterise it as an exit interview, but it was the last conversation that appears to have occurred with anyone substantially within the department. Can you explain to us a bit more about what happened in that exchange?

GEORGINA HARRISSON: Certainly. I have been in contact with Mr Faurby since that time to see how he is going and what he is up to, post that position. So as the cluster lead for the Department of Education, the cluster for Education, I provided Mr Faurby with the written notice from the Minister. I then had a conversation with—

The Hon. COURTNEY HOUSSOS: Sorry, it was written notice of a letter from the Minister saying he was sacked, is that right?

GEORGINA HARRISSON: A written notice under the Government Sector Employee Act, clause, I think it is, 41, but I can confirm that. Yes, I handed him a letter from the Minister and we had a conversation about how he intended to move forward and what his next steps would be, which included, I think, hoping that COVID would allow him to go back to Europe and visit his parents.

The Hon. COURTNEY HOUSSOS: And there was obviously a conversation about going forward, and that is lovely.

GEORGINA HARRISSON: Yes.

The Hon. COURTNEY HOUSSOS: Did you talk about learnings from his time? Did you talk about what his KPIs had been?

GEORGINA HARRISSON: The expectations of the MD are set by the Minister; the MD is appointed by the Minister. The Minister has, under both the Government Sector Employee Act and, I believe, the TAFE Commission Act, the opportunity to make decisions about the employment of the managing director at any time. The provisions in the GSE Act for the ending of a contract are very wide ranging and so the Minister is within his rights to make a decision without an expressed reason.

The Hon. ANTHONY D'ADAM: Was that the case, there was no reason given?

GEORGINA HARRISSON: I did not have a copy of the letter so I would not be able to answer that, unfortunately.

The Hon. ANTHONY D'ADAM: Can I clarify just that process? You gave him the notice, is that right, the section 41 notification, that his contract was terminated?

GEORGINA HARRISSON: I provided him with correspondence from the Minister.

The Hon. ANTHONY D'ADAM: So the Minister actually did not do it himself?

GEORGINA HARRISSON: I cannot speak to what the Minister did or did not do and what the Minister may or may not have said to Mr Faurby in conversation. What I can account for is that I provided a letter to Mr Faurby.

The Hon. ANTHONY D'ADAM: Was that the first time Mr Faurby knew that he was being terminated?

GEORGINA HARRISSON: I think you would have to ask him that question.

The Hon. ANTHONY D'ADAM: You are not aware of whether that—

GEORGINA HARRISSON: I am not aware of whether or not there were any conversations that preceded that. I am aware of the fact that I gave him a letter, obviously, and had a conversation with him about what his next steps would be.

The Hon. COURTNEY HOUSSOS: But when you gave him the letter did it shock him? Ms Harrison, as an adult you would understand whether you were providing someone with a letter that they had no forewarning that this was provided to them. Was your impression that this was the first time that Mr Faurby had heard that he was going to be sacked?

GEORGINA HARRISSON: I am just conscious of not dealing in unknowns here. They are feelings for Mr Faurby. We had a conversation, I handed him the letter, we discussed what he was going to do from here.

The Hon. COURTNEY HOUSSOS: Did you ask him at any point whether the Minister had told him that this was—

GEORGINA HARRISSON: Not to my recollection, no, Ms Houssos.

The Hon. COURTNEY HOUSSOS: Did it seem to you that this was the first time that he had found this out?

GEORGINA HARRISSON: I cannot talk to the conversations that Mr Faurby and the then Minister for Skills would have had over an extended period of time. Those questions are best directed to the former Minister and to Mr Faurby.

The Hon. COURTNEY HOUSSOS: I am asking whether it seemed to you at the time—was your conclusion that this was the first time he knew about it?

The Hon. SCOTT FARLOW: Point of order—

The Hon. WES FANG: I was about to rule. Ms Houssos, I note that that is probably the third question along the same lines. I know that Ms Harrison has provided similar responses the other two times. I will allow this one last opportunity for you to ask it, but I think that after that if the answer is similar we might move on to other questions, if that is okay.

GEORGINA HARRISSON: As I have indicated, I cannot speak for Mr Faurby and the conversations he had with the Minister leading up to or after my meeting with him on this issue.

The Hon. ANTHONY D'ADAM: What was the date of that meeting?

GEORGINA HARRISSON: It would have been 2 December.

The Hon. ANTHONY D'ADAM: It was on the 2nd. That was his final day.

GEORGINA HARRISSON: That is correct.

The Hon. ANTHONY D'ADAM: And that was the date that you had the meeting with him?

GEORGINA HARRISSON: Yes.

The Hon. COURTNEY HOUSSOS: Was it in the morning or the afternoon?

GEORGINA HARRISSON: I would need to check my diary and come back to you.

The Hon. ANTHONY D'ADAM: Did you make a diary note about the meeting?

GEORGINA HARRISSON: I did not make a diary note about the meeting. I did make a note of the fact that I had met with him and what I was doing. You would appreciate that, as we discussed this morning, the notice under that section of the Act triggers a process, so there was follow-up within my organisation in relation to triggering the payments, as Ms Tickle indicated this morning.

The Hon. ANTHONY D'ADAM: Was the Public Service Commission in any way involved in the process of termination?

The CHAIR: Mr D'Adam, can you bring the microphone a little bit closer?

The Hon. ANTHONY D'ADAM: Sorry. Was the Public Service Commission involved in any way in the process of Mr Faurby's termination?

GEORGINA HARRISSON: That would be a question for them. I certainly spoke to the Public Service Commissioner about the support available for Mr Faurby following this conversation, to ensure that he was provided with access to due process following the issuing of that letter.

The Hon. ANTHONY D'ADAM: Did they prepare the letter or did your department prepare the letter?

GEORGINA HARRISSON: My recollection is the department prepared the letter, but I will confirm that on notice.

The Hon. ANTHONY D'ADAM: Which department? Your department?

GEORGINA HARRISSON: My department. But can I please confirm that on notice? Because, as I said, I spoke to the Public Service Commissioner in relation to support for Mr Faurby, but I cannot right here right now confirm whether or not any of my team in their general day-to-day dealings with the Public Service Commission had any of those conversations.

The Hon. ANTHONY D'ADAM: Ms Tickle, did you have any involvement in the preparation of the letter?

JULIE TICKLE: No, I did not.

The Hon. COURTNEY HOUSSOS: Did your conversation deal with anything about his time at TAFE?

GEORGINA HARRISSON: I recall Mr Faurby talking about his confidence and trust in his team in relation to TAFE and his confidence in the team he had built to take the organisation forward.

The Hon. COURTNEY HOUSSOS: But there was no reflection on what he was expected to do whilst he was there or—

GEORGINA HARRISSON: You will appreciate, in terms of giving and having this type of conversation I would create the space for Mr Faurby to respond and decide which areas he wanted to talk about with me in relation to that. I was not his line manager. He is a direct appointment by the Minister, although he would speak regularly. So I did not have those specific conversations about his time at TAFE at that time.

The Hon. COURTNEY HOUSSOS: Okay. Ms Harrisson, did you have any role in the appointment of Mr Brady as the managing director?

GEORGINA HARRISSON: The Minister appoints the managing director of TAFE. The Minister asked for advice on who could provide within government that role as an interim MD. I know I provided advice on that of potential candidates. I know that other secretaries and I am sure Minister Lee would have sought broad advice on that issue and the decision was made to appoint Mr Brady.

The Hon. COURTNEY HOUSSOS: And in terms of that advice, what were the key characteristics that the Minister was looking for?

GEORGINA HARRISSON: I think questions about the key characteristics the Minister was looking for are questions for him. Certainly I was able to provide him with advice on potential candidates for this role who are, firstly, already deemed at the same level across the public service, as having the necessary leadership skills under the public service capability framework for senior executives.

The Hon. COURTNEY HOUSSOS: Sorry, I am asking what was the basis for your advice? Obviously there are a lot of people that work in the public service. They were two criteria: at the same level or had the leadership skills. Was there anything else?

GEORGINA HARRISSON: They needed to be able to take on the position from within their own organisation. So I, of course, spoke to other secretaries about talent across the organisation and people who may be ready and available to take this step given it is an interim position. Obviously, at that point the capacity for organisations to backfill arrangements are important. Secretary Hogan, the Department of Customer Services, was very supportive in enabling Steve to take up the role on secondment.

The Hon. COURTNEY HOUSSOS: Did you discuss, when you were speaking to the other secretaries, roughly how long you were expecting this position to be?

GEORGINA HARRISSON: The recruitment of the Managing Director of TAFE is a ministerial decision. I do not recall having any conversations with Minister Lee about his intentions in terms of the next round of the recruitment prior to any reshuffle. As Minister Henskens has been getting himself up to speed with the portfolio, I know he is working well with Mr Brady and considering how he wishes to proceed.

The Hon. COURTNEY HOUSSOS: When you had those conversations with the other secretaries, when you were talking about backfilling positions, did you say if it was going to be for a month, two months, three months or was there no time frame discussed?

GEORGINA HARRISSON: I said I would expect it to be for at least an initial three-month period, knowing how long recruitment processes can take and that there may be a requirement for that to be extended.

The Hon. COURTNEY HOUSSOS: So the three criteria that you said were: already at the same level, leadership skills, able to take on the position—

GEORGINA HARRISSON: If I can just make sure that I am clear, they were not characteristics asked of me by Minister Lee. They are some of the considerations I made in providing advice on potential candidates for the role.

The Hon. COURTNEY HOUSSOS: I understand that. Was previous educational experience something that you considered?

GEORGINA HARRISSON: Certainly, it would be something that we would consider. I note that this is a large organisation with a budget of over \$2 billion, with responsibility for a large asset portfolio, as we have canvassed today, and with responsibility for a large IT program, which we have also canvassed today. Our main criteria is that someone has the skills and leadership capacity as set out under the NSW Public Sector Capability Framework to lead a large and complex organisation.

The Hon. ANTHONY D'ADAM: Ms Harrison, the process has not started to recruit a permanent occupant of the position?

GEORGINA HARRISSON: Not at this stage.

The Hon. ANTHONY D'ADAM: Has there been any indication from the Minister as to the time frame for filling the position permanently?

GEORGINA HARRISSON: That would be a question for the Minister, whether he has given consideration for that at this stage.

The Hon. COURTNEY HOUSSOS: Have you prepared advice for the Minister to begin that process?

GEORGINA HARRISSON: I have not.

The Hon. ANTHONY D'ADAM: Mr Brady, have you come across on the same salary that you were on in your previous role?

STEPHEN BRADY: I have been transferred across as a band 3 under the GSE Act, so it is a lateral transfer.

GEORGINA HARRISSON: Ms Houssos, you asked me the time of the meeting I had with Mr Faurby. That has been confirmed by my office as being 4.15 p.m.

The Hon. ANTHONY D'ADAM: I will move on to the restructure. There are a number of restructures underway. Is that the case?

GEORGINA HARRISSON: If I could refer that question to Mr Brady—I think it is quite difficult for him, on the screen, to come in. As the managing director, I am sure he would want to provide some input to answers about restructures in his organisation.

The Hon. ANTHONY D'ADAM: I am going to ask where the restructure is up to. I might start with the workforce services branch. Where is that restructure up to?

STEPHEN BRADY: Just one moment, please.

JULIE TICKLE: I can provide that information if it is easier.

The Hon. ANTHONY D'ADAM: That would be good, Ms Tickle.

JULIE TICKLE: The workforce services payroll, that group is in the outcomes part of the process, which means that not very long ago—I believe it was last week, but I will check that because the weeks are running into each other—that team was called together and provided the outcomes. The CMP was noted by the Minister, and we are moving through. Once that happens, all the employees that are impacted in that change are provided the outcome of whether or not their position has been matched to a new position. I will mention that there is very high matching in that group, so many people who are currently working for us will remain. Following that placement, we go through the four-step placement process.

The Hon. ANTHONY D'ADAM: So there is a net loss in that restructure, correct me if I am wrong, of 15 employees? There are 21 positions that are lost from that branch from its current establishment to the future establishment. Is that correct?

JULIE TICKLE: It is important to note that there are no exits confirmed to date but, what is in the plan, I believe that is correct.

The Hon. ANTHONY D'ADAM: In terms of the net loss of 15 employees, that figure could be higher. Presumably, if you are at the stage of notification then you know how many additional employees will be displaced beyond the matching process. Can you give us that figure?

JULIE TICKLE: I am sorry. Could you ask that question again? I do not believe I can give that figure. What was the question?

The Hon. ANTHONY D'ADAM: Perhaps if you could restate the stage that the restructure is at? You used particular language. I think you said you are at the notification stage.

JULIE TICKLE: Certainly. I will go to my notes and make sure that I am providing the most accurate information. With workforce services, which is the payroll, the consultation occurred between 19 October and 11 November, staff feedback was considered and the final organisational structure and role composition was announced to staff not very long ago—a couple of weeks ago. My notes actually say that there will be a net reduction of 11 employees. I believe you said 17, so I will need—

The Hon. ANTHONY D'ADAM: Fifteen.

JULIE TICKLE: Fifteen. I will need to check that. In terms of where they are up to and the number of people who actually exit the organisation, that number is the net reduction of employees. What happens in these changes is that people, if they are not matched at step one or two of our process, can apply for roles at step three. Step three includes internal advertising to all TAFE employees, so we may have people in other parts of the organisation that apply for a role in workforce services. It is also at that point where people can request early access to a voluntary redundancy if they have not been matched at step one or two.

For clarity, step one is a direct appointment—so one person, one role. Step two is a pooled assessment, so there might be four people and two roles. I need to make this clear: That does not mean that those two people would be leaving TAFE necessarily. That is not determined until all of the roles are placed in that restructure. I cannot provide the number of employees that will be exiting because we are in the process of doing the placement now.

The Hon. ANTHONY D'ADAM: Have you done an EOI in terms of staff for VRs already?

JULIE TICKLE: No, we have not. Depending on each employee's circumstances—that is what the outcome announcement part of the process that I referred to earlier is. If I am a staff member impacted in that change, I have been provided a letter providing me with information about the outcome for me in this change. I have been provided with whether I have got an outcome at step one or step two et cetera. Then I have information that will make me determine if I am to go down a voluntary redundancy pathway, if I would like to and I have not been matched, or if I would like to select redeployment.

That does not happen straight away because of step three and four. A lot of people do not get a position directly matched or in a pooled assessment, but they apply for a position at step three or four. As I said before, it is really important to note, in this particular change, the number of people matched is very high because it is actually bringing 11 different ways of doing payroll together into one way. The work is very similar, the work is more streamlined, it is across the State and the same way, so a lot of people will remain with us in that change.

The Hon. ANTHONY D'ADAM: How do you assess the geographic impact, given it is the one TAFE process and you are pooling a function into one organisational unit that was distributed in the past? There is presumably some geographical spread of the workforce in a function like payroll. How are you managing the geographical impacts so that jobs in rural and regional New South Wales are not affected?

JULIE TICKLE: As with the rest of the agencies in government, if roles are impacted in vulnerable communities—I believe that is a community under 5,000 people—we will guarantee a role in that community. It may not be in that particular change, but we will make sure there is a role placed in that community in a further change. In terms of regional employees, we have got employees—

The Hon. ANTHONY D'ADAM: Can I just clarify that? What is the policy source for vulnerable communities that you mentioned?

JULIE TICKLE: What was the question?

The Hon. ANTHONY D'ADAM: What is the policy source for that 5,000 number?

JULIE TICKLE: I do not know the policy source, if you are using that language. I know that, across government, there is a commitment to make sure that we maintain employment in what we call vulnerable communities. The definition of a vulnerable community is the population.

The Hon. ANTHONY D'ADAM: Where does that definition come from?

JULIE TICKLE: It is based on the number of—it is from the ABS data, I would assume. It is a number of population in each community.

The Hon. ANTHONY D'ADAM: No, I mean the specific criteria that vulnerable communities will be ring-fenced for deletion of government positions?

JULIE TICKLE: I will take the question on notice because I am not quite sure of the premise of the question. I will take it on notice and come back.

The Hon. ANTHONY D'ADAM: What public sector policy are we talking about that says vulnerable communities as defined as 5,000 or less should be ring-fenced for job cuts?

JULIE TICKLE: I will happily take that on notice. I do not have it written down in front of me.

The Hon. WES FANG: That is the time for the Opposition for this stage. Mr Shoebridge has the call—20 minutes.

Mr DAVID SHOEBRIDGE: Thank you for getting that figure, Ms Tickle, for the termination payment for Mr Faurby. Ms Harrison, I understand you presented Mr Faurby with his termination letter, is that right?

GEORGINA HARRISSON: Yes, as I referred to my previous answers on that question.

The Hon. WES FANG: Just for clarity, Mr Shoebridge, it was extensively canvassed in the previous set of questioning and I asked that they move the questioning on.

Mr DAVID SHOEBRIDGE: I know that, Chair. Can you recall in the course of handing Mr Faurby the termination letter what, if anything, he said to you about his reasons for termination?

GEORGINA HARRISSON: Sorry, Mr Shoebridge, are you asking me what Mr Faurby thought the reasons for his termination were?

Mr DAVID SHOEBRIDGE: I am asking what he said to you?

GEORGINA HARRISSON: I cannot recall the specifics of what he said to me in relation to that. As I indicated this morning, and in my earlier answer, the focus of our conversation was very much on what Mr Faurby would do next and the support available to him. That was the focus of our conversation on 2 December.

Mr DAVID SHOEBRIDGE: Did he say anything to you—we are likely to have to get Mr Faurby in to get his version of events at some point anyhow—about what the Minister had said to him when he was told that he was being terminated?

GEORGINA HARRISSON: Mr Shoebridge, I am not going to put words in Mr Faurby's mouth from my recollection. They would be matters for him.

Mr DAVID SHOEBRIDGE: No, Ms Harrison, you were there and I have asked you a question. It is within your capacity and that is not an answer.

The Hon. WES FANG: Mr Shoebridge I ask, for the benefit of Hansard at least, that we have one speaker at a time.

Mr DAVID SHOEBRIDGE: I understand that, Chair.

The Hon. WES FANG: I think Ms Harrison was attempting to answer. If at the end of her answer she has not been responsive to you I invite you to then seek further clarification.

Mr DAVID SHOEBRIDGE: To be clear, I am not asking Ms Harrison to put words into Mr Faurby's mouth. I am asking Ms Harrison about the words that came out of Mr Faurby's mouth already. That is what we would like an answer to, Ms Harrison.

The Hon. WES FANG: Mr Shoebridge, I am happy for you to address that. I ask that you allow Ms Harrison to finish her answer before we start addressing that.

GEORGINA HARRISSON: I understand the question, Mr Shoebridge, and as I answered to the original question, I do not recollect any specifics of what Mr Faurby said to me in that moment. My focus in the conversation was on the support available for Mr Faurby and his plans for how he was going to move forward.

Mr DAVID SHOEBRIDGE: When was this conversation?

GEORGINA HARRISSON: As I have already provided to the Committee, this conversation was on 2 December at 4.15.

Mr DAVID SHOEBRIDGE: This is only three months ago. It is about the termination of the most senior executive in TAFE, who was on almost a \$600,000 salary and it is your evidence to this Committee that you cannot remember the specifics of the conversation. Is that seriously what you want us to believe, Ms Harrison?

GEORGINA HARRISSON: Mr Shoebridge, at 2 December I don't know about the rest of us but through this global pandemic it can feel like dog years ago in terms of the time we are spending and the amount of work we are doing across my cluster to support the New South Wales community. I have had numerous meetings since 2 December. I have had them throughout the summer break. So, yes, it is my evidence that I do not recollect the specifics of what Mr Faurby said. What I can say is that Mr Faurby had access to the support that he required if he needed it and that we had a positive conversation about the opportunities that might present themselves for him in the future and where he would like to focus. That was my role in this conversation, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: But I was not asking you about your role in the conversation, Ms Harrison; I am asking about what Mr Faurby said to you. You reiterate the position that you cannot remember

the conversation about the termination of the most senior executive in TAFE only three months ago. You have no memory of the specifics?

GEORGINA HARRISSON: I have not said I have no memory. I have said I do not recollect the specifics of what Mr Faurby said to me at that moment in time.

Mr DAVID SHOEBRIDGE: Of course. But your organisation complies with the State Records Act I assume?

GEORGINA HARRISSON: It does, yes.

Mr DAVID SHOEBRIDGE: So can you provide us was a copy of the letter that you gave to Mr Faurby?

GEORGINA HARRISSON: As I said, I provided a letter to Mr Faurby from the Minister. It was provided to me from the Minister and I provided it to Mr Faurby. The Minister is the person who, under both the GSC Act and the TAFE Commission Act, is able to make decisions about the employment of the managing director of TAFE. I am very happy to take on notice and see what it is that we can provide in relation to that letter, wherever it may be held on record.

Mr DAVID SHOEBRIDGE: Ms Tickle, did the Minister pay Mr Faurby, or did TAFE pay Mr Faurby?

JULIE TICKLE: TAFE pays Mr Faurby.

Mr DAVID SHOEBRIDGE: In order to determine if you still have an obligation to pay Mr Faurby I assume you keep records about his termination?

JULIE TICKLE: Yes, we do.

Mr DAVID SHOEBRIDGE: Do you have a copy of the termination letter, as the most basic part of due diligence within TAFE?

GEORGINA HARRISSON: Chair, if I may, I have taken on notice that we will provide a copy of the letter Mr Shoebridge is requesting. I am very happy to do that.

Mr DAVID SHOEBRIDGE: No, Ms Harrisson, you are suggesting you did not keep a copy, that it was with the Minister.

The Hon. SCOTT FARLOW: That was not what she suggested.

Mr DAVID SHOEBRIDGE: You are now saying you will provide a copy of the letter?

GEORGINA HARRISSON: I indicated I was not—

The Hon. ANTHONY D'ADAM: Mr Shoebridge is asking a different question.

The Hon. WES FANG: I accept that; however, I will allow Ms Harrisson to address something first, then I will come back to Mr Shoebridge.

GEORGINA HARRISSON: I indicated I would be happy to provide that letter on notice, because I would go and find out where in government that was being held on file.

Mr DAVID SHOEBRIDGE: All right. Ms Tickle, I ask you if you could to also review the files and see if you can provide the material that you have about the termination of Mr Faurby on notice?

JULIE TICKLE: Yes, certainly.

Mr DAVID SHOEBRIDGE: Including any communication, if there is, either with the Governor or with the Executive Council about the termination of Mr Faurby? You have to give a verbal response.

JULIE TICKLE: I am sorry, yes.

Mr DAVID SHOEBRIDGE: This question may be to you, Ms Tickle, or it might be to Mr Brady. How many job losses have there been at the Richmond TAFE in the past six months? Is it 12 or is it more than 12?

STEPHEN BRADY: Ms Tickle, do you have that detail?

JULIE TICKLE: No, I do not have the detail for job losses at Richmond TAFE and I would be happy to take the question on notice. May I state though, and this was provided as part of the SO52, we have one position in our campuses, or an assignment in our campuses, if you like. But we actually quite often work from different campuses. For example, my assignment is Ultimo campus, but I work out of Taree campus. If you are a teacher,

you are assigned one campus but you work out of multiple campuses. It is really important to put on record that the accuracy in terms of assignment does not reflect the reality of people working across different campuses.

Mr DAVID SHOEBRIDGE: Ms Tickle, whatever SO52 documents have been produced, what I am asking you is as at today, going back over the past six months, how many staff have lost their jobs at Richmond? You know there have been some who have lost their jobs at Richmond, do you not?

JULIE TICKLE: As I said, I will take the question on notice because I do not have a number in front of me about Richmond.

Mr DAVID SHOEBRIDGE: No, I am not asking about a number; I am asking about the fact that there have been job losses at Richmond, you know that?

JULIE TICKLE: I will take the question on notice, as I have said.

Mr DAVID SHOEBRIDGE: Do you know how many courses have been cancelled this year at Richmond?

JULIE TICKLE: I am sorry, are you asking that question to me?

Mr DAVID SHOEBRIDGE: I suppose I was starting with you but you are not the right person to ask that, Ms Tickle. I ask Mr Brady.

STEPHEN BRADY: Just one moment please, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: To assist, why do we not start with Certificate III in Performance Horse? That was cancelled.

KIRSTY HOSEA: Actually, those courses have not been cancelled. To my recollection at this point in time that is in consultation.

Mr DAVID SHOEBRIDGE: Is Certificate III in Performance Horse running now?

KIRSTY HOSEA: I will verify if that is the case, but I understand that it is for term one. I will take the question on notice for confirmation.

Mr DAVID SHOEBRIDGE: It is not on the website.

KIRSTY HOSEA: It is not on the website because that is actually an unpublished offering that is filled with one particular provider. That is why you will not see it on the website.

Mr DAVID SHOEBRIDGE: That is not going to commence until the end of semester one at best, is it?

KIRSTY HOSEA: I do not believe that to be true.

Mr DAVID SHOEBRIDGE: Mr Brady, how many courses have been cancelled at Richmond TAFE?

STEPHEN BRADY: Mr Shoebridge, I understand we are in consultation about the equine courses at Richmond. As far as I am aware, we have not cancelled at this point. But I am happy to take that on notice, or perhaps Ms Hosea might have some more information.

Mr DAVID SHOEBRIDGE: I will make it simpler than that. Ignore the word "cancelled". How many ran in first semester last year that are not running in first semester this year?

STEPHEN BRADY: Ms Hosea, are you able to provide any detail?

KIRSTY HOSEA: I will take that question on notice and verify the number. However, what I will say is that we change, add and cancel courses as a normal course of practice at TAFE NSW. That is very much dependant on the number of class enrolments. As we said this morning when the Minister was giving testimony, there was a dramatic decline in the number of enrolments. We have taken a number of different efforts to increase the class size, whether that is through the Department of Education and trying to target school students in the YES program, whether it is through advertising, through non-nationally recognised programs and a whole host of others. We tried to run five, and they did not attract any volume of enrolments. Some of them did not have a single enrolment.

Mr DAVID SHOEBRIDGE: Mr Brady, do you accept something has gone horribly wrong if TAFE cannot attract enrolments at Richmond TAFE, given that the Hawkesbury local government area has literally the highest horse ownership in the State? Something has gone wrong with TAFE. Is it an intentional running down?

STEPHEN BRADY: I disagree with that framing, Mr Shoebridge. As I mentioned this morning, in 2019 Racing NSW established its own registered training organisation. When an industry body opens its own RTO, it is not uncommon for it to have a very strong position in the marketplace. We are in a competitive marketplace for skills and training. So that is what has happened. We have seen a significant decline. But that does not mean that there are not people being trained in the Hawkesbury in equine. It is just that other providers are providing that training.

Mr DAVID SHOEBRIDGE: You say you are in a competitive arrangement with Racing NSW, but you gave your competitor one of your own facilities. You just handed them on a platter the capacity to compete with you by handing over the Scone campus at less than replacement cost. You have done everything you can to destroy your own position in the marketplace, have you not, Mr Brady?

STEPHEN BRADY: My understanding is that the Scone campus was put through the usual government sales process, where it was offered to other government agencies first but then went to open market auction and delivered higher than its market valuation in that open auction.

Mr DAVID SHOEBRIDGE: At the cost of cannibalising TAFE. You have just admitted in your evidence today that, having done that—empowered your competitor—you are destroying your own ability to deliver courses in Richmond. You have actually fed your competitor by cannibalising TAFE.

STEPHEN BRADY: I think there is a temporal issue here, Mr Shoebridge. Racing NSW established its RTO in 2019, well ahead of us disposing of Scone.

Mr DAVID SHOEBRIDGE: Mr Brady, you are the one who linked the two, not me.

STEPHEN BRADY: No, I did not. I made no mention of that.

Mr DAVID SHOEBRIDGE: Okay, sure. What were the projected enrolments for the Bega—I was going to say "Connected Learning Centre". It is called the trades hub, is it not? What were the projected enrolments this year for that Bega hub facility? Somebody must know. When you were sitting down in the middle of last year, working out what the projected enrolments for Bega would be, what were they?

The Hon. WES FANG: I believe Mr Brady is looking for an answer.

STEPHEN BRADY: I am looking for some information.

Mr DAVID SHOEBRIDGE: It will not surprise you that the follow-up question, Mr Brady, if you are looking for the numbers, is: What are the actual enrolments as at today?

The Hon. WES FANG: Even I could see that one coming.

Mr DAVID SHOEBRIDGE: You are getting full marks as Chair.

STEPHEN BRADY: I am just looking for the detail, if you would give me a moment.

KIRSTY HOSEA: If I may state—

STEPHEN BRADY: Yes, please.

KIRSTY HOSEA: Mr Shoebridge, because we operate in a contestable market any enrolments per a particular campus, or any particular enrolment, is in confidence, given the competitive environment in which we operate. Typically, TAFE NSW does not give that information per campus.

Mr DAVID SHOEBRIDGE: Mr Brady, what were the projected enrolments down at the Bega trades hub?

STEPHEN BRADY: I do not have that information available to me just now, Mr Shoebridge. I will have to take that question on notice.

Mr DAVID SHOEBRIDGE: Were the actual enrolments one-quarter of what you were projecting? One-third? You must have had reports to you about how distressing the low enrolments were.

STEPHEN BRADY: Mr Shoebridge, I do not have details on a specific campus-by-campus basis. As Ms Hosea was saying, that information does have us in a competitive situation. It would be of great assistance to our competitors, so we do not generally release campus-level information.

Mr DAVID SHOEBRIDGE: It was important to have done as many enrolments as possible by the end of January this year, was it not? There was a bit of a deadline towards the end of January for TAFE enrolments. Mr Brady?

STEPHEN BRADY: As we mentioned this morning, this year, because of COVID and its impacts across the education sector—whether it is the delayed ATARs or the delays through the apprentice provider networks—we have had a staggered start to the year, Mr Shoebridge. Some of our courses did not start until the end of February, and in fact we are still holding enrolments open for some courses now.

Mr DAVID SHOEBRIDGE: Yes, but you had a surge of calls and inquiries in the last week of January. Would that be right?

STEPHEN BRADY: It is, fairly typically, a busy period for us, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Yes. Expecting that, I assume you put the appropriate resources onto the student service desk, for example.

STEPHEN BRADY: We have actually done some work to improve the capability of the student desk over the past couple of years, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: So can you tell me how, on 31 January, of the 847 calls that came to the student service desk, almost 300 of them—294—were abandoned by the caller because they could not get through? Could you explain that?

STEPHEN BRADY: I might ask Ms Hosea if she has any detail. That falls within her portfolio. I do not have that detail in front of me, Mr Shoebridge.

KIRSTY HOSEA: I am happy to speak in general to the call abandonment. As you can imagine, and everybody might recall, there was a lot of concern around COVID-19 and whether or not courses would be running at that point in time. On our call IVR system we actually had an announcement to inform anybody who was calling about COVID-19, in particular, where they could go to find that information. Of that, of course, you could expect that students would hang up or any increase would hang up and head to the website. So that would contribute to any call abandonment.

Mr DAVID SHOEBRIDGE: So they got so discouraged waiting on the call that they went onto the website, and that was part of your strategy.

KIRSTY HOSEA: No.

Mr DAVID SHOEBRIDGE: Is that the plan, just like the abandonment strategy?

KIRSTY HOSEA: No, Mr Shoebridge. If callers were calling for a very specific reason like—who would want to sit on a call and wait for 20 minutes to talk to a human to understand whether or not a campus is going to be open? There was a very deliberate message that was placed on the IVR system to be able to inform people how they could quickly get the information that they wanted, and then that contributed to our call abandonment rates.

Mr DAVID SHOEBRIDGE: Mr Brady, are you satisfied with the fact that, of the 847 people who called trying to get an answer on the helpline, almost 40 per cent of them—294 of those potential students—abandoned their call? Are you satisfied with that?

STEPHEN BRADY: I am satisfied with the fact that we directed students who were ringing up with COVID concerns—which I do think would account for a significant number of that abandonment—to a website where they could get all of that detail much more quickly and provide the level of detail they need.

KIRSTY HOSEA: Mr Shoebridge—

Mr DAVID SHOEBRIDGE: You do not think, Mr Brady, that a big part of it was that people were waiting forever. In fact, on that day, some poor sod waited 67.6 minutes before they got through. You do not think that is part of the explanation, Mr Brady?

The Hon. SCOTT FARLOW: Point of order—

KIRSTY HOSEA: Mr Shoebridge, I would like to address that, please.

The Hon. WES FANG: Sorry, Ms Hosea. Before we do, there has been a point of order raised. I will just hear that first.

The Hon. SCOTT FARLOW: It is effectively to allow Ms Hosea to answer the question that Mr Shoebridge was putting.

KIRSTY HOSEA: Thank you. Our statistics, now that we have introduced a new telephony system in the last year, shows that the average time is actually eight minutes and 28 seconds for this campaign period. So

anything that is beyond that would be a surprise to me, quite frankly. If you can give us the detail of where you might have got that from, we can certainly investigate what that contribution was.

Mr DAVID SHOEBRIDGE: I have got it from your own data. Mr Brady, I asked you, not Ms Hosea. What do you say to that student, potential student—maybe they gave up in disgust—who was waiting 67.6 minutes before abandoning the call? What do you say to that lost student?

STEPHEN BRADY: Mr Shoebridge, as we have just said, we have made a lot of efforts to improve our call centre. Actually our handling times this year, relative to last year, are a significant improvement. We also streamed the information to allow people to get the answers quickly through the website. If there was an issue of that length, we would absolutely love to get that information. Then we will contact anyone who was affected.

Mr DAVID SHOEBRIDGE: Mr Brady, I have got it from your own data sheets. You have the information. It is just like when you are not talking to Mr Faurby, not looking at your own data sheets. This is your own data sheets. And we are not talking ancient history; we are talking about 32 days ago. Do you understand?

The Hon. WES FANG: Mr Shoebridge, it might be helpful if there was a question there. But, just noting that the time has passed, I will allow the Opposition now to start 20 minutes. Then we can perhaps come back to you for some further questions. Mr D'Adam.

The Hon. ANTHONY D'ADAM: Thank you. I will come back to you, Ms Tickle. We were at "workforce services branch". I was asking questions about that. Can you tell me what the status is of the digital leadership branch restructure?

JULIE TICKLE: Yes, certainly. Before I do that, may I correct my number. I read out "11". It is actually "15". I have got a table in front of me with several numbers and possibly should have brought a ruler. I apologise.

The Hon. ANTHONY D'ADAM: That is all right. So 15 is the number following the finalisation of consultation with staff. That is where you are going to end up in terms of the net loss of employees. That is the expectation?

JULIE TICKLE: No, not necessarily. It is really important to understand how the process plays out. The CMP—change management plan—projects or determines what the net reduction of employees will be. That is 15 for workforce services. It does not necessarily mean that that number will be the number. It depends on what happens in the placement process. In some cases it is actually less because the people actually secure employment. But that is in the change management plan. You asked for, I believe—

The Hon. ANTHONY D'ADAM: Digital leadership branch?

JULIE TICKLE: Digital leadership branch? That change is concluded.

The Hon. ANTHONY D'ADAM: Concluded. What was the net result there?

JULIE TICKLE: Let me just make sure I get the right number. Was your question the net reduction?

The Hon. ANTHONY D'ADAM: Yes.

JULIE TICKLE: Three.

The Hon. ANTHONY D'ADAM: What about facilities management and logistics, I think it is.

JULIE TICKLE: Certainly. Facilities management and logistics has a net reduction of 24.

The Hon. ANTHONY D'ADAM: What status is the restructure at?

JULIE TICKLE: That has also completed. The stand-up was completed January 2022.

The Hon. ANTHONY D'ADAM: When you say it is completed, the recruitment to all positions is completed?

JULIE TICKLE: Yes. When we say "stand-up" we mean that the branch or group, all of the placement process has concluded step one to four and the positions are recruited and we have a team in place. That was January 2022.

The Hon. ANTHONY D'ADAM: There were a lot of positions deleted in that particular restructure—168. Is that correct?

JULIE TICKLE: Sorry?

The Hon. ANTHONY D'ADAM: There were a lot of positions deleted in that restructure. A hundred and sixty-eight is the number that I have. Is that correct?

JULIE TICKLE: I will have to take that on notice. I have the net reduction of 24 employees. But I will need to take the position number because I do not have the change management plan in front of me.

The Hon. ANTHONY D'ADAM: What kind of roles were deleted? Are you able to give us some indication of the types of roles that were being deleted in that restructure? Given the scale—it has gone from 430 positions down to 262. That is a lot of people, a lot of positions, that have gone from that structure. That is a lot of work. Where does all that work go? If it is being reallocated to the remaining positions, is that sustainable? What is not being done in that particular restructure that has enabled you to delete so many positions?

JULIE TICKLE: In terms of the positions, for accuracy, I would like to take it on notice because I have information about the current change plans for the Committee, anticipating your questions would be around the change plans in play. But I would be very happy to take that on notice. In terms of how work changes, quite often it is reorganisation of role types. When we are streamlining under One TAFE, we are able to move work around across the State in a more agile and student-focused way. That is what we have done in some of the other changes as well. For your specific question, I will need to take it on notice for accuracy.

The Hon. ANTHONY D'ADAM: Can I ask about the student services branch? That has got also a massive number of position reductions. The net loss of employees does not seem—it is seven. But compared to the number of positions, which is 514, that is a lot of positions that are being taken out of the structure. What is not being done in student services that was being done in the previous structure?

JULIE TICKLE: I believe you are referring to student services tranche 1. We did our student services branch in two tranches. Student services tranche 1 is those roles to do with the enrolment processes of our students. That is correct. There was a reduction of seven employees net in that restructure. Those teams had been working in 11 different ways for a long period of time. As I mentioned before, that group had a very high matching rate—90 per cent, in fact—which meant that 90 per cent of people in the previous structure were directly matched to roles in the future structure. We also had a lot of feedback around that change. We extended consultation. We almost ran consultation for seven weeks so that we had time to review all of the feedback. There was a lot of support for the people that were in that change because they did want to streamline the way things were done.

A really good example of why this is working is if we look at the floods in the north of New South Wales. Kingscliff Campus is where one of our central student services centres is. That campus is operating as an evacuation centre. We have not had any drop in service or interruptions to service, because we are now statewide. So, while the people of Kingscliff are acting as an evac centre, student service across the State is able to maintain service. That is actually a very good, successful outcome of that change.

The Hon. ANTHONY D'ADAM: I might just move to the staff satisfaction surveys. One of the areas where there was perhaps a pretty poor result in terms of the People Matter survey was in terms of handling organisational change. What have you done differently, Ms Tickle?

JULIE TICKLE: Certainly. As you may know, but just for context, we moved this year to the People Matter engagement survey. The last time we did that survey was back in 2016. In the intervening years we did our organisational health survey, which is a different measurement. The PMES this year is our sort of new benchmark, I guess you could say. You are correct. One of our disappointing results is in change. Your question was: What have we done? We have done a number of things. In terms of providing our people resources to help them help others through change, we have a program which is called the LEAD program—leadership essentials and development. We have added a change module to that. Part of managing change successfully is to have change champions. We put our leaders through that. It is a very successful program. I believe we are up to cohort 7. I have not got that in front of me, but I believe we are up to cohort 7 through that program. We have added that into the program.

In terms of other change resources available to everyone, we have made sure that it is very clear around how change is managed at TAFE NSW. We have had change, a lot of change, in the environment. When people are looking at how change is managed, it is not necessarily just around restructures. It is actually how things are changing across the entire organisation. We are very mindful of that and making sure that our resources look at all aspects of change management.

The Hon. ANTHONY D'ADAM: Can I ask about the decision around reverting back to the People Matter survey? You did the People Matter survey in 2016, and then you abandoned it and did your own Organisational Health Survey. Was that Organisational Health Survey an annual process?

JULIE TICKLE: Yes, it was.

The Hon. ANTHONY D'ADAM: Did you run that survey internally, or did you engage consultants to run the survey for you?

JULIE TICKLE: We engaged a survey provider. In terms of the decision and why that happened, that was before my time in this role. So I cannot comment on that decision, but I can certainly tell you the differences. The Organisational Health Survey was an AES and measured alignment as well as engagement. It was a seven-point Likert scale, where the PMES is five-point scale, so the results are statistically not comparable. But in terms of moving back into the PMES, you will see we are doing a number of things to move back in line with other government agencies.

We are able to have a benchmark and look at other government agencies. That is also why, as I mentioned this morning, we are moving into the PSSE regime and we are moving across to the PMES, and we will continue with the PMES. In this terms of the PMES this year, as it was our first year with the PMES, it was a change for our employees. I would like more of our employees to complete it next year, but we were in line with the department in terms of completions. We certainly have a lot of work to do and a strong path in front of us, but we have started to make some improvements.

The Hon. ANTHONY D'ADAM: What was the value of the contract for the Organisational Health Survey?

JULIE TICKLE: We currently spend \$55,000 per annum on employee engagement surveys.

The Hon. ANTHONY D'ADAM: Does that cost continue with the People Matter survey, or is that provided by the Public Service Commission? Is it a cost recovery? How is that paid for?

JULIE TICKLE: I will have to take that on notice. My notes say our current spend per annum but, in terms of how that is broken up, I would have to take that on notice.

The Hon. COURTNEY HOUSSOS: I wanted to ask about moving courses online. Perhaps I will start with you, Ms Harrison, and then you can direct me.

GEORGINA HARRISSON: I am very happy to direct traffic, Ms Houssos.

The Hon. COURTNEY HOUSSOS: Actually, Mr Brady, are there any TAFE courses that you think cannot be delivered online?

STEPHEN BRADY: That is a really good question, Ms Houssos. One thing TAFE did extraordinarily well was respond to the pandemic and get as much online as possible to enable us to continue engagement with students and continue their progression. What we would all recognise is that for some courses there is undoubtedly a physical, experiential learning component that is critical to progression. Also, the nature of some of our students means that they did not necessarily engage well in the more traditional learning environment in school. The ability to come onto a TAFE campus and learn in a more vocational setting—particularly where they can undertake components of theory work, then try it in practice, then take another component of theory work—suits some students much better than others.

We have seen as we have come into this year that we have a number of students who, because of their inability to get onto campus because they were in the western Sydney lockdown suburbs or simply because of the courses they were doing, were having to do catch-up work to help them progress. There is definitely an ongoing role for online learning as part of our TAFE curricula. What we need to be doing is being really thoughtful about what is the best combination of online and on-campus delivery to provide the best outcome for that particular type of course. For instance, our business studies courses often run extremely well online, whereas if you are doing plumbing then you might be able to do some components virtually but you definitely need to be attending the campus. I think Ms Hosea or Ms McNeill might be able to provide some more detail.

KIRSTY HOSEA: It is important for the Committee to understand that when we talk about online learning, there are different modes that we are talking about. There is a version that is online learning which is purely self-paced, where they have some direction and some interaction but they can complete it as fast as they want to, and then there is virtual delivery. Virtual delivery is synchronous, meaning that in a connected learning centre or out of one of our mobile training units, for instance, a teacher is delivering and simultaneously broadcasting. All the students across the State are coming together at the same time. We might have education support officers, as well, that are supporting with some of that communication with the students while the teacher is teaching.

One example of what that might look like is in our commercial cookery and bakery. We have one student, for instance, that was based in Bourke. During COVID obviously everything had to move into a virtual environment. Our teachers were using specialist camera equipment, and our students were using mobile phones

that were lifted up and bodycams as well, to be able to show what they were doing and what was expected. It ran really well, so we now have this student in Bourke that has to travel seven hours to get to Orange to attend his classes on a weekly basis. That means for him and his employer that is one day's travel there, one day's travel back and one day in class, so three days out of the week where he might be able to engage. That is a strain on that particular student and his young family, in addition.

What are now doing in some cases—and this is part of our contemporary learning model—is continuing with components of that virtual delivery but the assessment is done in person. That student will only have to travel to the commercial kitchen to be in person when there is an assessment at that particular time. That is an example where it still is a trade and it can be done in a virtual environment, but there is increasingly a choice in how we are able to conduct those types of trainings.

The Hon. COURTNEY HOUSSOS: I understand what you are saying about particularly being forced to move online during the pandemic and during lockdowns. But now that we are out of that stage of the pandemic, Mr Brady, surely we are finding a bit more of a normal balance—that there will be some courses that are more able to be delivered online and can be customised whereas others really need to be delivered in person. I think you even admitted that yourself.

STEPHEN BRADY: We actually are asking our students to come back on campus. But we have learnt a lot of lessons through that COVID period, as Ms Hosea was saying. There are advantages in some of what we learned that we should absolutely not lose. There are opportunities for us to extend the reach of our training beyond people who would normally have been able to access it and to provide more convenience to our students as well. Part of what we are looking at, going into our strategic planning process, is how do we provide the best combination of the different techniques that Ms Hosea talked about to provide the best educational outcomes. Undoubtedly, practical delivery on campus is a very major component of that—and always will be, given that we are a vocational training provider.

The Hon. COURTNEY HOUSSOS: Then why have the Certificate III in Metal Engineering - Mechanical Trade and the Certificate III in Engineering - Fabrication Trade moved the first term of the first year apprentices online, but only for regional kids along the east coast?

STEPHEN BRADY: I might ask Ms Hosea; I think she has the answer to those questions.

KIRSTY HOSEA: I do have the answer to that, and it is absolutely false. For that particular program, there are 29 units that are delivered. Out of those 29 to 36 units of competency, only four are being delivered online. Those four that are being delivered online are theoretical components. I might add that gives us a much broader perspective to be able to take more students, as I said, with educational support officers and leveraging technology in a way that really helps us to understand where is the student doing in terms of their comprehension of the material. Often you will find that students, when they are faced with something difficult, will sit in the back of the class or they will not put their hand up because they are not understanding where it is that they are going. This can be a common impact.

But we are using pulses to determine whether the pace of the knowledge we are delivering is right, or whether we need to slow it down or pace it up, to make sure that they are really understanding the theory. If you would like me to go into, term by term, what courses are virtual and practical, I have the answer here. But as I said, from between 29 and 36 courses, only four are delivered virtually. The information that you have is unfortunately incorrect, Ms Houssos.

The Hon. COURTNEY HOUSSOS: Is that the first term of the first year that those four courses are delivered? They are all online?

KIRSTY HOSEA: I will walk through it one by one if you are happy to do that.

The Hon. COURTNEY HOUSSOS: How about we start with the first term? We have got limited time. The first term of first year, how much of that is online and how much of that is in person?

KIRSTY HOSEA: Term one, week one to three is face-to-face induction and learning on campus. Week four to seven is virtual units, which is only two units of competency. Week eight to nine is return to campus for assessments and practical activities. And then I can go on through the other terms.

The Hon. COURTNEY HOUSSOS: Mr Brady just talked about how TAFE often caters for people who have not engaged in the best way in the classroom and that they do need a bit more support. Why in the first term of first year apprentices would you be sending them off to learn by themselves?

KIRSTY HOSEA: That is why we said initially, in the first weeks one to three, that is face to face so that the students can get acquainted and so that they can engage in the material and understand where that is

coming from. What I think is important to note is that the head teachers of that whole section came together in a working session to see how is it best in order for us to deliver and increase the comprehension and likelihood of progression. The head teachers did that as a group, holistically, across the region and came up with that solution. It was socialised with industry as well, and then we took all the questions there and took that feedback in and that was the outcome.

The Hon. COURTNEY HOUSSOS: Is this a cost-cutting measure for TAFE?

KIRSTY HOSEA: As I said, Ms Houssos, this is an opportunity where we can leverage technology to increase the comprehension of some of our theoretical subjects.

The Hon. COURTNEY HOUSSOS: But it will reduce your costs, won't it?

KIRSTY HOSEA: We are not reducing any teachers in delivering. There is no reduction in our teaching workforce to be able to deliver through this.

Mr DAVID SHOEBRIDGE: Ms Tickle, I think you were going to get some data—and I am sorry if you gave it when I was out at the commencement of this afternoon's hearing—on the percentage of advertised jobs on the mobility list for teaching jobs?

JULIE TICKLE: I took the percentage of advertised jobs on the mobility list on notice. What I was coming back to provide you with is—you asked me for the percentage of full-time and part-time casual roles advertised in the teaching advertisements. Would you like that?

Mr DAVID SHOEBRIDGE: Yes please.

JULIE TICKLE: Certainly. As I mentioned, we had 305 full-time positions advertised. I will just say that that does not mean there are only 305 people recruited because sometimes one advertisement had several positions. So there are 305 full-time positions, which was 49.51 per cent of the teacher recruitment in the academic year 2021. The remainder, 50.49 per cent, were part-time casual teaching ads.

Mr DAVID SHOEBRIDGE: How many was that?

JULIE TICKLE: They included our Teach at TAFE. So when we advertised for part-time casual teacher appointments, it is done under a suitability list. There are many, many part-time casual teachers that are added to the suitability list. The number is 311 ads for part-time casual teachers, which was 50.49 per cent, as I said.

Mr DAVID SHOEBRIDGE: So there were 305 ads for full-time positions, but that may have been more than one full-time position on those ads?

JULIE TICKLE: Correct.

Mr DAVID SHOEBRIDGE: And there were 311 ads for part-time casuals, but that was obviously more than one.

JULIE TICKLE: Definitely.

Mr DAVID SHOEBRIDGE: Can you give us the number of actual positions on notice, if you do not have that data in front of you?

JULIE TICKLE: In terms of providing the information on notice, I believe I can for the full-time positions. So I will be able to say, of the 305, a number of those had several positions.

Mr DAVID SHOEBRIDGE: Ms Tickle, you provide what you can and, to the extent you cannot provide it, just briefly explain why.

JULIE TICKLE: In terms of the part-time casual teaching positions, those positions are recruited and teachers are added to them via the suitability list. Our part-time casual teachers, as I was in 2002, are recruited to teach specific qualifications or units of competency. So one ad might actually have 10 people added to the suitability list.

Mr DAVID SHOEBRIDGE: Do you know how many part-time casual teachers are currently teaching in excess of the full-time annual load, which I think is at 720 teaching hours?

JULIE TICKLE: I do not have that information in front of me, no.

Mr DAVID SHOEBRIDGE: Can you provide it on notice?

JULIE TICKLE: Yes, I can.

Mr DAVID SHOEBRIDGE: Of the part-time casual teachers who are teaching a full-time load or higher, do you know how many of them have been doing it for more than three months or, if it is easier, 12 weeks?

JULIE TICKLE: No, I do not have that in front of me.

Mr DAVID SHOEBRIDGE: Is there is a process to convert those part-time casual teachers who are working at or greater than full-time hours to permanent?

JULIE TICKLE: No, there is no process. Our part-time casual teachers are recruited under a suitability assessment. As I said, in 2002 I was recruited like that. My qualifications and experience were determined to be adequate to deliver. When we recruit full-time teachers, we do so under a comparative assessment process. That happened to me as well, later on. In my section, the role was advertised and I applied. I am then compared to other people who also apply and there is an eligibility list, not a suitability list. That means it is ranked, so the first person gets the role.

Mr DAVID SHOEBRIDGE: Mr Brady, given there are now very explicit provisions in the Fair Work Act that are actually designed to encourage organisations like TAFE to convert long-term casuals to permanent, why is there no process available for part-time casual teachers in TAFE NSW?

STEPHEN BRADY: I believe Ms Tickle answered this question in the last estimates hearing, Mr Shoebridge. It relates to two things. One is the fact that under the Government Sector Employment Act we are required to complete a comparative assessment for permanent appointment. It is a legislative requirement. The second issue is to do with our workforce structure and ability to deliver all of our work requirements, and that is really met through the mix of permanent, full-time and casual staff. As you know, they have different teaching loads and related duties. So for our ability to continue to deliver all of our courses, we need to have a high proportion of casual staff, which also lets us be more flexible and adaptable to changing work-life requirements.

Mr DAVID SHOEBRIDGE: Good for you; bad for them. Is that right, Mr Brady?

STEPHEN BRADY: Not necessarily. We have a lot of casual teachers who are very satisfied with the flexibility that casual teaching provides for them as well.

Mr DAVID SHOEBRIDGE: Mr Brady, have you sought advice on whether or not the Fair Work Act provisions about conversion, being Commonwealth provisions, and the rights under those provisions override State provisions in relation to your workforce in that regard?

STEPHEN BRADY: I will have to ask Ms Tickle to answer in relation to any advice we may or may not have received. Certainly that would have been before my time.

JULIE TICKLE: Yes, we did receive legal advice. That is correct.

Mr DAVID SHOEBRIDGE: And indeed the Federal provisions, to the extent of any inconsistency, override the State provisions, and you would be perfectly entitled to convert under the Federal provisions, wouldn't you, Ms Tickle?

JULIE TICKLE: No. Under the amendments, the provisions—as I outlined in the last estimates hearing—section 66C (2) (d) and section 66B (1) (b) apply to us. On that basis, the decision not to convert casual employment has been made. However, may I say we have converted—

The Hon. ANTHONY D'ADAM: Can you just clarify which Act you are quoting from?

JULIE TICKLE: Provision was made under the amendments to the Fair Work Act, which is what we are talking about. These were around reasonable grounds. What I said was the reasonable ground, under section 66C (2) (d), is where offers would not comply with the recruitment or selection process required under State law and, under section 66B (1) (b), where it would inquire a significant adjustment to the employee's regular pattern of work hours performed during the preceding six months.

Mr DAVID SHOEBRIDGE: Ms Tickle, that is a discretionary basis upon which TAFE can refuse to convert; it is not a statutory prohibition preventing you. Do you understand the difference?

JULIE TICKLE: Yes, as I said, on that basis the decision not to convert our casual employees has been made. We do convert our temporary employees and we have converted over 1,400 temporary employees, including a number of teachers. In terms of fairness for our teachers, as Mr Brady said, we have and will always have casual employees and full-time employees at TAFE. When we recruit our full-time employees it is done under a comparative process. That is because we need to make sure that it is fair to all of the part-time casual teachers who have been working. We have students receiving the most up-to-date industry experts because our teachers, whether they are part-time or full-time, need to be industry current. So we go through a comparative recruitment, meritorious process, when we recruit full-time teachers.

The CHAIR: Ms Tickle, what is the longest time that somebody has been a casual teacher for TAFE, as at today? Is it 10 years, 20 years, 30 years?

JULIE TICKLE: I do not have that information.

Mr DAVID SHOEBRIDGE: Will you provide that on notice?

JULIE TICKLE: I certainly can take the question on notice. I am unsure exactly what we can provide. I will certainly take the question on notice and endeavour to provide the answer.

Mr DAVID SHOEBRIDGE: Just how many decades. If you can be more precise than that, that would be great. How many temporary teachers are teaching in excess of the full-time annual load of 720 teaching hours?

JULIE TICKLE: When our teachers teach over the full-time load of 720 hours, they go into excess teaching. Our temporary teachers and permanent full-time teachers as they go over their 720 hours, go into excess teaching. Now this is done at the time that they reach the 720 hours. So they project for the calendar or academic year and as they conclude towards the end of term four that is when they go into excess teaching. I do not have the information in front of me but that is how the process works.

Mr DAVID SHOEBRIDGE: I know that is how the process works. I am asking how many have found themselves in that situation? How many in the last calendar year found themselves in that situation?

JULIE TICKLE: I can take that on notice.

Mr DAVID SHOEBRIDGE: I have asked you about temporary teachers. Could you also provide the information about permanent teachers?

JULIE TICKLE: Who have gone into excess teaching?

Mr DAVID SHOEBRIDGE: Into excess.

JULIE TICKLE: Yes, I can.

Mr DAVID SHOEBRIDGE: To be clear, my understanding of that is they have worked in excess of the full-time annual load of 720 teaching hours. Are we on the same page?

JULIE TICKLE: That is correct. At the end of the academic year if they go over their 720, they go into excess teaching. Yes, that is correct.

Mr DAVID SHOEBRIDGE: Mr Brady, are you aware how many enrolments and completions under the Skilling for Recovery program there were up to December 2021? There are no trick questions here. The budget papers said there would be 70,305. I am just curious about how many were actually delivered in the Skilling for Recovery?

GEORGINA HARRISSON: Mr Shoebridge, I might ask my colleague Chloe Read to answer these questions. I think the Skilling for Recovery program comes through the Department of Education rather than TAFE.

CHLOE READ: Do you want the whole program rather than at TAFE?

Mr DAVID SHOEBRIDGE: If you can give me how many at TAFE and then I might ask you about the whole program.

CHLOE READ: I do not have the breakdown for TAFE.

GEORGINA HARRISSON: In which case TAFE might, Mr Shoebridge. My apologies.

Mr DAVID SHOEBRIDGE: We can chew it in small pieces.

CHLOE READ: The program has delivered over 168,000 fee-free training places—that is at 15 February 2022. I do not have December in front of me.

CHLOE READ: We can take the figures as of December on notice, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Is that enrolments or completions?

CHLOE READ: That is enrolments.

Mr DAVID SHOEBRIDGE: Do you know how many of those dropped out?

GEORGINA HARRISSON: Mr Collins, do you have that information?

DAVID COLLINS: I can tell you that we had, so this is data up until January—

Mr DAVID SHOEBRIDGE: The end of January?

DAVID COLLINS: Up until the end of January. We had 163,303 enrolments of which 151,629 commencements—so people who had actually commenced their training—and 66,702 completions. There may be a number of students who dropped out in that. I do not have that data. We do have also though continuing students, recognising that within that period the COVID effect has meant that some training has been delayed.

Mr DAVID SHOEBRIDGE: Alright. On the face of it looks like a significantly less than 50 per cent completion rate. Do you have any understanding of whether or not that is the case? Are you having 50 per cent, 60 per cent or 70 per cent dropout rate?

DAVID COLLINS: I would be surprised if the dropout rate was like that. I would think that within that number there would be a significant number of continuing students, so students for whom their qualifications were not completed. Given a number of them are enrolled in full qualifications they would be continuing, so we would have to dig into the data to be able to find out what sort of dropout rate there would be.

Mr DAVID SHOEBRIDGE: What is the cost of the program?

DAVID COLLINS: Now the commitment to the program is about \$640 million. To date it has been about \$318 million.

Mr DAVID SHOEBRIDGE: I am asking you for that kind of qualitative analysis. But it would have been my assumption that you would be doing that if you have a spend of public money in the order of \$640 million or \$318 million. I am asking you for the analysis, but I did it on the assumption you would be doing that sort of analysis if you were spending that type of money. Mr Collins, am I wrong in that?

GEORGINA HARRISSON: I was just going to clarify that I think Mr Collins, and correct me if I am wrong, you talked about a figure of just over \$300 million has been spent already in a total budget of \$600 million. Is that correct?

DAVID COLLINS: That is correct.

Mr DAVID SHOEBRIDGE: I understood that, yes.

DAVID COLLINS: We are gathering data on the number of students that complete as well as the numbers that are enrolling. Over time, we will have a more accurate picture of the completion and the dropout rate, given that there are continuing students within that number.

Mr DAVID SHOEBRIDGE: Yes, but as you are rolling out a program of that size surely you have some feedback measures in place so you can see if you have a problem with dropouts, if you need to actually change your strategy. You do not just roll out \$600 million and then at the end of it have a look and see how it all went, do you?

GEORGINA HARRISSON: A couple of things, Mr Shoebridge. We have not rolled out \$600 million yet. I just want to make sure we are clear. We are at 300—

Mr DAVID SHOEBRIDGE: Not only did I hear it from Mr Collins the first time but also I heard it from you the second time, and I do not need to hear it a third time.

The Hon. WES FANG: Mr Shoebridge, while I appreciate your candour, I want to keep it all respectful.

Mr DAVID SHOEBRIDGE: But being respectful is not having one witness cut across another witness who is actually providing useful information. That is not respectful of the process either.

The Hon. WES FANG: I understand that Mr Shoebridge.

Mr DAVID SHOEBRIDGE: I am with you entirely. Let us move on. Mr Collins—

GEORGINA HARRISSON: Mr Shoebridge, if I could just finish. You referred to the \$600 million in your question which is why I sought to clarify.

Mr DAVID SHOEBRIDGE: I know it was 318.

GEORGINA HARRISSON: I am really happy for us to provide you on notice the details of those courses where we may have seen people step away and those continuing courses. One of the key points Mr Collins is trying to get across is that a number of these courses have not yet completed so we would not know whether or not they have completed or dropped out at this stage.

Mr DAVID SHOEBRIDGE: Mr Collins is doing a good job of getting that across Ms Harrison. I would like you to let him finish.

GEORGINA HARRISSON: I just said—

Mr DAVID SHOEBRIDGE: He is doing a really good job of giving information because he is the one running the program. That is why I am asking him the questions. Do you understand that?

GEORGINA HARRISSON: Chair, if I may. We are entitled to take questions on notice. I have indicated we will take that on notice.

Mr DAVID SHOEBRIDGE: Point of order: Ms Harrison is not the Minister. Questions do not go through Ms Harrison. She is here, like every other bureaucrat, to answer questions put to her. Ms Harrison is trying to pretend to be the Minister and insist questions get put through her or she can trump other bureaucrats and take their evidence. It is unhelpful. It is not her role and it is contrary to practice.

The Hon. SCOTT FARLOW: To the point of order: It has always been the convention of these Committees that the senior secretary in this case of a department is to take the questions and be able to either answer themselves or direct them to the relevant person within the department of which they have knowledge. Of course, we have several different departments today. As this question relates to the education department it is well within Ms Harrison's right to be able to direct that the questions come to her.

Mr DAVID SHOEBRIDGE: To the point of order: That is plainly wrong. Ms Harrison is taking the role of being the Minister which she most definitely is not. All witnesses are here to provide assistance within their areas of expertise for the questions asked by Committee members.

The Hon. ANTHONY D'ADAM: To the point of order: I think it is quite clear that we recall a range of witnesses and when we are asking questions we should have the right to direct the questions to whichever witness we choose is appropriate. It is not a question of various witnesses having a hierarchy; we choose which witness we are seeking information from and that witness is required to respond.

The Hon. WES FANG: It has been my understanding in my time in this place, and that being now just over four years, that in situations such as this the secretary, who is probably the most senior person at the time, may be the best person to answer it. However, if they are not able to provide the answer, then you can seek an elucidation from another person. Ms Harrison has indicated that she was going to take that part of the question on notice. If you have got some further—

Mr DAVID SHOEBRIDGE: But she was doing that, Chair, in the middle of Mr Collins trying to tell us the information.

The Hon. WES FANG: My understanding was—

Mr DAVID SHOEBRIDGE: That is not her role to shut down another witness.

The Hon. WES FANG: I do not believe she was shutting him down. What I believe was happening was that she was trying to clarify a point that she thought you had misunderstood. I will allow you to ask Mr Collins if he wants to provide any further information, but noting that Ms Harrison did say that the question was on notice, at least the part that she was going to provide a response to.

Mr DAVID SHOEBRIDGE: Mr Collins, I understand that you have spent \$318 million to date, because you told me. I understand you are midway through rolling out a \$640 million program, because you told me that. I understood it the first time you told me. What I am asking you is: Do you have any measures in place, any feedback mechanisms in place, as you are rolling out a program of that size, to work out if people are dropping out or why they are dropping out so you can improve it, and you do not just wait to spend \$640 million at the end of the program before you try to sort things out?

DAVID COLLINS: In terms of our data analytics, we would be able to identify those courses where people are dropping out. I do not have that data at hand, so I cannot report to you on that. What I can report is the current rate of completion. We do survey students, so we do have survey data on students about their achieving the outcomes that they want from the training, and it is about 90 per cent who achieve the reason for participating in the training. We have measures in place though to ensure that what we are spending the money on is going to get the best potential outcomes. So we have got an intelligence in terms of the qualifications, what we are investing in, what is most aligned with the labour market and where jobs are. We also have a network of skills brokers who are working within regions to ensure that what is being offered in a particular region is best linked to local labour market needs. So in terms of the way in which we are implementing it, we are endeavouring to see that what we are spending the money on is best targeted to the outcomes for local business and for the students who are undertaking the training.

Mr DAVID SHOEBRIDGE: The Minister indicated earlier—and I may be predicting; I do not mean to be pejorative—one of the reasons why he thought there may be a high dropout rate and low completion rate was that people are finding jobs, leaving TAFE and finding jobs. Is that reflected in your data on this program?

DAVID COLLINS: That is not necessarily reflected in the data on this program. I am not sure about and I was not clear on the data that was being quoted in relation to the question that was asked earlier. Certainly there is an experience for us with apprentices and trainees where we do see that there is an experience of apprentices who are responding to more highly paid jobs and leaving their apprenticeship. That is not a training issue; that is a workforce labour market issue.

Mr DAVID SHOEBRIDGE: Ms Harrison, did you want to add anything to that?

GEORGINA HARRISSON: Only, Mr Shoebridge, that we will take your question on notice about the completions and dropouts and continuations.

CHLOE READ: Can I give you one extra bit of information?

Mr DAVID SHOEBRIDGE: Please do, Ms Read.

CHLOE READ: One of the things that we do in the program is break it down into sorts of smaller sets of training that can be essentially presented as different initiatives, because we found that, for example, our Summer Skills program was a good way for people to connect to what the training was about. That was aimed at young people, it was short courses. One of those smaller initiatives is called Built for Women. That aimed to enrol about 3,000 women in trade qualifications. We got over 4,700 enrolments and we have had 3,600 completions to date. So that would indicate within the bounds of a piece of the program that is about a 76 per cent completion rate for that piece. Obviously we need to look across the breadth of the program and we do that, but there is just this lag in training data to understand whether somebody is just taking some time to complete the training and some of the courses are much longer, versus whether they may have dropped out.

Mr DAVID SHOEBRIDGE: Ms Read, that sounds like good news. Part of what I am asking you is, when you get that kind of positive outcome, getting skilled women in trades is a super-positive outcome. Do you then have a look and say, "We have got \$320 million we haven't spent. Let's double down on this and run that program again over the next three months"? That is what I am asking you. Is that in place?

CHLOE READ: Yes, definitely. The example of Summer Skills from last year, we delivered 4,000 places in that pretty quickly. This year we ran the program again because it was so successful and I think we have just gone over 5,000 enrolments in that course. So we adjust the parameters of the delivery of the program based on either the subsections of the program that are being really successful in connecting with people in terms of them understanding what the training offer is, but also in terms of, for example, providers who might be delivering well.

The Hon. WES FANG: Just noting the time and that the 20 minutes had expired a little while ago but I did allow a little bit of leverage. At the risk of being called the pot or the kettle, as the case might be, I just indicate that perhaps the way that questions are being asked and framed may be contributing to some of the issues that we have got today. So I would ask that we all be respectful in the deliberations that we have during the rest of the estimates. We will now have a short break. Before we do that, I believe that we might be able to release some of the witnesses early.

Mr DAVID SHOEBRIDGE: Chair, one of the other options is—my diary is triple-booked this afternoon so I have got somewhere else I have to be—maybe the most convenient thing to do is rather than go to afternoon tea to just press on for another 20 minutes.

The Hon. WES FANG: If the Opposition are happy just to have one more round.

Mr DAVID SHOEBRIDGE: Then release everybody for an early afternoon.

GEORGINA HARRISSON: Could I request we are given a short comfort break before we continue for another 20 minutes, if that is alright?

The Hon. WES FANG: Absolutely. We will have a five-minute break.

Mr DAVID SHOEBRIDGE: We can have a chat and work out the most efficient way so everyone could get home if they can.

GEORGINA HARRISSON: I think everyone probably just wants to get to the bathroom, Mr Shoebridge, but thank you.

(Short adjournment)

The Hon. WES FANG: Welcome back to the estimates hearing. I am going to pass the questioning back to Mr Shoebridge, who has just got a few more follow-up points, before I pass to the Hon. Courtney Houssos.

Mr DAVID SHOEBRIDGE: Just to finish off the discussion about Skilling for Recovery, Mr Collins and Ms Read, I know that you are in the department, not in TAFE. I assume that a chunk of Skilling for Recovery went to TAFE and another chunk to private providers. Is that right?

CHLOE READ: Yes.

Mr DAVID SHOEBRIDGE: First of all, can you tell me how much went to TAFE and how much went to private providers? Then, to the extent that I asked you about completion rates, can you break that down between TAFE and private providers?

DAVID COLLINS: Can I take that on notice?

Mr DAVID SHOEBRIDGE: If you do not have it there, absolutely you can.

DAVID COLLINS: I do not have that detail, particularly the nuance around completion rates. I am happy to come back to the Committee with that.

Mr DAVID SHOEBRIDGE: Putting to one side completion rates, do you have a breakdown of how much went to TAFE and how much went to private providers?

DAVID COLLINS: I will have to take that on notice.

Mr DAVID SHOEBRIDGE: This may be to Mr Brady. I know my colleague asked some questions earlier about how much had been paid to Deloitte and Ernst & Young over the past five years in consultancy fees. I think you have taken that on notice. Is that right, Mr Brady?

STEPHEN BRADY: That is right, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Looking back at the financial year 2001 annual report, there aren't figures anything like \$9.9 million or \$6.6 million going to consultants. This is perhaps to you, Dr McNeill. What were the contracts that made you realise that there was a risk here in terms of the repeat dealing with Deloitte and Ernst & Young? What did you have in mind?

MARGOT McNEILL: I am not familiar with the specific contracts. It is actually the opposite, where some of the work that we had done with them actually benefited that mutual understanding of the different contexts. I was talking before about my work in conjunction with Ms Tickle, where we worked with Deloitte on the workforce strategy analysis piece from January last year, which meant that they knew quite a bit about how our operations worked. That was part of that understanding. I am not quite sure of the question about the risk side, sorry.

Mr DAVID SHOEBRIDGE: I am only reading your document, where you said that TAFE NSW will experience reputational risk due to the nature of this engagement. You talk about offering favourable treatment. Your evidence earlier was that there had been a previous relationship, which was part of the risk matrix. I am reflecting back at you your evidence.

MARGOT McNEILL: That is why we were so carefully being guided by the policies and procedures that guided our decisions.

Mr DAVID SHOEBRIDGE: In the financial year ending June 2021, and then again for the financial year that we are currently in, apart from the \$9.9 million contract to Ernst & Young for the accelerated product development, how many other contracts did TAFE have with Ernst & Young and what were their dollar values?

MARGOT McNEILL: I would not be able to answer that question. I do not know whether Mr Brady—

STEPHEN BRADY: Mr Shoebridge, we source a provision of services under a number of different headings. Certainly, the heading you are talking about is the consultancy heading. The particular contract with Ernst & Young was under our professional services heading. There is also contention, labour, and procurement of goods and services. We do not have detail on how much with Ernst & Young year on year for a number of years. We can take that question on notice.

Mr DAVID SHOEBRIDGE: I am not limiting it to consultants, just to be clear. I think you understand that.

STEPHEN BRADY: Understood.

Mr DAVID SHOEBRIDGE: Could you give me that for the financial year ending June last year and, also, to date this year? And could you do the same in relation to Deloitte as well, Mr Brady?

STEPHEN BRADY: Happy to do so, Mr Shoebridge.

The Hon. COURTNEY HOUSSOS: I think this might be a question for you, Ms Brown. The Minister talked about the Multiversity this morning. Have there been any research initiatives announced out of that yet?

AMY BROWN: Do you mean out of the Multiversity in Western Parkland City?

The Hon. COURTNEY HOUSSOS: Yes. I thought it was the aerotropolis.

AMY BROWN: The aerotropolis or Bradfield. It depends on which geographical area you are asking about. The Western Parkland City Authority are running the establishment of the city, including all of the initiatives that sit under the city deal.

The Hon. COURTNEY HOUSSOS: Where do they report to now?

AMY BROWN: We are now the Enterprise, Investment and Trade cluster. Investment NSW and Western Parkland City Authority have just come across from Premier and Cabinet into that cluster, but only in the last month or so. Having said that—and I will not go into it unless you want me to—there are a number of initiatives around innovation that exist in the Western Parkland City, both through the city deal but also innovative education models such as NETM, micro-credentialing, Smart Places Programs and CSIRO establishment.

GEORGINA HARRISSON: Certainly, Ms Houssos. I also will be able to provide some context on the Multiversity from the Education side, as you indicate, for the aerotropolis. We are working with the NUW Alliance—the universities of Newcastle, New South Wales, Wollongong and western Sydney—and TAFE NSW, and there are already enrolments being received for that Multiversity.

The Hon. COURTNEY HOUSSOS: How many enrolments?

GEORGINA HARRISSON: I would need to take that on notice and can come back to you, but enrolments are open. Program offerings align with an R&D capacity being developed for application at the proposed advanced manufacturing facility to be located beside the new airport.

The Hon. COURTNEY HOUSSOS: On notice, can you tell me how many have enrolled and in what courses?

GEORGINA HARRISSON: I will take that on notice and come back to you with what we have, yes.

The Hon. COURTNEY HOUSSOS: Ms Brown, the aerotropolis reporting is going to be to you now. Is that correct?

AMY BROWN: That is, yes.

The Hon. COURTNEY HOUSSOS: Are you able to tell me on notice how many MOUs are there currently for the aerotropolis site?

AMY BROWN: I will take that on notice. The last figure I heard was 18, but there may have been some signed in recent weeks or months. Again, it is not this Committee but it will be covered on Tuesday for the Minister for Western Sydney, where WPCA will be represented. I will take it on notice for the purposes of this Committee too.

The Hon. COURTNEY HOUSSOS: I am interested in totality. For some reason I was told 40. If you could give me a figure, that would be great.

AMY BROWN: Yes, that sounds fine.

The Hon. COURTNEY HOUSSOS: And a list of them?

AMY BROWN: Yes, that is very able to be provided. There are different statuses, almost, of MOUs. Some are more firm, if you will, in terms of the agreements that have been reached, and some are almost like informal partnerships to develop the city. We can provide them.

The Hon. COURTNEY HOUSSOS: If you can give me a list of the MOUs, what is the status of them and any other agreements that you have that have been established, just to get a clearer picture on what is actually in place, that would be really helpful. And, on notice, anything else that you would like to provide around innovation in that particular space would be really helpful.

AMY BROWN: Certainly. I would just call out that what I would intend to provide is information on the advanced manufacturing research facility; the city deal that relates to—I think it is future-focus jobs, so things like the smart places initiatives, because that is all about digital enablement of the city to enable innovators to

innovate and then upskill the community so that they are a ready-made customer base for all of that; and CSIRO. They are probably the main ones.

The Hon. COURTNEY HOUSSOS: That will be really helpful. The Minister referred to you this morning and mentioned specific initiatives to bring back international students. He said that the trade offices are reaching out generally to local communities. Do you have any specific initiatives?

AMY BROWN: Yes. I will cover that quickly. As you are probably alluding to, international education is our second biggest export and our biggest services export, so it is very, very important that we get numbers of international students up to the peak levels of where they were in 2019: 287,000 international students in New South Wales. Now we are looking more at 98,000-odd. But having said that, there are a number of international students who are enrolled and doing courses overseas but not physically in New South Wales.

The Hon. COURTNEY HOUSSOS: Are they included in the 98,000?

AMY BROWN: No. This is international students in New South Wales.

The Hon. COURTNEY HOUSSOS: They are additional to the 98,000 that are enrolled and completing overseas?

AMY BROWN: Correct—54,600 are based outside of Australia as at 24 January. Having said that, though, we have been returning international students as fast as we absolutely can. We have increased by nearly 20,000 since the borders reopened. Very importantly, though, we have got \$19.1 million of investment over four years for Study NSW to promote our international education offering, particularly overseas. I think one of the most powerful tools here is we have 55 staff—or we will; we currently have 30 and it will be 55 by the end of the financial year—located overseas. We have dedicated education advisers, in places like Jakarta, who commenced in August. We are also recruiting in Mumbai and in South America—San Diego, sorry. Then our team in China, for example, is very tooled up and skilled up to be able to do the international education promotion in their own country.

The Hon. COURTNEY HOUSSOS: Could you provide, on notice, the list of where those 55 staff will be based?

AMY BROWN: Yes.

The Hon. COURTNEY HOUSSOS: Are you looking to recruit locals for those positions, or are you recruiting from Australia?

AMY BROWN: The answer is it depends. The senior trade and investment commissioners—there are six of those and they lead each hub. They are a mix of locals and people. For example, Stephen Cartwright who is an Australian who has gone to London to do that work, and we have announced a bunch of others but I will not take your time if you prefer to have it on notice. Often, though, we recruit people in-country because of language and culture and all of that. I am really quite proud of the work that is happening in terms of the international rollout and getting New South Wales on the world stage.

The Hon. COURTNEY HOUSSOS: It will be interesting to see how that is rolling out. I come back to the question of the new announcement about the partnerships, the MOUs, the 10 new agreements between the universities and the Government. Are they going to be publicly released?

AMY BROWN: No. They are quite commercial-in-confidence, if you will.

The Hon. COURTNEY HOUSSOS: Can you give us a bit more of an idea of what they are going to cover?

AMY BROWN: Yes. As mentioned this morning, they are with 11 New South Wales public universities. They are negotiated, for want of a better word—formalised, I suppose—on a case-by-case basis in terms of what are the opportunities available for collaboration for things like commercialising research, getting that talent pipeline. They are very much focused on precincts, because that is where a lot of this economic activity and jobs activity happens. There is so much global research that having education anchors in our precincts is one of the key components of success, attracting investment and so on. As I said, they are signed with 11 universities and each one has a schedule of potential projects for the parties to explore in good faith. It is things like big data, artificial intelligence, cybersecurity, clinical innovation, clean energy, advanced manufacturing, regional development and so on. They are non-binding so it really is that kind of basis for the partnership to then come up with initiatives going forward.

The Hon. COURTNEY HOUSSOS: In terms of commercialising the research, this is a key challenge for universities. How is this different? What is new? What are you going to do? Is the Government going to put in any funding?

AMY BROWN: I will throw to Professor Durrant-Whyte, if possible.

The Hon. COURTNEY HOUSSOS: Of course.

AMY BROWN: But as an introductory comment, the Accelerating Research and Development in the New South Wales Action Plan obviously looked at this issue very closely and, off the back of that, there is quite a bit of funding in various kinds of grants programs that are often either to universities or in partnership with universities and into industry. It really is that kind of—what they refer to as the triple helix. But instead of using clichés, I will hand to my colleague who has been very involved in the report.

HUGH DURRANT-WHYTE: Thanks for giving me the opportunity to speak before the end of this. Nice, thank you.

The Hon. COURTNEY HOUSSOS: It is the grand finale.

HUGH DURRANT-WHYTE: I have a lot of experience in industry-university engagement and we spent most of 2019 and up to the beginning of 2021 developing the accelerating R&D action plan, which I am sure you will have heard of. It is on the web, with Gabrielle Upton and David Gonski, amongst others. There are currently four programs that have been funded out of it. There is the SBIR, Small Business Innovation & Research program, which has \$12 million this year. We have recently announced the funding of 17 companies, many of whom are affiliated with universities as part of that. We have also announced the Emerging Industry Infrastructure Fund. The request for proposals has completed and we should make an announcement within a month. That is around semiconductors, so people are aware. There is a bushfire mission, which really tries to bring technologies and universities together in a couple of different ways around trying to address technology as applied to bushfires. That is \$7 million this year.

In addition to those, you will be aware that we were involved with Matt Kean's Net Zero Plan. I am also chairing the committee that has \$40 million to hand out—\$5 million, I think, this year—again to researchers to translate research into net zero strategies as well. Again, without wanting to fill up all the time, you will be aware of the announcement of the mRNA pilot facility as well, which I am also managing, which was developed in partnership with the New South Wales Vice-Chancellors' Committee with full support from all the universities around building that industry ecosystem. We have had enormously strong focus on this area in this State, and I will have to say that our budget in this area has gone from zero to quite a bit of funding in a very short space of time.

The Hon. COURTNEY HOUSSOS: I am also mindful of not taking too much time, Professor. On notice, would you mind providing me with the list of the programs, the budgeted amount for each program and the expenditure to today's date?

HUGH DURRANT-WHYTE: Yes, I have it here. I was going to hand it out from a previous question. It appears to be Cabinet sensitive, so it has to go through the Minister first.

The Hon. COURTNEY HOUSSOS: Okay.

HUGH DURRANT-WHYTE: But all the programs, despite it being Cabinet sensitive, are all on our web page with all of those details.

The Hon. COURTNEY HOUSSOS: Beautiful, thank you very much. During the pandemic, in June 2020 the Government announced that it would guarantee \$750 million in commercial loans to help universities recover from the impact of the pandemic. I understand that three universities were engaging on this, but two withdrew, leaving only one. Is that correct?

CHLOE READ: Yes.

The Hon. COURTNEY HOUSSOS: I do not know who to direct this question to.

GEORGINA HARRISSON: That is correct. I think Ms Read has information on this. It may well be a Treasury-led matter, so I will just make sure we are—

CHLOE READ: Yes. Treasury led the development of a \$750 million loan guarantee scheme and only one university ended up applying, which is Southern Cross University.

The Hon. COURTNEY HOUSSOS: And they were then approved?

GEORGINA HARRISSON: I think this was a Treasury fund, Ms Houssos. I am very happy for us to see if we can get some information back to the Committee on notice from our colleagues at Treasury.

The Hon. COURTNEY HOUSSOS: Sure.

CHLOE READ: I think a loan has been guaranteed under the scheme, but we will come back to you and confirm that.

The Hon. COURTNEY HOUSSOS: Okay. If you can confirm the amount of the loan, that would be appreciated.

GEORGINA HARRISSON: We will provide what we can on notice. I am just conscious that we will need to go to Treasury to get that information.

The Hon. COURTNEY HOUSSOS: Yes, that is totally fine. I have a question about the ACU campus at Blacktown. We talked about it in the context of the agreements. Are there any other initiatives to support that campus at the moment?

AMY BROWN: I cannot talk to whether there is anything in the specific agreement with ACU.

The Hon. COURTNEY HOUSSOS: No, I understand.

AMY BROWN: But I do not know if any of my colleagues have any other visibility that is specific to that campus.

GEORGINA HARRISSON: No, not with us. I am happy to come back on notice if there is any further information we can provide to you.

The Hon. COURTNEY HOUSSOS: That would be great. That is all I have for now

The Hon. WES FANG: Mr D'Adam, bring us home.

The Hon. ANTHONY D'ADAM: I will start with Dr McNeill. When did you become aware of Infopro Learning's role in supporting EY to deliver the contract?

MARGOT McNEILL: That was only brought to my attention in preparation for coming today. I think it was yesterday afternoon that there was a comment that it was going to be in the press.

The Hon. ANTHONY D'ADAM: So you were not aware that Infopro had a role in supporting the transition?

MARGOT McNEILL: No, as I mentioned earlier, we work with other third-party providers to acquire things like—I guess you can equate them to textbooks. That is my understanding of the situation with EY.

The Hon. ANTHONY D'ADAM: I understand that Infopro Learning staff have been engaging with subject-matter experts. Are you aware of that?

MARGOT McNEILL: The way we have all of our product development processes set up is that there is oversight from our staff but there is also learning design, assessment design and subject-matter expertise from TAFE teaching staff. That would be part of the process. It would be managed through the EY team, as far as I understand, because that is the consulting firm that we were working with—the professional services firm.

The Hon. ANTHONY D'ADAM: Can you advise whether at any stage EY approached yourself or anyone in TAFE to say, "We need your staff to be able to work with these third-party providers"?

MARGOT McNEILL: Part of our process is that we have a lot of different contact points with people all the way through the quality-assurance process that we have. When we, for example, work with third-party providers, we would have our subject-matter experts, our project managers, our quality-assurance people, our learning designers, assessment designers, and they would all be working as part of teams. They are usually cross-disciplinary teams, so those conversations are part of everyday work for all of the courses that we develop.

The Hon. ANTHONY D'ADAM: But surely, just as a matter of courtesy or even protocol, EY should be saying to TAFE, "We need your staff to work with these providers." Otherwise, how do you know that your staff are not engaging with competitors, for example, or that the information that is being exchanged is secure or not being provided to a competitor?

MARGOT McNEILL: We do have daily stand-ups with EY, and with Deloitte, as part of the process of product development, but a lot of those professional conversations, if you like, happen daily. They happen five times on some days when there is high-pressure work happening. Not all of that—

The Hon. ANTHONY D'ADAM: And they never once raised the fact that they were using this company, Infopro?

GEORGINA HARRISSON: Mr D'Adam, I can see Mr Brady trying to come in to assist the Committee.

STEPHEN BRADY: Thank you. Mr D'Adam, I think the point that Dr McNeill is making is that there are multiple managers in TAFE who are managing streams of work. It may well be that the conversations were had with Ernst & Young but not with Dr McNeill personally. We are happy to take the question on notice.

The Hon. ANTHONY D'ADAM: Did the contract allow for subcontracting specifically?

MARGOT McNEILL: Our agreement was with Ernst & Young—EY. Therefore, we were engaging with them. When they did things like work with a third-party provider around a textbook—if you imagine that as part of the process—then that was part of us liaising with them so that we could get the learning and teaching materials that we required.

The Hon. ANTHONY D'ADAM: Shouldn't Ernst & Young have sought your permission to subcontract? Is that not a contract term, Dr McNeill?

MARGOT McNEILL: As far as I know, our arrangements were with Ernst & Young for them to be able to deliver the materials that we need in conjunction with us when we were collaborating on the process.

The Hon. ANTHONY D'ADAM: Sort of a "don't ask, don't tell" arrangement?

The Hon. WES FANG: I think you might want to rephrase that question.

The Hon. ANTHONY D'ADAM: Alright.

GEORGINA HARRISSON: Mr D'Adam, I wonder if it might be helpful if on notice we also provided you some about the Government procurement rules on subcontracting. I would be very happy to do that to ensure that you have all the information that you would need in this area.

The Hon. ANTHONY D'ADAM: That would be helpful. I am assuming the answer to this question is no, but I will ask it anyway. Do you know what proportion of the contract value was paid to Infopro Learning?

MARGOT McNEILL: No, I definitely do not know that. Always this work is very collaborative. There are always components that are required from different—like I was talking about, the third-party sources. So I do not have that information.

The Hon. ANTHONY D'ADAM: Okay, thank you. I move on to the Auditor-General's report on One TAFE. Mr Brady, perhaps you might be able to answer this. What is the status of the implementation of the recommendations of the Auditor-General in that report, released in 2020?

STEPHEN BRADY: Thank you, Mr D'Adam. I am just looking for my notes. As I understand it, Mr D'Adam, there are a number of recommendations. I would be happy to run through each of those. If further details are required, I can ask one of my colleagues. The first recommendation was to improve the Government's arrangements for delivery on commercial objectives. That called for two major things to be done. One was to clarify the role of the TAFE advisory board. That has certainly been done. We have restructured the board to ensure that it is aligned with the rules set out in the TAFE Commission Act. I am happy to provide you with the details, but purely that board now provides an advice function to the Minister. It does not have any governing role with respect to the operations of TAFE NSW.

The second item was that TAFE should be clear about its role about being a comprehensive provider of vocation education and skills. Certainly, the former Premier and the Minister have come out and made it clear that TAFE does have that role. You would have heard from the Minister this morning his views about the community value that TAFE provides right across New South Wales. The other recommendation was in relation to the community service obligation and assessing its current guidance. We have just been conducting that review of the community service obligation. I saw a draft of that review—I think it was last week. That is approaching finalisation. That will be a critical input into our outcomes-based budgeting discussions with Treasury so that it is really clear, the outcomes that we are delivering for the different funding packages that we received either through Treasury or through our agreement with the Department of Education, through Smart and Skilled.

The Hon. ANTHONY D'ADAM: Will that review be made public?

STEPHEN BRADY: Can I take that on notice, Mr D'Adam? The only reason I do that is that I am not 100 per cent clear on whether it is going to form part of a Cabinet submission or not. I am happy to come back to you on that.

The Hon. ANTHONY D'ADAM: When do you think that review will be completed?

STEPHEN BRADY: I think it is very close. It should be completed within the month.

The Hon. ANTHONY D'ADAM: Can I just ask about completion rates. We have had some discussion from Mr Shoebridge, and I put the question to the Minister. Is there anyone who can offer, perhaps, some insights into this? It is not a unique situation in New South Wales. Completion rates seem to be declining across the country. Is there anyone who has some insights into what might be driving that?

CHLOE READ: Are you referring to apprentices and trainees?

The Hon. ANTHONY D'ADAM: Yes.

CHLOE READ: Yes, Mr Collins and I can probably give some additional information. The first point I make is that completion rates are a function of commencements. So they often vary in line with a fluctuation in commencement rates, which often relate to Federal incentives, for example. So I am happy to say that, as the Minister reported this morning, there has been a significant increase in commencements in the past 18 months or so. I think, in terms of the completion data, particularly for the year to the middle of January—sorry—the middle of the year 2021, you can see COVID disruption in that data. We were aware that, for example, people may not be able to attend either for the training or for the work component. One of the things that Training Services did during that period was actually make it easier for people to suspend those arrangements as a way of protecting them from pandemic-related disruption.

The point I make about the data fluctuation is, in the June quarter for 2021, completion rates were actually significantly higher than the equivalent period for 2020. They are 23.7 per cent higher for the June quarter than they were in the previous year. Obviously, whether that translates at the end of the financial year to an overall increase in completions are yet to be seen. But it is illustrative of the way that that data is actually moving around at the moment. Mr Collins talked previously about the labour market impact on completions in particular as well—the sense that an apprentice or trainee might have wages that are less than a relatively less skilled or unskilled job that they could get, potentially within the same sector.

The Hon. ANTHONY D'ADAM: They are all factors, are they not, that are constant, whereas we are seeing a steady downward trend in completion rates over the course of a decade. Why is that happening?

CHLOE READ: That is commencements. The completion rate is—

The Hon. ANTHONY D'ADAM: No, completion rates.

CHLOE READ: No, commencement rates are also in an equivalent decline. So the—

The Hon. ANTHONY D'ADAM: It is relative, is it not?

CHLOE READ: It is. And the relative rate—

The Hon. ANTHONY D'ADAM: It is a relative thing. The percentage of the commencements gives you the completions.

CHLOE READ: That is right. The relative rate of completions is actually fairly stable.

The Hon. ANTHONY D'ADAM: So it would not be affected by the numbers.

CHLOE READ: No. The percentage is a fairly stable measure. Do you want some information about what we do to try to address this issue?

The Hon. ANTHONY D'ADAM: Yes. Absolutely.

CHLOE READ: One of the interesting things in the report on government services, the most recent version of that, is that more than 90 per cent of VET completers—this is across all VET courses, not just apprentices and traineeships—are highly satisfied with the quality of their training. That says, even if the completion rate is not where you would want it to be, those who do complete are, by and large, pretty happy with the training that they have undertaken. So one of the things we have done recently is start to think about the types of information that people might need when they are heading into training to make sure it is the training that is right for them.

So we have got, for example, a tool on our website that lets you browse through available apprenticeships and traineeships, what is one, what does it mean to be in one, how would you undertake one. You can go into different industries and see the types of jobs that particular types of training might lead you towards. You can see providers of, particularly, types of training and then drill into that and say, "Are they near me? Do they do it online?" and then see measures like the completion rates but also like student satisfaction. That is an important part of saying what we actually want is the same number of people to start courses but we want them to be in a

better position, obviously, to finish those courses. A big part of that will be understanding what it is really like to work in that industry.

Similarly, the Careers NSW initiative, which came out of the Gonski-Shergold report into the vocational education sector, includes an emphasis on volunteers who can give people a genuine sense of what it is like to work in a particular industry. We have industries in shortage that have high rates of attrition, not just from training but from people who are early in their career, presumably because they enter the workplace and discover the role is not really what they expected. So some of that work for Careers NSW, right up front, is the training that you need.

The Hon. WES FANG: Feel free to grab a drink, Ms Read.

CHLOE READ: Thank you. To be honest, my voice does this whether I have a drink or not. So I will push on. The other things that we have got in terms of supporting apprentices and trainees within their training are things like financial support. We have the Vocational Training Assistance Scheme, which gives funding to regionally based apprentices or trainees who might need to incur travel as part of undertaking their training or their work or might need to relocate, and scholarships for learners who might need additional financial assistance. Then, as the Minister mentioned, currently apprenticeships and traineeships in New South Wales are fee free. Instead of paying up to \$2,000 for an apprenticeship or about \$1,000 for a traineeship, they are currently fee free. I think we have delivered—I do not know where it is—close to 72,000 fee-free apprenticeships since 2018 and close to 46,000 fee-free traineeships since 1 January 2020.

KIRSTY HOSEA: Mr D'Adam, do you mind if I just add some context as well from a TAFE perspective?

The Hon. ANTHONY D'ADAM: Of course. Please.

KIRSTY HOSEA: As the Minister said this morning, when you look at the completion rate for a bachelor's degree—it is around 60 per cent. Our trades were sitting at 56.1 per cent in terms of completions—relatively on par. But I think the difference between a university and when you are looking at a trade and an apprenticeship is the dependency on an employer as well. There can be somebody who does not continue with their apprenticeship, not because of the choice of a course or the enjoyment of the learning and the fulfilment but purely because their employer has gone out of business or something has happened. That is a contributing factor in our space. And—

The Hon. ANTHONY D'ADAM: Do you have data on the percentage who are in that situation, where they have ceased to be engaged by their employer?

KIRSTY HOSEA: No—

DAVID COLLINS: Can I just comment. When we are actually talking about apprenticeship and traineeship completion rates and the data that is released by the National Centre for Vocational Education Research—that is actually not TAFE enrolment or RTO enrolment; that is training contracts. That is actually the registration of the training contract, which governs the employment and training. There are a couple of measures they have. One is contract completions. That would pick up those sorts of things, because there may be apprentices whose employer goes out of business or whatever. That is considered a non-completion. They also, though, measure individual completions, which is where the individual might recommence a new contract and complete that contract. That ends up being a better number, if you like. But it does reflect all of those things. It is just an interesting distinction, though. We talk about completion rates, and we all assume that we are talking about the same thing, whether it is an apprenticeship or traineeship or just enrolment in a course. But, in fact, it is measuring that employment and training arrangement rather than just the enrolment at a provider.

CHLOE READ: I would also say one of the things that we do when an employer involved in the apprenticeships or traineeships goes out of business is work with those learners to find a different employer to continue with that arrangement, and so that is probably—

DAVID COLLINS: We have got wonderful acronyms. We have got CAPS—the Continuing Apprentices Placement Service, where we will reach out to those apprentices and we will manage a kind of brokerage matchmaking thing with employers who are looking for apprentices to resume—

The Hon. ANTHONY D'ADAM: Is that solely a departmental role or is that something that TAFE also does either in collaboration or independently?

CHLOE READ: No, that is with us.

DAVID COLLINS: That is something that we do, though TAFE, I think, does a bit of it itself, because it has relationships with—I will not speak on TAFE's behalf, but it has relationships with employers.

The Hon. ANTHONY D'ADAM: Yes, okay.

GEORGINA HARRISSON: If I may, before we continue—

The Hon. WES FANG: Yes?

GEORGINA HARRISSON: —we did not take the break. I am conscious that Mr Brady has joined us today despite having COVID and so I just wondered if we could get an indication in relation to that. I am very happy to continue the line of questioning, but I just wanted to make sure we were—

The Hon. ANTHONY D'ADAM: I have got two more questions. I have got one more question for Mr Brady, so I might just pose that.

GEORGINA HARRISSON: That would be great.

The Hon. ANTHONY D'ADAM: Ms Hosea was sort of midway through her answer. I will hear that and then perhaps ask my question of Mr Brady and move on to my final—

KIRSTY HOSEA: Certainly. Thank you so much. Just briefly on the apprenticeships as well, the latest NCVER data on outcomes for 28 February this year stated of those trades that completed in New South Wales that were satisfied with their off-the-job training—which would be an indication of organisations like TAFE, but it is not exclusively—they actually indicated 87.7 per cent satisfaction with their offline training. The last point that I wanted to make outside of trades is that there are a number of reasons why people come to explore vocational education, and for each of those learners that come here it is not everybody's intention to complete when they walk in the door. In some cases they are coming in because they are taking advantage of a stimulus package and they need just-in-time training for some specific units and actually have no intention of completing the full program.

Then there are others that are in vulnerable markets as well, or vulnerable situations, where they may be the first of many generations to continue on to their education. So we applaud them in coming in and making that first step, but they are not always going to complete. Sometimes, just for their families to see them taking that step, that is enough and that is where we are really—when we are talking about being the comprehensive public provider and helping to influence change and getting people ready for the job market, that is also, in my opinion, something that is a great deal of success that would not necessarily reflect in the numbers.

The Hon. ANTHONY D'ADAM: Okay, thank you.

The Hon. WES FANG: So we have got two questions left, is that right, Mr D'Adam?

The Hon. ANTHONY D'ADAM: I have got a question for Mr Brady and then just a short line of questioning on another—

The Hon. WES FANG: Brevity is wonderful.

The Hon. ANTHONY D'ADAM: Okay, I promise I will not be too long. Mr Brady, earlier in the proceedings you made a comment I just wanted to clarify. You said something akin to "a lot of casuals were satisfied with their status as casuals". Is that a fair assessment of the comment that you made?

STEPHEN BRADY: What I was referring to is that the casual employment of our teachers suits some of their lifestyles. Some of them do not just work for us, they work for multiple other—you know, they do other roles as well. Some of them will still work in industry and come and teach courses with us. So I was just referring to the fact that the casual employment of some of our workforce is exactly what they are looking for. It is not necessarily that casual is bad or permanent is good.

The Hon. ANTHONY D'ADAM: Arising from that, have you done any systematic assessment of employee preferences, for casuals?

STEPHEN BRADY: I would have to ask Ms Tickle whether we have anything of that nature.

The Hon. ANTHONY D'ADAM: So in regard to your statement though, you are not drawing on any data, hard data, in relation to that sentiment?

STEPHEN BRADY: No hard data, but it is really in relation to some of the conversations that I have had with teachers as I have visited campuses over the last couple of months. So it is feedback that I have had directly, but I do not have specific data to support it.

The Hon. ANTHONY D'ADAM: Thank you. My final line of questioning is about the Skills Priority List that is produced by the National Skills Commission. I wanted to ask how TAFE utilises this information. I will give you an example. On the list there is an occupation, wood machinist. There is a shortage of them across

Australia—a moderate shortage, but a shortage nonetheless. I know, just from personal experience, that there has been a shortage of wood machinists in Australia for probably two or three decades. I know wood machining has enrolments in Newcastle and, I think, at Lidcombe TAFE. I suppose I wanted to ask how TAFE translates this information into action to try to address the skills shortage? What do you do? Say, on a situation like wood machining, how do you take this information that there is an acknowledged shortage there? What action does that drive in TAFE?

GEORGINA HARRISSON: Mr D'Adam, if I may start, because the Smart and Skilled program which utilises the skills list to then put packages out to market, including provision from TAFE, sits within the department and it uses that skills list to optimise the way we run that program. So Ms Read can provide some information on that, if it is helpful?

CHLOE READ: Yes. So the New South Wales skills list is what we use for the Smart and Skilled program. We use that to drive and direct funding.

The Hon. ANTHONY D'ADAM: Where is that data drawn from? Is that an identical list just for—

CHLOE READ: No, it is not identical to the NSC.

The Hon. ANTHONY D'ADAM: Where has it come from?

CHLOE READ: The National Skills Commission list is the one that determines the qualifications for the JobTrainer/Skilling for Recovery program that we talked about earlier. The difference, obviously, is that one of them is a Commonwealth body which draws a picture of the skills shortage across Australia and the JobTrainer program was offered to all States and Territories, and the New South Wales skills list is our view of the skills shortage within New South Wales.

The Hon. ANTHONY D'ADAM: How do you assemble that? Do you assemble that data or is that done by someone else?

CHLOE READ: We do it and—sorry, I am just trying to find the information—we use a range of information, including things like job vacancies, to determine what goes on that list.

The Hon. ANTHONY D'ADAM: How frequently is that produced?

CHLOE READ: The list is more like a rolling list. It is not like a—so the National Skills Commission list, I believe, is refreshed annually, or that is the plan. It is a relatively new list. In between the times for the skills commission list there is a process where States and Territories can say "Actually, we need a particular thing added to that list." Our list is, sort of, reviewed in a more ongoing way. It is not annually developed.

GEORGINA HARRISSON: We are happy to provide on notice, Mr D'Adam, some of the criteria that go into the formation of that list and its review period, if that is helpful?

The Hon. ANTHONY D'ADAM: Sure.

DAVID COLLINS: Can I just make a slight distinction? The Skills Priority List is a list of occupations and they are occupations that are in skills shortage. It is used for a number of things by the Commonwealth, including for skilled migration purposes.

The Hon. ANTHONY D'ADAM: Yes, of course.

DAVID COLLINS: The National Skills Commission has also developed a qualifications list. The methodology that the Commonwealth is using is very similar to methodology that we have used to establish our qualifications list, which we call the skills list, which is—

CHLOE READ: Deeply confusing.

DAVID COLLINS: —why we all, sort of, can merge—

The Hon. ANTHONY D'ADAM: Okay, so we have got a skills list in New South Wales. We do not necessarily rely on the Skills Priority List. What do we do with that information then?

DAVID COLLINS: We refer to it. We refer to the Skills Priority List as part of the process. We also feed into that, the compilation of that list. The States have the opportunity to inform the National Skills Commission of those occupations, those job classifications, that are priorities for the State which should be on the list.

GEORGINA HARRISSON: So we use the list in the department to put the packages out to market for skills provision. Mr Collins, that is correct?

DAVID COLLINS: Our qualification list is informed by this, but also by consultation with local industry, by looking at demand. So we have narrowed down those qualifications that we believe are most necessary or most important in terms of supporting New South Wales business, but also helping people get jobs or get better jobs.

The Hon. ANTHONY D'ADAM: Okay. So you have got the packages to match the list, then what does TAFE do with the information?

KIRSTY HOSEA: One of the recent moves that we made back in June-July is we formed a statewide network called Skills Excellence Network, and those are based on our skills teams. That is an area of opportunity for all our teachers across the State in a particular discipline to look at the scope of what it is that we are delivering and what do we think we will be delivering in the future, as well as working very closely with the product team in developing the type of product that we need in the future. Depending on what is on the skills program as well as what we hear in our own engagement with industry through those networks on what is required, that is where we would develop our curriculum—in consultation with our market team, our product team and also our people and culture team—to see if we have the right teaching workforce in place as well as the facilities and management team to be able to deliver in the future.

The Hon. ANTHONY D'ADAM: So you developed the list and wood machinist is probably on it; it has been on it for many decades. The funding is provided and the courses are developed but still we are not meeting the need, because there clearly are not enough wood machinists being trained. Is there not something missing here in the policy approach that is being applied? Presumably, we have known that we need wood machinists. We have training for wood machinists and funding for training for wood machinists; we know we need wood machinists. Why are we not training enough wood machinists? What is the problem?

KIRSTY HOSEA: We have outlined the process of what we would do and how we assess what we should be delivering, as well as how we should be delivering, engaging and consulting with industry. In the case of wood machinists, that is not an area that I am personally familiar with, but I am happy to explore.

DAVID COLLINS: I cannot speak specifically in relation to wood machinists, but we can create the capacity. We can ensure that TAFE has got the capacity to deliver training for wood machinists. It is then a matter of demand.

The Hon. ANTHONY D'ADAM: But it is informed by industry. Industry is telling you that you need wood machinists.

GEORGINA HARRISSON: The other side of demand, Mr D'Adam, is student choice. I think that is what Mr Collins was trying to indicate: There will be a demand from an employer, but there will also be a student choice in relation to the subjects they are choosing to go and study. It is those factors. We have to work on both sides of that equation in order to increase the number of wood machinists, for example.

The Hon. ANTHONY D'ADAM: What would you do to recruit students into wood machining? Whose job is that?

CHLOE READ: There are things like the skills comparator tool I talked about earlier, which lets prospective students understand the types of jobs they might be able to engage in and the types of training that are available to them, as well as whether that training comes at any sort of cost and whether it is near their homes. Those kinds of pieces of information that will allow students to make more informed choices about where courses resulted in a job benefit for the individual, where students completed those courses and the types of satisfaction ratings that they gave to that particular training organisation will assist. Additionally, Careers NSW will assist in giving people more targeted advice about the types of opportunities that there are in their local areas that their skills or their preferences might be driving them towards, as will our work with schools to promote VET pathways and make sure that students are really understanding what is in their local area and also what is in their wheelhouse, as well as the types of courses they can study both at school and beyond school to take them into a particular pathway.

The Hon. ANTHONY D'ADAM: I am happy to conclude there, Chair.

The Hon. WES FANG: Mr D'Adam, you have just made my day.

GEORGINA HARRISSON: Chair, while I have the opportunity, I put on the record our thanks to staff across the State who are continuing to support the flood recovery efforts—despite, in many cases, their own losses. I want to acknowledge the work that is happening across northern New South Wales and now other parts of the State, particularly in our school communities, and thank our staff for their work.

The Hon. WES FANG: Thank you, Ms Harrison. We certainly echo that in the Parliament as well. With that, I will draw this to a close. Mr Brady, thank you very much for attending despite having COVID. I know what it is like; I had it last week. On the day after I was diagnosed, I was horizontal in bed and slept most of the day, so the fact that you are here is a testament to you. To Ms Hosea, happy birthday, and I hope you have a wonderful evening tonight. Mr D'Adam apologises for his lines of questioning and for holding you up from your birthday drinks. We will have questions on notice, and I thank everyone for their attendance today.

(The witnesses withdrew.)

The Committee proceeded to deliberate.