

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

**Wednesday 1 November 2023**

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

## **SKILLS, TAFE AND TERTIARY EDUCATION**

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**The Committee met at 9:15.**

### **MEMBERS**

Ms Abigail Boyd (Chair)

The Hon. Mark Buttigieg

The Hon. Wes Fang

The Hon. Rachel Merton (Deputy Chair)

The Hon. Tania Mihailuk

The Hon. Cameron Murphy

The Hon. Peter Primrose

### **PRESENT**

**The Hon. Steve Whan**, *Minister for Skills, TAFE and Tertiary Education*

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

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

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



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**The CHAIR:** Welcome to the second hearing of the Committee's inquiry into budget estimates 2023-2024. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal and Torres Strait Islander people joining us today and anyone who may be watching the broadcast. My name is Abigail Boyd and I am Chair of the Committee. I welcome Minister Whan and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Skills, TAFE and Tertiary Education.

I ask everyone in the room to please turn their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of these procedures. I welcome our witnesses and thank you for making the time to give evidence today. All witnesses will be sworn prior to giving evidence. Minister Whan, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament. Also, Mr Dizdar, Ms Read and Ms Blackadder have already been sworn prior to appearing today.

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**Mr MURAT DIZDAR**, Secretary, NSW Department of Education, on former affirmation

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

**Ms SALLY BLACKADDER**, Acting Chief Operating Officer, NSW Department of Education, on former affirmation

**Mr DAVID COLLINS**, Executive Director, Training Services NSW, NSW Department of Education, affirmed and examined

**Mr STEPHEN BRADY**, Managing Director, TAFE NSW, sworn and examined

**Dr MARGOT McNEILL**, Chief Product and Quality Officer, TAFE NSW, affirmed and examined

**Ms JULIE TICKLE**, Chief People and Culture Officer, TAFE NSW, affirmed and examined

**Ms JANET SCHORER**, Chief Delivery Officer, TAFE NSW, sworn and examined

**Mr PATRICK WOODS**, Chief Operating Officer, TAFE NSW, affirmed and examined

**Ms FIONA RANKIN**, Chief Information Officer, TAFE NSW, affirmed and examined

**The CHAIR:** Today's hearing will be conducted from 9.15 a.m. to 5.30 p.m. We are joined by the Minister for the morning session only, which will run from 9.15 a.m. to 1.00 p.m. with a 15-minute break at 11.00 a.m. In the afternoon we will hear from departmental witnesses from 2.00 p.m. to 5.30 p.m., again with a 15-minute break at around 3.30 p.m. During these sessions there will be questions from the Opposition and the crossbench members only, and then 15 minutes allocated for Government questions at 10.45 a.m., 12.45 p.m. and 5.15 p.m. We will begin with questions from the Opposition.

**The Hon. WES FANG:** Welcome, Minister, and congratulations on your ascension to the ministry in a very short period of time. Obviously, you're very experienced from the previous time that Labor was in government, and so I'm sure you'll be ready for all the questions that we're about to put to you. Before we do that, can I table these papers, please? There will be a copy for you, Minister. There should be 11 copies there—one for each of the members and one for the Minister. Minister, what I'm about to hand to you is a piece of paper that was tabled in the SO 52 returns that were given to the upper House around the brumby issue. I will read out for you the contents that I want to draw to your attention. I won't identify the person who wrote the email, but I can indicate that they are an electorate officer in your electorate office.

Hi Peta

I realise it's early days, but I was wondering if we had a standard response regarding feral horses in KNP.

That is, Kosciuszko National Park. The next bit is the bit that's concerning me:

I understand the party position is that the current plan is the way to go but needs to be implemented more effectively—

And, Minister, it says—

and that aerial shooting is still not being considered.

Was your office telling voters in the Monaro electorate, prior to and after the election, that the Labor Party position was that you would not use aerial culling for the brumbies in Kosciuszko National Park?

**Mr STEVE WHAN:** Thanks for the question. That's a really interesting question and it's one I've spent a lot of time talking about. In fact, one of the things as candidate for Monaro and as the member for Monaro that I was saying right from the first time I was preselected—which, as you probably know, was only a few weeks before the election—was that I actually, personally, supported the aerial culling of brumbies and I felt that we needed to take that action. As you'd be aware, the legislation introduced by the former Government did not include aerial culling as one of the options that was available. So when we first came into government that was still the way that culling was to be undertaken, with ground shooting and rehoming. It's very clear, though, that we needed to do more because the counts that have been done have—

**The Hon. WES FANG:** Minister—

**Mr STEVE WHAN:** Let me finish. The counts that have been done have made it very clear—

**The Hon. WES FANG:** I am now redirecting the question because, whilst I appreciate that, your office clearly indicates that they were advising that aerial culling was not being supported by the Labor Party.

**Mr STEVE WHAN:** No, that's not what this says. I think you're misinterpreting it.

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**The Hon. WES FANG:** How do you interpret it, Minister?

**Mr STEVE WHAN:** As you'd note in the document you circulated, the email was from my electorate office to the Minister's office—

**The Hon. WES FANG:** Correct.

**Mr STEVE WHAN:** —and it was seeking confirmation that aerial shooting was not being considered. Now, at that time, that was the policy. The Minister then announced a review—

**The Hon. WES FANG:** And that's what you were communicating to the voters. Minister, were you elected on a lie?

**Mr STEVE WHAN:** As I just said to you, and I want to make this really clear because I'm on record in a number of media outlets already—

**The Hon. WES FANG:** Minister, you're not directly answering the question.

**The Hon. PETER PRIMROSE:** You won't let him answer.

**The Hon. CAMERON MURPHY:** Point of order—

**The CHAIR:** Order!

**The Hon. WES FANG:** Did you lie to the electorate, Minister?

**The CHAIR:** Order! Apologies, but when a point of order is called, I need to hear it.

**The Hon. CAMERON MURPHY:** Thank you, Chair. My point of order is in two parts. The first is—

**The Hon. WES FANG:** Don't waste my time, Murphy.

**The Hon. CAMERON MURPHY:** —I've listened to a couple of these questions to see how they relate and what their relevance is to this portfolio area, and they're quite clearly questions about the Minister's job—

**The Hon. WES FANG:** Waste my time and I'll call him back, mate.

**The Hon. CAMERON MURPHY:** —as a member of Parliament and have nothing to do at all with this portfolio area.

**The Hon. WES FANG:** You're wasting my time.

**The Hon. CAMERON MURPHY:** The second point to the point of order—

**The Hon. WES FANG:** Get to the point.

**The Hon. CAMERON MURPHY:** —is about treating the witness with respect and not speaking over him. There is a requirement of courtesy and professionalism.

**The Hon. WES FANG:** To the point of order: There is no point of order. He is wasting my time.

**The CHAIR:** I don't need to hear any more. Let's just get this one out of the way really early. We will allow the Minister to answer questions. I have seen how some of these points of order have been taken in previous and in other estimates. I'm not inclined to accept most of them. I do view most of them as being interference. However, Mr Fang, to the extent that you continue to interrupt me and others during points of order, I will be indulging those points of order from Government members. We will proceed in an orderly way.

**The Hon. WES FANG:** Understood, Chair. Minister, were you elected on a lie?

**Mr STEVE WHAN:** Mr Fang, I actually made it very clear before the election and in media comment immediately after the election that I personally supported aerial culling of brumbies. I've been very clear, over the period of my time as public representative for Monaro in the 12 years before that when I was elected, that this is a problem. And it is a problem which has become far worse because of 10 years of inaction from the previous Government. We've seen the Brumby numbers explode. We've seen severe damage to—

**The Hon. WES FANG:** I'm going to redirect you now, Minister. I've started to hear your thing, but your electorate office is saying one thing and clearly indicates that the policy position was clear, and now the Minister is changing the policy position.

**Mr STEVE WHAN:** It certainly does not say that.

**The Hon. WES FANG:** The communications out of your office were that aerial culling would not be considered.

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**Mr STEVE WHAN:** The email that you're referring to—

**The Hon. WES FANG:** Tell me how I'm wrong.

**Mr STEVE WHAN:** Well you're quite wrong, because the email you're referring to is an email to the Minister's office seeking clarification.

**The Hon. WES FANG:** Confirming that that is the position.

**Mr STEVE WHAN:** I would have thought it's a little early in the morning to be getting quite so excited but, Mr Fang, I've made it very clear—

**The Hon. WES FANG:** Minister, you might think this is a joke, but I assure you there are people in your electorate that are very much not thinking that this is a joke. There are people there that are devastated with the reverse of decision from your environment Minister and you're the local member, Minister.

**The Hon. MARK BUTTIGIEG:** Point of order—

**The CHAIR:** Order!

**The Hon. MARK BUTTIGIEG:** Madam Chair, I know you're not going to indulge points of order, but this is, in context, out of control. The member is totally disrespectful, shouting and screaming across the table. I ask that you allow the Minister to actually do what he was doing and answer the question.

**The Hon. CAMERON MURPHY:** It's not even a question.

**The CHAIR:** To clarify, I will indulge some points of order, just not ones that are intended to run as interference. However, this one is completely valid. Can we please just calm down a little bit and allow the Minister to respond. I will allow this questioning will continue even though it's outside of the portfolio. Could we have a tad more courtesy?

**Mr STEVE WHAN:** Mr Fang, let me respond to some of your statement. I understand that there are people in the electorate and right around New South Wales who are passionate lovers of the brumbies. There are many people like that out there, but the problem we have that is that we created a national park back in the 1940s to protect the native wildlife and the native flora and fauna of the area. We did that as well because we wanted to protect the quality of the water.

**The Hon. WES FANG:** Minister, I understand the history. That's not what I'm asking. I'm going to redirect you.

**Mr STEVE WHAN:** I actually don't know that you do understand the history and why we need to tackle this serious problem in the national park.

**The Hon. WES FANG:** I'm redirecting, Chair. The history is not relevant, Chair.

**Mr STEVE WHAN:** The brumbies are causing significant damage.

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

**The CHAIR:** I'll hear the point of order.

**The Hon. WES FANG:** The standing orders under the Committee resolution is that the questions need to be in order but also that answers need to be directly relevant. This is not being directly relevant. I'm asking to redirect. The Ministry is seeking to use up the time because he is not wanting to be responsive to the questions.

**The CHAIR:** That's enough for a point of order.

**The Hon. WES FANG:** I'm seeking to redirect.

**The CHAIR:** Listen, in the questioning and answering there needs to be some give and take, and some opportunity to redirect. That doesn't mean you get to interrupt too early on. Quite frankly, that was too early on. We will let the Minister answer the question and then you will ask another.

**Mr STEVE WHAN:** Mr Fang, as I've pointed out already several times in this, I'm on the public record as supporting aerial culling of brumbies. I have been on the public record as supporting aerial culling of brumbies for a very long time. I made that clear before the election and post the election. It is a position which I think is critical for the environment of the Kosciuszko National Park. It's one of our most important national parks in the State. If you visit it, as I do regularly, you will see that what we're seeing in the area with the overpopulation of wild horses and also deer, pigs and wild dogs is serious damage occurring to the park. We already aerially cull the other invasive species in the park. It's totally reasonable to cull.

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**The Hon. WES FANG:** I'm going to redirect now, Chair.

**Mr STEVE WHAN:** I have already restated to you a number of times that the email that you've circulated today and tabled is one which my office sent to the Minister's office seeking confirmation. At the same time, I was publicly advocating aerial shooting, and I welcomed the fact that the Minister announced a review. She sought submissions. I'm sure that Minister Sharpe has probably been—I'm not sure if she's had her estimates, I'm sorry.

**The CHAIR:** Not yet.

**The Hon. WES FANG:** No, I'm on that tomorrow. I'm going to redirect now, Chair, if that's all right.

**Mr STEVE WHAN:** I'm sure she'll talk to you in that about the—

**The Hon. WES FANG:** Mr Whan, I'm going to redirect you. I'm sorry, you're now drifting off the question that I was actually asking and it leads in nicely.

**Mr STEVE WHAN:** I think I've answered your question.

**The Hon. WES FANG:** It leads in nicely to my next question, which is what representations have you made to Minister Sharpe in relation to the issue? We know that you're pro aerial culling. How were you involved in this decision of Government?

**Mr STEVE WHAN:** I've had many conversations with the Minister about aerial culling. I've indicated to her over a long period of time—indeed, well before I was preselected in this place and when I was providing advice on this issue. I've made it very clear to her that I supported the reintroduction of aerial culling and that should happen because of the damage that is occurring now. It's really important for you to understand. I don't have familiar you are with Kosciuszko National Park. An alpine park environment should have vegetation there which provides cover for small native animals. At the moment what's happening is that those alpine areas are being grazed down. They look more like meadows and fields. The river sites are being trampled. As a National Party representative, I'm sure you're concerned about water quality running down the western side through the irrigation schemes. That was the original reason the park was created. We created the park—

**The Hon. WES FANG:** Mr Whan, I appreciate the view that you're—

**Mr STEVE WHAN:** Can I just continue the explanation?

**The Hon. WES FANG:** I think you're now starting to use my time again and not being relevant.

**Mr STEVE WHAN:** We created the park to exclude hard-hoofed animals from that area and that's what we should be doing.

**The Hon. WES FANG:** I'm going to redirect you to the question—

**Mr STEVE WHAN:** Go there.

**The Hon. WES FANG:** —that I originally asked you, which is what representations did you make to the Minister?

**Mr STEVE WHAN:** I've already answered that.

**The Hon. WES FANG:** Looking at the date of this email, Minister, it's 3 May. We now know out of the SO 52 returns that the decision was made well before the Minister made the announcement. Are you directly involved in having aerial culling return to the national park?

**Mr STEVE WHAN:** If you'd like to say that I'm directly involved in having aerial culling, I'm happy to accept some of the credit for it, because it's an important decision to protect the heritage and history of the park.

**The Hon. WES FANG:** It's interesting that you call it credit.

**Mr STEVE WHAN:** However, as I've said to you, I've had many conversations with the Minister. I'll continue to. I've been an advocate of returning aerial culling. I've said that to the brumby lovers in the park as well.

**The Hon. WES FANG:** Did you make that clear before your election, Minister?

**Mr STEVE WHAN:** Yes, I did.

**The Hon. WES FANG:** Because I don't think the people feel the same way. Minister, are you confident that you've made all the appropriate disclosures that you are required to?

**Mr STEVE WHAN:** Yes, I am.



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**The Hon. WES FANG:** I ask that question given the previous Minister had a few little foibles, shall we say. So I think there might be a little bit of a focus on the things that you may or may not have declared, given how you came to the role.

**Mr STEVE WHAN:** Do you want me to comment on that or is that just a statement from you?

**The Hon. WES FANG:** No, I'm just saying that you can imagine—

**Mr STEVE WHAN:** It sounded like a statement to me.

**The Hon. WES FANG:** You can take it whichever way you like, Minister.

**Mr STEVE WHAN:** I'll take that as a question, then.

**The Hon. WES FANG:** By all means, Minister, you can. I'm interested to see—

**Mr STEVE WHAN:** I'm confident that I've declared all my pecuniary interests as required by all the guidelines.

**The Hon. WES FANG:** I'm glad you've made that statement, Minister, because we'll see how we go. Minister, in your first disclosures you list being a director of a wind-up company called Club Plus Superannuation Pty Ltd.

**Mr STEVE WHAN:** Correct.

**The Hon. WES FANG:** It states the sole director, being you, received a monthly fee. If the company has no assets, then how is it you were able to be paid a monthly fee?

**Mr STEVE WHAN:** You will have to let me give an explanation to this because the superannuation world is reasonably complicated when it comes to mergers. Club Plus Superannuation was an industry superannuation fund which existed for a very long time. It used to have around 60,000 members. The directors of the company took a decision to merge with AustralianSuper. As part of that process all the members and all the assets were transferred to AustralianSuper. For legal reasons AustralianSuper, as part of the process, wanted to have an entity which remained and was there for seven years for the period the legal actions were possible against the prior company. All the funds from Club Plus Superannuation were transferred to AustralianSuper. That included provision for the funding of this organisation and this position. So that funding came from Club Plus Superannuation originally but is actually managed by AustralianSuper and is paid by AustralianSuper.

**The Hon. WES FANG:** Right, so I think you might have just answered the question, Minister. Who did you list as having paid you?

**Mr STEVE WHAN:** The organisation is Club Plus. It comes from Club Plus.

**The Hon. WES FANG:** Who paid you, Minister?

**Mr STEVE WHAN:** Club Plus Super does because that money was transferred to AustralianSuper from Club Plus.

**The Hon. WES FANG:** You just answered the question again. I am going ask you again, Minister: Who paid you?

**Mr STEVE WHAN:** Club Plus Super does from its members' money, which was transferred to AustralianSuper. It's administered by AustralianSuper.

**The Hon. WES FANG:** So which entity paid you?

**Mr STEVE WHAN:** Club Plus.

**The Hon. WES FANG:** Minister, you're under oath. I'm asking you again: Which entity paid you?

**Mr STEVE WHAN:** Well, the source of the funds came from Club Plus members via AustralianSuper—

**The Hon. WES FANG:** And which was the entity that paid you?

**The Hon. CAMERON MURPHY:** Point of order: The question has been asked several times and answered several times so I think the honourable member should move on.

**The CHAIR:** In relation to the point of order, it's within the member's right to ask a question and get the same answer over and over if they want to waste their time that way. But if we could perhaps just pause a little bit between questions.

**The Hon. WES FANG:** Minister, do you agree—

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**Mr STEVE WHAN:** Let me just elaborate on that for a moment.

**The Hon. WES FANG:** No, I'm going to ask you another question now, Minister. Do you agree that it was AustralianSuper that was actually the entity who was paying your wage, not Club Plus?

**Mr STEVE WHAN:** AustralianSuper is administering the money that was provided from Club Plus.

**The Hon. WES FANG:** And so, as the administering body—

**Mr STEVE WHAN:** I'm a director of Club Plus and in my disclosure I said that I receive a fee for that. By way of further information, once I became a Minister I made a declaration to the Premier about that and I have undertaken the process of exiting that role. That will happen—

**The Hon. WES FANG:** Minister, I have your disclosure form here. You say that you are funded from Club Plus Superannuation and you are paid by Club Plus Superannuation. You are not; you are paid by AustralianSuper.

**Mr STEVE WHAN:** I said I'm paid—

**The Hon. WES FANG:** And you say that it's a wind-up company. Your payment comes from AustralianSuper.

**Mr STEVE WHAN:** I think what I've said in there is that I am paid—

**The Hon. WES FANG:** Have you disclosed this properly, Minister?

**The CHAIR:** Order!

**Mr STEVE WHAN:** What I've said in my—

**The Hon. WES FANG:** Are you confident?

**Mr STEVE WHAN:** What I've said in my declaration, which is very clear, is that I receive a payment for the director position on Club Plus Super. Because I'm the sole director on that—and we have a company secretary as well—it does take a little while to exit that. I am in the process of getting a replacement director because, obviously, that entity does require a director to be present. So I am in the process of actually exiting that. I've written to the Premier. The Premier has written back to me and given me the conditions of doing that.

**The Hon. WES FANG:** Minister, I would say to you that your disclosure isn't exactly accurate and that perhaps if the Premier is prepared to have that issue as—

**The Hon. PETER PRIMROSE:** Point of order—

**The Hon. WES FANG:** Well, no. Don't interrupt. I haven't even asked a question yet.

**The CHAIR:** Order!

**The Hon. PETER PRIMROSE:** If the honourable member wishes to ask questions he's free to, provided he treats the witness with courtesy. He can't ask a question and then seek to answer it and then make a statement.

**The Hon. WES FANG:** To the point of order: The member is just wasting my time now. I hadn't even asked a question yet.

**The CHAIR:** Order!

**The Hon. PETER PRIMROSE:** You are here to ask him questions.

**The CHAIR:** Order! If we could get to the question please.

**The Hon. WES FANG:** Minister, are you suggesting that the Premier has indicated to you that he is confident that your disclosures are accurate and up to date?

**Mr STEVE WHAN:** I've written to the Premier and disclosed the position. I've asked and I've sought from him a ruling about whether or not I continue in that position as a Minister, because it was clear that as a backbench member of the Parliament that I could. As a Minister, the Premier has written back to me and said that in a reasonable space of time I should seek to exit that. It wouldn't obviously be appropriate for me, as a sole director, to simply resign and leave no director in that position. I think the appropriate thing to do is exit that position and I have undertaken to start that process.

**The Hon. WES FANG:** Minister, has your involvement with AustralianSuper influenced your decision-making as a Minister?

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**Mr STEVE WHAN:** No.

**The Hon. WES FANG:** Are you confident of that?

**Mr STEVE WHAN:** Yes. I'm also, as you'd see in my declarations, a member of AustralianSuper as a superannuation member.

**The Hon. WES FANG:** Minister, prior to the election were you also a director of MI holdings?

**Mr STEVE WHAN:** Yes, I was.

**The Hon. WES FANG:** Did you have any further engagement with MI Holdings since ceasing your directorship?

**Mr STEVE WHAN:** No. I was on the board of the Murrumbidgee Irrigation—Murray Irrigation and MI Holdings. I resigned that once I won preselection for the position. I've had social contact recently with the MI board because they had a farewell dinner for me, which was very kind of them, but I haven't had any other involvement.

**The Hon. WES FANG:** How much time do I have left?

**The CHAIR:** You've got 42 seconds.

**The Hon. PETER PRIMROSE:** You've got nothing left there so maybe something about the portfolio?

**The Hon. WES FANG:** I've got plenty left. It's unfortunate because—anyway, not enough time to put the next round of questions.

**The Hon. PETER PRIMROSE:** Stop wasting your time.

**The Hon. WES FANG:** I'll make the point, Minister, that I will come back to you very shortly with further questions around disclosure.

**The CHAIR:** Are you done for now?

**The Hon. WES FANG:** I like to do them slowly.

**The CHAIR:** Minister, if I could ask you about the student IT system? I'm sure you're aware of the Oracle system. I understand it was 2017 when this was first contracted to be completed. Well, not to be completed but to start being phased in with TAFE NSW. What is the current status of that project?

**Mr STEVE WHAN:** It does seem like a long-running project. I think probably if you hear from people, the TAFE systems, in many respects, were quite out of date. There has been a long-running project to upgrade the systems, and I will hand over to the managing director in a moment. The reports that I've had and the briefings that I've had since I took on the position of Minister is that it's being rolled out in stages. There are a number of stages which have commenced. There are some complexities, obviously, in the rollout of the systems when you've got a lot of different sections to it. There's quite a lot to it as you can see from the notes that I've just been handed.

**The CHAIR:** I appreciate that you're relatively new in this role.

**Mr STEVE WHAN:** And I won't be reading all of those out.

**The Hon. WES FANG:** Just table them.

**Mr STEVE WHAN:** No, I won't take that opportunity, Mr Fang, but thank you for the offer.

**The Hon. WES FANG:** Shame.

**Mr STEVE WHAN:** We have successfully rolled out several releases, There is the release strategy that allows both students and staff to access and familiarise themselves with the system so that they can continue the enhancement of TAFE systems. The first phase of the core project went live on 4 July 2022 with Oracle PeopleSoft Campus replacing Tribal's ebs solution for TAFE NSW higher education courses. That was seeking to enhance the student enrolment experience. As I said, there is a lot of information here about the various aspects of the platforms, which obviously need to be able to allow students to interact with it and put in information and credits and things like that. I might ask Mr Brady, if I can, to just add to that.

**The CHAIR:** Just before you do—so that I can hone the question a bit more—my understanding is that there were three phases to this rollout. As late as August last year, when it was being chased up, we were told that the third and final phase would be completed in September 2023. From what I can understand from your answer already, Minister, that final bit of the project has not happened. Mr Brady?

**Mr STEVE WHAN:** I think that would be correct, but I'll hand over to the managing director.

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**STEPHEN BRADY:** The program is being released in stages and that's really trying to risk-manage what is a very large system deployment. We successfully launched for higher education in July 2022 and that took on all of our higher education courses, which really significantly changed the enrolment process and the information available to learners but also reduced the administrative burden for teachers. Since then we've also released for non-nationally recognised courses, which is another category of work we do. We've just done a further release of that this week, actually, and we now have well over 400 courses of non-nationally recognised courses on board and over 300,100 enrolments being managed in non-nationally recognised courses. We are continuing to do the work to roll out the program for our vocational education courses and that will occur next year. Part of the process—

**The CHAIR:** So is that the third and final phase?

**STEPHEN BRADY:** That will be the third phase, yes. The challenge here is the size and complexity of TAFE NSW. We have 515 vocational education courses. We have 156 campuses. We have multiple funding streams—

**The CHAIR:** Yes, but that's been the case for the last five years since this project has been running.

**STEPHEN BRADY:** That's right.

**The CHAIR:** Nothing has changed, so why are we now delayed another year?

**STEPHEN BRADY:** What we've done is two things. One is we've progressively released, taken the learnings from each release and built those into the program so that, as we go, we're improving the functionality and the capability of the system. It's not the case that we just release one and then go for the next release and the next release. It's a process of learning, getting the feedback from the users and building that into the following release.

**The CHAIR:** But, again, all the—

**STEPHEN BRADY:** Sorry, one more piece. The original student management system was a very narrow definition. What we have done is then said, "Actually, to make that work we need to add in curriculum management and we need to do work around our website." So what we are actually releasing is more of an ecosystem that will actually support the organisation. So it's not right to compare the original 2017 project to what we are doing now. What we've actually done is look at what we need to support our large organisation, with all the complexity of the different types of courses, the different types of students we support in different locations and the different funding streams, to be able to do that successfully.

**The CHAIR:** Okay, but in 2017, when was the project scheduled to be completed?

**STEPHEN BRADY:** On that narrower phase, or that narrower scope, I would say that it was actually—let me just find the details. Given that I wasn't around, I might have to come back to you, Ms Boyd, with the answer to that.

**The CHAIR:** For my sins, I have a bit of inside knowledge on software development planning and scheduling. It strikes me as unusual that we have paid \$110 million at that point. So the project was for \$110 million in 2017. It's now blown out to \$121.5 million, at least. The idea that, in 2017, we appointed somebody who was unable to complete it and didn't have in mind a schedule where they were going to take things into account such as learnings from different phases and things—how has this been so massively delayed?

**STEPHEN BRADY:** The first thing is—you're absolutely right—there was a procurement process and RedRock was appointed to deliver the program on our behalf. That proved to be an unsatisfactory relationship. We brought the project back in house. I would say that the first phase, as it was designed, was a limited scope, and it only had a first phase of funding attached to it. So when we talk about the time it's taken to deliver, we did have to recover the project, we did have to then rescope the project and then we had to start to roll it through. As I said, as we went through that process, we saw that to actually get the full benefits of the program we had to bring in further modules, if you like, which weren't within the original scope. I think, really, it's comparing apples to oranges. But what I would say is where we sit today we have a significant number of courses, teachers, and students operating on that system successfully. We have a high degree of confidence that it will be implemented and that we will get the benefits from the program.

**The CHAIR:** This original contract, from 2017, with RedRock Consulting is for \$83.2 million, with a variety of subcontractors underneath. How much of that \$83.2 million has been spent?

**STEPHEN BRADY:** As you mentioned earlier, the expenditure to 30 June 2023 was \$121.7 million, and our forecast expenditure for this current financial year will take that total to \$137.5 million.

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**The CHAIR:** Right, \$137.5 million by the end of—

**STEPHEN BRADY:** The 2024 financial year.

**The CHAIR:** Okay. So the actual estimated close, for this particular phase—for the final phase. You said next year. What is the exact date?

**STEPHEN BRADY:** Again, we'll continuously progressively release. We are anticipating that the final release will occur by October.

**The CHAIR:** By October next year?

**STEPHEN BRADY:** That's right.

**The CHAIR:** I understand that TechnologyOne put forward an unsolicited bid to basically take over this project, and they only did that in April this year. Does that imply to you—I might ask you, Minister. If you've got a five-year running project with one particular technology provider that is anticipated to be completed this year but now we've heard it will be another year, if someone else comes in with an unsolicited bid to take over that project five years down the track, does that imply to you that perhaps somebody else thinks that this isn't going to take just another year but is something that needs to be scrapped entirely?

**Mr STEVE WHAN:** It's an interesting question and, obviously, having been in the portfolio for five weeks or so, I haven't seen a lot of the history of this, but it's pretty clear from the briefing notes that there's been a much slower progress and difficulties with the original contractor. I suspect that, in the IT industry, that was probably reasonably well known and someone may have seen an opportunity. But I would have to ask the managing director to comment more on that. The advice I'm getting at the moment is consistent with what the managing director said about the completion date, or the last phase of the rollout, being next year.

**The Hon. TANIA MIHAILUK:** Minister, I'm just going to ask you a couple of quick questions following up on what Mr Fang asked you. I understand Minister Sharpe relied upon a process where she invited submissions—there were about 11,000 submissions—asking people on their view in relation to whether the ban should be overturned. Was any data provided to you, in relation to those submissions, on how many were actually from the local community? She is relying on the fact that 82 per cent of those submissions supported the overturn of the ban. I suspect that the vast majority of those submissions didn't come from your electorate of Monaro. Were you given copies of those submissions?

**Mr STEVE WHAN:** No, and I haven't seen a breakdown of the levels of support for those submissions and where they came from. You'd be wrong in thinking, though, that there isn't support for this change in the Monaro electorate. There are a lot of people who really value the park.

**The Hon. TANIA MIHAILUK:** I imagine there'd be both.

**Mr STEVE WHAN:** Yes, there is. There's obviously both.

**The Hon. TANIA MIHAILUK:** You've obviously got a very polarising issue in your electorate. There is no question of that.

**Mr STEVE WHAN:** It is, and one of the things that I thought was important in making my public position clear on this was not to do what a lot of my predecessors have done, which is just sit on the fence and not actually take a position.

**The Hon. TANIA MIHAILUK:** But you took that position before the election, is that right?

**Mr STEVE WHAN:** Yes, indeed.

**The Hon. TANIA MIHAILUK:** You made it very clear—you sent out pamphlets to everybody in your electorate—that you're absolutely for aerial shooting of brumbies.

**Mr STEVE WHAN:** No. I was preselected four weeks before the election, so I didn't send out a lot of pamphlets.

**The Hon. WES FANG:** What happened to your last candidate, Minister?

**The Hon. TANIA MIHAILUK:** I'm sure you had plenty of time for—

**Mr STEVE WHAN:** You can ask me about the previous candidate if you want, Mr Fang.

**The Hon. TANIA MIHAILUK:** I'm asking the questions, Minister—not Mr Fang. Can I just go back? You've had stakeholder and community meetings since then, right? There have been a series of meetings with the community inviting them for their view?

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**Mr STEVE WHAN:** The Minister had the consultation process, which was open to anybody to participate in. I've met with a number of groups.

**The Hon. TANIA MIHAILUK:** How many consultations were there in your electorate, once she opened this issue of overturning the ban?

**Mr STEVE WHAN:** It was submissions.

**The Hon. TANIA MIHAILUK:** Only submissions? There weren't any actual meetings?

**Mr STEVE WHAN:** As I know. The Minister has met with a number of people. You probably should ask her about the process in this. That's not my portfolio.

**The Hon. TANIA MIHAILUK:** We will. But it's your electorate, so I'm wondering whether you asked her to hold some community meetings in your electorate over this issue.

**Mr STEVE WHAN:** I've made it very clear to her that I supported a change to the position.

**The Hon. TANIA MIHAILUK:** But you didn't want to consult with your electorate, Minister. Is that right? You didn't ask her to come down to a community town hall meeting and have a discussion directly with stakeholders and community members?

**Mr STEVE WHAN:** The funny thing is I've lived in the electorate for 26 years. I've been an active user of the Kosciuszko National Park for more than that time. I've been in touch with the communities around Jindabyne in great depth. I've been in touch with the national parks staff and with a lot of the supporters.

**The Hon. TANIA MIHAILUK:** Lots of schoolchildren go through those parks too. Is that right? Lots of schoolkids. Have the schools been notified of the dates?

**Mr STEVE WHAN:** I will go into the process for you, because what will happen is, if aerial shooting is to be undertaken in a section of the park, that section of the park will be closed.

**The Hon. TANIA MIHAILUK:** Which, from the sixth to the tenth, is already scheduled. Is that right?

**Mr STEVE WHAN:** And there is already shooting going on. In fact, my understanding is that around about 1,000 brumbies have been culled over the last round of shooting.

**The Hon. TANIA MIHAILUK:** What has happened to the carcasses? Do you know, Minister? Are they just lying on the road?

**Mr STEVE WHAN:** The scientific advice is that carcasses should be allowed to decompose in place and they actually add to the biodiversity of the area that they—

**The Hon. TANIA MIHAILUK:** What do you do with all the schoolchildren that go through the park?

**Mr STEVE WHAN:** Let me answer the question. I know it's easy, from Sydney, to think that you know about the Kosciuszko National Park, but—

**The Hon. TANIA MIHAILUK:** You've spent a lot of time in Sydney, Minister. That was why you lost the seat last time.

**Mr STEVE WHAN:** What a ridiculous comment from someone who knows perfectly well—

**The Hon. TANIA MIHAILUK:** It's not ridiculous. I know exactly that you lived in Sydney.

**Mr STEVE WHAN:** —because she was in the Labor Party caucus at the time, how much time I spent in the Monaro electorate.

**The Hon. WES FANG:** She does. She just told you.

**The Hon. TANIA MIHAILUK:** You spent a lot of time in Sydney.

**Mr STEVE WHAN:** That's probably the reason why I won the last election: Because people actually did want a local member who knew about their issues and listened to them.

**The Hon. TANIA MIHAILUK:** What are you saying about your candidate?

**Mr STEVE WHAN:** So it's really an interesting line of questioning. Let me come back to it. Scientific evidence suggests that—

**The Hon. TANIA MIHAILUK:** My concern is about the carcasses lying around the Kosciuszko National Park and the fact that children are allowed to access the park.

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**Mr STEVE WHAN:** Tell me something: What's the difference between—

**The Hon. TANIA MIHAILUK:** No, I'm asking you a question. You don't ask me questions, Minister.

**Mr STEVE WHAN:** Okay, I'll give you my—

**The Hon. TANIA MIHAILUK:** You're paid to be Minister. We ask you questions.

**Mr STEVE WHAN:** We already aerially shoot deer and wild pigs. We have, unfortunately, a lot of kangaroo carcasses which are around the roads in the electorate, particularly at the moment. We have wild dogs, which are also aerially shot. Those carcasses lie in place, and they decompose in place.

**The Hon. TANIA MIHAILUK:** But you've put up specific signs now about those particular carcasses.

**Mr STEVE WHAN:** Now we'll have guidelines that go with this about moving carcasses from close to walking tracks, campgrounds and rivers. That's consistent with the scientific advice, is my understanding. I'd suggest that for more detail on the scientific advice, Minister Sharpe is probably the person to talk to about it.

**The Hon. TANIA MIHAILUK:** You said you've been across this for 26 years.

**Mr STEVE WHAN:** But from the information that I have—and I have read some of the scientific studies—the carcasses rotting in place is actually better for the environment.

**The Hon. TANIA MIHAILUK:** Is it good for schoolchildren as they walk through the park?

**Mr STEVE WHAN:** They will decompose over around three months. Let's be really clear about it: Slaughtering any animal, eradicating any pest species, is not pretty. It's not a very nice sight. There will be nasty smells; there will be photos which will circulate on the internet which aren't good.

**The Hon. TANIA MIHAILUK:** You could put it in your next pamphlet.

**Mr STEVE WHAN:** But were we to let the brumbies just continue to multiply, then we'd risk massive damage to the values which we created the national park to protect. We created the Kosciuszko National Park to protect the alpine waterways. They're being trampled. If you actually go there, you will see it for yourself. Rather than having stream banks which are vegetated and protected, where small animals can get protection, we have these muddy expanses. We also have a lot of vulnerable native species in the area which are damaged.

**The Hon. TANIA MIHAILUK:** Minister, that's not specifically what am asking you, but I'll leave it—

**Mr STEVE WHAN:** Yes, I do think that it's very easy to—

**The Hon. TANIA MIHAILUK:** I'll leave it at that.

**The CHAIR:** Order!

**The Hon. TANIA MIHAILUK:** I only asked you what type of stakeholder community meetings you have held with the Minister in your electorate since she has announced that she intended to overturn—

**Mr STEVE WHAN:** Well, you made a number of other statements about schoolchildren, so I think I was within my rights to actually answer that.

**The Hon. MARK BUTTIGIEG:** That's right, you did.

**The Hon. TANIA MIHAILUK:** I asked you about the carcasses that are lying around Kosciuszko National Park.

**The Hon. MARK BUTTIGIEG:** Yes, and the schoolchildren. How do the schoolchildren feel about it?

**The CHAIR:** Order!

**The Hon. WES FANG:** Don't interrupt.

**The CHAIR:** Order!

**The Hon. TANIA MIHAILUK:** That's why I am aware of this issue—because concerns have been raised to me about schoolchildren accessing the national park and the fact that those carcasses won't be removed any time soon. You've given me a whole answer about the history of the park, which is lovely, but I can look it up on Wikipedia.

**Mr STEVE WHAN:** If you let me respond to that, fortunately, if we take complete action now and we bring the brumbies down to a level which is manageable in the park—3,000 is what was said in the previous Government's legislation, and it obliged our Government to get the levels down to that in 2027.

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**The Hon. TANIA MIHAILUK:** Have you spoken with the schools in your electorate? Have you given them notification about that issue? You've got a note there; maybe you can read it. Have you spoken to the schools there?

**Mr STEVE WHAN:** It's totally unnecessary to speak to the schools about this.

**The Hon. TANIA MIHAILUK:** But they use and utilise the park.

**Mr STEVE WHAN:** All park users, regardless of their age, will be told. The park will be closed when aerial shooting is underway in those areas.

**The Hon. TANIA MIHAILUK:** But they can visit the carcasses later, right? As an excursion, maybe?

**Mr STEVE WHAN:** Let's be really careful about putting the importance of a national park at the forefront of why we have a national park. It's really easy to go off on these sorts of little tirades about carcasses and how unfriendly it is, but if we don't get on top of this—

**The Hon. TANIA MIHAILUK:** I thought it'd be unhealthy and dangerous.

**Mr STEVE WHAN:** —we won't have the natural values in the Kosciuszko park to take schoolchildren to. They will be going to another trampled area of ground which is not worth visiting. Frankly, as the local member and as a person who cares about the park, I am proud to support us getting it to a stage where we are protecting the values that park was created for.

**The Hon. TANIA MIHAILUK:** Alright, shooting brumbies—that's great. Minister, can I ask you a question about land audits? Earlier in the year the Premier made it clear he wanted land audits undertaken across all government land for the purposes of future housing, as he described vertical housing. Obviously, TAFE has been part of that. How much land has been proposed that you've deemed or your department has deemed as vacant for the purpose of future housing?

**Mr STEVE WHAN:** TAFE has 156 operating TAFEs across New South Wales. It also has a number of sites which are not operating. What I've seen since I became the Minister, in the few weeks since I've been the Minister, is that we've taken, in the past, a fairly unstructured approach with not a lot of forward planning about the way that our TAFEs are managed. TAFE NSW—and I'll ask the managing director—

**The Hon. TANIA MIHAILUK:** That's not—

**Mr STEVE WHAN:** This is important context to the answer to your question. TAFE NSW is going to be undertaking and is undertaking a much more strategic review of all of its properties across New South Wales, and it'll do that in the context of working out what skills and what courses are needed to be delivered in particular areas.

**The Hon. TANIA MIHAILUK:** Minister, I think that particular land audit review has finished, as I understand it—or is it still going for TAFE?

**Mr STEVE WHAN:** No, as it applies to TAFE, TAFE is undertaking its own process. You might have seen the former TAFE site at Bega was announced as being a site for housing a while ago. That's the only one that has been announced for that, but we are undertaking a much more long-term strategic focus plan for the rest of the TAFE sites.

**The Hon. TANIA MIHAILUK:** I'm speaking specifically about the land audit that the Premier has asked each department to do. I was advised previously that the Department of Education has finished its audit for schools. I just want to know whether that's been completed for TAFE.

**Mr STEVE WHAN:** I'll hand over to the managing director, but I am very supportive of TAFE taking a more strategic and long-term approach to the management of their sites and making sure that we are planning for the future. I think the managing director might be able to add to that.

**STEPHEN BRADY:** Thanks, Minister. We have responded to the Government's audit and provided a submission, as every other agency has. The only decision that we're aware of in relation to TAFE is the Bega property. The rest of it is still going through a Cabinet process.

**The Hon. WES FANG:** Minister, I alluded earlier to the fact that you fell into the ministerial role after your predecessor had some problems with his disclosures. I assume you've been given some incoming briefings by the department, the Cabinet department and the Premier's Office in relation to your new role?

**Mr STEVE WHAN:** Of course.



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**The Hon. WES FANG:** In those briefings, did you ask for a review to occur of the decisions around TAFE of former Minister Crakanthorp?

**Mr STEVE WHAN:** No, I haven't specifically asked for any review of decisions of my predecessor in the portfolio. But the Premier had already put in place a number of measures on that front, and he also referred to ICAC. I am comfortable that action to follow up any issues there has been undertaken.

**The Hon. WES FANG:** Minister, how can you be confident that the decisions are appropriate if you haven't sought a review of the decisions taken by the former Minister, given that he was removed for a failure of disclosure?

**Mr STEVE WHAN:** I'm not going to comment on what the Minister was removed for and his resignation. I come into the portfolio as a new Minister and after a few weeks in between. The Premier took action to follow up on the issues that were raised about the former Minister.

**The Hon. WES FANG:** Minister, the former Minister was removed because he failed to declare a number of pecuniary issues that resulted in a potential personal gain for him or his family. Surely you must have asked your department to review the decisions made by the former Minister to ensure that you're not inheriting some of those decisions.

**Mr STEVE WHAN:** I haven't got anything further to add to the comment that I've already made.

**The Hon. WES FANG:** Are you saying, Minister, that you have not sought any advice from your department around the decisions made by the former Minister, given that he was removed in such a manner? Do you think that's an obfuscation of your responsibilities as a Minister?

**Mr STEVE WHAN:** No, I don't.

**The Hon. WES FANG:** Are you happy to indicate that you believe that the Premier's investigation alone is suitable as a cover for what you are inheriting as Minister?

**The Hon. PETER PRIMROSE:** I take a point of order, reluctantly. I seek your guidance on this, Chair. There are matters here that are before the ICAC, and possibly other agencies that I'm not aware of. I think we're skating very close to asking the Minister to make comments, inferences or statements that may impinge upon that. I would ask—

**The Hon. WES FANG:** Stop running a protection racket for him and Crakanthorp, mate.

**The CHAIR:** Order!

**The Hon. PETER PRIMROSE:** I am a strong supporter of the ICAC and due process, so I seek your guidance, Chair.

**The Hon. WES FANG:** Stop protecting Crakanthorp.

**The CHAIR:** Order! In relation to the point of order, I remind the Minister to be cautious in responding to any questions that may refer or relate to the ICAC proceedings.

**The Hon. WES FANG:** Minister, are you satisfied that the appropriate probity measures were in place for the decisions made by Mr Crakanthorp?

**Mr STEVE WHAN:** I have no reason to believe that there are any issues in this portfolio, and I am not going to comment on former Minister Crakanthorp's position.

**The Hon. WES FANG:** Minister, I am sorry but that answer is of concern because you are now the Minister. You need to satisfy yourself that there were probity measures in place for the decisions that were made. Indicating to this Committee that you believe that the Premier's short investigation is suitable as cover, as you are now the Minister, is not, I believe, appropriate. Do you believe that that is a fair and reasonable decision for you to make as Minister?

**Mr STEVE WHAN:** I remind you of two things. Firstly, I am not the Minister for the Hunter. I took on the Skills, TAFE and Tertiary Education part of the portfolio—

**The Hon. WES FANG:** And I'm only asking about the parts for which you are responsible.

**Mr STEVE WHAN:** —and I'm not going to comment on the inquiries that have been referred to ICAC. I am aware that the Premier also undertook follow-up inquiries at the time. I am not going to comment on those either.

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**The Hon. WES FANG:** Minister, what discussions did you have with the Premier around the probity measures that he put in place?

**Mr STEVE WHAN:** I did not have direct discussions with the Premier because, at the time, I was the Whip and a backbencher. I took on this portfolio a few weeks later.

**The Hon. WES FANG:** And now, as the incoming Minister, what discussions have you had with the Premier around the probity measures, given that you have cited them as the reason that you feel you do not need to ask your department to look into the decisions of the former Minister?

**Mr STEVE WHAN:** I do not have any further comment to make on it.

**The Hon. WES FANG:** You are not going to provide an insight to the Committee as to how you have determined that the Premier's probity measures are appropriate for your department and your decision-making as Minister?

**Mr STEVE WHAN:** I have already answered your questions.

**The Hon. WES FANG:** Has any official or departmental bureaucrat raised concerns with you around the decisions made by the former Minister?

**Mr STEVE WHAN:** No.

**The Hon. WES FANG:** Have they raised them with the Premier?

**Mr STEVE WHAN:** I will ask the Secretary and the managing director if they—

**The Hon. WES FANG:** Have you not asked the Premier? This is why, Minister, I am asking.

**Mr STEVE WHAN:** Yes, well, you actually just asked me a question about whether any officials from the department or agency had raised this with the Premier.

**The Hon. WES FANG:** You've been deficient in your responsibilities, haven't you, Minister?

**Mr STEVE WHAN:** I've told you that they haven't raised any issues with me. If you would like me to ask them to answer the direct question that you asked—

**The Hon. WES FANG:** No, I will be speaking with them later today, Minister.

**Mr STEVE WHAN:** No, you've actually—

**The CHAIR:** Order!

**The Hon. WES FANG:** Minister, are you confident that you are not deficient in your responsibilities? Are you confident?

**The CHAIR:** Order! Apologies, Minister.

**Mr STEVE WHAN:** I will just note for the record here that I've offered to have the question answered—

**The Hon. WES FANG:** And I will ask them later.

**Mr STEVE WHAN:** —and the member has declined to let me do that.

**The CHAIR:** Minister, order! Mr Fang, order! If nothing else, for Hansard, can we not talk over each other?

**The Hon. WES FANG:** My apologies to Hansard. They do a fantastic job.

**The Hon. PETER PRIMROSE:** Under trying circumstances.

**The Hon. WES FANG:** Well, when you speak quietly like that, Mr Primrose, it certainly does make it harder for them. You're right.

**The CHAIR:** Order!

**The Hon. WES FANG:** Have you heard of CMAX Advisory or CMAX Communications?

**Mr STEVE WHAN:** Yes, I have. It is interesting—I've heard of them because I know that it was raised with Minister Moriarty recently.

**The Hon. WES FANG:** It was.

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**Mr STEVE WHAN:** And I have heard of them, as well, from a phone call that I had from a News Limited journalist during the election campaign.

**The Hon. WES FANG:** Right, interesting.

**Mr STEVE WHAN:** Interesting! Go ahead.

**The Hon. WES FANG:** It is. Minister, have you had any conversations with Minister Moriarty before or after your election—and certainly now, since you have been in Cabinet—around the Bungendore school?

**Mr STEVE WHAN:** Of course I have had conversations before the election and after the election with Minister Moriarty. She was the duty MLC for Monaro and I was the candidate. And the Bungendore high school is an incredibly controversial and difficult issue for the electorate—for the Bungendore community. It is one which was appallingly handled by the previous Government. A secret decision announced to the community with the member at the time—the Deputy Premier at the time—actually saying, "This site will come as a surprise to the community." Now, that is not consultation in any way. So I have had to have, as local member and as the candidate, a number of discussions with Tara Moriarty as the duty MLC at the time, with the Minister for education now and was the shadow Minister, and so on.

**The Hon. WES FANG:** Minister, I guess you'd be aware, then, that after Minister Moriarty put an SO 52 in to get the site of the high school tabled in the upper House, there was a donation made to the Labor Party—wasn't there?

**Mr STEVE WHAN:** I am not aware of any donation to the Labor Party.

**The Hon. WES FANG:** You're not aware?

**Mr STEVE WHAN:** No.

**The Hon. WES FANG:** Okay.

**Mr STEVE WHAN:** There were no donations made to my campaign.

**The Hon. WES FANG:** Well, we will get to that. Minister, do you know the Taubenschlags?

**Mr STEVE WHAN:** No, I don't—not personally. I know the name now because their names have been raised with me throughout the process of the discussion on the school. I have never actually spoken to the family or to them personally. I've had an email from them wanting to come and talk to me about an alternative site for the high school, and I didn't have a meeting with them about that.

**The Hon. WES FANG:** When was that email? Was that as a candidate or was that as the member?

**Mr STEVE WHAN:** No, that was after I was elected as the member. It is a very difficult issue because personally I would have preferred a different site for the school. When I was a candidate in 2015, the Labor Party policy at the time was to build a high school at Bungendore. We would have a site selection process. Unfortunately, the previous Government did nothing for four years and then announced a site in a hurry and demanded that it be opened before the last election for political purposes. Now, what that meant—

**The Hon. WES FANG:** Minister, I'm just going to redirect.

**Mr STEVE WHAN:** —is that we've got a situation where we did not have a reasonable consultation with the community.

**The Hon. WES FANG:** I am going to redirect. I have a limited amount of time. In relation to your time as a candidate, then time as the local member, and now time as a Cabinet Minister, what conversations have you had, or what representations have you made, in relation to sites for the Bungendore school?

**Mr STEVE WHAN:** As a candidate, I expressed concern about the site. But I did say at the time, as a candidate, that the first priority was to get the students out of demountable classrooms on the primary school oval, which is an appallingly inadequate situation—to take over the primary school's playground and put a high school on it in demountables. I said that my first priority would be to get them moved into permanent classrooms as quickly as possible. I expressed a number of concerns about the site selection and about how that happened with lack of progress—

**The Hon. WES FANG:** Minister, did you advocate for an alternate site?

**Mr STEVE WHAN:** As I said, I expressed concerns, and I said that after the election my first priority would be to get the children into schools. After the election I met with the Minister as the member.

**The Hon. WES FANG:** Minister, you have met with Minister Car. Is that correct?

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**Mr STEVE WHAN:** Yes, I have. Can you let me finish? Would you like an answer to your question?

**The Hon. WES FANG:** Well, I've got limited time, Minister, and you seem to be waffling a little bit. I've got a lot of questions.

**Mr STEVE WHAN:** I think most fair—

**The Hon. WES FANG:** So you can talk around it. We can keep going, coming back to this topic—

**The CHAIR:** Order!

**Mr STEVE WHAN:** No, I am answering your direct question.

**The Hon. WES FANG:** —if you are going to obfuscate the answer.

**The CHAIR:** Order!

**The Hon. CAMERON MURPHY:** Point of order: I'm really reluctant to do this—

**The Hon. WES FANG:** You're not.

**The Hon. CAMERON MURPHY:** —but the witness needs to be treated with common courtesy and respect. Asking a question and then talking over—I can't even hear the answer from here. Mr Fang should be called to order in relation to procedural fairness.

**The Hon. MARK BUTTIGIEG:** To the point of order—

**The Hon. WES FANG:** Don't waste my time. I'll call him back.

**The Hon. MARK BUTTIGIEG:** The witness is making a genuine, credible attempt to answer the question, and the member just doesn't seem to want to know the answer.

**The Hon. WES FANG:** I'd like to see him reject the invite.

**The Hon. MARK BUTTIGIEG:** If he has got another question, he should move on.

**The CHAIR:** In relation to the point of order, if we could allow the Minister to respond to questions—things are going a little bit too fast, Mr Fang, and there is a bit of tumbling over each other, which makes it very hard for Hansard.

**The Hon. WES FANG:** Chair, I'd just make the point that I am trying to redirect and the Minister keeps talking over me. When I am trying to redirect, the Minister should stop so that I can redirect. That is what we have been trying to follow in other committees.

**Mr STEVE WHAN:** Would you like me to answer your question?

**The Hon. WES FANG:** No. I want to move to another question.

**Mr STEVE WHAN:** I thought so.

**The Hon. WES FANG:** Minister, if I am honest, the answer you've provided is not even addressing the question that I asked, so I am no longer prepared to hear any more if it because I want to move on to—

**The Hon. CAMERON MURPHY:** He doesn't like the answer.

**The Hon. WES FANG:** I'd ask the Government members not to interject. This is a very serious issue.

**The CHAIR:** Order!

**The Hon. WES FANG:** Minister, what discussions did you have with Minister Car around the school site—as the candidate, as the local member and as now a Cabinet Minister—and alternate sites that have been proposed?

**Mr STEVE WHAN:** I had a number of discussions with Minister Car as a candidate and as a member. I haven't had any discussions, since I became a Minister, with her directly about it. As I indicated to the electorate before the election, I did seek advice on whether there were alternative sites which could be viable in a time frame that was reasonable for the students who were currently in demountables. I asked for information to be published about the site selection process, which has been done—provided and done—and I put that up on my website, as well as circulating that in the community. I have consistently sought updates on the current status of legal action which has been taken on the site. It's an issue of great concern to the community. To be very open about this—if there was an alternative site which could be built on in a time frame which didn't unduly delay the move from demountables, then I would've been advocating that. To this point, I haven't found option; I haven't been offered

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that option. So, to this point, it looks clear to me that the only option which is available to meet my commitment to the community, which was that the students would be moved out of demountables as quickly as possible, is to proceed on the current location. But that's currently stalled at the moment, because there is legal action.

**The Hon. WES FANG:** Minister, I'm going to ask one last question before I hand over to my colleague. Minister, given that you said that you were aware of this issue being raised last week in estimates, what did you do to satisfy yourself, as the local member, that the concerns that were raised to Minister Moriarty were looked at by the New South Wales Labor Party?

**Mr STEVE WHAN:** I'm not aware that there were direct concerns which had any validity, which were actually raised. The person—

**The Hon. WES FANG:** Again I'll put the suggestion to you, Minister, that Tara Moriarty, as a member in the previous term of Parliament, moved an SO 52 and then received a \$5,000 donation from—

**Mr STEVE WHAN:** Mr Fang, I think you're making a very serious implication there, which you need to be able to back up.

**The Hon. WES FANG:** I'm asking what did you do in relation to—

**Mr STEVE WHAN:** I reject that implication.

**The Hon. WES FANG:** Have you done nothing, given that schools in your—

**Mr STEVE WHAN:** The implication you're making is quite improper.

**The Hon. WES FANG:** Given that the school is in your electorate, have you done any investigation as to the propriety and probity of that issue?

**Mr STEVE WHAN:** I want to see a school built. I'm not aware of the company. I've never met the company. I'm not aware of any donation from the company. And I haven't—

**The Hon. WES FANG:** Did you seek to ask Labor Head Office if they had received the donation?

**Mr STEVE WHAN:** No. You asked Minister Moriarty questions about that. If a donation did occur, it was before I was even preselected as a candidate. I don't know that a donation occurred. Just to give clarity about this—the first I even heard of the company CMAX was when I was contacted by a News Limited journalist, who was aware that CMAX and the family involved in that had offered an alternative site for the school. They were seeking information on that. That was actually the first time that I even heard of the names. So I'm certainly not aware of any of that.

**The Hon. WES FANG:** Then, two weeks after the Minister, as a former member in the previous term of Parliament, moved an SO 52 to get the school site, a donation was received from that organisation to the Labor Party.

**Mr STEVE WHAN:** That's your contention. I have not—

**The Hon. WES FANG:** You've done nothing, Minister, to investigate that, given it's in your electorate.

**Mr STEVE WHAN:** My interest is in making sure that the students actually have a school, Mr Fang.

**The Hon. WES FANG:** Interesting. I'll pass to my colleague. Thank you.

**The Hon. RACHEL MERTON:** Thank you. Minister, I take you to the New South Wales Labor Party's pre-election commitment of \$25 million for a vocational training centre in Glenwood, in partnership with the Plumbing and Pipe Trades Employees Union. Minister, you're aware that Plumbing and Pipe Trades Employees Union control the Plumbing Industry Climate Action Centre, which has been awarded the \$25 million contract for the training centre. Minister, how are conflicts of interest managed, with the Plumbers Union being a subsidiary of the Labor Party, which determines which Labor members sit in this Parliament, and they've been awarded a \$25 million contract? Conflicts of interest—

**Mr STEVE WHAN:** Firstly, unions are not subsidiaries of the Labor Party; unions are affiliates of the Labor Party. That's quite different to being a subsidiary of the Labor Party.

**The Hon. RACHEL MERTON:** On a technical, we can use whatever issue's right.

**Mr STEVE WHAN:** It is quite different.

**The Hon. RACHEL MERTON:** But in terms of unions and factions and caucus and determining which Labor members sit in the Parliament and which don't, on one—and, on other hand, \$25 million contract. Conflicts of interest—

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**Mr STEVE WHAN:** I am aware of the project which is being put up. I'm going to hand over to the department to talk about the process that was undertaken in terms of contracts, because it predates me as Minister quite significantly. I've been in the position five weeks, so you may not be surprised to know that I haven't gone through and reviewed every decision that's been taken in the previous years since I've been in Parliament. I could pass over to the—

**The Hon. RACHEL MERTON:** Minister, could I just draw your attention? It was a pre-election commitment. Let's just go through the timing. You were elected at that election. It was a pre-election commitment of \$25 million. My question for you is, given the recipient of the money, how are conflicts of interest managed.

**Mr STEVE WHAN:** I have been the Minister for around five weeks, so I wasn't involved in that part of the process. If it was a pre-election commitment—as you'd be well aware, election promises are all costed by the Parliamentary Budget Office. They're all out in the open as an election promise, and they're implemented on that basis. I haven't had the involvement in the five weeks since I've been in the portfolio to be able to tell you the process that's gone through prior to me coming in. I came in at the election. You're right: I was elected at the election, as a backbencher, and I've recently taken over the portfolio.

**The Hon. RACHEL MERTON:** It's conflict of interest. Is there anything you can add on that?

**Mr STEVE WHAN:** I'm going to hand over to the secretary to answer that portion of the question.

**The Hon. RACHEL MERTON:** On the conflict of interest?

**Mr STEVE WHAN:** Yes.

**MURAT DIZDAR:** Mr Merton, I don't believe that election commitment relates to the Minister's portfolio. There are five election commitment that have been assigned to the Minister. I can just, for the record, tell you what they are. They're the TAFE manufacturing centres of excellence, rebuilding TAFE with a guaranteed minimum of 70 per cent skills funding for TAFE to save vocational education. That's the first two. The third one is rebuilding TAFE, conduct a comprehensive review of the vocational education system. The fourth election commitment assigned to the Minister is 1,000 additional apprentices across New South Wales Government. The fifth commitment is to keep TAFE campuses in public hands. So what I'll get my colleagues to do is just to chase where that commitment lies in government, but it is not with Minister Whan. So perhaps in further lines of questioning we can come back and tell you which Minister that relates to.

**The Hon. RACHEL MERTON:** Yes. Good to know there's a commitment across government on training, vocational. Minister—

**The CHAIR:** Order! The time's run out. Ms Mihailuk.

**The Hon. TANIA MIHAILUK:** Minister, just back on the land audit question, I just want to keep going down that path. You mentioned 156 operating campuses. That's right?

**Mr STEVE WHAN:** Yes.

**The Hon. TANIA MIHAILUK:** Will you give a commitment that not one of those campuses will be handed over to developers for housing?

**Mr STEVE WHAN:** As I said, the TAFE is undertaking a strategic review. The commitment that I'll give you—

**The Hon. TANIA MIHAILUK:** So you won't give a commitment.

**Mr STEVE WHAN:** The commitment that I'll give you is that we will be ensuring that the government policy is adhered to. The government policy is that won't be selling any TAFE campuses. It is consistent with government policy, where there is land available for achieving our very clearly stated housing objectives, that we will work with the rest of government to achieve those.

**The Hon. TANIA MIHAILUK:** So, in your mind, as the Minister for TAFE, the housing objectives that the Premier has put forward for New South Wales are far more important than you ensuring that TAFE campuses stay in public hands.

**Mr STEVE WHAN:** No. That's absolutely not the case. The first priority is to deliver the training facilities and workforce that we need to skill New South Wales for the future. As you're probably aware, we have a massive skills challenge coming up. For instance, we need 213,000 people nationwide to implement the net zero transition.

**The Hon. TANIA MIHAILUK:** You'll need a lot more than that, Minister.

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**Mr STEVE WHAN:** Many of those people will need to be trained in TAFE. So my first priority as Minister is to make sure that we have TAFE campuses, around New South Wales, which meet our training needs for the long term.

**The Hon. TANIA MIHAILUK:** The Labor Party often campaigned and moved many motions—I'm aware of them—in the House, stating that the former Government shouldn't sell off any TAFE campuses. There were motions moved in 2020, '21 and '22, by the former Labor shadow Ministers and Labor MPs. I know you weren't there, Minister. Nevertheless, these were motions that clearly stated that no TAFE campuses would be sold off. There's now a direction from the Premier to find vacant land only for the purposes of housing development. Will you ensure that the TAFE campuses that are operating as of now, the 156 that you're referred to, will not be used for any development for housing?

**Mr STEVE WHAN:** My focus will be to make sure that those 156 TAFE campuses are meeting the training needs of the future. On some of those campuses, once we've done the strategic reviews and complementary uses, it may be that in parts of those in the future we identify areas where we can help provide low-cost or key-worker accommodation and those sorts of things. There is also former campuses which are vacant around the State. It's important for us to look at all of those, but that will all be done consistent with the policy commitments that we've made.

**The Hon. TANIA MIHAILUK:** Which Minns made after the election, because he announced this audit after the election. Your managing director did refer earlier that the land audit has happened. I'll ask you, Minister, to direct the question as you see fit. How much land has already been identified from the TAFE campuses, both operating and non-operating sites, for the purposes of what the Premier sought for the—

**Mr STEVE WHAN:** I will ask the managing director to answer that question. My understanding is, at the moment, only the former TAFE site at Bega. But I'll ask the managing director.

**STEPHEN BRADY:** We have submitted into the land audit, and we covered a number of properties. I think the emphasis in that audit was really looking for urgent action—so looking at less complex property situations. We've made a submission. The only decision that has been made has been on Bega.

**The Hon. TANIA MIHAILUK:** In your submission, how many hectares of TAFE land have you said will be deemed possible for the purposes of what the Premier has asked for—that is, housing development?

**STEPHEN BRADY:** I'll have to take that question on notice. I don't have that detail.

**The Hon. TANIA MIHAILUK:** The Department of Education very easily answered this question for me last week. You don't have that available?

**STEPHEN BRADY:** I don't have that with me. I'll take that question on notice.

**The Hon. TANIA MIHAILUK:** You will take that on notice. When did you complete that land audit review?

**STEPHEN BRADY:** We've complied with it. At the same time, there's a whole-of-government process.

**The Hon. TANIA MIHAILUK:** You'll have to take on notice when you completed it?

**STEPHEN BRADY:** Yes.

**The Hon. TANIA MIHAILUK:** Minister, can I just ask you a question? I know you've only been in this position for five weeks. Have you had any discussions about Bankstown TAFE or any part of the Bankstown TAFE campus being converted to a Bankstown hospital?

**Mr STEVE WHAN:** Yes, I have. I can't provide any further information on that at the moment.

**The Hon. TANIA MIHAILUK:** Why is that? Is it Cabinet in confidence?

**Mr STEVE WHAN:** There is still a number of discussions going on about—as you'd be well aware, there's going to be a new Bankstown hospital. So there's a number of conversations about that still—

**The Hon. TANIA MIHAILUK:** I'm very well aware of that, yes. You've had conversations. Have you had conversations with the Premier in regards to Bankstown TAFE?

**Mr STEVE WHAN:** I'm not going to go any further into that because there is a process going on in government at the moment.

**The Hon. TANIA MIHAILUK:** There was a commitment by the former Government that the hospital would be across the road from the existing site of Bankstown Senior College. They at least made that, as late as it was, a commitment in that regard and made it public. Why is it that this Government is still sitting on this issue?

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It's obviously a discussion that you've had and been taking in the last five weeks. You must have some idea of what's being proposed at Bankstown TAFE. This is back to campuses being used for other purposes other than for the purposes of training students and the importance of the 200,000-something people that need to be trained up for net zero.

**Mr STEVE WHAN:** The Bankstown hospital project is a big project, and we want to plan it properly. There is a lot of discussion still going on and it would be premature—

**The Hon. TANIA MIHAILUK:** So you're prepared to give up TAFE land even though the former Minister wasn't prepared to do that.

**Mr STEVE WHAN:** —to make any comments on that.

**The Hon. TANIA MIHAILUK:** You're prepared to give up TAFE land?

**Mr STEVE WHAN:** I am not going to comment any further on that. Obviously, the Government has a number of discussions going on.

**The Hon. TANIA MIHAILUK:** Geoff Lee, the former Liberal Minister, was very clear that he wouldn't allow any part of Bankstown TAFE to be used for the purposes of a hospital. Bankstown TAFE is really critical for the many students in south-west Sydney that rely far more on TAFE than they do on university for tertiary education opportunities and career opportunities. You're prepared to give up that TAFE land for Bankstown hospital?

**Mr STEVE WHAN:** I am very well aware of the importance of Bankstown TAFE, particularly for the population in that area, and the need for the TAFE facilities to be close to where they live. It provides a huge range of services at the TAFE, which I'm sure you're very well aware of. I can assure you that my first priority is making sure that those students' needs are serviced.

**The Hon. TANIA MIHAILUK:** Was this part of the brief as you became Minister? Was this one of the first things that was given to you—put in front of your desk?

**Mr STEVE WHAN:** I haven't had a specific brief on the Bankstown hospital project, no.

**The Hon. TANIA MIHAILUK:** I'll ask some of the departmental staff in the afternoon in relation to Bankstown hospital, so I'll leave that. I want to ask you about these connected learning centres. How many are there in New South Wales?

**Mr STEVE WHAN:** Twenty-two connected learning centres. As a regional MP, I have visited a number of them. They're a really important asset for those communities and for enabling us to reduce the amount of travel that our students need to do, so I'm very strongly supportive of them.

**The Hon. TANIA MIHAILUK:** A number of your Labor MPs campaigned against these CLCs prior to the State election, particularly in the area of Port Stephens. They were openly critical of these CLCs. Are you intending on instituting more CLCs in regional New South Wales at the expense of a TAFE campus?

**Mr STEVE WHAN:** Let's just break that out a bit. Nobody would say that they're—where people would have issues is if they saw the CLC as being a reason to not deliver face to face in their communities. I think that's probably where you might find there are sensitivities about it. But the connected learning centres themselves are a huge asset for regional communities.

**The Hon. TANIA MIHAILUK:** Let me quote Kate Washington. "I'm still trying to understand, with these connected learning centres, how kids sitting in front of a computer can learn hairdressing, aged care and child care. How does that happen?" That's an example of a regional MP raising concerns about CLCs in her electorate.

**Mr STEVE WHAN:** I'll ask the managing director to explain more about how they integrate. Obviously, where there is practical components of a course, they do go and have a teacher for those courses or the teacher comes to them. The CLCs enable some of those things which can be delivered online. They also enable a more collegiate approach. If you've got a number of apprentices across—

**The Hon. TANIA MIHAILUK:** Have you got any more on the plan? Are there any plans to build more CLCs in the next 12 months?

**Mr STEVE WHAN:** I think the CLC model for country areas is great. I'll compliment the previous Government on their work in that. I'm also hoping that we might be able to see more country university centres using TAFE facilities as we go forward. We've raised that with the Federal Government. I'd ask the managing director to answer more about existing and future plans there.



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**STEPHEN BRADY:** The connected learning centres do provide teacher-led training within those centres in a variety of different courses, depending on the needs in the local community. They have what we call a maker centre as part of them, where there is a very flexible space that opens onto where we can put a mobile training unit which will have course-specific equipment in it. It allows us to do things like provide hairdressing, like providing barista training et cetera. Some of them are attached to multi-trades hubs which provide workshop-type facilities for teaching trades. They are different depending on where you are, whether they were the very first or whether they were late in the program. The huge benefit is that they expand the range of course options to regional communities. We've seen again and again that the courses that are available to people in those smaller communities are much greater than they were prior to the CLCs being put in place. The opening of the Jindabyne CLC, which we're looking forward to very shortly, completes the program of the rollout of the connected learning centres. At this stage, we don't have any further centres planned.

**The CHAIR:** Can we go back to talking about this Oracle contract and the TechnologyOne unsolicited bid? Why would TechnologyOne claim that they could save \$300 million over a decade with their proposal to fix and modernise the system? Are we expecting more—

**Mr STEVE WHAN:** I'm going to ask the managing director to answer that.

**STEPHEN BRADY:** The first thing I'd say is that TechnologyOne were one of the tenderers for the initial system and failed to win through. They've been very consistent in seeking to undo that open tender process decision. The fact is that their proposal lacks the uniqueness required under an unsolicited proposal. The very nature of their proposal is that they've got an online system which is able to support any higher education provider; therefore, by definition, it doesn't have anything unique about it. The fact that it's pursuing this line is just a case of sour grapes from someone who missed out. I'd challenge any of their numbers. I don't know where they're getting their numbers from. They don't have access to any of the information that we've got. The fact is that their system, to be implemented, would require to have APIs connected to all our other systems—connections made to all our other systems. It would require the other modules, which I spoke about earlier, to still be done. So, I don't know how they're basing their numbers, because it certainly doesn't line up to where we're sitting. We think that the best outcome for TAFE NSW is to complete the system we're on. It is designed to meet our needs and we are successfully delivering that program.

**The CHAIR:** If the Oracle program is—you said the final phase will be completed by October 2024. Are there then ongoing costs, after that, that we'll also be paying Oracle or someone else for?

**STEPHEN BRADY:** There is a licensing—as with any software system, there is an ongoing cost. We are using a cloud-based version of PeopleSoft Campus, which is the Oracle product. So, yes, there are licensing costs.

**The CHAIR:** How much is that going to cost us over the next—

**STEPHEN BRADY:** I'll have to take that question on notice, Ms Boyd, and come back to you with an answer.

**The CHAIR:** I think I've got something on it somewhere here, but I'll come back to it as well. Can I ask you a more general question, Minister, in relation to how much TAFE has spent on contractors and consultants in the last financial year? I have seen the disclosures. The TAFE disclosures for consultants is looking a little lean for this year. I think we've got just one. I think Deloitte has been listed as a consultant for \$250,000—this must have been 2021-22, I guess, because we haven't got the latest. Can you tell me what the last year spend was?

**STEPHEN BRADY:** For financial year 2022-23, Minister would you like me to—

**Mr STEVE WHAN:** Sure. Yes, okay.

**STEPHEN BRADY:** It was \$275,175 on consulting, which included \$220,000 to Nous Group, \$28,175 to Deloitte and \$27,000 to Astrolabe.

**The CHAIR:** And what about your contractor spend then?

**STEPHEN BRADY:** For professional services we had a spend of \$33 million—I'll round it to \$33 million.

**The CHAIR:** And of that \$33 million, how much of that was going to the big consulting firms?

**STEPHEN BRADY:** Deloitte Touche Tohmatsu was \$14 million; KPMG, just over \$3 million; Deloitte Consulting, \$2.7million. You say the big four you're looking for?

**The CHAIR:** Yes.

**STEPHEN BRADY:** Ernst & Young, \$625,000; PricewaterhouseCoopers, \$254,000—

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**The CHAIR:** Have you got Nous there as well?

**STEPHEN BRADY:** Yes, Nous, \$1 million.

**The CHAIR:** That seems to be consistent with a lot of the ways that these are recorded in the department and agency annual reports. If we look at that, DTT plus Deloitte Consulting are effectively the same thing. We'll call it—

**STEPHEN BRADY:** Sorry, there was Deloitte Access Economics of \$150,000 as well.

**The CHAIR:** Okay, so we're looking at around just shy of \$17 million for Deloitte?

**STEPHEN BRADY:** Yes.

**The CHAIR:** And that's in 2022-23?

**STEPHEN BRADY:** That's right.

**The CHAIR:** In 2021-22 I think \$225,000 was specified in the disclosures for Deloitte, but how much of the contractor spend in that financial year had gone to the big four?

**STEPHEN BRADY:** I'm sorry, I've only brought the '23 numbers with me.

**The CHAIR:** That's all right. I'm very impressed you brought the latest ones. People are getting onto my line of questioning. Can I ask you then about the TAFE Cyber Academy?

**STEPHEN BRADY:** The partnership with Deloitte for the delivery of training?

**The CHAIR:** Yes, what does that partnership with Deloitte look like? What are the terms of that partnership?

**STEPHEN BRADY:** That's an excellent question. Can I come back to you with the detail on that?

**The CHAIR:** That would be very useful, thank you. What is the spend for the 2022-23 financial year on contingent labour?

**STEPHEN BRADY:** \$56.3 million.

**The CHAIR:** And what does that roughly equate to in terms of numbers of positions?

**STEPHEN BRADY:** Again, I'd have to come back to you with a calculation.

**The CHAIR:** Are you able to tell me what sort of positions that contingent labour is for?

**STEPHEN BRADY:** Yes. So \$10.4 million of that relates to ICT resourcing and then the balance really relates to flexible work to ramp up and ramp down. For instance, we have peaks in our recruitment processes, as you'd appreciate, leading into the start of semester, so we bring on additional recruitment agents to help us meet those peaks, but we don't really want to have that capacity all year round so we use it to flex up and flex down, and then a range of other activities across the business.

**The CHAIR:** Are any of those contingent labour hires people from consulting firms?

**STEPHEN BRADY:** I might just direct that question to my Chief People Officer. Julie?

**JULIE TICKLE:** Could you just ask the question again, please, Ms Boyd?

**The CHAIR:** The question is that of the numbers of people sitting within TAFE that are classified as contingent labour, how many of them are consulting firm employees?

**JULIE TICKLE:** Generally, we wouldn't use consulting firm employees. I don't have that in front of me, so we can take it on notice, but the contingent labour is generally people who enrol our students in peak enrolment times—we have a lot of contingent labour in IT, and recruitment, as the managing director said. It would be unusual, but I don't have it in front of me, so we can take it on notice and confirm.

**The CHAIR:** Thank you. I'm just looking at a contract on eTendering with Hays recruitment. This is a contract to manage peak recruitment demands, so this is effectively a contingent labour contract. It's a three-year contract, signed in August, and it's for \$7.37 million. How much of that is going through Hays in the form of a payment to the actual person doing the work and how much is to Hays for their part of that service?

**JULIE TICKLE:** I'd have to take it on notice, because I don't have the breakdown, but that is certainly one of the examples that the managing director referred to. We have peak recruitment times, particularly when it's a new semester, so we need to recruit new teachers. We've also used Hays to upskill and upscale—that is the better

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word—our recruitment for our Paid to Learn Program. We've put a number of teachers through our Paid to Learn Program, which I'm happy to provide detail on later or now if you'd like it. It's certainly something that we've had: more people, short-term, doing recruiting, so the majority of that contract is for the actual people who are doing the recruiting. But I'm happy to take on notice the breakdown.

**The CHAIR:** Thank you. That's consistent with what we've seen across other departments. But if we're looking at \$7 million over three years, let's say just shy of \$2.5 million per year, that's equating to a significant number of fill-in teachers? I'm trying to do the rough maths in my head at the moment, but you would think that would be, I don't know, at least 25 positions but probably more in the order of 50-plus every year. What efforts are being made to bring those teachers on full-time within TAFE?

**JULIE TICKLE:** A lot, actually. We've really had an uptake in terms of our recruitment of permanent teachers. From memory—and I'll open my folder and check this—from the period from April to now, this year we've recruited 474 new permanent teachers, and the same period last year, so April until now, it was, I think, 171. That's due to in March the managing director put out a recruitment directive saying that "We are very committed to stabilising the workforce. We want more permanent employees across the board, particularly in our teaching ranks because we've had a lot of casual teachers over the last number of years and we are actively striving to change it around and have more permanent." We used surge recruitment for that, and we do bulk recruitment as well. That means, for example, if we need a lot of teachers in the construction energy space, which we do, we try to recruit them in bulk across the State, so there are a lot of recruitment people required to carry out that recruitment.

**The CHAIR:** Thank you. I think we've only got about 30 seconds left, so we will go to the Government members, if they have questions, at this time?

**The Hon. CAMERON MURPHY:** No questions.

**The Hon. PETER PRIMROSE:** No, we're very satisfied with all the answers.

**The Hon. WES FANG:** You shouldn't be.

**The CHAIR:** Excellent.

**The Hon. PETER PRIMROSE:** We're not satisfied with how some of the questions have been asked.

**The CHAIR:** Order! That means we have an extra-long morning tea, so we will come back at 11.15.

**MURAT DIZDAR:** Chair, just before we do, for Hansard and Ms Merton, can I just give the answer to the portfolio where that election commitment sits?

**The CHAIR:** Please do.

**MURAT DIZDAR:** That was that \$25 million election commitment, which is a Government commitment in Glenwood. Ms Merton, I'm advised that NSW Treasury are the lead agency, and the Minister for Energy owns that election commitment, if that helps. Thanks, Chair.

**The CHAIR:** Thank you very much.

**(Short adjournment)**

**The CHAIR:** Welcome back. Thank you for coming back. I will hand over to Mr Fang from the Opposition.

**The Hon. WES FANG:** Before I start questioning, I'm going to allow my good friend and colleague the Hon. Rachel Merton to continue the line of questioning that she was seeking to do earlier. And I'll hit him with the hard stuff later.

**Mr STEVE WHAN:** I'm looking forward to it.

**The Hon. WES FANG:** I bet you're not.

**The Hon. RACHEL MERTON:** Minister, if I could just return to my earlier question, and my earlier question concerned the New South Wales Labor Party's pre-election commitment of \$25 million for a vocational training centre in Glenwood in partnership with the Plumbing and Pipe Trades Employees Union. I thank your secretary for detailing that the portfolio is Energy but, Minister, if I could just go back to that in your capacity as the skills Minister. In terms of training provision and such entities, groups or commitments such as this one, I was interested to know what support is available to non-union registered training organisations.

**Mr STEVE WHAN:** Let's come back to the proposal itself. Of course, we've got a really important growth industry in New South Wales, we hope, in the hydrogen sector over time, and that's very important for our State

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to be skilled and involved in. We've got a proposal which was made pre-election to put forward as a proposal, which was announced as a commitment by the Labor Party before the election. So, in that sense, that was all public and open. It was able to be scrutinised by people. They knew who was involved in the process. I have no qualms about that. Any training obviously is available to—the organisation that put this forward I understand receives funding from the union. I don't know a lot about the organisation itself, but receiving funding from a union—I'd commend the union for engaging and assisting to fund an organisation which is dealing with the energy transition and clean energy. Good on them for doing that—100 per cent support.

**The Hon. RACHEL MERTON:** I think we both acknowledge the significant commitment here to the unions, with the union being an RTO here.

**Mr STEVE WHAN:** I understand what you're asking.

**The Hon. RACHEL MERTON:** My question for you is in terms of what's available to non-union RTOs.

**Mr STEVE WHAN:** The priority identified in a number of our skills documents and in the National Skills Agreement—we've identified energy transition as being quite vital, and providing those skills is one of the key focuses for our programs over the next few years. Other RTOs will be able to come in through the Smart and Skilled process to apply for funding for those types of training programs. But I'll hand over to the secretary to elaborate more on that.

**MURAT DIZDAR:** Yes, there is an extensive array of registered training organisations. We give them guidance and information, and answer queries and concerns. I might get Ms Read and Mr Collins, who directly work with our RTOs on the skills side, to give you the detail.

**The Hon. RACHEL MERTON:** In terms of your time, I'd be happy to take this up this afternoon.

**MURAT DIZDAR:** If you want to leave it to the afternoon, Mr Collins and Ms Read—

**The Hon. RACHEL MERTON:** I'm just conscious that the Minister has limited time with us and members here.

**MURAT DIZDAR:** It's just that you asked what sort of help they're given, and our colleagues lead that area. They could give you that info now if you want.

**CHLOE READ:** It's important to note, maybe before we move on, that the process for application for Smart and Skilled is no different between those different types of providers that you called out.

**The Hon. RACHEL MERTON:** The process being no different—

**MURAT DIZDAR:** To apply.

**CHLOE READ:** To apply.

**The Hon. RACHEL MERTON:** So are we saying that the \$25 million for the vocational training that was announced—if it's no different, does that now fit within Smart and Skilled?

**CHLOE READ:** I'm talking about the Smart and Skilled process to apply for government funding.

**The Hon. RACHEL MERTON:** Separate money.

**Mr STEVE WHAN:** The hydrogen project was a pre-election commitment, which was publicly announced prior to the election, and I assume was in our costings that went to the Parliamentary Budget Office and so on. So that's public. But what we're saying is that the Smart and Skilled program enables other RTOs to apply for those priority areas, which include the energy transition and hydrogen. In fact, you might be interested to know that we announced last week a number of microskills courses which include dealing with hydrogen, which people can undertake online in a few hours. That is very important.

**The Hon. RACHEL MERTON:** That is smart—very smart. Minister, I recognise that, as you just said, it was a pre-election commitment. I also draw attention to the \$25 million not being small change here. Are these partnerships—is it value for money to the New South Wales taxpayer?

**Mr STEVE WHAN:** The hydrogen sector is obviously a really vital part of our future economy. As you heard before, I'm not the Minister who has direct carriage of this at the moment. We do need to do a lot of work in the workforce, so this \$25 million for the Hydrogen Centre of Excellence will help us to prepare the plumbing industry to meet the future demand for jobs in the hydrogen sector. It will be in Glenwood.

**The Hon. RACHEL MERTON:** Is it value for money—\$25 million for skills and training?

**Mr STEVE WHAN:** I don't see any reason why it would not be value for money.

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**The Hon. RACHEL MERTON:** Minister, given the priority, I very much recognise what you've just outlined here in terms of skills and training and different industries on hydrogen. Minister, how much engagement with registered training organisations have you had since your appointment to this portfolio? I realise it has been a short time.

**Mr STEVE WHAN:** Five weeks. I have prioritised a few things. Firstly, a couple of weeks since I was elected were school holidays, so a lot of people weren't in action in those times. Also Parliament sat for a couple of weeks. So I've prioritised visiting some of the TAFEs and getting the internal briefings. I have met with a number of the community providers, but I haven't met specifically with any of the RTOs at this stage. I am obviously very happy to do that as we go forward.

**The Hon. RACHEL MERTON:** So just to confirm, no meetings with RTOs but they're on the agenda.

**Mr STEVE WHAN:** Yes. Presumably, I'll meet individual RTOs at various stages when I'm travelling around, but also any representative body and so on.

**The Hon. RACHEL MERTON:** Minister, if an RTO was to present to you a credible business case in terms of meeting the demand for skills and training at this point, it would be considered?

**Mr STEVE WHAN:** I think we need to differentiate between the processes. When we do the Smart and Skilled program, we ask for applications for that and they're assessed on a criteria and allocated. A pre-election commitment goes through a different path, as I think we'd all around this table be very well aware. It goes through a different path of making a commitment. Organisations can come forward with unsolicited proposals for things, and there are specific government processes for that which would, depending on the scale and scope—maybe the secretary might like to elaborate on that.

**MURAT DIZDAR:** I was just going to add, Minister—you covered that really well. The Committee might be interested to know there are actually 547 contracted providers that have come out of that process of applications.

**Mr STEVE WHAN:** The Smart and Skilled program.

**MURAT DIZDAR:** So it's a very large provider market.

**The Hon. RACHEL MERTON:** Minister, if I could draw your attention to housing targets, and no doubt we're all aware here of the Labor National Cabinet's new housing target to build 1.2 million homes across the country over the next five years. You would know the new target for New South Wales will rise to 75,000 a year. Minister, at the time of that announcement there were media reports that the Premier had allegedly lashed Anthony Albanese and the Federal Labor Government for imposing ambitious housing targets on New South Wales. Minister, is the Minns Government committed to meeting these housing targets? Are they realistic?

**Mr STEVE WHAN:** You'd need to ask the Premier that, and the planning and housing Ministers overall. From my point of view as the skills—

**The Hon. WES FANG:** Obfuscating your responsibility, I see.

**The Hon. RACHEL MERTON:** Skills training, yes.

**Mr STEVE WHAN:** In the Skills portfolio we've got a very big job, obviously, to provide the skilled tradespeople that need to be geared up for that. That's one of the really strong focuses of the work we're doing in planning for skills around New South Wales, in doing a VET Review and doing a substantial review of the sector to make sure that we are able to deliver those skills. We're in an area of a very tight skills shortage right across the economy, so attracting the people in to do those courses is challenging as well. I think it's fair to say that if the target isn't ambitious, it's probably not worth doing. So we will, from the skill sector, be seeking to do everything we can to actually meet that skills demand over time, but recognising that it's challenging. And recognising that people come into VET courses to trades and that often there are things that pull them out to other industries that are paying more at the time. That's a challenge in a market where we have a very tight labour force.

**The Hon. RACHEL MERTON:** In terms of wanting to be ambitious in meeting these targets, as the skills Minister, what specifically are you doing in this space?

**Mr STEVE WHAN:** We have signed the National Skills Agreement with the Commonwealth Government, which is going to be quite an historic benefit to our New South Wales skills and our TAFE particularly. For the first time we've got a five-year agreement. It's probably disappointing that it was delayed a year or so in actually signing up to it, but it provides more funding for our skills sector. It also sets a number of national targets around those national priorities around those skills areas and it enables us to come back in and get matching funding from the Commonwealth to assist with that.

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Potentially over the next five years we could get another billion dollars into our skills sector in New South Wales, which will be a big factor in helping us to address those skills shortages around the State. It will also play a role in enabling us to give TAFE a bit more certainty. TAFE has had a very uncertain environment over the last decade. Its funding was, in real terms, seriously cut by the previous Government and it's existed on fairly short-term funding programs. This agreement enables us to try and work through and provide a bit more certainty, which hopefully will then help us to retain teachers and ensure that we're able to provide the services to the people who we'll also be working with to attract into the courses. Maybe Mr Brady would like to add to that.

**STEPHEN BRADY:** Certainly the demand for apprentices and trainees in the construction sector is high. One of the challenges we have is attracting sufficient teachers to be able to meet that demand. Particularly when activity in the industry is high, wages are up; therefore, trying to attract someone to move from delivering in the industry to becoming a teacher is challenging because they need to actually train up to be a teacher as well as a carpenter or a plumber. That requires them to do a course called a TAE, which is the vocational training qualification.

We've been advertising 474 permanent teaching roles since the end of March, but to overcome this challenge with a dual qualification, we've actually had a program called Paid to Learn where we're paying people to come out of industry, earn a teaching salary for three months, study full-time, be partnered up with experienced teachers, get some experience in the classroom and then move into teaching. We've had a 98.5 per cent success rate with that program so it's something we're very keen on. That's added 12,690 teaching hours already in that program. We've got another group of people graduating this term and we'll have another program going early in the next year.

**The Hon. RACHEL MERTON:** So in terms of fast-tracking teachers, what role will these teachers play?

**STEPHEN BRADY:** Predominantly they're in the trades, so carpentry, electrical, plumbing—in those areas. We have put in some other high-demand needs like early childhood education, but the predominance of that program is in the trades. We've also be opening our Kingswood multi-trades unit in the first term of next year. That will create a substantial increase in capacity and delivery in Western Sydney. Our Institute of Applied Technology Construction will also be ramping up in the first semester of next year. Delivery is growing but I would reinforce that it's a challenge attracting teachers from industry when they're earning significantly more, and they have to bridge this gap in terms of becoming a qualified teacher as well as being qualified as in the trade.

**The Hon. RACHEL MERTON:** I appreciate the effort across the department on trying to meet the skill training on this. Minister, are scholarships part of this or is there something exceptional that New South Wales can do—do a bit extra? I preface it by saying that we've got the community housing sector pleading with the Government to confront the housing emergency. Are we doing enough?

**Mr STEVE WHAN:** For more detail I'll hand over, but I'll make some general comments. You're absolutely right. In a time when cost of living is very high, it's hard for people to step out and go into low-paid positions to take on training. My son-in-law is a second-year apprentice, so without my daughter's newly increased teachers wage I'm sure they would be doing it quite tough.

**The Hon. WES FANG:** Two more disclosures to make.

**Mr STEVE WHAN:** It's quite a challenging area. The assistance that we provide at a State level is mainly on the fee side of things. There's obviously some Commonwealth assistance available as well. Our scope to actually provide that support is mainly around the costs of entering into the program. The pay rates are set federally. I'll ask Mr Brady to elaborate a bit more on the assistance that's available but I certainly acknowledge your point, which is that it is one of the things which makes it hard to attract people into the sector.

**STEPHEN BRADY:** Certainly our apprentices have been the beneficiaries of the fee-free TAFE program, so from a fee perspective there's no cost to the learner or the employer for their apprenticeship at the moment. That's opening up the channel as much as we can from a demand side but then, from the supply side, as I said earlier, we do need to get the teachers in place. We've had scholarships programs, bulk recruitments and Paid to Learn. We're trying, as much as we can, to balance both sides of that equation.

**The Hon. RACHEL MERTON:** Minister, if I could just ask you a question related to budget papers. I was just referring to budget papers prepared by earlier governments and I was noting the inclusion of the outcomes statement. You may be familiar—if you draw on your time as a Minister serving in the Keneally Government—that budget outcome statements were part of the budget papers and the presentation. People like me, and other community people, actually found the outcomes statement to be useful because it just provided a bit more of a breakdown of exactly what the budget meant, where it was going and stuff like that. Do you have any comment about the absence of the outcomes statement in this year's budget?

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**Mr STEVE WHAN:** Obviously I wasn't a Minister when the budget came down and it had been a while. I've been out of politics for eight years, and I have to say I hadn't noticed.

**The Hon. WES FANG:** Why does that not surprise me?

**The Hon. RACHEL MERTON:** The Keneally budget papers read a lot better than the Minns budget papers.

**Mr STEVE WHAN:** I'll take your point and I'll note next year whether or not they're there.

**The Hon. RACHEL MERTON:** I think your Treasurer has had some strong words on this. Our feedback from people is, "What's in the budget? How do we find this?"

**Mr STEVE WHAN:** I will certainly defer to the Treasurer on that point.

**The Hon. RACHEL MERTON:** Thank you.

**The Hon. WES FANG:** Minister, have the targets for the Future Economy Fund been altered?

**Mr STEVE WHAN:** The Future Economy Fund—can I, first of all, say that I'm very pleased that you've moved on to something that is vaguely in line with my portfolio.

**The Hon. WES FANG:** Minister, I aim to surprise, can I tell you. I'm a man full of mystery.

**Mr STEVE WHAN:** I will ask the secretary if he wants to comment on the Future Economy Fund.

**The Hon. WES FANG:** Is that because you don't know, Minister?

**MURAT DIZDAR:** We'll get Ms Read to—she's got carriage of it.

**CHLOE READ:** The Future Economy Fund doesn't sit within this portfolio, so we might need to take that on notice and seek some advice on the management of the fund overall.

**The Hon. WES FANG:** Are you aware at all if the funds have been reallocated from within the FEF and away from projects?

**CHLOE READ:** No, as I said, it's not in this portfolio.

**The Hon. WES FANG:** You have no idea at all?

**Mr STEVE WHAN:** You probably should direct that question to the relevant portfolio Minister.

**The Hon. WES FANG:** The reason that I'm asking you, Minister, is because there is an assumption around apprentice and trainee wage growth in that area, which you, obviously, have responsibility for.

**Mr STEVE WHAN:** I'd suggest to you that, in fact, there is a Federal mechanism that sets the apprentice wages. It's not a State decision.

**The Hon. WES FANG:** No, but you're the Minister for skills, and your Future—

**Mr STEVE WHAN:** You just asked me about wage growth.

**The Hon. WES FANG:** Yes, but your Future Economy Fund has assumptions in it around the apprentice and trainee wage growth. Are you able to achieve your targets?

**Mr STEVE WHAN:** Our planning in New South Wales, in budget and a range across of whole lot of areas, includes a lot of assumptions about the economy, including wage growth, inflation and a whole range of economic indicators which aren't necessarily in the State's control but which are included to try and give context so that we know, for instance, how much the State's domestic product is going to grow or how much wages are going to grow, so we can forecast demand and costs.

**The Hon. WES FANG:** That's a great obfuscation of the answer, Minister, but in reality—

**The CHAIR:** Order!

**Mr STEVE WHAN:** It's very clear, Mr Fang, that any forecasts from government include the whole context that you're in. It doesn't necessarily mean that you're in control of that aspect of the program.

**The Hon. WES FANG:** But Minister, the point is—

**The CHAIR:** Order! The Opposition's time has expired.

**The Hon. WES FANG:** I will come back to that point.

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**The CHAIR:** Minister, I wanted to ask you about the Northern Rivers TAFE campuses that were impacted by the 2022 floods. I understand there were four campuses—Lismore, Ballina, Murwillumbah and Kingscliff—that were impacted by those floods. Do you know how many TAFE students were affected?

**Mr STEVE WHAN:** I will ask the managing director to specifically answer on the numbers. It's difficult to know precise numbers, but I've had a number of conversations with Janelle Saffin, particularly, about the Lismore campus, which, as you know, was very severely affected. There's been an agreement made, at the moment, to deliver a number of those courses through Southern Cross University in Lismore, which is great. As I understand it, TAFE has made an effort, since the floods, to ensure that courses continue to be delivered. At the same time, they've been renovating—it's not quite the right word for flood damage—some of the buildings with heritage value on the TAFE campus, which has been undertaken with the insurance money. And there's consideration now as to, obviously, in Lismore—and I was emergency services Minister in a Lismore flood many years ago, it feels like, and we know that there are challenges there in trying to make sure that we build back better and don't simply repeat the problems of the past and repeat the damage from flooding. That's in our considerations as well, but I'll ask the managing director to answer the specific question on the students affected.

**The CHAIR:** I'm just trying to get an idea of the impact and the disruption and where we're at now.

**STEPHEN BRADY:** The initial impact was severe, as you'd appreciate. I don't know if you know the campus, but it is a multistorey campus. It goes up, I think, three levels. We had groceries, from the Coles down the street, sitting on our top balcony—so absolutely inundated, the campus. Our library was destroyed. All of the books had to be thrown away because of mould, and all our artworks, because it's a big, creative campus. A lot of that was destroyed. It's absolutely heartbreaking for the teachers and the students. All our technology was wiped out—absolute destruction, really, of the campus. We moved really quickly. Our staff were magnificent in ensuring that we could continue delivery. We sourced properties in the local community that we could use on a short-term basis. I'd really like to put on record my thanks to Southern Cross University, who made space available to us. Southern Cross is a little bit further out of town, up on a hill, and so they supported us to continue delivery from their premises. We moved delivery to some of our other campuses in the area. Murwillumbah, whilst it was a recovery centre—it had some flooding—it was not terribly affected, so we were able to support some of our students in Lismore from Murwillumbah and the other campuses.

We provided transport to and fro for our students. We had a lot of counselling put in place for students who were severely affected. One of our biggest concerns was for our migrant students. We deliver training there on behalf of the Commonwealth under the AMEP program, and those types of students don't tend to travel very well, away from their local area, so we worked very hard to try and support them from the Lismore Southern Cross University campus. Yes, there were definitely impacts in the short term, and we worked closely and contacted every student to try to make sure we could keep them connected to their learning. Staff did, as I said, a magnificent job in doing that. Over time, we gradually were able to move more of those services to our existing campuses. We are still delivering from Southern Cross University today, and we've been developing the options for how we restore services in Lismore. The heritage buildings, as the Minister has said, are being restored at the moment. We have some buildings which were damaged beyond repair and are being demolished, and that is underway right now.

**The CHAIR:** How many TAFE teachers are currently being impacted, in terms of not teaching at the campuses that they were originally teaching at?

**STEPHEN BRADY:** I will have to take that on notice, but I would say that, from our perspective, I think we've managed to maintain service delivery. Teachers are being employed and students are being taught, whether they're delivering from their home campus or whether they're doing it from one of the other campuses. The campuses are between 20 and 30 minutes apart, so it's not too bad.

**The CHAIR:** Is there a schedule for completion of when those original sites will be back up and working?

**STEPHEN BRADY:** We've done some options analysis, and our intention is to consult with the local member and local community around how we should restore those assets.

**The CHAIR:** So there is no schedule yet. We're still in that discussion.

**STEPHEN BRADY:** We're about to step into a consultation phase, which will inform a business case to take back to Government.

**The CHAIR:** Thank you. I appreciate how complicated it is and how much work there is to do. Can I ask some general questions? How are we looking in terms of TAFE enrolment? How many TAFE students are currently enrolled, and what is the forecast number for next year?



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**STEPHEN BRADY:** The numbers I've got are the official numbers that come through in NCVET, which is the national reporting mechanism for vocational numbers. The latest numbers are the 2022 numbers. We had 397,000 enrolments, which is slightly down on the prior year, which really reflects some of the COVID stimulus programs—the rollout of the very short, sharp pieces of learning, such as responsible service of alcohol. So it's returning to a more normal enrolment level. This calendar year, whilst we haven't got the numbers, obviously, because we're still in the year, we've seen a really strong bounce back post-COVID, particularly under the fee-free program. But, really interestingly, in the certificate III and certificate IV courses, whereas, in COVID, we did a lot of the statements of attainment, really small pieces. We're now talking about courses which are three years long—a significant commitment from the learners—and really strong enrolment.

**The CHAIR:** How many places are fee-free, on your latest numbers? What sort of percentage are we talking about?

**STEPHEN BRADY:** One moment please.

**Mr STEVE WHAN:** The figure I've got for the fee-free is—we get \$319 million as a joint New South Wales and Commonwealth commitment for TAFE fee-free, and the figure I've got, from 1 January 2023 to 30 June 2023 is 105,526 enrolments and 99,201 commencements. We've got some breakdowns for all of those.

**STEPHEN BRADY:** Yes, happy to, thanks, Minister. There's some interesting data. Of those learners, 67 per cent are in current employment, 66 are female, and 44 per cent of those learners are studying online through TAFE Digital, so strong demand. I think I had some information on course areas, but I may need to come back to you. Particularly, we are seeing strong demand in the technology and business services areas. Those certificate III courses are project management, business services and technology, predominantly.

**Mr STEVE WHAN:** I visited Griffith TAFE last week.

**The Hon. WES FANG:** Good to see you in the regions, Minister.

**Mr STEVE WHAN:** Enrolled nurses talked to me there about how important the fee-free was to them, because a lot of the women who were in that room had children and had a number of commitments and said to me that they wouldn't be doing the course if it wasn't for the fee-free. So that's pretty good to see.

**The CHAIR:** I'll come back to that point about women in a minute. Can I just check the projected enrolments for 2024? Do you have those figures?

**STEPHEN BRADY:** We don't have a projection. It really depends on what's happening in the industry, Ms Boyd.

**The CHAIR:** I want to ask you about the provision of early learning centres at our tertiary institutions, which, of course, support women re-entering the workforce and training but also allow some hands-on experience for people who are training to be early childhood educators. Are you able to give me any information as to the plans to fund those centres?

**Mr STEVE WHAN:** Are you talking about the ones in TAFE, particularly?

**The CHAIR:** Universities and TAFEs.

**Mr STEVE WHAN:** We do have a number of early learning centres in TAFE, and perhaps Mr Brady could talk about those.

**STEPHEN BRADY:** Thanks, Minister. We do have a range of centres, some of which we manage ourselves and some of which are provided through contracts on our behalf. We are required under our contract with the Commonwealth for the AMEP program for migrants to have some of those services available, so it's part of that delivery. We do also have centres which are part of our early childhood education delivery, which are used for training delivery. We get members of the community and their children in regularly as part of that to give the students hands-on experience in playgroups et cetera.

**The CHAIR:** I'll go to my colleague in one second, but do you have one of those centres at every TAFE?

**STEPHEN BRADY:** No, we don't.

**Mr STEVE WHAN:** No.

**STEPHEN BRADY:** But I might ask Ms Schorer, who's our chief delivery officer, to comment.

**JANET SCHORER:** Just quickly, we've got 15 TAFE-run childcare centres across the State. As the managing director has said, we then have a number that are run under contract by Gowrie that are connected to the AMEP sites. And then we have a number of locations where, for the purposes of learner experience, we might

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run playgroups or other things for the local community that are for the benefit of the learner to understand. It's part of their training.

**The CHAIR:** I'll come back to that in the next round.

**The Hon. TANIA MIHAILUK:** I might just follow up on what you asked there about fee-free place numbers. Minister, I think you said it was 105,000, or the managing director might have responded?

**Mr STEVE WHAN:** Correct, to 30 June 2023.

**The Hon. TANIA MIHAILUK:** Do we know how many of those are related to courses in the technicians' and trade workers' skills area? You can take it on notice.

**Mr STEVE WHAN:** The top courses by enrolment are, interestingly, accounting and bookkeeping, early childhood education, business, and leadership and management.

**The Hon. TANIA MIHAILUK:** Of the fee-free?

**Mr STEVE WHAN:** Of the fee-free, so perhaps Mr Brady might have some more.

**The Hon. TANIA MIHAILUK:** I just wanted to know because the last skills priority assessment done, from October of last year, indicates that there's a shortage of apprentice-trained technicians and trades workers.

**Mr STEVE WHAN:** Yes, you're absolutely right.

**The Hon. TANIA MIHAILUK:** I just wanted to know how many of those fee-free positions are applicable, given the shortage?

**CHLOE READ:** Can I just assist with clarity here?

**The Hon. TANIA MIHAILUK:** Yes, that's fine.

**CHLOE READ:** The figures that the Minister just referred to were specifically for the New South Wales implementation of the TAFE fee-free initiative, which is a partnership with the Commonwealth Government. As the Minister mentioned a bit earlier, apprenticeships and traineeships in New South Wales are also fee free. I think our top five apprenticeships include plumbing, carpentry, electrotechnology—thank you, Mr Collins—heavy commercial vehicle, engineering-mechanical and cabinet-making. So we already have a significant commitment to fee-free delivery for apprenticeships for trades.

**The Hon. TANIA MIHAILUK:** This is a generic question, but why is there still a general shortage in that space? Are we working with the industries to understand why there is such a shortage?

**Mr STEVE WHAN:** Yes, we are, and we know that there are skills shortages right across the economy. We particularly saw that in COVID. When we saw the reduction in immigration into Australia, we saw the skills shortages explode across a lot of industries. It's a big challenge, and we will be working with the Commonwealth through the National Skills Agreement to be targeting those priority areas over the next few years. Out of the VET Review, we would also hope to be able to do some longer term planning on skills needs for New South Wales as well.

**The Hon. TANIA MIHAILUK:** You mentioned the Commonwealth, Minister, and you're right that they've made some major changes with visas and workplace arrangements to support industries. Some are positive and some are negative, I understand, and there's different feedback about that. How would you see TAFE supporting that kind of structural change?

**Mr STEVE WHAN:** Our skills—in New South Wales, we obviously have a role in that in a few ways. Firstly, immigrants coming to Australia who want to undertake training can, once they can actually access our systems, do that. But we also play a role in recognising qualifications for people coming from overseas and giving certificates of—proficiency, I think?

**MURAT DIZDAR:** Equivalence.

**Mr STEVE WHAN:** Equivalence, yes, sorry. There are a number of ways that the State Government engages in those processes of making sure that people who are coming in can get recognition for their qualifications and are actually up to an appropriate standard to do so. Is that, Secretary—

**The Hon. TANIA MIHAILUK:** But they're not accessing the fee-free placements?

**Mr STEVE WHAN:** That specific question is on the fee-free places. Secretary, do you want to answer that?

**CHLOE READ:** Not non-Australian visa holders, no.

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**The Hon. TANIA MIHAILUK:** It's been put to me by some of the industries, particularly around TAFE—and I noted earlier, Minister, you mentioned something like 213,000 positions—

**Mr STEVE WHAN:** To do the transition to net zero needed, yes.

**The Hon. TANIA MIHAILUK:** But that's not already in the courses that you supply or provide in TAFE. Will you invigorate the type of courses that you will provide in the next couple of years?

**Mr STEVE WHAN:** Yes, there are certainly some developments that are needed. A lot of those skills are there already, particularly in the electrical space. We need, obviously, a lot of linesmen and electricians—a whole range of skills in those areas. But we are also focusing on some of the challenges in this with our commitments to having some industry centres of excellence by working through some of the programs that we've got in place to attempt to build some partnerships—for instance, in some cases, to work in that sector—

**The Hon. TANIA MIHAILUK:** But where are you getting that data from, Minister? I'm just keen to know that data. Where's that data on the 200—

**Mr STEVE WHAN:** Sorry, the data about the skills shortages?

**The Hon. TANIA MIHAILUK:** For the net zero—

**Mr STEVE WHAN:** That was in the Federal Government's—

**The Hon. TANIA MIHAILUK:** Because it's not in their Skills Priority List of 2022, so I'm just wondering where it came from.

**Mr STEVE WHAN:** It came from their recently released Working Future plan, which was based on the national analysis of those skills and fed into that.

**The Hon. TANIA MIHAILUK:** But it's not in the most recent Skills Priority List at all.

**Mr STEVE WHAN:** The Commonwealth Government's Skills Priority List identified 400 occupations as being in shortage in New South Wales, so there's quite a lot on that, obviously. They identified a number of those. The department's internal work has shown that occupations with the strongest growth in demand were—and these are also identified in the Commonwealth Government's work—in the caring sector, so aged and disability carers, early childhood, education aides, retail managers, and electricians and engineers. There's a range of—you couldn't sit here and say that there are any of those significant areas that don't have that same challenge of skills shortages. It is a big challenge for the Government and for all governments in Australia to deal with that.

**The Hon. TANIA MIHAILUK:** Minister, does the TAFE Commission Board still exist?

**Mr STEVE WHAN:** We have a TAFE board which reports to me and works very closely with the managing director. They don't manage the TAFE per se; they are advisory.

**The Hon. TANIA MIHAILUK:** They were advisory, but then in 2018 a structural change happened and more governance requirements were placed on the TAFE Commission Board.

**Mr STEVE WHAN:** I can only comment on the board that I have—that works with me—and that is obviously a board which is formed—

**The Hon. TANIA MIHAILUK:** In 2016 it changed from an advisory to a governing board. Has it changed back? Maybe somebody can give that advice.

**MURAT DIZDAR:** There are two boards. There is a TAFE board and a skills board. Are you—

**The Hon. TANIA MIHAILUK:** The commission board. I am talking about the TAFE Commission Board.

**Mr STEVE WHAN:** The TAFE commission is an advisory board, but I'll let the managing director—

**STEPHEN BRADY:** Under the legislation it is an advisory board. There was a review—recommendations coming out of an Audit Office performance review that said that the board was actually operating inappropriately and attempting to be a governing board. That resulted in a refresh of the board and a restatement of its purpose in advising the Minister and not acting as a governing board.

**The Hon. TANIA MIHAILUK:** So they have no role in, for example, any potential land audits or any use of campuses?

**STEPHEN BRADY:** No.

**The Hon. TANIA MIHAILUK:** What is their role, then, Minister? I am just trying to understand.

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**Mr STEVE WHAN:** Their role is to advise me, essentially.

**The Hon. TANIA MIHAILUK:** But on what?

**Mr STEVE WHAN:** On strategic direction for TAFE. They also work very closely with the senior leadership team in TAFE. They have a number of meetings each year with them and do deep dives into those areas and provide, essentially, their experience and advice. We've got four vacancies on the board at the moment, which we'll be acting to try to fill soon. But they, essentially, bring their expertise to assisting myself as Minister and senior management with the decisions that are being made around TAFE. But they have no decision-making power themselves. You are probably aware that Labor, after the election, brought a teacher onto the advisory board. We felt that was a major hole in the skills make-up of the board, and we're certainly keen to ensure that, when we fill the additional positions, we'll get a geographic cross-section of the State as well as expertise.

**The Hon. TANIA MIHAILUK:** Minister, just out of interest, why is there a vacancy of four? Is it that their terms expired?

**Mr STEVE WHAN:** I will have to pass that over. I don't know.

**STEPHEN BRADY:** There has been a recent expiration of one board member. There had been discussions previously about filling those roles, particularly looking at things such as energy transition, the care economy—those big drivers in the community—and looking to get some representation from those, and from regional New South Wales because we do so much work in the regions.

**The Hon. TANIA MIHAILUK:** How many are there in total, right now, on the board?

**STEPHEN BRADY:** On the board at the moment we have—

**The Hon. TANIA MIHAILUK:** You can take that on notice.

**Mr STEVE WHAN:** There are nine.

**The Hon. TANIA MIHAILUK:** Nine, of which four are vacant?

**Mr STEVE WHAN:** That includes three ex officios, on the board. There are four positions vacant. We go through a selection process on this board, and we will actually be seeking expressions of interest quite soon.

**The Hon. TANIA MIHAILUK:** You make the sole decision on that, Minister, or is that something that goes to the Treasury or to the Cabinet?

**Mr STEVE WHAN:** No, my understanding is that I will get recommendations on that.

**STEPHEN BRADY:** Typically the process has been run by the Department of Education, and there's an evaluation process. Recommendations are made to the Minister, and then we'd normally go to Cabinet as per any other board appointment process.

**The Hon. TANIA MIHAILUK:** I think it does go to Cabinet, yes.

**MURAT DIZDAR:** It does go to Cabinet.

**The CHAIR:** Order! Back to the Opposition.

**The Hon. WES FANG:** I will continue where I was cut off earlier. Minister, if I was to create a small precis of where we were prior to the crossbench time, you were trying to tell me how you really had no involvement in the Future Economy Fund, even though it directly affects the 1,000 new apprentices and trainees that you made an election promise to as an incoming government. I am then trying to ask you how the budget will impact that delivery through that program, and you are saying, effectively, as the skills Minister, that it's not your problem. Do you still believe that it's not your problem?

**Mr STEVE WHAN:** The Future Economy Fund is within the Minister for industry. It is funding the 1,000 apprentices and trainees, which I will be delivering. That money is being provided. It was actually allocated in the budget—\$93 million. We have that funding.

**The Hon. WES FANG:** We will go back to that bit where you said that you're delivering the—

**Mr STEVE WHAN:** The apprenticeships and trainees.

**The Hon. WES FANG:** Yes.

**Mr STEVE WHAN:** That is a specific election commitment which we made, and we have funding allocated. Frankly, I don't care where it comes from, as long as they've got the money.

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**The Hon. WES FANG:** When you denied earlier that you've got any involvement or any, I guess, skin in the game—you really don't know your portfolio. I get that you are only there for, like, five weeks. Congrats to you, Minister. The other bloke fell over; you've taken the mantle. I mean, seriously, is it just the case that you're not across your brief?

**Mr STEVE WHAN:** People might actually want to go back and read the question you did ask before, which was about wages and wage levels and the Future Economy Fund.

**The Hon. WES FANG:** And the first question I asked—

**Mr STEVE WHAN:** If you want to misrepresent—

**The CHAIR:** Order!

**The Hon. WES FANG:** Minister, don't try to verbal me.

**Mr STEVE WHAN:** If you want to misrepresent the questions you asked—

**The CHAIR:** Order!

**The Hon. WES FANG:** Don't you verbal me, Minister! Don't you verbal me, Minister!

**The Hon. MARK BUTTIGIEG:** Point of order—

**The CHAIR:** Order! Before I hear the point of order, I will let Mr Fang know that he will not be getting the call for at least another five minutes.

**The Hon. TANIA MIHAILUK:** Point of order: My ears say thank you.

**The Hon. MARK BUTTIGIEG:** The honourable member persists in asking questions, then making political statements in order to gain media attention, and treats the Minister with utter disrespect, shouting and screaming, which belittles the process and this Committee. I ask that you call him to order or eject him if necessary.

**The CHAIR:** I am very concerned about the disrespect shown to the Chair of this Committee. When I say order, we stop talking. We certainly don't yell. I will ask the Hon. Rachel Merton if she has questions, and I will come back to you in five minutes, Mr Fang.

**The Hon. WES FANG:** Let off early, Minister, but I will be back.

**Mr STEVE WHAN:** Quivering in my boots.

**The Hon. WES FANG:** You should be. Well, he started it.

**The Hon. RACHEL MERTON:** I have interest in the manufacturing centres of excellence. I bring you back to a NSW Labor pre-election commitment: \$43 million to manufacturing centres of excellence. How will the centres of excellence model differ from the institute of applied technology model, commenced at Meadowbank and Kingswood, that was implemented by the previous Government?

**Mr STEVE WHAN:** Thanks, that is a great question. I compliment the previous Government on those institute of applied technology models. From everything I have been told, they have been great and they are having success. Our centres of excellence, as we announced in the election policies—we will have one in the Hunter, one in Western Sydney, one in Wollongong. We are currently going through a consultation process. We've got some round tables over the next couple of weeks as part of the planning to inform how they will work. As a general concept, we are obviously hoping that they will use TAFE as the basis but build links with other education providers as well. As a regional MP, I am hoping that they will enable us to share a lot of the programs and things that they develop with people right around the State. Out of that consultation process that we are going through at the moment, we will take a proposal forward to Cabinet to implement the election commitment.

**The Hon. RACHEL MERTON:** Minister, what capital funding was in this year's New South Wales Government budget for centres of excellence, specifically the proposed centres in Western Sydney, Hunter and the Illawarra?

**Mr STEVE WHAN:** If capital funding is required for those centres of excellence, we will go back with that in our proposal for Cabinet to implement that. I guess some of the important things that the consultation process needs to talk about at the moment are what the model is that those centres of excellence will use, how we will bring people together to use them and how industry will be involved. Obviously, around that, we do not know exactly what bricks and mortar might be required for those. It is obviously much more important to know how we are going to deliver the services out of those than just to build a building. Your question will be answered in the fullness of time.

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**The Hon. RACHEL MERTON:** There is no capital funding committed at this point?

**Mr STEVE WHAN:** Not at this stage, no.

**The Hon. RACHEL MERTON:** Community consultation—

**Mr STEVE WHAN:** Is underway, actually, over the next two weeks. Does the secretary want to add anything extra on that?

**MURAT DIZDAR:** Mr Brady might—he's got carriage of it.

**Mr STEVE WHAN:** Mr Brady might want to add some more on that.

**STEPHEN BRADY:** We've completed consultation in the Illawarra, and we have consultation in Western Sydney and the Hunter over the next two weeks. We will then take all that input and start to develop up the proposal.

**The Hon. RACHEL MERTON:** Minister, what funding is being provided by the Commonwealth in the National Skills Agreement? I note your reference to that earlier and your knowledge of that, and the importance that you placed on that National Skills Agreement for New South Wales. Minister, what funding is being provided by the Commonwealth in the National Skills Agreement for centres of excellence? Is that funding for capital or operational expenses?

**Mr STEVE WHAN:** The Commonwealth has indicated that it wants to create six centres of excellence around Australia. At this stage, they haven't determined where they will go. The funding, as I understand it—and the secretary can add to it—is not specifically, at this stage, for operation or capital. It depends on the proposals that come forward. We would, obviously, be hoping to secure Commonwealth involvement in New South Wales, to the greatest extent possible. Perhaps the secretary could either—

**The Hon. RACHEL MERTON:** So, at this stage, we say there's no funding in the New South Wales budget, there's no funding or agreement or commitment in the national training skills budget—

**Mr STEVE WHAN:** No. Can I just ask the secretary to just ensure that I've indicated that correctly?

**MURAT DIZDAR:** The Minister's described that really spot on.

**The Hon. RACHEL MERTON:** With the no funding or anything further, Secretary?

**MURAT DIZDAR:** The managing director has described the consultation process to form the business case to take to government. The National Skills Agreement—Ms Read, who worked on it for three years, can give more detail. But it is a \$3.81 billion injection into New South Wales over five years. There is \$2.8 billion that's in guaranteed funding. There's an additional billion, over five years, that's on offer for New South Wales. That goes to things like the centre of excellence. I'll get Ms Read to give you that detail.

**The Hon. RACHEL MERTON:** The announcement was \$43 million.

**Mr STEVE WHAN:** That was the New South Wales announcement. Obviously, the Commonwealth has committed funding. It's a matter of us putting proposals forward to get that funding.

**The Hon. RACHEL MERTON:** Which we are to do—is that right? Nothing in place at this point?

**CHLOE READ:** There's a stream of reform program funding under the National Skills Agreement, which includes a commitment for centres of excellence, which is a Commonwealth commitment that they want to deliver in partnership with States and Territories. There was then an additional announcement of, I think, just a little bit over \$30 million, maybe \$33 million, at the time of the release of the employment white paper, that has, as I said, additional funding to fast-track some of those centres of excellence, too. The Commonwealth, having signed the full skills agreement, now seeks to partner with States and Territories on the proposals for centres of excellence, how they'll function, where they'll be located. So we're in active discussions with the Commonwealth on that.

**The Hon. RACHEL MERTON:** So we've got Commonwealth centres of excellence, funding maybe somewhere out there. At the announcement of the State ones, no funding—

**Mr STEVE WHAN:** Can I be specific. The Commonwealth is going to provide a maximum financial contribution to States of \$325 million over five years towards the centres of excellence.

**The Hon. RACHEL MERTON:** They're the Commonwealth-announced ones.

**Mr STEVE WHAN:** That's the Commonwealth ones. Correct.

**The Hon. RACHEL MERTON:** My reference was the New South Wales ones.

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**Mr STEVE WHAN:** The New South Wales ones? We've had a strong election commitment to that. We've made a commitment that they will be put in place.

**The Hon. RACHEL MERTON:** We've read about it.

**Mr STEVE WHAN:** As I've said, we're going through the process now of defining it. I think it'd be pretty silly for us to go out and—

**The Hon. RACHEL MERTON:** Talking to the community. No budget commitments.

**Mr STEVE WHAN:** It's a bit like telling someone, before you tender for a contract, how much you're willing to pay them. We're not doing that in this case, as we wouldn't in any other government program.

**The Hon. RACHEL MERTON:** Thank you. Minister, could I just remind you that the opening of my question was "New South Wales pre-election announcement, \$43 million to manufacturing centres of excellence".

**Mr STEVE WHAN:** As I said to you, we've got three.

**The Hon. RACHEL MERTON:** That was the announcement. That's all.

**Mr STEVE WHAN:** We've got the proposals, which will be developed up after we do the consultation, and we'll take those to the Cabinet.

**The Hon. RACHEL MERTON:** Minister, NSW Labor pledged to train or retrain 1,000 apprentices, workers, each year, for a domestic manufacturing industry. Yet the PBO modelling indicates that there will be less than 530 graduates by the end of the third year of the program. Do you agree with the PBO modelling? Is the model flawed? Are we missing something?

**Mr STEVE WHAN:** I might ask the secretary to comment on the modelling you're talking about.

**MURAT DIZDAR:** Ms Merton, can you just specify the program you're referring to? In the apprentices and trainee space, there's a government commitment that was an election commitment around delivering an additional 1,000 apprentices and trainees in the public sector.

**The Hon. RACHEL MERTON:** Additional 1,000, yes.

**Mr STEVE WHAN:** That was in the public sector. We're very clear on the 1,000 apprentices and trainees in the public sector. But I don't think that was what your question was about.

**The Hon. RACHEL MERTON:** It was off the back of the commitment of 1,000. It was in reference to modelling that was done by the Parliamentary Budget Office.

**Mr STEVE WHAN:** In terms of the election commitment?

**The Hon. RACHEL MERTON:** Correct—which pretty much came up short.

**Mr STEVE WHAN:** No. The commitment that that Government made was for 1,000 apprentices and trainees—

**The Hon. RACHEL MERTON:** You committed 1,000. The PBO modelling—530. That's the discrepancy.

**Mr STEVE WHAN:** No. We've committed to 1,000 apprentices and trainees, trainees as well as apprentices. The PBO modelling told us the amount that would be required for that. It said \$93 million. That's been allocated. We're in the process of implementing that program with the various departments in the New South Wales Government. We expect it to meet the 1,000. That'll be a combination of apprentices and trainees. We are also, as part of this, putting in place processes to ensure that they are actually additional.

**MURAT DIZDAR:** I can let you know, Ms Merton, that this was launched on 21 September. We've had 32 sessions with government agencies and State-owned corporations and unions. We've been working on targets. We've been working on job-training mechanisms in Sydney Water, Essential Energy, National Parks and Wildlife Service, Homes NSW—the full gamut of the public service. Mr Collins has got the privilege of leading that delivery of that commitment. He can give you even more detail if you like. It's a good ambitious target. It'll help with the earlier line of questioning around the skills shortage. The Minister's spot on—\$93.7 million.

**The Hon. RACHEL MERTON:** That's fine. Our duty's just to ensure that the importance of skills and training in the current environment—that's it's genuine, that there are adequate resources committed to it, there are targets serious about this.

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**MURAT DIZDAR:** I'd just commend my agency colleagues across the public service for their degree of engagement with us, because we just spoke earlier about the skills shortage and the workforce shortage. This is an avenue and mechanism to create a larger workforce supply that can also work in the public service.

**The Hon. RACHEL MERTON:** Just a further question on the centres if I could. I think the Minister might've touched on this. The pre-election announcement set out that the manufacturing training centres would be provided using existing TAFE resources and facilities. I guess the question is where does that, just in terms of the costs of the refurbishment or the construction—has there been any sort of follow-up or consideration given to the new facilities proposed and the existing TAFE resources?

**Mr STEVE WHAN:** I will ask Mr Brady to answer that in detail. But, as I mentioned before, at this stage, we don't know what the bricks-and-mortar aspect of that is going to look like. That's part of our planning because we're, obviously, focusing on the services and training that we can get out of it rather than necessarily being a building involved. But Mr Brady might answer that further.

**STEPHEN BRADY:** We do have significant trades delivery capability in the three locations that we're talking about. The intention was not necessarily to then build a new campus somewhere but to leverage the existing assets we've got and supports we've already got in place to get the best value for money. As the Minister said, we're not quite sure what that looks like just yet. When we know, we'll talk to the Government about it.

**The Hon. WES FANG:** Minister, as I was indicating before, I think I was indicating that you're probably not across your brief and that you may have been somewhat not diligent in relation to the things that you're responsible for. Minister, can you indicate whether you believe you will deliver those 1,000 new apprentices, given that your modelling is so far out and that you don't seem to actually be of the view that you're responsible for the delivery of this program?

**Mr STEVE WHAN:** I'd firstly point out the significant false premises in that question.

**The Hon. WES FANG:** We're not here to argue the question, Minister; we're here to answer the question.

**Mr STEVE WHAN:** We're here to make up any sort of fiction in a question? Is that your version of—

**The Hon. WES FANG:** I'm asking the questions here, Minister.

**Mr STEVE WHAN:** I've sat on that side of the table before, and I think I was a bit more diligent in my questions.

**The Hon. WES FANG:** You will again soon. Actually, you won't. You're in the other House. So you won't. That's right. You've gone from one House to the other to the other, I mean. It's been a bit of—

**Mr STEVE WHAN:** You want to talk about me? I'm happy.

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

**The Hon. WES FANG:** The one I asked ages ago, but he seems to be obfuscating the answer.

**Mr STEVE WHAN:** As we have just been talking about, the target of 1,000 apprentices and trainees across the public sector—

**The Hon. WES FANG:** Are you going to deliver it?

**Mr STEVE WHAN:** I'm confident that we will deliver it over the period that we've announced.

**The Hon. WES FANG:** Stake your ministership on it?

**Mr STEVE WHAN:** If we get to the next election and we haven't made excellent progress on meeting our commitment, then I'm more than happy to stake my reputation on that.

**The Hon. WES FANG:** Are you going to resign?

**Mr STEVE WHAN:** You're speculating about the next election. What you're saying is that you think that I'll be here after the next election. That's very nice of you, since you've just tried to suggest that I will be gone.

**The Hon. WES FANG:** No, I'm talking about before the reshuffle. Let's be honest, there's a—

**The Hon. MARK BUTTIGIEG:** A vote of confidence from Wes.

**The Hon. WES FANG:** —reshuffle coming soon.

**Mr STEVE WHAN:** Is there?

**The Hon. TANIA MIHAILUK:** Trust me; they're not going to get rid of him.



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**The Hon. WES FANG:** We'll see. We've done it once before. We did it once before. Minister, how many apprentices—

**Mr STEVE WHAN:** You mean when your friend John Barilaro defeated me in the election?

**The Hon. WES FANG:** Oh, that's right.

**Mr STEVE WHAN:** That was a good pick from the National Party, wasn't it?

**The Hon. WES FANG:** He did. Absolutely.

**Mr STEVE WHAN:** The bloke who tried to rot the systems to get himself a job in New York.

**The Hon. WES FANG:** Lucky you're under parliamentary privilege, Mr Whan. Given your failure to disclose a number of items today, I suspect that might come back to bite you. Minister, how many apprentices have been engaged under the program as of 30 September 2023? Do you know, or is it still your opinion that you're actually not at all involved in the program?

**Mr STEVE WHAN:** Again, the premise of your question is false. I have actually been speaking for the last five minutes about the 1,000 apprentices program. At this stage, we have not commenced the program. We've just gone through the process—

**The Hon. WES FANG:** You've done nothing about it.

**Mr STEVE WHAN:** The budget was, what, six weeks ago or seven weeks ago? The budget allocated the \$93 million over the period we require. We have been in consultation with the other departments about initiating the program—

**The Hon. WES FANG:** More reviews.

**Mr STEVE WHAN:** —and I've recently signed a brief on how we will go about that. I will ask Mr Collins to elaborate on that.

**DAVID COLLINS:** I'll just comment that we've been through extensive consultation with agencies over generating a demand for it. We've created an application process. The applications actually open today. We're asking agencies to put in submissions today—

**The Hon. WES FANG:** Look at the incredible timing. It's like it was a distraction from your poor estimates performance—the Minister, I'm talking about.

**Mr STEVE WHAN:** I'm happy to debate you over and over again, but it's wasting the time of estimates with your ridiculous comments.

**The Hon. WES FANG:** It's not ridiculous.

**Mr STEVE WHAN:** It's quite childish, really, isn't it?

**The Hon. WES FANG:** It's interesting that you do it today.

**Mr STEVE WHAN:** I actually didn't know it was coming out today, so there you go.

**The Hon. WES FANG:** Here we go, Minister. You did not even know.

**Mr STEVE WHAN:** I sign off on a process.

**The Hon. WES FANG:** Here's a Minister that is not across his brief.

**DAVID COLLINS:** Can I just comment that once the Minister endorses the process, we establish the process. We intended to have a one-month period for applications. It's coincidental. Maybe it looks expedient, but it's coincidental that that month commences on 1 November and ends on 30 November.

**The Hon. WES FANG:** Fair.

**DAVID COLLINS:** The agencies will—

**The Hon. WES FANG:** Did your office provide the Minister advice that it would be opening today?

**DAVID COLLINS:** We've provided the Minister advice on the process, not that it would be opening—

**The Hon. WES FANG:** Did a memo go to the Minister's office to say that it would be open today?

**Mr STEVE WHAN:** I signed off on the process.

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**The Hon. WES FANG:** Minister, I'm now asking a question. Did the Minister's office receive advice that it would be opening today?

**DAVID COLLINS:** We didn't advise the Minister's office that that application process would be opening today.

**The Hon. WES FANG:** Did you think that you didn't need to advise the Minister's office of that?

**Mr STEVE WHAN:** I'm sorry. I need to approve the process. I'll then let the department implement the process. I have got a process which I'm confident will deliver 1,000 apprentices and trainees across the public sector, in keeping with the Government's election commitment. If the Opposition wants to dive down silly holes in that, it just serves to show the people of New South Wales that you're not actually interested in overcoming the skills shortages in New South Wales.

**The Hon. WES FANG:** I'm a details person, and I'm interested—

**The CHAIR:** Order!

**The Hon. WES FANG:** —in finding out about the detail. You don't seem to know any.

**The CHAIR:** Order! Your time has expired, Mr Fang. If I could come back to some sensible questions about—

**The Hon. WES FANG:** Chair, that's a bit harsh.

**The CHAIR:** —early childhood educators. I'll perhaps ask Ms Schorer to come back. At both a Federal and a State level, early childhood education and care has been identified as something incredibly important not just for getting parents back into the workforce but also for the health and wellbeing of children at that early age. I understand that there was a recent proposed closure of the early childhood education and care training at Petersham TAFE that has now been reversed. Can you give me an update on where those programs are available and where the holes are in terms of LGAs that don't have access to early childhood education programs at TAFE?

**STEPHEN BRADY:** Perhaps I might first address the Petersham question and then hand across to Ms Schorer for the broader early childhood education delivery question. We actually have an early childhood education centre—so delivery of early childhood services—on the Ultimo campus. As a result of the impacts of COVID, the organisation that was running that for us left. That left us without a fully operational early childhood centre on the Ultimo campus. We were interested in using that fantastic facility to deliver training—so convert it from an active childhood centre into a training facility—hence the proposal to relocate our teaching unit to this very good facility.

In discussions with the teaching teams, the decision has been reached that we will continue to deliver it in Petersham, but we will also look to commence training at Ultimo. We will try and support it in both of those centres. It takes a little longer to stand up Ultimo, given the fact that we will be starting it from scratch, but that's our current intention. We are also in conversation with the department around some of its initiatives around expanding early childhood education and the role that TAFE can play in supporting those initiatives. That's an active conversation right now. But I'll hand across to Ms Schorer for the broader delivery question.

**JANET SCHORER:** Early childhood education is one of our highest enrolment courses across the State. Certainly we see that particularly in the TAFE Digital campus as well, so people having a desire to learn online, which makes it available anywhere. One of the challenges we face with that skills area is the same that we faced in the trades, where it's a challenge for teachers to step out of employment and come and train as teachers in TAFE. Part of our next cohort and our future cohorts for the Paid to Learn Program, which the managing director has referred to previously, is to focus on early childhood education and working with, as we are at the moment, a number of—particularly in regional locations—the bigger providers where we might be able to provide traineeship-type programs to enable people to work and train with us at the same time. Much like the trades, it's a challenging environment for us because the enrolment interest is high but we don't always have the teaching workforce to follow that through.

**Mr STEVE WHAN:** Chair, can I just clarify? I think part of your question was directed to where we actually have childcare centres in the facilities as well.

**The CHAIR:** I'm interested in what the coverage looks like. Part of having these programs is to also have centres at which students can train. I'm interested in that from my last round of questions but also, given this new focus from Federal and State governments on increasing that workforce, what are we doing within the TAFE system to—

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**Mr STEVE WHAN:** I'll get Mr Brady to come back on whether or not there's any plans for additional facilities. But I'd just note as well that, through education, which you obviously questioned on this before, there is a number of preschool early childhood facilities going to new primary school campuses around the State too. Overall, in the community we're certainly very committed as a government to trying to increase the coverage of those things. The education department could pursue that further—Mr Brady—on the current locations of our childcare facilities within our TAFEs—

**The CHAIR:** And specifically whether you have concrete plans to expand that delivery of training.

**STEPHEN BRADY:** There's sort of two parts. One is our provision of support for our learners through child care on campus. I think we've dealt with that question. We don't currently have any plans to expand that support. I would note that part of what we do is in response to the AMEP contract we have with the Commonwealth. That contract is coming up for tender. We don't know what the requirements of that are going to be yet. Whether that will require us to have further support, we'll have to wait and see what comes through. In terms of our delivery across the State, I'll ask Ms Schorer to respond.

**JANET SCHORER:** As I mentioned before, we've got three types of early childhood centres. Where there is early childhood provision, most of those locations would have a space that is like a childcare centre but wouldn't operate as such because, as you'd appreciate, to operate a childcare centre takes you into a whole other regulatory environment, and so they don't operate that way. They really operate often—for example, there is a site like that in Kingscliff. It operates as a playgroup in partnership with other local community-based organisations for the students to get experience. It has the environment, and many of our locations would have that but they wouldn't have a childcare centre per se.

**The CHAIR:** But in terms of providing available courses for people to become early childhood educators, are there other plans to expand that and to provide more places across the State?

**JANET SCHORER:** Early childhood education is part of the fee-free—and, certainly, there has been a significant take-up of those fee-free places in early childhood. There is certainly no intention to contract it, by any means. We might change the location of where we do it, depending on where it's needed, but we'll always look to expand if we have the teacher availability.

**Mr STEVE WHAN:** Just some interesting stats on this: Cert III in Early Childhood Education is our biggest Cert III course in the State, with 5,500 in training and jobs. There are a number of government programs, including a scholarship program, to help early childhood educators get diplomas or degrees, along with a number of other initiatives. Certainly, we are delivering the program in a lot of places. Even though it is the biggest, as I've said, when I was speaking to early childhood educators recently in country New South Wales they were still telling me they could cope with more in their course and they were still trying to get more in. So those scholarships and things are really important to try to attract people in.

**The CHAIR:** Just on that, students who are trying to become early childhood educators—and they are not alone in this—report finding that unpaid placement component of their course incredibly difficult, where they have to give up other paid work or whatever. Are there any plans to make that a paid placement for early childhood educators?

**Mr STEVE WHAN:** I have heard exactly the same thing from many people and also, frankly, in the ranks of teaching as well, I hear that constantly. There are no plans that I am aware of at the moment. Perhaps the Secretary can—

**MURAT DIZDAR:** Yes, Ms Boyd, it's a really pertinent point in the teaching profession where we've got a shortfall as well. How do you take two weeks, three weeks, four weeks out of your livelihood and deliver on the practicum component that is so vital and important? But I think this Government's move around the scholarship program to make sure that—alongside whether it's a TAFE fee-free course, the scholarship to help boost what income level can be there for that individual to help overcome the placement process.

**CHLOE READ:** Could I just add, I think there is a difference here between in the vocational system people undertaking the certificate III or the Diploma in Early Childhood, who are obviously often or almost always in a traineeship situation, so they're working and studying at the same time, and the higher education early childhood qualification which is where that unpaid placement matter comes more into play, I think, as it does for undergraduate teachers.

**The CHAIR:** Do you think that if we tried to solve for that we would end up with a greater demand for those courses? And from a workforce strategy perspective, how does the Government prioritise which of these courses it's going to offer those kind of incentives?

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**MURAT DIZDAR:** I certainly know on the teaching front we're working with all of the deans in education across New South Wales to look at what flexible models we can deliver. We've got scholarship programs in play as well that can help and assist. And also, how do you create the employment pathways that Chloe was talking about? Because in the teaching profession we can employ you as a paraprofessional, for example, and you don't have the duty of care and responsibility—there is a teacher in the room—but can you possibly also meet some of your practicum requirements there? Can we also look at not having it in set periods where everyone's got to go out? How can you have that flexibly delivered and how you can build it over the life of—I'm describing teachers in this case—a teaching degree?

I also know that this is a national workforce challenge, just like the teaching one. These initiatives are really good and we need to grow the sector. We've got a commitment—as you know from the previous hearing—to deliver 100 government preschools. But I do know that when Chloe and I attend the national level meetings on the ECE, the national workforce challenge there is significant. I hope I'm going to get this right, we're two years out from a national reform agreement on the ECE front. I know that workforce is a front and centre piece in those discussions as well, because we don't solely own the lever, as you know, with the Commonwealth there.

**The Hon. TANIA MIHAILUK:** We've already had a bit of a discussion about the teachers cut. Obviously teachers were cut under the former Coalition Government.

**The Hon. WES FANG:** Well—

**The Hon. TANIA MIHAILUK:** By significant amounts, Mr Fang.

**The Hon. CAMERON MURPHY:** They sure were.

**The Hon. TANIA MIHAILUK:** But, anyhow—

**The Hon. WES FANG:** Well, I mean, now you're misleading the Committee.

**The Hon. RACHEL MERTON:** Lies, lies, lies.

**The Hon. TANIA MIHAILUK:** If I can just flag, between 2012 and 2019, 4,500 TAFE teachers and support staff lost their jobs. I think it's something in the order of 15,000 staff down to 10,537 in 2019. I'm not sure if there is a more up-to-date figure. How many teachers and staff are there now, Minister?

**Mr STEVE WHAN:** I'll get the figure off here. Full-time equivalent numbers is 10,841.

**The Hon. TANIA MIHAILUK:** So it's gone up by a couple of hundred since 2019. They are pretty significant cuts from 2012. We're talking up to 75 per cent. What will you be doing, Minister, to reverse this? I remember a very big Labor campaign in December 2021 on this issue, where we were sent flyers and material—back in my day in the Labor Party—from the Premier's office about campaigning hard on the teachers cuts and, indeed, on the enrolment numbers down. In fact, I'm looking at a release from the then Opposition leader that there was a 25 per cent reduction in student enrolments as well. What are you doing to reverse that figure? Have you made a commitment to reinstate the 4,500 staff that the Opposition leader highlighted in December 2021?

**Mr STEVE WHAN:** There are a few aspects to that. Firstly, we are certainly keen to recruit more staff to TAFE. We have a number of areas where we're short. Obviously, a number of these things are driven by demand, which we'll respond to there. Part of the picture for staff in TAFE is that the previous Government left us with a workforce which is over 65 per cent casual or non-permanent engagement. Obviously in some areas in TAFE that's appropriate. There is always going to be a need for some flexibility in some of those areas. But the managing director talked a bit before about the letter that he'd sent out about permanent employment.

**STEPHEN BRADY:** That's right.

**Mr STEVE WHAN:** That's a serious issue for us, to try to actually boost staff, to provide them with more certainty about their employment. Along with that, a number of our commitments that we made in opposition will help us to rebuild that education workforce in there, including that guarantee of the minimum commitment of the skills budget to TAFE, which the Federal Government also agrees with and it's great to have alignment on that.

**The Hon. TANIA MIHAILUK:** Have you got specific vacant positions in certain teacher positions for certain courses?

**Mr STEVE WHAN:** Yes, we certainly would, and I'll hand that to the managing director to answer that.

**The Hon. TANIA MIHAILUK:** Yes, the managing director might know that.

**Mr STEVE WHAN:** We certainly do, because we are short in a number of areas and that's why there is a number of those—

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**The Hon. TANIA MIHAILUK:** Sorry to interrupt you, Minister, but does that also equate to particular regional TAFEs? I'd like to get a list of where the vacancies exist by course and also by location. Perhaps the managing director might be able—

**Mr STEVE WHAN:** I'll hand that over to the manager. That sounds like something you might have to take on notice.

**The Hon. TANIA MIHAILUK:** Yes, I'd expect that on notice.

**STEPHEN BRADY:** We'll have to take that detail on notice. We spoke earlier about the amount of demand we've got coming through in some of the courses and the very active recruitment processes we've got underway to try to attract more people into teaching at TAFE, and the fact that to teach at TAFE—

**The Hon. TANIA MIHAILUK:** But you're saying it's linked to student enrolment?

**STEPHEN BRADY:** That's right. It's linked to enrolment.

**The Hon. TANIA MIHAILUK:** So obviously you'd have to have a campaign around student enrolment as well?

**STEPHEN BRADY:** That's right. As I said earlier, we've had a real bounce in our enrolments this calendar year. You can't just turn on teaching capability. We've got dual professionals who are experts in their trade or industry who then need to also qualify as a teacher, so hence the work we've been doing around bulk recruitment campaigns, around the Paid to Learn Program, scholarships to do your teaching qualification, to try to attract as many of those teachers in as possible. So it is a challenge, particularly with such low employment, to find people who can make that transition. Often we're looking at people who have reached a point in their career where they're looking for a change. That could be because in the trades they're getting a knee problem or other sorts of industrial injuries, or it might be that they've got young families. In the trades, in particular, you're working six days a week and long hours, and you are not around for the kids' sport et cetera. So we're seeing those two categories of people who are generally interested in making the professional shift to a teaching environment, but they still need help to bridge that gap in terms of the teaching capability.

**Mr STEVE WHAN:** One of the other things to look at is the interaction between VET in schools as well, and now TAFE, and how smoothly that works so that we can be encouraging that. As you'd be aware, the minimum age to leave school was raised by the last Labor Government, and that did lead to more people staying on to year 12. It's really important that we smooth that link between the VET in high schools as well. If you're interested, the department could elaborate on that.

**The Hon. TANIA MIHAILUK:** If you could put on notice that question I have about the regional TAFEs and the enrolment figures there—

**Mr STEVE WHAN:** Sure.

**The Hon. TANIA MIHAILUK:** Can I also ask about private colleges? When you're making assessments about your TAFE campuses and the viability of certain courses, are you looking at, in the vicinity in those areas, particularly in regional New South Wales but also in Sydney, where your private colleges are competing in providing certain courses that are also available at TAFE—is there some sort of an assessment being undertaken generally by TAFE about the impact of private colleges?

**STEPHEN BRADY:** There is, actually. We've, in the last 12 months, created a new approach to planning our service delivery. Historically, it has been based on just the local demand, the local teachers' intelligence in their local communities. We've tried to elevate that. Looking at all the statistics coming through from Workforce Planning, from the National Centre for Vocational Education Research and from the ABS, we get an understanding of what's driving skills demand across the State. Then we combine that with profiles of local regions and what might drive things. For example, the Inland Rail line, the regional economic zones and the energy transition that's occurring in different places, like wind farms and solar farms—what are those things doing to drive skills demand in local regions? Then we look at that and—

**The Hon. TANIA MIHAILUK:** But you need to specifically look at the competition that's coming from private colleges.

**STEPHEN BRADY:** We do. We actually then look at our courses, and we look at them in terms of where's that demand coming through for the courses but then also what's our position relative to other providers. We understand where a course might be becoming less relevant to a local community or where there's really strong provision from someone else that we don't necessarily need to be in that space. We'll make decisions about how much—

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**The Hon. TANIA MIHAILUK:** Sorry, so if a private college provides those courses, you're saying TAFE would then not provide those courses?

**STEPHEN BRADY:** It's a question of emphasis. For instance, if you're in Sydney and you're teaching technology or business administration, there are a range of other providers. And so, for us, important that we—

**The Hon. TANIA MIHAILUK:** Minister, are there regular interactions from representatives from private colleges trying to seek meetings with either yourself or, predominantly, the managing director on competition in regard to their courses?

**Mr STEVE WHAN:** Not so far.

**The Hon. TANIA MIHAILUK:** You've only been there five weeks.

**Mr STEVE WHAN:** Yes, that's right. Not so far, but I'd expect that along the way I would. As the managing director is saying, it is important to be realistic about what's in the area. From a regional perspective, though—

**The Hon. TANIA MIHAILUK:** It's a problem.

**Mr STEVE WHAN:** —I think one of the clear learnings is that often the private providers are getting the people who are relatively easier to provide a service to and are a bit cheaper to provide a service to.

**The Hon. TANIA MIHAILUK:** But they're not going to give fee-free college courses.

**Mr STEVE WHAN:** TAFE is the provider who generally is providing the base for those who are less able to afford it or are disadvantaged in some way or another. It's a really important part of TAFE's mission and the importance that we place on it and thus the need to keep the network healthy.

**The Hon. TANIA MIHAILUK:** My concern would be when TAFE decides not to provide a course because a private college nearby is providing that course, but ultimately they're not going to be providing a fee-free opportunity for those students. Let's be honest.

**Mr STEVE WHAN:** Unless it's paid for by the Government.

**The Hon. TANIA MIHAILUK:** In some instances it is, I agree. But as TAFE pulls back in the future, those private colleges will take advantage.

**Mr STEVE WHAN:** I hope we won't be pulling back.

**STEPHEN BRADY:** Some of the feedback that has come through really strongly in community roundtables that had been conducted by the VET Review about the provision, particularly in regional areas, and the importance that TAFE is there and reliably there to continue delivering—

**The Hon. TANIA MIHAILUK:** That's right. They're much more reliable than the private colleges.

**STEPHEN BRADY:** Which goes to the funding model and the importance that the funding supports an ongoing presence in TAFE in those regions and in those communities so that we can be there to support that delivery.

**The Hon. TANIA MIHAILUK:** I have one more question about empty classes. There was a story a couple of years ago about the Padstow campus specifically having empty classrooms. Has there been an assessment undertaken across all campuses of how many empty classrooms there generally are?

**Mr STEVE WHAN:** You mean in terms of them being not utilised at all?

**The Hon. TANIA MIHAILUK:** They're just empty. They're not utilised at all throughout the terms.

**Mr STEVE WHAN:** There certainly would be, and it comes back to that review that we're trying to do of all the TAFE sites. But I'll pass back—

**STEPHEN BRADY:** There are two aspects to that question. One is the campus master planning work we're doing at the moment. We've got 1,760 buildings in TAFE with many classrooms, of course, in each of those buildings.

**The Hon. TANIA MIHAILUK:** Sorry, how many?

**STEPHEN BRADY:** There are 1,760, approximately—I think I'm out by about four—buildings across the TAFE network. So there's a lot of space. Some of those are speciality spaces like plumbing pits, speciality electricians or pole farms for linesmen. Some of them are multipurpose classrooms. What we need to do is two things. One is we need to do our campus master planning so that we understand where our demands are coming

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from and, therefore, what infrastructure we need in what location to support what learning. The second thing we need is a proper technology platform that allows us to actually measure utilisation to allow bookings. It comes back to the student management system we talked about earlier so that we can understand what's being delivered in what room with what technology or equipment support by what teacher so that we can efficiently manage and make sure that we've got everything we need there to support the learners.

**The Hon. RACHEL MERTON:** Minister, have you been briefed on any proposals for divestment?

**Mr STEVE WHAN:** Divestment of assets?

**The Hon. RACHEL MERTON:** Yes.

**Mr STEVE WHAN:** No.

**The Hon. RACHEL MERTON:** Minister, could you elaborate on your earlier comments relating to the Bega TAFE?

**Mr STEVE WHAN:** Yes. Obviously the decision on Bega TAFE was taken before I was Minister, but I'm in a neighbouring electorate so I was paying attention to that. Bega TAFE moved. There was a new TAFE built, and the old site is not being utilised for TAFE. My understanding from discussions with the managing director is that they undertook a range of planning work to build the new site to make sure it catered for the needs of the area. In fact, they've had an increased enrolment since the new TAFE was opened. That left a site which was not utilised. In accordance with the Government's announced priorities of trying to ensure that we're easing the housing crisis and providing affordable long-term rental as well as affordable housing and key worker housing, the old TAFE site is to be utilised for that. That's very consistent with the priorities and, certainly from someone who is a member in that south-east part of New South Wales, absolutely vital. I'm constantly hearing from the health sector and from the education sector that they will get someone to accept a position and then they can't find anywhere to live that's affordable. So we've got to urgently address those things.

**STEPHEN BRADY:** I might clarify one point, Minister. We did, in the design of that facility in Bega, decide that we'd relocate one course to Moruya. We had specialist facilities. Across those two campuses, enrolments are up 13 per cent. We're delivering 10 new courses that were never delivered in Bega before because that connected learning centre is there. It includes things such as a Certificate III in Community Pharmacy. Again, the range of learning options in that community have increased.

**The CHAIR:** I will just check if Ms Mihailuk has any further questions.

**The Hon. TANIA MIHAILUK:** No.

**The CHAIR:** We might cede our time. Is the Government wanting to ask questions?

**The Hon. CAMERON MURPHY:** I have a question, Minister. I just want to go back to an area that you were talking about earlier before you were rudely cut off. I just ask if you can please inform the Committee about the National Skills Agreement and its benefits.

**Mr STEVE WHAN:** Thank you, I'd be delighted to do that. The National Skills Agreement is a very important agreement because it is a funding agreement that runs over five years. It is something which, as you heard before, the education department has been engaged in negotiating now for three years. What's really pleasing about it is that we now have Labor governments at State and Federal level who are in alignment over the importance of addressing skills shortages across the economy. To do that the Federal Government has put really significant increases in funding on the table for our State. The agreement negotiated by New South Wales guarantees the base funding levels—in fact, it guarantees an increase in funding over the five years. We are able to address together some very important national priorities which include—sorry, I've just lost my little list.

**The Hon. TANIA MIHAILUK:** It's all right; we can read about it later. Just email us. Maybe Murat can email us?

**The Hon. RACHEL MERTON:** It's on the department's website.

**Mr STEVE WHAN:** What's really exciting about this is that it does actually provide us the space to get over a billion dollars extra in funding for New South Wales. The priority areas include gender equality, Closing the Gap, so will be doing that—

**The Hon. TANIA MIHAILUK:** Closing the Gap? I'll have a couple of questions then.

**Mr STEVE WHAN:** Well, that's really important, because one of the priorities that we've been outlining in that is working more with the Aboriginal community controlled organisations to actually deliver that, as well as with existing providers. We are also supporting the net zero transformation, sustaining essential care services,

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developing our sovereign capability and food security—again, very important for someone who's been involved in agriculture for a long time, as I was—ensuring Australia's digital and technical capability, and delivering reforms to improve the regulation of VET qualifications and quality. A very lengthy negotiation has led to that. It's disappointing that it wasn't signed a year ago, but apparently the previous Government wasn't able to negotiate the agreement. I'm very pleased. I'd like to congratulate the department on their work and involvement in getting that forward.

**The Hon. WES FANG:** Are you actually reading a Federal Dixer asked by the Hon. Cameron Murphy? Are you seriously wasting our time with a Federal Government Dixer?

**The Hon. TANIA MIHAILUK:** What about the former Minister? You might want to check? You had two former Ministers who were trying to sign off.

**The CHAIR:** Order!

**The Hon. WES FANG:** You've got to be joking? This a new low from the Labor Government. This is a new low.

**Mr STEVE WHAN:** Well, I think I've seen some lows in some questions today, that's for sure.

**The Hon. WES FANG:** You've seen some lows, all right. You're a member of the Labor caucus.

**Mr STEVE WHAN:** I'm pretty sure that when I was in the upper House we were much nicer.

**The CHAIR:** Order!

**Mr STEVE WHAN:** I do thank the member for the question, and I appreciate being able to outline such a significant reform for our skills sector.

**The Hon. CAMERON MURPHY:** Thank you, Minister. Excellent answer.

**The CHAIR:** Any more Dixers or questions?

**The Hon. PETER PRIMROSE:** No, I'm satisfied.

**The Hon. WES FANG:** Come on, we know the Feds are in trouble but you don't need to hold their hand. I mean, honestly.

**The CHAIR:** Some of us are definitely hangry, so we will break now for lunch.

**Mr STEVE WHAN:** I think that started at 9.15 this morning, actually.

**The CHAIR:** Order! Thank you for attending this hearing, Minister. We've finished with your questioning. The Committee will now break for lunch.

**(The Minister withdrew.)**

**(Luncheon adjournment)**

**The CHAIR:** Welcome back. We will begin again with questions from the Opposition.

**The Hon. RACHEL MERTON:** I just wanted to pick up from earlier, if I could, where we left off in terms of RTOs and training and support available to them. Ms Read, you were elaborating earlier. Could you detail a bit more on what you were saying?

**CHLOE READ:** I might ask Mr Collins to jump in, but what I was talking about was the process of allocating government-funded training to registered training organisations under Smart and Skilled and just noting that the process is one of application. We run a procurement process where all RTOs can apply but, Mr Collins, did you want to talk through the process that we've run? Then maybe after that you could go to other support for RTOs in a more general sense.

**DAVID COLLINS:** We fund vocational education and training through a program known as Smart and Skilled, which is the vehicle for funding TAFE, private and community providers to deliver priority skills. We have established a panel of providers through a procurement process where we have gone to providers and asked them to demonstrate to us their capacity to deliver training in a range of priority areas. We've got a skills list which defines the qualifications the Government is willing to subsidise. We've got a process whereby prices for those qualifications are set and the providers are funded against that. The providers are required, through the application process, to demonstrate to us their capability, the quality, the areas in which they want to deliver and their capacity as well.



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We ran this most recently over the past year and established a new contract, which was effective from 1 July this year, that includes TAFE and, as the secretary has said, 546 other private and community organisations who are funded. In this process, each of them—if we use TAFE for an example, TAFE demonstrated to us what it proposed to do over the next 12 months across the various regions by qualification and industry and we established a contract to fund TAFE for that. We then have also established contracts with other private providers around that. So your question earlier around how other providers might get in, having established that process, we will now work with those providers to see if they're delivering the skills that we believe are needed for people to get jobs, or for people to get better jobs. If there are gaps within that, providers may be able to apply to get on to that contract to be supported—if there are areas in which we're not able to get the requisite skills.

**The Hon. RACHEL MERTON:** The feedback I'm getting, in terms of the housing targets and the need for skills and training in this sector, coming from some of the professional bodies in terms of construction, electrical and plumbing—I think that they think they have a role to play here in training outside TAFE and, at times, I think some of them are just asking where that is and what's available.

**DAVID COLLINS:** TAFE is the major provider in the construction areas, particularly in apprenticeship training across those areas. I think Chloe Read earlier talked about the construction qualifications—electrotechnology, carpentry and plumbing—being the top apprenticeship qualifications that are supported. TAFE is the major provider, though within that contract of providers there are others we are also supporting to deliver to complement what TAFE is doing. There are organisations such as the master builders, the master plumbers—

**The Hon. RACHEL MERTON:** That are registered training organisations?

**DAVID COLLINS:** They are registered training organisations—and the National Electrical Contractors Association—that also have a contract with us and are able to be funded to deliver apprenticeship training.

**The Hon. RACHEL MERTON:** So those professional bodies that you've just listed would fit under the Smart and Skilled program?

**DAVID COLLINS:** Yes, and they are able to be funded to deliver that training. Outside the delivery of training, we work with group training organisations who are actually employers of apprentices and trainees. A number of those organisations are also group training organisations, so they will employ apprentices and then contract them out to host employers. We work and provide some support to those organisations to try and work with them to increase the pool of apprentices and, through that, trade-qualified people. One of the things that we do with the group training organisations is we subsidise them to identify potential apprentices to support them to go through a pre-apprenticeship program and then to place them in an apprenticeship and enrol them in training with TAFE or another provider. That's one of the strategies that we've got to try and increase the pool in those critical trade areas.

**The Hon. RACHEL MERTON:** Do you think we need to do more to make it more easily available or get better information out there as to how these professional bodies can play a role in meeting the skills and training requirements?

**DAVID COLLINS:** We work very closely with professional bodies and their members to communicate the importance of apprenticeships as a pathway. The work that we also do that's important in this area is with young people, particularly young people in schools. There is a lot that we are doing with schools where our regional industry educational partnership teams are building relationships between employers and schools to run career-type activities related to particularly those trade areas but other areas as well. We are running Try a Trade type programs in schools. So it is about getting information to young people about the opportunities that are there through vocational pathways and what they can do, as far as getting into apprenticeships or traineeships.

**The Hon. RACHEL MERTON:** I've seen some good photos about Try a Trade in the schools, and kids have really enjoyed and engaged with that. When we look at Federal migration levels, in terms of managing it at the State level and meeting this skilled training shortage, are we doing enough in terms of gap training for new migrants here?

**DAVID COLLINS:** We are working with new migrants who may have trade qualifications or experience from overseas. We are working with them to assess those skills. Where necessary, we are offering the opportunity for gap training and assessment to enable them to get recognised at an Australian trade level and, if necessary, get licences. There is a pathway and a process for that. It's something we're also doing with people who may have undertaken part of an apprenticeship but, for one reason or another, have not completed that but have developed a level of skills through their work. We know there are a number of people who commence an apprenticeship and, for a variety of reasons, may not complete it but may continue in the industry. We are doing a lot of work now to support those people to get their skills recognised, to go through a recognition of prior learning process and get

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assessed so they can get a trade qualification. It's another strategy to try and increase the pool of trade-qualified people.

**The Hon. RACHEL MERTON:** I guess the industry is saying that it hopes we're giving this adequate consideration, given the skills shortage, and that if we've got migrants that have these qualifications we're picking it up.

**DAVID COLLINS:** We are working to, and often there is a need for both their qualifications but also a level of experience to be recognised and assessed. But we are working through that and certainly working through other strategies to try and increase the pool of trade-qualified people.

**STEPHEN BRADY:** I might just add, if I could, that the Australian Migrant Education Program, which we spoke about earlier, focuses initially on language and literacy and numeracy skills, but it does create a pathway then into vocational education. So, within three years of someone coming and starting that program with us, there's a significant number of those students who then progress into vocational education, and we've got a focus on the trades in that area as well. So getting them started on, say, a certificate II, gets them basic employability skills. Whereas, to become an apprentice, you need to be employed in the industry. The barrier then is how do you get employed in the industry if you don't have any skills. So we've created a pathway with, initially, literacy and numeracy and then into basic skills, and that then gets them into the trades as an apprentice.

**The Hon. RACHEL MERTON:** If I could just turn to the New South Wales vocational education and training review, I note that the terms of reference for the New South Wales vocational education and training review promise that a New South Wales skills plan will be developed in parallel and be informed by outcomes of the review. I was wondering if there's been any movement on this—a bit of an update.

**MURAT DIZDAR:** We were indicating earlier that the review is underway, with a real focus on how we can deliver on the Government's commitment of strengthening the TAFE provision. As you know, Ms Merton, it's led by the eminent Dr Michele Bruniges, who's got extensive experience in vocational education and in education, indeed. It's also got the Hon. Professor Verity Firth and Jason Ardler.

**The Hon. RACHEL MERTON:** They're review panellists, are they?

**MURAT DIZDAR:** They're the review panellists, yes. The feedback I've had that's been particularly pleasing is on the face-to-face round tables that they've been conducting across the State. Rather than be Sydney-centric, they've conducted round tables in Tamworth, Wollongong, Western Sydney, Dubbo, Cobar, Maitland, Tuggerah, Albury and Ballina, as well as regional tours in Coffs Harbour, Moruya and Moree. I actually joined one of those round tables with Mr Brady and wanted to see it in action. What we do at those round tables is get teachers who are delivering VET in schools and we've had students, we've had industry and we've had tertiary to get the full gamut of view, opinion and expertise and say about how we can strengthen vocational education and training in this State. There's also been a Have Your Say survey, so anyone in the State can respond as well. It's been progressing really well. We are looking forward to a preliminary report at the end of the year and a final report mid-next year. The Government will consider that report and the plan will come off the back of that report.

**The Hon. RACHEL MERTON:** Just in terms of the report timetable, when announcing the review the Government said:

At the conclusion of the stakeholder consultation period—

which sounds like it's in full steam—

and after further analysis an interim report will be delivered by the end of 2023, with a final report due by mid-2024 which will guide the development of a 2024 NSW Skills Plan.

Is this still the scheduled time frame?

**MURAT DIZDAR:** That's what we're working towards: a preliminary report, end of this year; a team supporting that panel working really hard to digest all the feedback and information; and then a final report mid-next year.

**The Hon. RACHEL MERTON:** You mentioned some of the panellists and the high esteem that they're held in. Who selected the members of the review panel? Was the Minister's office consulted in making the appointment decisions?

**MURAT DIZDAR:** The department gave a long list of recommendations to the former Minister, is my recollection—Ms Read will correct me if I'm wrong—and off that list of recommendations the Government made a decision and the panel was appointed.

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**CHLOE READ:** We ran a process to assess the longlist and the medium list against criteria such as a demonstrated deep understanding of the New South Wales VET system, a deep understanding of TAFE and knowledge of different student pathways and cohorts, and then we made a recommendation to the Minister about both the structure of the panel and also who would be on it.

**The Hon. RACHEL MERTON:** Does the panel as it sits today—and I appreciate the skill and expertise needed on it—represent the panel members recommended by the department?

**CHLOE READ:** Yes.

**MURAT DIZDAR:** We were thrilled with the outcome. Dr Michele Bruniges, you may remember, was a secretary here in New South Wales for education and then the Commonwealth secretary, and had vocational education and training employment and is an eminent expert.

**The Hon. RACHEL MERTON:** I think you mentioned earlier Verity Firth being a panellist there, so Verity Firth was on the departmental-recommended list of experts for the panel?

**CHLOE READ:** Yes.

**MURAT DIZDAR:** Yes, she was, with her capacity at the University of Technology Sydney and her eminent role there and her expertise around equity. Jason Ardler was the former member of Aboriginal Affairs and has great experience in bringing Indigenous expertise and voice to the panel in an area where we are acutely aware that we need to move outcomes. We referenced earlier, in the morning session with the Minister, Closing the Gap, so we wanted that angle covered as well.

**The Hon. RACHEL MERTON:** What are the remuneration arrangements, if any, for members of the review panel?

**MURAT DIZDAR:** I don't have the figures in front of me. I'm happy to take it on notice, but it's in line with government review panel remuneration guidelines.

**The Hon. RACHEL MERTON:** So they are paid positions?

**MURAT DIZDAR:** They are paid positions, yes. I'm happy to come back on notice if that's okay, Ms Merton.

**The Hon. RACHEL MERTON:** Yes, thank you. How is the plan different from the existing TAFE 2022-25 strategic plan? I guess we've got the TAFE strategic plan on one hand, and then we've got the training review on the other hand.

**MURAT DIZDAR:** The VET Review.

**The Hon. RACHEL MERTON:** Sorry, yes, the VET.

**MURAT DIZDAR:** Let me get Ms Read to start and give you clearly how it's different and where the focus is, and then Mr Brady might add to that as well.

**CHLOE READ:** You'd be aware, perhaps, that we've just recently released the plan for public education, and that's a piece of work that's been conducted by the department that covers—

**The Hon. RACHEL MERTON:** So that's the third plan?

**CHLOE READ:** That covers K-12, so schooling. We chose not to include the broader vocational education space in that part, partly because of the vocational review that we've just been talking about but also because, under the National Skills Agreement, there'll be agreed a new performance and outcomes framework nationally. What you want is for those things to come together in a clear plan moving forward, in line with the recommendations of the review as it comes.

In terms of the intersections with TAFE's plan, I would still expect TAFE, as a large public organisation, to have a plan for their own delivery. But, obviously, the skills system is a broader set of organisations and a broader set of considerations than only TAFE, while it is definitely to be placed at the heart of that plan and also a large part of the delivery in New South Wales. Not to preclude it, but I'd expect the skills plan to contain overall population targets. For example, at the moment we have one on the numbers of people in New South Wales with a certificate III or above. That obviously includes some elements of training and education from the higher education sector. We'd expect things to do with adult and community education providers and other elements in that plan.

**MURAT DIZDAR:** Let's get Mr Brady to talk to the TAFE plan.

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**STEPHEN BRADY:** Two things—one is we are required under our legislation to produce a plan each year to submit to the Minister. The three-year plan which you referenced, we've updated that, and the Minister has endorsed it. We'll be releasing that in the next couple of weeks. Each year we're required to do a refresh of that plan. But that plan, whilst it talks to our role as the public provider—and I think we talked earlier about how it's about being the leading provider of lifelong learning, meeting the evolving needs of industry and learners in communities across New South Wales. It talks to what we teach, how we teach it, the learner experience and the partnerships that we have with, for instance, the schools and the universities. That is developed within the current context of the way the vocational education system is operating today. The VET Review will actually examine the way that overall system operates and make recommendations about it. Following the release of the final report, we will then review our plan again in light of the recommendations of that review and we'll refresh the plan.

**MURAT DIZDAR:** But, given it's an annual update, it's an ongoing process.

**STEPHEN BRADY:** That's right.

**MURAT DIZDAR:** So it'll fit in neatly with that process.

**The Hon. RACHEL MERTON:** What will be the cost to the taxpayer of the VET Review?

**CHLOE READ:** We'll need to take that on notice, I think.

**MURAT DIZDAR:** We took on notice the remuneration for the panel members.

**The Hon. RACHEL MERTON:** You've taken the remuneration of the review panel on notice.

**MURAT DIZDAR:** Yes, I'm just seeing if I've got that figure as well. We may, Ms Merton, have to take that one on notice as well, if that's okay.

**The Hon. RACHEL MERTON:** While we await the results of the VET Review, TAFE NSW offices continue to follow the TAFE strategic plan?

**STEPHEN BRADY:** That's right.

**The Hon. RACHEL MERTON:** Are there any early indications at this point that either of the reviews, the VET Review or the TAFE one, will lead to job losses in TAFE and the VET sector?

**MURAT DIZDAR:** Just to clarify, there's only one review. There's the VET Review; there's the TAFE strategic plan. And my colleague Chloe spoke about the public education.

**The Hon. RACHEL MERTON:** There are three happening, but one is a review, one is a strategic plan and one is a—

**The Hon. WES FANG:** It sounds like a lot of cuts to me.

**MURAT DIZDAR:** There's only one review. Like I said earlier, we're looking forward to getting the preliminary report. The terms of reference don't go to job cuts. The terms of reference go to how can we strengthen vocational education and training in this State, recognising it starts from the secondary school gates all the way through adulthood. How can we make that bigger? Earlier this morning the Committee—we spoke about the Commonwealth data and the 400 occupations that are in shortfall, the national problem on this front and every State grappling with this. I've got to say at those round tables, like I indicated, we've had enormous feedback from the sector—all from the school gates along—that they're getting the opportunity to share their expertise, because they're daily in this space, about how to strengthen vocational education and training. So it's not going to cuts; it's going to what can we do, what can we put to Government, to make vocational education and training the powerhouse that it should be.

**The CHAIR:** Mr Brady, I want to ask you some questions about TAFE's debt collection activities. I understand there was a moratorium on debt collection throughout 2020 to 2022. As stated in the accounts, that was due to the ongoing developments of COVID-19 and the need to alleviate unnecessary financial hardship and emotional distress for studying students. Was a moratorium applied on debt collection more broadly than in relation to student debt?

**STEPHEN BRADY:** I don't believe so. We would not have significant debt outside of student debt. Students pay for their training delivery. I'd have to check exactly where our receivables are, but I don't believe we have significant debt beyond that.

**The CHAIR:** Can you tell me how much student debt is currently outstanding?

**STEPHEN BRADY:** I'll have to take that question on notice, sorry.

**The CHAIR:** Do you have a ballpark or any kind of idea?

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**STEPHEN BRADY:** What I can say is that bad debt write-offs—I've got some detail on that, if that helps.

**The CHAIR:** Yes.

**STEPHEN BRADY:** In 2018-19 we had write-offs of approximately \$22 million. More recently, that's now down in 2022-23 to \$3.2 million, so our financial management of those receivables has become much stronger. When I say "stronger", it's not that we're being strongarming with our students; it's that we're engaging with them, we're providing earlier notification and we're following up with them so that we make sure that we're staying on top of the issues.

**The CHAIR:** In the 2021-22 financial year, there's reference to the commission paying for debt collection services with Revenue NSW.

**STEPHEN BRADY:** That's right.

**The CHAIR:** What was the quantum of the arrangement with Revenue NSW in relation to debt collection?

**STEPHEN BRADY:** I will have to take that on notice as well. Revenue charges a fee per item, but I will have to come back to you and give you exactly what that is.

**The CHAIR:** Is that arrangement still ongoing?

**STEPHEN BRADY:** Yes.

**The CHAIR:** The contract that was entered into at the beginning of this year with ARMA Group Holdings for debt collection—is this a repeat of a previous contract, or is this a new debt collection contract or arrangement?

**STEPHEN BRADY:** The way we work is that we focus on trying to collect from our students initially. Where that debt passes 90 days, we then hand off to Revenue NSW. If Revenue NSW is unsuccessful in its collection, it comes back, and then we use the other organisation—ARMA—to see if there is any further opportunity for collection. It is a tiered response, if you like.

**The CHAIR:** How much, or what sort of percentage, do you think would end up in that final category, requiring debt collection from ARMA?

**STEPHEN BRADY:** I will have to take that on notice.

**The CHAIR:** The contract with ARMA is a three-year one for just over \$4.5 million. That would imply that we would have at least \$1.5 million worth of debt we're collecting at that point per year.

**STEPHEN BRADY:** I would have to come back to you for details. I don't know that it would relate to the amount of debt collection. That may well be the fee.

**The CHAIR:** I am sure it is the fee. I guess where I was going with that is you would expect, for it to be a financially sensible thing to do, that the extent of the debt that you are collecting was higher than the amount you were paying the debt collectors.

**STEPHEN BRADY:** Of course.

**The CHAIR:** The description of that arrangement also talks about—it says "debt service for collection from domestic and international students as well as commercial debtors", and then it is also "in relation to additional services such as collections against TAFE infrastructure debtors and canteen operators", but also "payroll salary overpayment and childcare centres". Can you tell me what the quantum of the payroll salary overpayment would be?

**JULIE TICKLE:** I can.

**STEPHEN BRADY:** Thanks, Julie.

**JULIE TICKLE:** The salary overpayments are extremely low. It is less than 0.1 per cent of our payroll. We do the same tiered approach. Our internal payroll team work with ex-employees who have been overpaid. Much of this is due to administration errors: They have left the organisation and they haven't separated the employee. A very, very small amount of our payroll is in the overpayments, and a lot of it is recouped in that tier 1. Should we require additional support, we use the same company, ARMA. But, again, very, very low.

**The CHAIR:** Have you got some more information there?

**STEPHEN BRADY:** I do. Student debt as at the end of September was \$12 million.

**The CHAIR:** Can you perhaps come back on notice, then, as to how much of that \$12 million will be expected to be recouped in that third stage of the process, and how much would be through Revenue NSW?

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**STEPHEN BRADY:** Will do.

**The CHAIR:** That would be very useful. Thank you. I may come back to that in a little while. In the time I have left, I am interested in whether TAFE has conducted a climate risk audit for all of the—I know that many of the departments within New South Wales have not, despite being required to do it as far back as 2016. Is TAFE one that has completed a climate risk audit?

**STEPHEN BRADY:** Given that Mr Woods has joined me at the table, and he is our chief operating officer, who looks after all our infrastructure, I think he would be happy to outline for you what we have done around sustainability.

**PATRICK WOODS:** Certainly. Thank you for the question. What I would like to do is split it. There are two parts to that question, one of which is what we are doing as far sustainability or climate risk analysis, and the other one is actual current footprint reduction—because they are very different things, as you can imagine. As far as the climate risk goes, we are in the process of undertaking that audit. We have recently engaged, in combination with the Department of Education, a climate risk specialist. That will help us oversee this, in conjunction with a panel that is being created between the two organisations. We understand our reporting obligations and, indeed, aside from the reporting obligations, the necessity and common sense to understand what our risks are from a climate perspective. That is underway. It will be completed by the end of 2023.

**The CHAIR:** What is the insurable value of TAFE's infrastructure assets?

**PATRICK WOODS:** I will give ballpark figures here. The current value on the books is approximately \$5 million, however—\$5 billion.

**The CHAIR:** I was going to say.

**PATRICK WOODS:** We have just gone down in value, in one statement!

**The CHAIR:** There is a news story in that.

**PATRICK WOODS:** I can see it now.

**The Hon. WES FANG:** I blame the Minister, frankly.

**PATRICK WOODS:** However, we've had a study done for insurance purposes that said if we had to rebuild everything that we had, it would be \$10.7 billion.

**The CHAIR:** It is important we get that audit done. When is that climate risk audit to be conducted?

**PATRICK WOODS:** We will have it done by the end of 2023. We are very keen to have it done.

**The CHAIR:** Very good.

**The Hon. WES FANG:** She'll hold you to it.

**The CHAIR:** I will. I will keep following it up. I am hopping around a little bit. Obviously there has been a lot of attention on the rates of sexual violence and harassment in universities and in other tertiary settings. Is there anything being done specifically in relation to this issue within TAFE?

**STEPHEN BRADY:** There is. I might just make a couple of comments and then hand across to Ms Tickle, who has been leading our work in this area. Firstly, I'd just like to draw a distinction between universities and TAFE. We have a very different environment to the universities. We don't have residential colleges and we don't tend to operate so much at night, so we do see a much lower risk profile. I am not saying there are no incidents—there are—but it is a very different environment to what you see at the universities. Ms Tickle?

**JULIE TICKLE:** Sexual assault and harassment are big-ticket items for our regulators. TEQSA and ASQA require us to have policies in place. In May this year the Public Service Commission actually put out a model sexual assault and sexual harassment—SASH, I'll call it for short—policy, and all agencies are required to have that in place by March. We were already underway with reviewing our policy, so we have and will review one for students and one for staff. Just recently—in September, actually—the Australian Human Rights Commission released guidelines around positive duty obligations. We, like everyone, are reviewing our policy again in light of those guidelines to make sure that we are in line and can report against the positive duty. We will have our policy completed prior to the March 2024 deadline set by the Public Service Commissioner.

**The Hon. TANIA MIHAILUK:** Just on that—to you, Mr Brady. You made a comment just then that there was less likelihood of sexual assaults in TAFE because of housing. The Minister earlier alluded to the fact that there likely could be some consideration to housing on TAFE campuses as part of the land audit. Will you rule that out? We won't have housing as a result?

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**STEPHEN BRADY:** I think the distinction I was drawing was to a residential college, which is a very different environment. Universities have—

**The Hon. TANIA MIHAILUK:** I am just making the point that it was a consideration of the Minister prior. He did make the point that he wanted to see—potentially there could be housing on campuses, so it's something for you to think about for the future. Can I just ask you a little bit more about the land audit? Which consultants did you rely upon when it came to developing the land audit that you provided to the Premier or the Premier's office or department in relation to his demand that every government department provide land for future housing development?

**STEPHEN BRADY:** I believe we conducted the analysis in-house, but Mr Woods might have further detail.

**PATRICK WOODS:** Yes, it was in-house as far as I can recall. I will take that on notice, however, just to ensure that we get the record straight.

**The Hon. TANIA MIHAILUK:** Yes, and I would like to know which consultants you did rely upon, if you did, in developing the response to how much vacant land.

**PATRICK WOODS:** I can actually confirm that there were no consultants and it was a desktop audit for the vacant land.

**The Hon. TANIA MIHAILUK:** If, indeed, you have to provide any more response in relation to this land audit, would you be expecting to rely on any consultants?

**STEPHEN BRADY:** I think that would be very much depending on what we're asked for and the capabilities we have available.

**The Hon. TANIA MIHAILUK:** How many consultant companies do you have now that you currently rely upon? You've still got Deloitte, of course, with Oracle, McKinsey, Boston. Are you still relying on Boston?

**STEPHEN BRADY:** We haven't used Boston in the last—I don't think we've used Boston since I've been in the role. We do have a range of consultants. Just give me a moment. To be clear, we don't use consultants all the time. We use them as and when we require for a particular piece of work.

**The Hon. TANIA MIHAILUK:** If you've used them since March this year, could you list to me, provide on notice, how many consultants you've relied upon since March of this year.

**STEPHEN BRADY:** Yes. Very happy to.

**The Hon. TANIA MIHAILUK:** I'd like to know for what kind of work they were relied upon, as well, and the financial burden in relation to relying on those consultants. Can I just go back to the 156 operating sites of TAFE. The Minister wouldn't rule out earlier any of those sites potentially being used for housing. Can I have an indication of how many of those sites that have been proposed to the land audit that possibly are part of the 156 operating sites of TAFE—specifically how many in regional, rural New South Wales, if you have offered up any campuses that are in regional, rural New South Wales for potentially being utilised as part of this land audit. Could you please specify? If you can't right now, put it on notice.

**STEPHEN BRADY:** We'll take it on notice. Thank you.

**MURAT DIZDAR:** Ms Mihailuk, can I just add, for the land audit, that was across all the agencies, that government requirement, just to be clear. It was on vacant land, not the—

**The Hon. TANIA MIHAILUK:** That wasn't clear by the Minister. You might want to let the Minister know that, because it wasn't clear whether the campuses were ruled out or not. He couldn't rule them out, actually, for the purposes of housing.

**MURAT DIZDAR:** Mr Brady for TAFE and then myself for the department—we did the same process, a desktop audit, and put forward those that are vacant, not being used.

**The Hon. TANIA MIHAILUK:** Vacant, not currently used for TAFE purposes at all at this stage?

**MURAT DIZDAR:** In my case, it was education and schooling.

**The Hon. TANIA MIHAILUK:** I know, but can we be very clear that none of the land that was proposed for this land audit involved any existing campuses? Is Mr Dizdar suggesting—

**STEPHEN BRADY:** I didn't say anything like that. I've said I'll take it on notice.

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**The Hon. TANIA MIHAILUK:** You guys need to talk. As I understand it from what the Minister said earlier, I do think you are considering or there has been some consideration of some of those campuses, potentially, as vacant for the purposes of this land audit. It wasn't clear that that was ruled out, and that the existing campuses are not being considered for the purposes of what the Premier's asked.

**STEPHEN BRADY:** I think we've taken the question on notice.

**The Hon. TANIA MIHAILUK:** Okay. Can I just ask back on Bankstown TAFE? Can I get a clear indication, Mr Brady. How many discussions have you had with your Health counterparts or indeed the Premier's office, the Premier's Department, any other government agency in relation to Bankstown TAFE being utilised for the purposes of a new Bankstown hospital?

**STEPHEN BRADY:** As you would be aware, there's been talks about the Bankstown hospital for many years and investigations of various sites, including school sites and previously the TAFE site. We are waiting on a decision of the Government. I don't really have any more to add.

**The Hon. TANIA MIHAILUK:** I'm asking you whether you've had any discussions—or your senior executive. When I asked the question of the Department of Education last time, they were very clear about what discussions they've had in relation to Bankstown Senior College, and there have been none since the election. I'm just asking you whether you've had discussions in relation to Bankstown TAFE—or any of your senior executive—that you're aware of, anything.

**STEPHEN BRADY:** We had discussions with Health Infrastructure prior—

**The Hon. TANIA MIHAILUK:** Since the election or prior?

**STEPHEN BRADY:** I'm getting there. We certainly had detailed discussions prior. We've touched base since then, really just checking to see where things are at. We're waiting on a decision of Government.

**The Hon. TANIA MIHAILUK:** So you've asked for some feedback on whether that site's been—you're offering it up is essentially what you're saying?

**STEPHEN BRADY:** No. I'm not offering anything. It's not my position to offer anything.

**The Hon. TANIA MIHAILUK:** You've just said that you've gone and had some discussions. Okay. Can I put on notice—I will be putting it in the supplementary questions anyway—that I'd like all communications, email correspondence and any records of minutes of discussions in relation to Bankstown TAFE potentially for the use of Bankstown hospital?

**STEPHEN BRADY:** Understood.

**The Hon. TANIA MIHAILUK:** Have you been approached by Canterbury Bankstown council in relation to Bankstown TAFE?

**STEPHEN BRADY:** I haven't, no.

**The Hon. TANIA MIHAILUK:** No? And no-one from the senior executive, to the best of your knowledge?

**STEPHEN BRADY:** Not that I'm aware of.

**The Hon. TANIA MIHAILUK:** I'll put that on notice, if there's any communications from Canterbury Bankstown council in relation to Bankstown TAFE.

**STEPHEN BRADY:** Certainly.

**The CHAIR:** This is the bit where I ask you random questions about different contractors. There's an award notice from 10 May 2023, for pest control, with Kelly Outsourcing, for \$10 million over two years. Can you tell me about that one? It's a lot of money.

**STEPHEN BRADY:** I'll ask Mr Woods to give you any detail he might be able to provide. We do have 156 campuses, over 1,780 buildings. There's a lot of pest control required to ensure that they're habitable and suitable for delivery.

**The CHAIR:** I'm curious as to how that compares, as well. It talks here about it being about contingent labour rather than it being an outsourcing.

**STEPHEN BRADY:** We might need to take that on notice and come back with the details.

**PATRICK WOODS:** I'm not aware of that detail. Certainly, we can take it on notice and get back to you.



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**The CHAIR:** Thank you. Another random one in this period of time. There's one here that actually dates back to 25 August 2014, but it still sits on eTender because of its contract duration. This is a contract with SAP Australia for the supply of customer billing software. It was entered into on 23 June 2014. It's specified to end on 23 June 9999. Is that an error? When does that end? Any ideas?

**STEPHEN BRADY:** I think we'd have to try and source that detail for you. Obviously, it's part of our SAP system. It's a critical part of just managing our finances.

**The CHAIR:** Thank you. I do like to pick up on these things, because the eTender is just riddled with errors. Have you had a chance to look at or to get further details on that Deloitte issue we were talking about earlier, with the Deloitte Cyber Academy?

**STEPHEN BRADY:** We haven't had any feedback yet.

**The CHAIR:** Okay. Maybe I'll come back to you. If there's any chance you can get some more information about that, I'll come back to you. I notice that you have entered into a number of recent engagements with KPMG. Some of these are quite large. On 29 May 2023—it just says "provision of professional services to identify responsibility for revenue streams across the organisation", which seems very broad, for just over \$214,000. What's that project?

**STEPHEN BRADY:** That project reflects the complexity of our funding streams and the importance of us understanding those and who's accountable for them. With the Department of Education, we've got 18 different funding contracts. We've got contracts with the Commonwealth Government. We've got private sector contracts for delivery. And we've got lots of engagement in local communities, from our teaching teams, with local businesses. When you add all that up and we've got to try to drive towards a budget, the question becomes who is accountable for what across our organisation, how do we make sure that we've got eyes on the different funding buckets and making sure that we're actually managing that revenue to make sure that we're delivering on the outcomes that we need to deliver on. So it's a reflection—

**The Hon. TANIA MIHAILUK:** But no-one's capable of doing that in there. You need consultants for this. I just—

**STEPHEN BRADY:** It's a complex business. This is about saying what are the roles and responsibilities of the different parts of the organisation to make sure that we are effectively managing that on an ongoing basis.

**The Hon. RACHEL MERTON:** My question's concerning product development and course enrolments at TAFE. I'm interested as to what additional resources or external providers have been utilised to assist with product development.

**STEPHEN BRADY:** Thanks very much for your question. I've just got Dr McNeill coming to the table, who is our chief product and quality officer and manages that process of product development. I might just do a quick overview piece and then hand across to Dr McNeill. The important part here is that we deliver training packages in the vocational education space. Those training packages are regulated under the Commonwealth system. So when there is a change required to a training package, every RTO in the country has to adapt its training product, its assessments and its support materials in order to meet the requirements of that what we call the transitioning training product. If you don't do that, you can't continue to teach the course, so it's critical.

We generally get about a 12-month notice if that's going to happen. At that point, we need to make sure we're managing the students who are already enrolled in that course to make sure they can complete. But we then also need to redesign the course to meet the new requirements. It has been an absolutely elevated period of transitioning product. In a normal year, we used to look at 30 transitions a year. A couple of years ago, we had 277. Last year I think it was about 180. Close?

**MARGOT McNEILL:** Yes.

**STEPHEN BRADY:** This year we're already up around 120, with more coming through. There's this level of change that we're trying to manage through. To do that, we have had to bring in some external support, but managed entirely by our own team, with a quality assured by us.

**The Hon. RACHEL MERTON:** I appreciate the work.

**STEPHEN BRADY:** Ms McNeill?

**The Hon. RACHEL MERTON:** Just in terms of the external support that you made reference to—the additional resources, the external providers and how we meet this.

**MARGOT McNEILL:** Thank you for the question. I will add on to Mr Brady's comments. The vast majority of the work that's undertaken in product development is with our internal staff. Even when we do partner

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with external partners, that work is around things like digitising our existing product and also doing things like developing simulations. For example, in the Diploma of Event Management, there's a simulation that enables the students to do risk assessments to practise those skills before they go into their actual assessments. They're the kinds of things that we don't routinely—either we have a huge volume, as Mr Brady alluded to, of transitioning training packages, or we have skills that we don't regularly need in house. That's where we work with external partners. In terms of the amount that we worked on in the last financial year, that was a total of 10.7 million in external—

**The Hon. RACHEL MERTON:** To assist with, as you just detailed there, some of the digital and skills that we don't have in house?

**MARGOT McNEILL:** Yes, that's right. That was really because of that unprecedented demand. When we were established several years ago, it was the anticipation that there'd be about 30 courses that needed to be updated. Then, because of an external process, because of the nationally designed training packages, we ended up requiring 277 courses to be developed.

**The Hon. RACHEL MERTON:** Have required materials been prepared for semester 1, 2024?

**MARGOT McNEILL:** They're underway at the moment, yes. We have a process where, as has been described earlier around the training portfolio strategy, we look ahead to plan what's needed, and then we work closely with our teaching teams, with our industry innovation connection points and our insights that we gather from our connections with communities so that we can feed all of those into the design of training package materials. And then we work on those. We have teams of very skilled assessment designers and learning designers. They are people that work with teaching teams throughout the process to design, to develop and then to test before they're released for delivery.

**The Hon. RACHEL MERTON:** Mr Brady, this might be more your area. I'm just wondering what the current waitlists might be for TAFE and the courses associated with the waitlists?

**STEPHEN BRADY:** Give me one moment, please. Let me just say what a waitlist is, first. I think it might be helpful. A waitlist is really an inquiry that we received from a learner around a particular course. When I give you numbers on a waitlist, it's not number of learners. They might inquire about several courses, so you might end up with significant duplication in the list. At the moment, in 2023, we've got a waitlist of 54,594. That's gone up from 23,836 in 2022. That's reflective of what I said earlier—

**The Hon. RACHEL MERTON:** That has nearly doubled.

**STEPHEN BRADY:** That's right.

**The Hon. RACHEL MERTON:** The waitlist has nearly doubled over a 12-month period, from about 23,000 to 54,000.

**STEPHEN BRADY:** Yes. This is reflecting the demand for vocational education and training. And it reflects what I said earlier: You can't just turn on teachers. You need to be dual qualified. You need to be able to find people from industry to come in with the skill sets and then become teachers. We've certainly been leveraging every avenue available to us. We talk to learners about what other courses might meet their skills needs. We look at different campuses nearby that they might be able to go to. We look at different types of training, whether it's online training, block release or other methods of delivery that could help them.

We do everything we can, as well as looking at how can we ramp up some of our casual teachers—everything we can to try and manage those through. Some of the really high-demand courses are Diploma of Counselling, Certificate IV in Project Management Practice, Certificate III in Floristry, Certificate IV in Accounting and Bookkeeping and Certificate IV in Work Health and Safety. What we are doing is we're moving through these waitlists. They're not static. Since the first semester of 2023, we've resolved almost 20,000 of those inquiries. Whilst it seems like a large number, they are moving through and we are getting people into training.

**The Hon. RACHEL MERTON:** In terms of TAFE NSW completion rates for 2022-23, I'm just checking if we had anything on that.

**STEPHEN BRADY:** I might ask Ms Schorer to back me up on this one, but the completion rates are difficult for that time frame. That's because a lot of our courses go for two, three or four years. The latest NCVER data is actually a fair bit older than that. I might ask Ms Schorer to give detail.

**JANET SCHORER:** In terms of completions, the data we use is three or four years old. Our projected completion rate is just under 50 per cent—49.3 per cent.

**The Hon. RACHEL MERTON:** So one in two students complete the course they're enrolled in?

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**JANET SCHORER:** As Mr Brady said, it's kind of interesting data to try to navigate because you've got students over multiple years in how the count goes. The numbers that we have are better than most TAFEs around the country and private RTOs. That's the way it sounds, but what we're trying to do is understand what outcome does a learner want from their education. Completion is a measure we use, but it's not the only measure that we should use in terms of understanding what the optimal learner experience is.

**The Hon. RACHEL MERTON:** It's somewhat concerning to hear one in two complete an enrolled course.

**JANET SCHORER:** But as I say, if you understand what learners are trying to achieve from coming to TAFE, 90 per cent of our remote learners say that they've had their learning outcomes met. It's one of those measures that is a hardline measure to average us out across the country, but it doesn't tell the story of what a learner wants to achieve from coming to TAFE.

**The Hon. RACHEL MERTON:** Ms Schorer, when would we plan to record the next completion rate?

**JANET SCHORER:** I don't know off the top of my head when the next NCVET data—

**The Hon. RACHEL MERTON:** Is it something we do every, sort of, three years or—

**JANET SCHORER:** Yes. It's a national dataset.

**CHLOE READ:** I think they update that every year.

**STEPHEN BRADY:** It comes out annually. It's an annual release.

**The Hon. RACHEL MERTON:** An annual release.

**STEPHEN BRADY:** But it has lagged because of—

**The Hon. RACHEL MERTON:** So the most recent are those figures that you've just—

**JANET SCHORER:** Correct.

**STEPHEN BRADY:** We obviously want the highest completions we can achieve. We have a lot of wraparound support services. We do some things where we look at the capabilities of learners when they first enrol to see if a course is suitable to them. If we partner them up with some of our literacy and numeracy teachers, if they need a boost so they're able to cope with—for instance, believe it or not, in commercial cookery, one of the big issues is multiplying recipes. Giving that bit of support at the start can make a big difference. We have mental health counselling and disability support counselling. There's a lot of wraparounds, which is one of the reasons why we do have a higher completion rate than others. But it's a national concern, and the Commonwealth has been doing work around completions as well. Ms Read might be able to add some more to that.

**CHLOE READ:** If the Committee is interested, a report was released last week that was work-led by South Australia, but in which New South Wales was involved. Some of that work is about analysing the drivers of completion and non-completion across the VET sector. As an example, getting a different job or getting a new job was one of the highest reasons given for not completing training—so 20 per cent. That speaks to whether people are getting what they need from training in terms of they might come in to do a certain set of skills that allows them to secure a job and then not actually complete the qualification, as an example.

**The Hon. RACHEL MERTON:** In terms of fee-free places at TAFE, just checking, how many fee-free student places will TAFE have over the period 2023-2024 and then over the period 2023-2027? Or you present it in your time frame.

**STEPHEN BRADY:** I might actually ask Ms Read to respond, because this is really linked to the National Skills Agreement.

**CHLOE READ:** There are two or three intersecting pieces here. One is a separate agreement to the National Skills Agreement but related, which is the fee-free agreement that we talked about earlier. That's a number of places over a period of time. There is also, then, the other fee-free elements in our system and some of those are learner dependent. For example, if you're a student with a disability you wouldn't pay a fee under Smart and Skilled, and so TAFE won't have any way, actually, of knowing whether that course enrolment will attract a fee in subsequent years without that. Then there is also the apprenticeships and traineeships element that we talked about before. That will depend on demand in terms of how many there will be over that period.

**The Hon. RACHEL MERTON:** Sorry, I might have missed it, but were we able to put a number on that?

**CHLOE READ:** Not on all three of those things.

**The Hon. RACHEL MERTON:** In terms of the fee-free student places TAFE will have?

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**MURAT DIZDAR:** We can give you apprentices and trainees. From 2024, we have funding, just under that first agreement, for 147,400 places and that's across the next—

**The Hon. RACHEL MERTON:** So, confirming, they are fee-free places?

**CHLOE READ:** Yes, they're under that agreement with the Commonwealth, and they're over the next four years because we've already had one year of that fee-free agreement.

**The Hon. RACHEL MERTON:** Is there a cost to TAFE NSW in the provision of these places, or is this part of our national agreement, in terms of the funding of this?

**CHLOE READ:** The funding that comes with the national agreement doesn't necessarily cover the full cost of delivery for that, but in terms of the places that we would fund from the department to TAFE, there won't be a cost to TAFE, if that makes sense.

**The Hon. RACHEL MERTON:** Okay, and in terms of an aged-based test or a means test for obtaining fee-free places?

**CHLOE READ:** Sorry, this is from memory, but I think if you're under 16, because there'd be an expectation that you'd be in full-time secondary education, they wouldn't be eligible for—

**The Hon. RACHEL MERTON:** For under 16?

**CHLOE READ:** Yes.

**The Hon. RACHEL MERTON:** In terms of TAFE facilities, I'm just wondering at which TAFE campuses are we expanding facilities in 2023-2024 or over the period 2023-2027?

**STEPHEN BRADY:** I think I mentioned earlier today about the Kingswood Institute of Applied Technology Construction and the multi-trades unit that will open in January. That'll be its first delivery in that time. We've got a range of other programs. We have our Coffs Harbour optimisation at the Coffs Harbour Education Centre, which will see an expansion and modernisation of the facilities there, which includes a new building for creative industries and career pathways, including the adult migrant education program. There will be a refurbishment of existing facilities for business studies, and it will consolidate staff accommodation and include additional capacity.

On Kingscliff, we have a campus expansion, which again involves refurbishment and enhancement, including a new multipurpose building for horticulture, aviation and warehousing. We'll have a new classroom building for creative industries, animal studies and electrotechnology, and refurbishment of existing facilities for health, community services, with some staff accommodation and some student services, the ability to support on-campus students and also our upgrade to campus-wide accessibility and disability pick-up and drop-off.

**The Hon. RACHEL MERTON:** Thank you, Mr Brady. So we have Kingswood, Coffs Harbour, Kingscliff?

**STEPHEN BRADY:** The Northern Rivers education, training and research hub—this is a facility within the new Tweed Valley Hospital, which is a joint education hub in a consortium with Bond University, Griffith University, Southern Cross University and ourselves. This combined program embeds us within the hospital and helps us provide training for health staff. At Ryde, we are doing some upgrades to building A, which is our large building particularly for commercial cookery. That's an upgrade to fire resistance levels and fire egress throughout the building, an upgrade of existing fire systems, automatic shutdown of air conditioning systems and fire hydrants et cetera. We've got a new Wyong animal studies building being built—so relocation of animal studies from Gosford to Wyong, including new specialist training areas including a reception, a simulated pharmacy, all those things that simulate actual work in a facility, a new small animal housing barn and round yard facilities, and a flexible practical teaching lab. They're the major capital ex programs.

**The Hon. RACHEL MERTON:** How many TAFE buildings are no longer being used by TAFE NSW and where might they be located, in terms of vacant buildings?

**STEPHEN BRADY:** I'll have to take that on notice and come back to you, thank you, Madam Deputy Chair.

**The Hon. RACHEL MERTON:** Okay. What campus sales, leasing and other dispositions are planned for financial year 2023-2024?

**STEPHEN BRADY:** The only transfer of property that I'm aware of is the old Bega campus, which has already been discussed. In terms of leasing, we have a large number of arrangements with community organisations, with commercial organisations, right across our portfolio. That includes everything from a P&C

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association who wants to use a room for a night to long-term arrangements. I think we've got over 200 lease and licence arrangements across our portfolio, bringing in around about \$6 million a year of revenue.

**The Hon. RACHEL MERTON:** If I could just touch on the Bankstown TAFE—and I appreciate my colleague has an interest in this. Given the established campus and the long history and the facilities that are available, how many students are enrolled at Bankstown TAFE?

**STEPHEN BRADY:** There are approximately 4,700 enrolments at Bankstown TAFE.

**The Hon. RACHEL MERTON:** It is considered as having state-of-the-art facilities. I have heard firsthand about the hairdressing, the childcare training.

**STEPHEN BRADY:** I wouldn't go so far as to say they were state of the art. The Bankstown—

**The Hon. RACHEL MERTON:** I think the website even cites that too.

**STEPHEN BRADY:** We might be talking up our own story a little bit there.

**The Hon. RACHEL MERTON:** That's okay.

**STEPHEN BRADY:** The hairdressing facilities did get a refurbishment sometime in the last—I can't really put a date on it, but it's in the past 10 years. We have had some work done on the campus over the past five years. Look, it's a historic campus, it has some good facilities there, we teach a range of different courses. As you said, we do animal studies there, we do health and beauty, we do a lot of the AMEP work there—so it's a broad range of delivery on the Bankstown campus and it's an important centre for us to have delivery capability at.

**The Hon. RACHEL MERTON:** Okay. Thank you.

**STEPHEN BRADY:** Chair, I do have that information you requested earlier, if you'd like?

**The CHAIR:** In relation to?

**STEPHEN BRADY:** Deloitte. The Cyber Academy is a joint initiative between Deloitte, TAFE NSW and the University of Wollongong to meet the critical skills gaps in cyber. TAFE NSW delivers the Diploma of IT (Cyber) to trainees who also enrol in a degree with the University of Wollongong. Deloitte identifies employers for trainees in the program and also acts as an employer. TAFE NSW takes no payment from Deloitte. The Cyber Academy is a relationship where we are really focused on people who are learning and earning at the same time. They're working for an employer. We're providing training for them, and we're uplifting capability and trying to expand the pool of cyber security experts. The pilot commenced this year and has 25 enrolments in the academy. We're expecting the completion rate will be around 80 per cent, which is great. The actual delivery is funded under the Smart and Skilled program.

**The CHAIR:** Take a step back. This began this year?

**STEPHEN BRADY:** It did. That's correct.

**The CHAIR:** Was this Deloitte's idea or TAFE's idea?

**STEPHEN BRADY:** I'd have to take that on notice, but I think Deloitte may have identified the gap that we all see in cyber security and the insufficient ability. I think it was something that was identified by them but then worked up between them, the University of Wollongong and ourselves.

**The CHAIR:** There's no payment from Deloitte to TAFE. Presumably, there's no payment from TAFE to Deloitte either.

**STEPHEN BRADY:** No.

**The CHAIR:** Students are still paying fees for university. Is it a university degree they're getting out of here?

**STEPHEN BRADY:** Yes, they get a qualification via the University of Wollongong.

**The CHAIR:** Then are they being placed during that program?

**STEPHEN BRADY:** They are. That's correct.

**The CHAIR:** With Deloitte or people identified by Deloitte?

**STEPHEN BRADY:** That's correct.

**The CHAIR:** Are they getting paid once they are in those positions when they are still studying?

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**STEPHEN BRADY:** I believe that's the intention of the traineeship.

**The CHAIR:** On the Deloitte website, it's listed as being the Deloitte Cyber Academy, but it's also on the TAFE website as just being the Cyber Academy, and then you need to go down to look at the fact that it's actually in partnership with Deloitte. Deloitte is taking expressions of interest from employers who want to be involved. You can understand that from Deloitte's perspective this is quite a good way of getting the first look in at some of these new graduates coming out of this program.

**STEPHEN BRADY:** I believe they're employing some of the trainees themselves, and then employers are coming into the program via an interaction from Deloitte. Those other individuals are employed elsewhere.

**The CHAIR:** What's in it for TAFE?

**STEPHEN BRADY:** We're delivering more cyber security skills and building the capability in industry, funded via a Smart and Skilled program. It goes to our core purpose of increasing skills.

**The CHAIR:** I just want to get this quite clear. In terms of what TAFE is contributing to this, it is places in programs?

**STEPHEN BRADY:** That's right.

**The CHAIR:** Presumably the amount getting paid back from students to TAFE is not covering all of that, so there's a significant part of Government funding.

**STEPHEN BRADY:** The Smart and Skilled program, which is run by Mr Collins, is funding the cost of the delivery of our training for those trainees.

**The CHAIR:** There has been a lot of talk in consulting media and magazines, for those of us who find that to be something interesting to look at. There has been a big discussion about how there are not as many graduates coming out of universities wanting to go into consulting firms and how consulting firms are now turning to TAFE and other ways to try and get a competitive advantage in obtaining those new graduates. Do you see this Deloitte Cyber Academy idea as directly benefiting Deloitte ahead of its competitors?

**STEPHEN BRADY:** I think Deloitte, to give them their dues, have actually put in a lot of legwork to create a program to benefit themselves but also benefit others. There's nothing stopping other organisations from creating trainee programs, which would equally be able to be trained at TAFE.

**The CHAIR:** Presumably Deloitte have the first mover advantage, though.

**STEPHEN BRADY:** What I would say is the Skills Board—and perhaps my colleagues would like to talk to this—have been working on a plan for the digital industry, and it very clearly states that the old reliance of technology companies on degree-qualified graduates is not going to get them anywhere near the level of employment that they need. So there's a strong focus on looking at other sources of talent and particularly looking at people who have been trained through VET. I think this is the beginning where what you are going to see is a much heavier emphasis on accessing people that don't fit that old, traditional, go and do an IT degree at university and then move into consulting or into industry, but come in via a vocational pathway or another pathway and build your skills progressively.

**The CHAIR:** We were talking earlier about the total expenses to different consultants in 2021-22—yes, I think so. We were talking about the \$36 million—

**STEPHEN BRADY:** The \$33 million?

**The CHAIR:** The \$33 million. Was that 2021-22?

**STEPHEN BRADY:** It was 2022-23.

**The CHAIR:** It was 2022-23. It looks like, from the figures you gave me, half of that amount was going to Deloitte.

**STEPHEN BRADY:** I think that is approximately correct.

**The CHAIR:** About \$17 million. When we look at just this financial year, we've mentioned before that revenue streams one, which was, for KPMG's purposes, a relatively modest amount—\$214,000. There's another one here for \$1.5 million, which was entered into with KPMG, published on 8 August of this year. This was professional services to identify various strategies related to student engagement. What was that for?

**STEPHEN BRADY:** I might get Mr Woods to confirm, but our student services branch manage the process from the point of publication of our offerings on the website—what we're going to deliver and where, which people can enrol in—through the enrolment process, onboarding and then supporting students. We

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recognise that having that process running efficiently and providing the best learner experience gives us the best possible opportunity of enrolling students, getting them successfully set up for their learning and keeping them engaged in the course. The work that has been done under that contract helps us to look at the processes we've got, the hand-offs between different parts of the organisation, how we streamline that and how we support that ongoing engagement with learners.

**The CHAIR:** Apologies, I was actually looking at KPMG then instead of Deloitte. I'll come back to the Deloitte ones first. I'll come back to KPMG in a minute. Carrying on with Deloitte because it's a much more considerable amount—there are so many of them but even this one here. This one is a production partnership. This is a contract entered into with Deloitte on 11 May this year. It just says, "production partnership" for \$3.5 million. Can you tell me what that's about?

**STEPHEN BRADY:** That goes to the question that Ms Merton was raising around production of training product. We have a panel of suppliers and Deloitte is one of those suppliers on that panel.

**The CHAIR:** Nous is another one, isn't it? Is that the same?

**STEPHEN BRADY:** I don't think so, actually. No, Nous is not on it.

**The CHAIR:** There's one from October with Nous for \$770,000—professional services assisting with the organisation, design and project resourcing required for changes to the operating model. Is that different?

**JULIE TICKLE:** Yes, that's different.

**The CHAIR:** Who else is on that panel of providers, then, for the other one—this production partnership as needed engagement?

**MARGOT McNEILL:** I have rather a long list of the people that we have engagements with in various forms of partnerships. Cengage learning is one of them, and they are providers of digital textbooks. There is Deloitte, as we've mentioned before; SNAZZY Learning; AcademyGlobal Proprietary Limited; Aspire Learning Resources; Oz project management and training materials; Enhance Your Future; Learn for Work Proprietary Limited; Learning Vault Proprietary Limited; MYO Career Calling International; NSW Independent Trial Exams Proprietary Limited; Precision Group Australia; TAFE Queensland; The Automotive Technician Proprietary Limited; Training Resource Solutions; and Australian Training Products.

**The CHAIR:** Thank you. Are they all for \$3½ million?

**MARGOT McNEILL:** No. The total of that is \$10.7 million, as I mentioned earlier.

**The CHAIR:** Okay, so Deloitte has about a third of that?

**MARGOT McNEILL:** No, the particular contract with Deloitte totals \$9.3 million, because they're by far our biggest partner.

**The CHAIR:** I've only got part of it here then, so it's more. So we have that one, we've got one from September of this year to Deloitte of almost \$265,000 for a SAP health check and we've got another one in relation to SAP for \$61,000, again in September. I think you're getting the idea that there is a lot of both historic and new—this Deloitte Access Economics is almost \$1 million—\$988,000 approximately for a "comprehensive set of demographic labour market and training demand forecast by region". The connection between TAFE and Deloitte is looking incredibly cosy. Is there any sort of checks at a board level, or at even a department level, to look at when you've got one contractor taking at least 50 per cent of everything and it is also now labelling itself as having its own little TAFE centre—or whatever it's calling it. Does that pass the sniff test, do you think, when it comes to what we've learnt about consultants in the last six months?

**STEPHEN BRADY:** Some of these arrangements are quite historical. For instance, in our technology space we have an outsourced arrangement for our identity management—so a really critical part—that's delivered by Deloitte. That's not something you move quickly. We put our procurement processes through every single appointment. They go through a—I won't say it's a tender because quite often if they're relatively small amounts you can go to the panel and select between three providers on the panel. I will say that Deloitte do have an understanding of our organisation, which can be helpful in terms of the speed for them to get up to competence, but I will agree with you that we need to be making sure we're balancing and we're not becoming too beholden to any one particular organisation.

**The CHAIR:** One of the phenomena that's been observed around the world in relation to the way that consultants are infiltrating into democratic processes has been around the idea that in each of these consulting firms you effectively have a department that does so much work for government, or for a particular government department, that that entire department is reliant on that work. When you have that symbiotic relationship, that's

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when we get corners being cut and some of the questionable tactics of these consulting firms being brought into question.

**STEPHEN BRADY:** I would say that—for instance, the work that Ms McNeill has been doing with Deloitte—we've been actively building our internal capacity and decreasing the work we're feeding through to them. Ms McNeill mentioned TAFE Queensland. We're exchanging product with TAFE Queensland so that we're not developing and they're developing the same thing. We're engaging our teaching workforce more and more and using their expertise where we can, so we're focused on reducing our reliance on consultants in that area. We're always going to need some support because there'll be expertise that we don't have, or our teachers are simply full. We've heard about the waitlist and how busy they are delivering training, so we will have some reliance on consultants, but we are focused on reducing that. I acknowledge your point around reliance on any particular consultant.

**MURAT DIZDAR:** I'm just going to add that the Government has made it quite clear that every agency is to bring consultant expenditure down and contractor expenditure down. As you'd know, Chair, from the Education and Early Learning hearing, in my seven months I've also put another mechanism in to personally approve anything over \$100,000. In a large organisation with a number of divisions—if Ms Read, who heads up education, is looking to go out to market and bring in expertise for the education skills reform area, she'll obviously liaise with me and we'll assess whether it's in house or whether it's needed to go out. I think you'll find every agency is looking at delivering on you the savings that this Government has asked.

**The CHAIR:** Will you be looking at this concentration of reliance on one particular service provider in this case?

**MURAT DIZDAR:** In the case of the oversight that I indicated, the most pertinent questions are, in that scenario I gave you: Ms Read, why do we need this service? What are we looking to achieve? Do we have the expertise inside the organisation to be able to deliver it? You've got to make sure you're running that due diligence and then going through proper process and working through the procurement arm. There are approved lists that you can tap into as well. I think you're always cognisant of the engagements that you're undertaking.

**The CHAIR:** I think we're all aware of the value of TAFE as being a vocational training provider and needing to partner with industry on the way. What we're seeing here, though, appears to be an insertion of a consulting firm as an intermediary in circumstances where perhaps that's not necessary. Does that concern you?

**MURAT DIZDAR:** I'd just say that it's quite different to the schooling landscape. We're talking about training and credentialing and you'd expect partnerships like the one that Mr Brady indicated to be cutting edge. You'd want to bring them in and into centres of excellence. You'd be looking for opportunities. I think it's quite distinct from the school landscape. You're always looking for avenues to bring in expertise, expand expertise, expand opportunity and partner.

I'll give an example of a partnership inside the school gates. One of our great public schools in south-western Sydney were approached about an organisation funding the provision of artificial surface soccer fields for us. It's a great partnership. They came to us and we worked with them. We get to use it during school hours and they use it outside of school hours. In that community and in that school we've been able to deliver football facilities that are world class that wouldn't have been there. They're few and far between inside the school gates but in Mr Brady's world you would expect to be having some of these partnerships.

**The CHAIR:** In this case we have the Deloitte Cyber Academy being advertised on the TAFE website. It is branded with Deloitte, it's run by Deloitte and Deloitte is either taking these students on, giving them training or organising that training through other entities. Does this look like the privatisation of TAFE courses by stealth?

**STEPHEN BRADY:** Sorry, we're talking 25 learners out of—

**The CHAIR:** This is the beginning—

**STEPHEN BRADY:** We've got 400,000 learners.

**The CHAIR:** This is the beginning, though, isn't it? This is the beginning of a model?

**STEPHEN BRADY:** No, I don't think so. I think, as I said earlier, cybersecurity is a critical skills gap and the challenge is getting people in and trained. That's difficult to do unless they're earning at the same time.

**The CHAIR:** So you don't see any problem with the Government giving Deloitte a leg-up in attracting graduates?

**STEPHEN BRADY:** To be honest, I think what Deloitte has done here is invested their own money and time to create a pipeline—



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**The CHAIR:** As has TAFE.

**STEPHEN BRADY:** —of trainees and we've been paid to do what we're doing. It's not limited to TAFE employees. TAFE are actually trying to generate people who are attracted into cybersecurity. It's not the only course we do in cybersecurity. We're delivering a lot of programs through the Institute of Applied Technology Digital at Meadowbank. We're delivering through our traditional courses as well. I really don't think this is something where we're privatising TAFE. It's an initiative created by one organisation that is benefiting the industry.

**The CHAIR:** As you said, though, there's nothing to stop anyone else from coming in and doing the same thing.

**STEPHEN BRADY:** That's right, precisely.

**The CHAIR:** So we're going to end up with every consulting firm running TAFE courses? Is that the next step?

**STEPHEN BRADY:** They're not running TAFE courses; they're organising trainees and we're delivering TAFE courses.

**The Hon. MARK BUTTIGIEG:** Do I have any time?

**The CHAIR:** Not at this point. Not until the end. Ms Merton or Mr Fang?

**The Hon. WES FANG:** I'm happy to, unless you've got some, Ms Merton? I'll go a full round with these good people later.

**The Hon. RACHEL MERTON:** If I could just return to Bankstown TAFE, we've established there are 4,700 students there. If I could just ask about the Bankstown Senior College, which is the campus that's opposite the hospital that's been in discussion today. How many students are there, and how many courses are on offer there?

**STEPHEN BRADY:** Of the senior college?

**The Hon. RACHEL MERTON:** Yes, Bankstown Senior College.

**STEPHEN BRADY:** I might have to refer that to my colleagues from Education. I don't have anything to do with the senior college.

**MURAT DIZDAR:** Sorry, Ms Merton, can you just repeat your question for me?

**The Hon. RACHEL MERTON:** My question was how many students are enrolled at the Bankstown Senior College? Do we have any knowledge about what skills or training may be provided for there?

**MURAT DIZDAR:** Bankstown Senior College is a secondary school in our system. It's a fantastic school that I have visited a number of times. Quite a unique context—it's a four-day and one-day operation, so we do the education provision within four days and allow our students to then be in work, TAFE and further education. It's one of our only settings that has enrolments of adults as well, who are trying to complete the HSC. It's a very successful provision. By way of student numbers, last time I visited—I can get you the exact student numbers on notice—it was around 450 students. But let me get you the exact number. It's a fantastic education provision.

**The Hon. RACHEL MERTON:** So there is a relationship with TAFE, as you mentioned?

**MURAT DIZDAR:** We've got Bankstown TAFE in the area, but—

**The Hon. RACHEL MERTON:** You just mentioned TAFE as having a relationship with Bankstown Senior College.

**MURAT DIZDAR:** Yes, Bankstown Senior College—it does. A number of our students take courses at Bankstown TAFE or are in employment.

**STEPHEN BRADY:** Which is normal.

**The CHAIR:** My next round of questions is on something completely different and quite substantial, so do you want to take this last minute before we take a break?

**The Hon. WES FANG:** No, I'm going to go fresh, because I'm going to go hard.

**The CHAIR:** We will take a break and come back at 3.45 p.m.

**(Short adjournment)**

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**The CHAIR:** We begin again.

**The Hon. WES FANG:** Are you able to indicate how the New South Wales Government is currently supporting the Country Universities Centre and the programs that they run?

**MURAT DIZDAR:** Sure, Mr Fang. You'd be aware that the New South Wales Government is putting \$16 million into the Country Universities Centre to establish 10 centres across New South Wales.

**The Hon. WES FANG:** And when did that happen?

**MURAT DIZDAR:** There was an \$8 million grant in 2017, and that was to establish five regional study centres. That was stage one. All of those are operational. And there was an additional \$8 million grant that was committed in 2019 for stage two to establish five new centres. I can give you a bit more detail if you want?

**The Hon. WES FANG:** No, that's good.

**MURAT DIZDAR:** Four of those stage-two centres have been opened, and the fifth is due to open in Mudgee.

**The Hon. WES FANG:** What is the New South Wales Government doing to continue supporting Country Universities Centres?

**MURAT DIZDAR:** That's a really good question. So far, the nine that have been up and running have supported 3,540 students in regional New South Wales in their higher educational studies. We are looking at evaluating the impact and effectiveness of this initiative.

**The Hon. WES FANG:** And who's doing that?

**MURAT DIZDAR:** We've engaged Social Policy Research Centre at the University of New South Wales to conduct an independent evaluation.

**The Hon. WES FANG:** When is that due to report?

**MURAT DIZDAR:** We're expecting that report to be submitted to us, in the department, at the end of this month.

**The Hon. WES FANG:** Is that going to be released publicly?

**MURAT DIZDAR:** It's a report that we commissioned for the department. Normally, when we receive these reports, we discuss the findings. This is a reform area initiative—

**The Hon. WES FANG:** You're not going to keep it concealed, are you? Is it the Minister's decision?

**MURAT DIZDAR:** I don't want to comment on a report that I'm yet to receive. As secretary, I want to receive the report. It has been normal practice that we release reports. I imagine—

**The Hon. WES FANG:** Has the Minister committed to doing that?

**MURAT DIZDAR:** Well, the Minister hasn't even been briefed. I haven't been briefed myself. We've got to receive the report first, and it will be incumbent on me and Ms Read, who has carriage of that area, to brief the Minister and to take the Minister across what the report says.

**The Hon. WES FANG:** But it would be fair to say, wouldn't it, Mr Dizdar, that the Labor Government, when it was elected, indicated that it was particularly transparent—or it aimed to be—so it would be reasonable that this should be an uncontroversial report and it should be released publicly?

**MURAT DIZDAR:** I'm really looking forward to the report, as secretary. Why I am looking forward to the report is because a very eminent arm of the University of New South Wales, which has vast expertise into social policy research, is going to furnish a report to the organisation to say the impact and effectiveness of these Country Universities Centres looks like X and Y, so we're looking forward to getting it.

**The Hon. WES FANG:** Yes, and I'm very keen to read it as well. Mr Dizdar, given that's occurring, in relation to the current budget, as announced by the Treasurer recently, how much funding was there to assist the Country Universities Centres?

**MURAT DIZDAR:** I might get Ms Read to dive in here, who's got direct carriage, and help me out with the exact figures.

**CHLOE READ:** As Mr Dizdar mentioned, there is a deed of funding for that stage two set of Country Universities Centres, one of which is yet to open. So there is remaining budget, under the current deed, of just

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over \$1 million for that. Then, in August of this year, the department committed an additional \$1.13 million to support CUC operations in this financial year. As you might be aware, some of the conditions of funding is about CUCs developing a sustainable funding model into the future. That's something that can take a bit longer, and, also, with the evaluation, what we wanted to do was make sure that the CUCs were well supported during that process of evaluation. And then, you'd also be aware of the Commonwealth Government's announcement as part of the *Australian Universities Accord: Interim Report* about their expansion of study hubs. So we are really keen to make sure that both these study hubs and also any others in New South Wales are included in that for ongoing and sustainable support. So we're working with them on that.

**The Hon. WES FANG:** Does the budget contain any other tertiary training initiatives for the benefit of residents of regional New South Wales?

**CHLOE READ:** Do you mean including vocational education?

**The Hon. WES FANG:** Any other tertiary training such as the Country Universities Centres. Excluding the skills sector—that is, TAFE and the like—what does the budget have to assist rural and regional kids to study at home?

**CHLOE READ:** To go to university?

**The Hon. WES FANG:** Yes.

**CHLOE READ:** I might take that on notice. I don't have specific information to rural and regional to do with just the higher education sector, as opposed to more broadly across vocational.

**The Hon. WES FANG:** I just want to make sure that there's more than just over \$1 million for rural and regional kids to be able to attend tertiary training. I hope that we've done a bit more than that for them.

**CHLOE READ:** Normally, funding for higher education—so university education in particular—

**The Hon. WES FANG:** I understand it's Federal, yes.

**CHLOE READ:** —is the proviso of the Commonwealth Government, and so we—

**The Hon. WES FANG:** However, the previous Government had been very strong in ensuring that things like CUCs were supported, and so I want to see that the current Labor Government isn't just focusing its attention on metropolitan areas but is also focusing some attention on the rural and regional areas, as the previous Government did.

**CHLOE READ:** I understand. We might need to gather some information about specific scholarships and things because, obviously, different departments will also fund different pieces.

**The Hon. WES FANG:** That would be fantastic. Yes, that's great.

**CHLOE READ:** We'll take that on notice and see what we can come back to you with.

**The Hon. WES FANG:** Mr Dizdar, you look like you want to say something.

**MURAT DIZDAR:** I was just going to say it's really important for us, because—

**The Hon. WES FANG:** I agree. We're on a unity ticket, Mr Dizdar—who'd have thought?

**MURAT DIZDAR:** —getting better outcomes for regional and remote across the whole life cycle of education is a strong focus, so I was just going to say let's come back to you with the detail.

**The Hon. WES FANG:** That's great. I'm just slightly concerned that the current Government might have a focus on metropolitan areas, as they tend to do, historically. Do you know if the Minister has had a chance to visit Lismore and have a look at the impact of floods on tertiary and skills training areas in that area?

**STEPHEN BRADY:** The Minister, to my knowledge, hasn't been to Lismore yet. I think he mentioned this morning he'd been up there previously in previous floods, when he'd been in a different portfolio. We have talked to the Minister about our service delivery in Lismore and the Northern Rivers. As I said earlier, we're about to go into some consultation with the local member and the community around the options for rebuilding up there.

**The Hon. WES FANG:** Fantastic, but you'd say that the Minister is fairly keen to get up there and hit the ground?

**STEPHEN BRADY:** I wouldn't want to put words in his mouth, Mr Fang.

**The Hon. WES FANG:** No, I wouldn't want to either, because who knows what the Minister might actually end up doing.

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**MURAT DIZDAR:** I'd just say that we have had senior officers, including myself, visit all flood-affected areas in New South Wales, from deputy secretary to secretary.

**The Hon. WES FANG:** That's good. Have you been to Eugowra, Mr Dizdar?

**MURAT DIZDAR:** Yes, I have.

**The Hon. WES FANG:** Good. I was just wondering because the Premier hasn't, so I'm just making sure you have.

**The Hon. MARK BUTTIGIEG:** Point of order: We have senior bureaucrats and leaders of the department here answering in a very genuine, direct way, and the member makes gratuitous comments about the Minister in a derogatory fashion. I don't think it's in place at all. It's disrespectful. The Minister is not here to defend himself.

**The Hon. WES FANG:** Even if the Minister was here, he couldn't defend himself.

**The Hon. MARK BUTTIGIEG:** I ask that you direct the member to ask the question, hear the answer and move on. It's unnecessary.

**The CHAIR:** I uphold the point of order and ask the member not to interject when another member is taking a point of order.

**The Hon. WES FANG:** Fair call, just don't give me a timeout. Will you continue New South Wales' support for the temporary graduate visa holders who have graduated from a regional educational institution, have lived in regional Australia on their first TGV and are eligible for a second TGV?

**MURAT DIZDAR:** That's quite specific, the visa classes, and I don't want to get it wrong. I think it'd be safer if I take it on notice and come back to you, unless Ms Read's got the details.

**The Hon. WES FANG:** Given the number of acronyms, I think it's safer too.

**CHLOE READ:** And I think migration sits with—I want to say either the Cabinet Office or the department of industry.

**The Hon. WES FANG:** Yes, it's very confusing with all these machinery-of-government changes.

**CHLOE READ:** Yes, so we don't directly hold responsibility for migration from a New South Wales perspective.

**MURAT DIZDAR:** But we're happy to chase the answer on notice. We're happy to do that.

**CHLOE READ:** Yes, we can take that on notice and come back to you with advice on where that lives.

**The Hon. WES FANG:** Broadly speaking, are we supportive of regional trainees staying and doing further training?

**MURAT DIZDAR:** Like I was saying earlier, it's a real focus. I'm really proud of our recent public schools plan that we released, and one of the pillars we called out is the equity pillar. We want to make a difference for regional and remote students. Twenty-five per cent of our enrolments are in regional and remote, and I don't sit comfortably with where the outcomes are, as secretary, alongside Aboriginal outcomes and students with disability. We called out the equity pillar as being of prime importance to move the dial. That goes from the school gates, whether it's to TAFE or other providers or to tertiary—how we make sure that we can remove the barriers, broaden the horizons and get better completion rates. I know that it's a focus when I chat with Mr Brady. I know it's a focus when I chat with Mr Martin in NESAs. I know that having gone to EMM—Education Ministers Meetings—it's a focus nationally as well.

**The Hon. WES FANG:** Given your strong focus on that, do you think it's fair to say that you would see that as a real KPI for you having achieved in your role?

**MURAT DIZDAR:** I've publicly put it out there on the public education plan for the next four years to make a difference on the equity front for our learners of concern.

**The Hon. WES FANG:** And the outcomes?

**MURAT DIZDAR:** I spoke to this on the education committee as well—that was last week, Mr Fang—where we're working with schools. Actually, we started that this week, and by the end of term 1 we'll have improvement measures for each school across a range of areas that recognise their context.

**The Hon. WES FANG:** Excellent. You might be able to take this one on notice as well. International graduates who have studied and lived in category 3 may be eligible for an additional two years on a second

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temporary graduate visa. That provides an additional incentive for international students to study at regional institutions and live in regional areas post-study, boosting diversity and prosperity in regional New South Wales. Can you tell me how many students are eligible for those incentives since 1 April 2023?

**MURAT DIZDAR:** That's very specific again, Mr Fang.

**CHLOE READ:** Yes, I think that'll be potentially a Commonwealth Government question, but we'll take it on notice and see if we can direct the query to the right place, at least.

**The Hon. WES FANG:** I very much appreciate your assistance.

**CHLOE READ:** No problem.

**The Hon. WES FANG:** I will move now to apprenticeships. The NCVER statistics show an 8 per cent increase in the past 12 months in people who are undertaking an apprenticeship or traineeship in New South Wales. In March this year the commitment was to hire an extra 1,000 apprentices and trainees to work across the State Government by 2026. Is that achievable? Are you still working towards that time frame?

**MURAT DIZDAR:** Yes, we spoke a little bit to that earlier on the steps and where we're up to, and Mr Collins unpacked that. I think whenever you're going to set targets, whenever you're going to set improvement measures like the ones I referenced in education, you want to make them aspirational. So, yes, there's a challenge ahead of us.

**The Hon. WES FANG:** The problem is that by making them aspirational they may also be unachievable. Is that not the case?

**MURAT DIZDAR:** No, I think in my experience what it does is galvanise and drive people, and that's why we've had all these meetings with all these different agencies to bring them on board. I'd be worried if it was only a figure that was given to me in Education, for example, and it's not. It's across the public service, so we're going to work with all our partners in the public service to achieve that. It's a figure that is both apprentices and trainees. There's different complexity in each of those, but we're hard at work. As you know, the applications are now open, and we're going to run hard at delivering on that Government commitment.

**CHLOE READ:** Can I just add something to that?

**The Hon. WES FANG:** Sure.

**CHLOE READ:** The public sector has long had a graduate program, so a program where graduates are placed in public sector agencies and move around different agencies getting different levels of experience. While there is a wide variety of apprenticeship and traineeship activity across the public sector, there is no established program at the moment that does this. So there is a real opportunity, actually, in this commitment, for public sector agencies to step up and take vocational learners as well as university-qualified. We see that as a really interesting opportunity, and we have had real—I think you would say, Mr Collins, really good enthusiasm from other agencies on that.

**DAVID COLLINS:** Yes, there has been a lot of interest from agencies. We are starting this year with a target of 200 traineeships—in this financial year. Overall, the 1,000 target is an additional 500 apprentices and 500 trainees, but we are starting with the trainees. Trainees—the opportunity is really broad. The range of qualifications that can apply across agencies is very broad. There is a very good focus on that. As Ms Read has said, there has been a lot of interest from agencies. We are confident that we will work with them over the next two years and we will see this starting to become a more regular pathway into government employment.

**The Hon. WES FANG:** In relation to that—noting Mr Dizdar's contribution, which was that effectively it is across all of government and we are looking for, I guess, a whole-of-government solution here—is Minister Whan responsible, effectively, for delivering this at the end of the day?

**MURAT DIZDAR:** He is responsible.

**The Hon. WES FANG:** How is he ensuring that this occurs and it is not just something that is lost in the ether and the blame falls to all the Ministers for the failure to actually reach the target?

**MURAT DIZDAR:** I would just say that Minister Whan is the lead Minister. It is us, as the agency, that has got to drive and lead to the work and keep the Minister updated. I know you appreciate this, Mr Fang—we are only early doors because we just released, as you know, the application process. But in a very short period of time since the announcement—and this is where I am really proud of Mr Collins and his team. They have run hard to make sure—I think I said earlier this morning, something like 32 or 33 meetings with different agencies, with the steering committee—we're already out the door with the application process. It will be incumbent on me, as secretary, Mr Collins and Ms Read to keep our Minister updated along the way, and call out if there are any

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risks that we are detecting along the way in the run rate towards achieving that. We will be calling those risks out and how to mitigate that. But it has been a good kick-off so far—good engagement from agencies. I actually think, Mr Fang, this could be a long-lasting program. Ms Read spoke about the graduate program and entry to public service. We are a large employer and this could really help break the back of further apprenticeships and traineeships into public service.

**The Hon. WES FANG:** Mr Dizdar, noting those positive comments, I guess one of my concerns is that in March this year Labor said that that 1,000 figure would be in addition to the 200 apprenticeships to be hired to build the next fleet of Tangara trains in New South Wales. Is this still the case?

**DAVID COLLINS:** Can I comment on that?

**The Hon. WES FANG:** Please, Mr Collins.

**DAVID COLLINS:** I will just jump in there. The 1,000 apprentices and trainees are expected to be direct employment within government agencies. The work building the Tangara trains will be likely conducted by other organisations, so not government agencies. By commissioning that work, the government expects that it will be generating employment for apprentices and trainees, and we, through our responsibilities for that, will support that. But the 1,000 apprentices is specifically government employment.

**MURAT DIZDAR:** Public service only—and it is quite clear that it is additional as well. Whatever we have got already in play does not count.

**The Hon. WES FANG:** In March this year the indicated cost of the plan was \$93 million. Has that at all changed?

**MURAT DIZDAR:** I think we gave the figure of ninety-three-point-something in the morning here.

**CHLOE READ:** Yes, that's right.

**MURAT DIZDAR:** That's about right.

**The Hon. WES FANG:** Given that there has been, I guess, a shift in inflation and wages and the like, are you still expecting the same budgeted figure that was announced in March?

**MURAT DIZDAR:** We are going to drive hard to deliver on that 1,000 additional across public service apprenticeships and trainees with that budget envelope. And we are going to do that by—Mr Collins?—end of 2026.

**DAVID COLLINS:** Yes, 2026.

**The Hon. WES FANG:** Are you able to provide a definition in relation to apprentices and trainees? How do you define each of those roles in the government sector? As in full-time apprentices, full-time trainees—or are you counting part-time? How are we going to count these numbers? Is it FTEs?

**MURAT DIZDAR:** Mr Collins can help us out here.

**DAVID COLLINS:** Apprenticeships and traineeships in New South Wales are regulated under the Apprenticeship and Traineeship Act. What those terms define are a mix of employment and training that occurs under a training contract. The apprenticeship, classically, is a trade qualification, so things that you would expect like construction, manufacturing, automotive repair. Traineeships apply in a really broad range of areas. You can find traineeships in primary industries, in the care sector, the service sector and a range of other areas—pretty much everywhere that's a non-trade area. What we are looking at in relation to the agencies is what roles, what pathways they've got that relate to these qualifications and these programs. It will be an identified apprenticeship or traineeship that relates to the work and the opportunity that can be provided by the agency, and we look to the agency to be providing the appropriate supervision and the like within that employment process.

**The Hon. WES FANG:** I have a few more questions, but I will defer.

**The CHAIR:** Thank you. I want to ask you about students with disability. The disability royal commission, in its report, found that people with disability were much less likely than their peers to finish year 12, which of course then makes it much more difficult for them to go on to enter tertiary education or the workforce. Given that, what mechanisms do you have in place to support young people with disability going into TAFE?

**STEPHEN BRADY:** Thank you, Chair. We've got approximately 45,000 students with disability at any one point in time. We have a funding stream called our community service obligation, which supports us to provide additional services to students who have a disability, and we also get some extra loadings through Smart and Skilled on the individual-level funding. Around the types of supports we have, initially we have disability teacher consultants who will work with new students to understand their needs. They will establish a plan and

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work across teaching and non-teaching support services for that student, and look at things like their orientation, their access, their mobility needs, but also look at whether they need specialist support like notetakers or assistance with their assessments. Do we need to redesign the course delivery in any way to support them? We also liaise with local community organisations, employers et cetera around support. That disability teacher support consultant is sort of the critical link. We then have other disability consultants of a more generalised nature.

**The CHAIR:** Do you keep the numbers for students of disability by type of disability—specifically, whether we have separate numbers for students with intellectual disability versus those with mobility needs?

**STEPHEN BRADY:** I don't have a breakdown. I do have categories, but—

**JANET SCHORER:** We would have some of that information we can provide on notice, but to the extent that people disclose.

**The CHAIR:** Yes. I just wonder if that figure that you gave before, the 45,000—if that is people who have identified the need for an adjustment, or whether that is people with disability more generally.

**JANET SCHORER:** It is probably a mix of both: people who identify or people who have indicated that they need some level of support. But we can provide the detail of that, happily, on notice.

**JULIE TICKLE:** If I can add some context as well, please, Chair? The disability teacher consultants—these are teachers that actually specialise in a particular type of disability. We have disability teacher consultants that specialise in vision impairment and people who do specialise in students with intellectual or neurological disability as well. They have a case load based on their specialisation and they rally the support. We have got those people, we have got counsellors and we have got a lot of people that are in the class supporting the students with a disability.

**The CHAIR:** Thank you. Just looking at the last however many years—what have I got here? About seven years of annual reports for TAFE NSW. The additional number of yearly enrolments by learners with a disability is declining every year. I think 56,000 was probably the highest that I can see in the recent past, in 2016-17. Then it consistently declined, to get to 45,000 in 2021-22. Why is that?

**STEPHEN BRADY:** That's a great question. I wasn't aware of that trend. We certainly have been providing, as I say, supports. We've got a disability inclusion action plan, which we've completed the first iteration of. We're just about to release a second disability inclusion action plan. We've established an employee resource group for our disabled staff members. So we're making a lot of effort to make sure that we're being as inclusive as we can and to provide the supports we can. But I think we'd have to take that on notice and see what we can find that's driving those numbers.

**The CHAIR:** Yes. Maybe if you could provide more detail in the breakdown. Maybe it's a percentage-of-total-students issue. Maybe it's got something to do with—I'm just looking at the figures. I was going to say COVID, but it starts declining before COVID. If you could come back to me with any additional info, that would be really useful. How much money does Smart and Skilled receive in relation to training for students with disability? Do you have any breakdown of that funding and where it goes?

**STEPHEN BRADY:** I don't.

**CHLOE READ:** We do, as those who run the Smart and Skilled program. We don't receive funding for students with a disability. We give it out in the form of loadings, largely. In 2022-23, \$11,350,000 and change was those loadings to different providers. Then I would just add that also Smart and Skilled is a particular piece of delivery that we commissioned. We also have adult and community education providers. I don't have a breakdown of funding, but, in 2022-23, 21 per cent of training from those providers was to students or learners with a disability. There's some other provision there, alongside TAFE and alongside Smart and Skilled.

**The CHAIR:** Are you able to tell me how many students with a disability access Smart and Skilled, what that \$11 million equates to?

**CHLOE READ:** On notice, yes. I don't have that number.

**The CHAIR:** Thank you. Also, do you have any data on how many students you've—

**CHLOE READ:** Actually, Mr Collins might have that number.

**DAVID COLLINS:** In terms of student commencements under Smart and Skilled, it's about 13,600 a year. It's around that. That \$11 million figure that Ms Read referred to is the loading that's provided. That's different to training provided. Under Smart and Skilled, all providers are funded for a price for the qualification that they're delivering. Where they enrol students with disability, there's a 15 per cent loading on that payment, which is what goes to make up that 11.6.

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**CHLOE READ:** That's only the 15 per cent, not the total.

**DAVID COLLINS:** That's the 15 per cent, not the total cost.

**CHLOE READ:** Good point.

**The CHAIR:** Thank you. Do you have any data on how many students with disability complete TAFE for the different certificate-level qualifications?

**DAVID COLLINS:** I can't give it to you disaggregated like that, but last year the completions—and this is our internal data. It's not the NCVER data. Last year the data we had on completions was that it was about 45 per cent of students. That compares to the—it doesn't compare precisely. We know that the most recent NCVER completion data for all students is 47 per cent. It's slightly lower than that.

**The CHAIR:** I understand. Thank you. Can we just turn to something completely different. There's a Nous contract that was entered into—it was published on 13 October 2023. But it's for 17 April to 30 June, so just a two-month or less than two-month contract—a six-week contract. This is for the TAFE NSW operating model, for \$770,000. Can someone tell me what we got for \$770,000 from Nous?

**JULIE TICKLE:** Yes, I can. That contract was to review and recalibrate our operating model. I think a lot of people, when we talk operating model, think restructure and job losses, but that's not actually what it looks at. It looks at a number of components, including the way that we're organised, our capabilities that we need now and in the future, our leadership and what our leadership make-up is, our processes, our governance. That's what the Nous Group supported us to do. The operating model is usually recalibrated by organisations around every three years. That's good HR practice, to look at the way you operate. With the emerging needs of the sector changing, the new skills areas that we can see emerging, it was a really good time to look at our operating model. That's what that contract covered.

**The CHAIR:** Thank you. Are we spending three-quarters of \$1 million every three years on something like this?

**JULIE TICKLE:** No, not at all. We recalibrate and look at the operating model in good practice every three years. I can't say that we do it regularly every three years. It's good practice to do so. But, no, we wouldn't spend \$700,000 every three years. It's just that, with everything happening in the sector, that's the decision that was taken on this occasion.

**The CHAIR:** Can you just talk me through what you actually get for that. How many people were working from Nous for those six weeks?

**JULIE TICKLE:** I'd certainly be able to do that on notice, but I don't have it in front of me.

**The CHAIR:** We've had similar—not this much; this is quite a large value. But we've had in our consulting inquiry, when we've looked into other departments and agencies, a couple of hundred thousand dollars being spent on strategy days and operating reviews, and it's been very interesting to see exactly what you get for that money. But it strikes me that, for six weeks of work, \$770,000 to do something that's, obviously, important but perhaps not necessarily what the public would be expecting we'd spend three-quarters of \$1 million on—can you give me any other sort of detail as to why it was quite this expensive?

**JULIE TICKLE:** Certainly, on notice we can provide the amount of people that worked on it and what the agreement was with Nous and what services they provided. I think it's worth remembering the context of the emerging sector that we're in, in terms of VET and in terms of skills. Making sure that we're organised in the way to best support the skills needs of the State is really important. We've talked before about the teacher shortages we have, and making sure that we are putting our organisation in the best place to do that was the reason that we started with that work. I think the other thing to remember about operating model is that we don't necessarily have that resource all the time. We don't spend a lot of money on having people that do organisational design, operating model reviews regularly. It is a specialist service. On this occasion, that's why we went for Nous.

**The CHAIR:** Just when we're talking about that, if there's a bunch of government agencies that are all doing a similar sort of thing and they're all paying consultants to come in and help them review their operating model, is there not a case to be made that there should be someone within the public service that can be doing that? Why is that—again, it's \$770,000. Someone in a community service organisation, if they got \$770,000, would be running for another three years, providing twice the services they already do, to really vulnerable people. This is six weeks of work to a consulting firm. What value for money did we get from that?

**STEPHEN BRADY:** I think I've said a few times today we're a complex organisation, and we still suffer from some of the legacy of the One TAFE reforms. So what we're doing is dealing with a lot of those old issues and trying to make sure that we're actually dealing with some of the criticisms of TAFE, which are we're not



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sufficiently aligned to industry, we don't understand the rapidly changing demands of industry and that we're not sufficiently connected to our local communities. Looking at the historical decisions around One TAFE, some of the feedback we're getting from our key stakeholders, how do we better set ourselves up to deal with the changing landscape and address these key concerns from our stakeholders? I totally understand the question about value for money. It is a substantial amount of money. But if we can get this organisation performing more effectively, then we believe we'll deliver, well and truly, value for that piece of consultancy.

**The CHAIR:** Do you do any post-engagement review?

**STEPHEN BRADY:** We have, as a group, discussed where we felt that we've got—I wouldn't say that we've done a formal post-implementation review. What we have done is, as a group, regularly discussed the performance of organisations that have done work for us and share that feedback so that when we're considering if we need further support, whether someone has actually provided value for money.

**The CHAIR:** That contract began on 17 April this year, so not that long after the election. Who would have signed off on that?

**STEPHEN BRADY:** I would have.

**The CHAIR:** That kind of level of contract at that time doesn't need to go higher than you? It doesn't need to go to the education secretary? It doesn't need to go to—

**STEPHEN BRADY:** I don't report to the education secretary; I report directly to the Minister.

**The CHAIR:** It doesn't need to be—

**STEPHEN BRADY:** No.

**The CHAIR:** —shown to the Minister? There's no requirement for a brief and an expenditure of—no. Understood. It wasn't uploaded to eTender until, it looks like, almost six months after. Is there any reason why it was so slow to be notified on eTender?

**JULIE TICKLE:** I don't know the answer to that, I'm sorry. I'm not sure why it would take so long to go onto eTender. I can find out, if it's helpful. But, no, I don't have any answer for that.

**The CHAIR:** If you could. That's quite a long period of time for that kind of thing. It would be very helpful if I could understand why that was.

**JULIE TICKLE:** Sure.

**The CHAIR:** It's normally a month. Just coming back to that Deloitte contract, I want to understand one more bit about it. I'm looking at a media release from 31 May this year, where the previous Minister is talking about—he tables the annual reports of the universities in Parliament and then notes several important collaborations and initiatives underway, including the Deloitte Cyber Academy, which is designed to apparently fast track 1,200 careers. Is that 1,200 annually? Do you know what that 1,200 student figure is, given we only have 25 at the moment, you were saying?

**STEPHEN BRADY:** I would have to take that on notice. I am not aware of that number.

**The CHAIR:** And it says it gets seed funding from the New South Wales Government's Collaboration and Innovation Fund. Is that the same funding you were talking about earlier or is this a different amount?

**CHLOE READ:** That's funding from the department. The Collaboration and Innovation Fund is a small budget that, at the time, was given to—there's a whole set of criteria—but essentially projects where universities are collaborating with others to deliver things, basically. It would have been through the university involvement in the cyber academy. It will have been, from memory, \$100,000 or \$200,000, but I'll need to take the figure on notice.

**The CHAIR:** That would be useful to understand. Presumably it went to the university rather than to one of the other partners in—

**CHLOE READ:** Yes, I would have thought so, but I'll double-check and confirm.

**The CHAIR:** Sorry, just one thing that I forgot on the one we were talking about a moment ago in relation to Nous—the \$770,000 one. It was described on eTender that the tender method was an open tender, but the bit about the evaluation criteria and what basis it was granted isn't given here. It's not disclosed. Are you able to come back on notice and tell me who else participated in that tender process and, on the evaluation criteria, why Nous was the one to get it?

**STEPHEN BRADY:** Certainly.

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**The CHAIR:** Going on the eTender system, it's coming up with a huge number of contracts with KPMG, Deloitte and Nous, in particular, totalling millions that are coming up for this year. But when we look at the annual reports, and as we talked about earlier, the actual amount that's shown in the annual reports as being consulting spend is quite small. You have to get into the detail to understand how much is really being spent on consultants. Something like that Nous one, it says here that the category it has been put in at is just "professional services excluding consultancy". Presumably that \$770,000 won't show up in the financial reports under "consultants" for the last financial year. Is that correct?

**STEPHEN BRADY:** If it's classified as professional services then it won't show up as consulting because it's a different category.

**The CHAIR:** Do you think that complies with the definition of what a consultant is for the purposes of the New South Wales guidelines, though? This is a piece of work that is short term, not something that's designed to—it's not an outsourcing of services. It's not a contractor of the kind—somebody who is coming in to fill in for a bit. This looks very much like what other agencies are describing as a consulting spend. Why has this not been put in?

**STEPHEN BRADY:** I think the intention here is we have an internal team that was working on the work. What this team from Nous did is come in and supplement the internal team.

**JULIE TICKLE:** Yes, that's correct. We use the same definitions as other agencies. In that case, it was supplementary support for—

**The CHAIR:** So it was paying for personnel—\$770,000 for personnel, not for advice?

**JULIE TICKLE:** The people that provided the advice were additional to the people that we have—a very small team—looking at it. When you asked before how many people were working on it and we took it on notice, that's where I think there might be some detail that would be of interest.

**The CHAIR:** I look forward to seeing that.

**The Hon. WES FANG:** I'm going to cover off two final questions and then I'll pass over to my colleague. In relation to the apprentices and trainees issue that we were talking about prior to going back to the crossbench, do you have an idea as to what you expect the ratio to be between apprentices and trainees for that program?

**DAVID COLLINS:** For the 1,000 apprentices and trainees?

**The Hon. WES FANG:** Yes.

**DAVID COLLINS:** We're expecting it to be fifty-fifty. The Government's expectation is that over the three years we'll see 500 additional apprentices and 500 additional trainees.

**The Hon. WES FANG:** What jobs do you expect will be allocated? Do you expect that the Government will be able to provide, and the young people receive, the appropriate levels of training experience that they require to be successful into the future?

**DAVID COLLINS:** We do. We are looking to agencies such as Transport to look at some of the more technical roles. We will be looking at areas like the gardens to do horticulture or whatever. We will also be looking at some of the other agencies in the traineeship side to be looking at everything from admin-type roles through to health roles within the department of health. There's a pretty broad spread that we'd be anticipating will be being delivered through the program.

**The Hon. RACHEL MERTON:** The previous Government, in its 2022 budget, invested the largest amount of money in the history of New South Wales for skills and training. I refer to a joint press release by the Federal Labor Minister for Skills and Training, Brendan O'Connor, and the then New South Wales Minister for Skills and Training, Alister Henskens, which reads:

The NSW Government has invested a record \$3.1 billion in the skills and training sector this financial year to help people get the skills they need for the jobs they want.

That was in 2022. My question is, in terms of the 2023-24 budget, what is the investment in skills and training in New South Wales?

**MURAT DIZDAR:** It is 3.1 billion.

**The Hon. RACHEL MERTON:** So we'd say it's remained the same—3.1 billion? What is the current investment?

**MURAT DIZDAR:** The current 2023-24 investment is 3.1 billion.

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**The Hon. RACHEL MERTON:** The Federal Government provides a substantial amount of funding to TAFE. We've spoken about the importance of the national partnerships and our participation in this. I'm wondering what TAFE's Federal funding for 2022-23 is and what it is for 2023-24.

**STEPHEN BRADY:** The Federal funding flows through the Skills budget to the department. We then receive funding via the department. So it's not possible for me to say what proportion of our budget is funded from the Commonwealth.

**The Hon. RACHEL MERTON:** What proportion of the TAFE NSW budget will be comprised of funding sourced from NGOs for the budget period 2023 to 2024 and for the budget period 2023 to 2027?

**STEPHEN BRADY:** From NGOs? So how much funding does TAFE receive from NGOs?

**The Hon. RACHEL MERTON:** Yes.

**STEPHEN BRADY:** I'm not clear that we get—our streams of funding tend to be from the department. They come from the Commonwealth, and they come from delivery for private sector organisations, where we deliver training commercially. We have international streams of revenue from delivery of training internationally. I'm not aware of us having a substantial NGO funding stream, but I'm happy to take that question on notice and come back to you.

**The Hon. RACHEL MERTON:** Like you mentioned, it would be capturing some of those examples that you just listed.

**STEPHEN BRADY:** Are you referring to any non-government funding stream?

**The Hon. RACHEL MERTON:** Yes, correct.

**STEPHEN BRADY:** Okay. I thought you meant an NGO in the classic terms.

**The Hon. RACHEL MERTON:** No, sorry, non-government—yes.

**STEPHEN BRADY:** I don't have that suite with me. Do you mind if we take that on notice and come back to you?

**The Hon. RACHEL MERTON:** Yes, that's okay. Further to that, I guess I was just wanting to know what projects are receiving such funding like this.

**STEPHEN BRADY:** I've mentioned already the Australian migrant education program, which is our largest single contract, which comes from the Commonwealth. We're delivering some programs for other government agencies. We have a very successful program with the Department of Communities and Justice, which has been an ongoing program, delivering training for some of their staff. We have been doing some training for Service NSW and some other parts of the Department of Customer Service. We have a very good relationship with the Building Commissioner, delivering training into his specific area of responsibility—for instance, training for white cards et cetera. Then we do a range of other training for commercial organisations. I would have to come back to you with the detail.

**The Hon. RACHEL MERTON:** Just on the wage increase, how has TAFE funded its staff wage increase made by the 2023-24 budget?

**STEPHEN BRADY:** That wage increase was funded through our allocation from Treasury.

**The Hon. RACHEL MERTON:** What proportion of the operating budget for TAFE NSW is now applied to staff wages? I appreciate you've mentioned about the increase through Treasury, but in terms of the operating budget now applied to staff wages—

**STEPHEN BRADY:** For FY24?

**The Hon. RACHEL MERTON:** Yes, please.

**STEPHEN BRADY:** The employee-related expenses for FY24 are \$1,362,847,000.

**The Hon. RACHEL MERTON:** What proportion of the operating—

**STEPHEN BRADY:** I will just get my calculator out.

**The Hon. RACHEL MERTON:** That's okay. We can look at the figure when you—

**STEPHEN BRADY:** Thank you.

**The Hon. RACHEL MERTON:** Do we have a projection for this proportion or just the amount of the operating budget by 2027?

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**STEPHEN BRADY:** No, we don't.

**The Hon. WES FANG:** I am going to talk about Vik Naidoo. When did Mr Naidoo depart? Can anyone provide me a response?

**JULIE TICKLE:** I would be doing it from memory—it's earlier this year—but it's very easy to get, so we can give that to you in a moment.

**The Hon. WES FANG:** Excellent. While you're looking at that, could I ask why did he depart?

**STEPHEN BRADY:** Vik Naidoo had a portfolio which was—he was head of commercial and strategy or something.

**The Hon. WES FANG:** Strategy and commercial officer? Yes.

**STEPHEN BRADY:** That's right. The construct of that was he had our research team, which helps us plan where our skills are going. He had our strategy team. He had some of our teams that look after our relationships with universities and our commercial bid-type team. Certainly, one thing when I came into the role, looking at the amount of change that's happening in the vocational education system, both at the Commonwealth and State level, I felt that my office wasn't sufficiently equipped to carry on the nature of the engagements I needed to have with Commonwealth departments, regulators, inquiries, as well as what's happening at the State level. So I chose to bring the policy and strategy teams into my office so that was I more closely engaged with those. That left some of the other teams—and, quite frankly, they needed to be more closely connected to the delivery part of our business. So those teams largely shifted into Ms Schorer's area. It was really a restructure and a reflection of the changing priorities where we really needed to be much closer to the changing policy landscape.

**The Hon. WES FANG:** Has the restructure left any roles unfilled?

**STEPHEN BRADY:** Are you asking if there were job losses associated?

**The Hon. WES FANG:** Given that you've brought parts of it in under your office—or Ms Schorer's office—has that resulted in a situation where people have left or people have moved into new roles and that there are roles now that are unfilled in TAFE at that senior engagement level?

**STEPHEN BRADY:** No. What we've really done is we've been able to focus the activities more closely, build stronger connections between the parts of the organisation that are talking to external parties about their training needs and those that are actually delivering on those needs.

**The Hon. WES FANG:** As a result of the restructure, has there been an increase, a decrease or the same number of roles in the upper management of TAFE?

**STEPHEN BRADY:** I believe it's the same number.

**JULIE TICKLE:** I can provide that to you, if you just give me a moment. Thank you for waiting.

**The Hon. WES FANG:** I'm a very patient man.

**JULIE TICKLE:** Mr Fang, we have 110 TAFE employees paid a salary equivalent or above the public service senior executive level, which is two more than the 108 reported at 30 June. I would like to point out that this number differs from the number that's reported in the annual report. That number includes people employed under the GSE Act and the TAFE Commission Act, which differs from the annual report, as I've said, because those numbers only include those employed under the GSE Act and reporting to the managing director, which is in accordance with the Annual Reports (Statutory Bodies) Regulation 2015, so we're required to report that in the annual report.

**STEPHEN BRADY:** The actual change that you're talking about, Mr Fang, was really a reorganisation to better align themselves, rather than seeking to increase or decrease executives.

**JULIE TICKLE:** Just for more context—

**The Hon. WES FANG:** So the number has actually gone up, instead of decreasing?

**STEPHEN BRADY:** But not directly associated with the question you're asking.

**The Hon. WES FANG:** No, no, but I mean—yes.

**JULIE TICKLE:** If I can provide some more context, we have people paid at that remuneration range on a number of different classifications. One of them is a TAFE Manager 6, which is under the TAFE Managers Enterprise Agreement. To align closely with the GSE Act, we've been steadily moving people across, using

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attrition. So we don't employ people at that TM 6 level anymore. New people coming in, we employ under the GSE Act. That's why the numbers fluctuate a little.

**The Hon. WES FANG:** Have there been any requirements flagged with you to have efficiency dividend applications put to TAFE? Has the Minister or Treasury indicated to you that you're expected to reduce the number of senior managers or people on senior-level incomes within the organisation?

**STEPHEN BRADY:** We're subject to the same whole-of-government savings requirements as the rest of the sector.

**The Hon. WES FANG:** You've gone backwards; noting we've gone from 108 to 110, you've actually increased since 30 June.

**STEPHEN BRADY:** Prior to that commitment being made. We will be—

**The Hon. WES FANG:** Mr Brady, if I'm not wrong, you said that from 30 June you've gone from 108 to 110, is that right?

**JULIE TICKLE:** Just to clarify, though, the Government has committed to reducing people under the senior executive band, so PSSE bands 1, 2 and 3. What the managing director was just talking about there is that we will contribute, as every other agency does, to the reduction there. But, as I said, in the same remuneration area we also have people under the TAFE managers agreement who are not subject to those reductions. Many of those are people who are educational managers, what you might have called a faculty manager sometime ago. We call them director of skills teams. They look after our teachers and head teachers, so they are paid under the TAFE manager agreement and are not subject to the same reductions.

**STEPHEN BRADY:** In the same way that a school principal perhaps might.

**JULIE TICKLE:** Yes.

**The Hon. WES FANG:** It's just interesting to see the way that it's being applied to TAFE, given the way that we've been discussing in other budget estimates hearings for other portfolios. I'm just trying to understand how it's going to impact the delivery of services to students and the way that it's being implemented versus in other areas, and how that saving is going to reflect in future years. In relation to that, then, if we're looking back at the way that you engage with external stakeholders around the delivery and the provision of services, has the reorganisation and restructure to bring that team in under you, Mr Brady, had any impact at all on the way that you liaise and engage with stakeholders that was perhaps Mr Naidoo's role previously? Are you seeing an increase or a decrease in that, and what is it you're seeking to get out of bringing that team in house?

**STEPHEN BRADY:** I think we've certainly increased our effectiveness at engaging with a range of inquiries and reforms that are happening both at the Commonwealth and State level. TAFE NSW is the largest training provider in the country, if not the Southern Hemisphere. When you think about policy reforms, you absolutely need practice informing policy. It's critical that TAFE NSW can have a strong voice in those forums. That's what the intention was, and we've been able to make sure that we are getting a message through, whether it's through the Australian Universities Accord or whether it's through the work being done around qualifications reform or the regulations applying to RTOs. There's a range of different reviews and inquiries that have been happening, as I said, at the Commonwealth and State level. We've had to lift our capability to engage in those and I believe we have done.

**The Hon. WES FANG:** But how are you judging that? It's one thing to sit there and say, "We've increased our engagement", but how are you judging the productivity of that other than the feel, the vibe?

**STEPHEN BRADY:** We're one of many voices into these inquiries. What we've got to do is try to ensure that we get our message across as clearly and succinctly as possible—hence the change. In terms of how do you measure that, I think one way we measure it is the fact that we now have a much stronger engagement with our regulators and with the department. We are being invited into conversations with regulators directly. Ms McNeill has been invited onto a national review of qualifications. She's the only representative of an RTO in the country on that body. That's a reflection of the fact that we are being more effective in getting TAFE NSW into those conversations.

**The Hon. WES FANG:** Is that a result of you bringing the team under your office?

**STEPHEN BRADY:** Not solely. Let's be realistic: We've got—

**The Hon. WES FANG:** I guess that's what I'm saying. How do you judge the effectiveness of an organisational change such as the one you've just rolled out, given that there seems to be a lack of measurables or KPIs with which you can say, "This change in the way that we do business is resulting in an outcome X or Y that

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is what I'm seeking to achieve, and it's 50 per cent better or 80 per cent better", other than saying, "We're increasing our involvement." Do you understand what I'm saying?

**STEPHEN BRADY:** I totally understand.

**The Hon. WES FANG:** Because at the end of the day, it's the people of New South Wales who are funding all this and everything needs to be measured.

**STEPHEN BRADY:** I agree. The challenge is—what we're talking about is advocacy. How you measure advocacy is are you influencing the decisions. We're getting invited into the right forums, which we weren't before. We're getting offered a key role in a national review process. We're certainly positioning ourselves much better to have those voices. We won't know until we see the outcomes. Of course, the difficulty there is you can't see the counterfactual, but we're certainly being heard.

**The Hon. WES FANG:** I was just curious to see how you would seek to justify the change and how you would seek to measure it. I think there are difficulties there; obviously it'll be something that we can discuss at future estimates hearings. I will now move to Closing the Gap. Do you know what interventions by the Minister have occurred, either through the new Minister or the previous Minister—or even the interim Minister—in relation to Closing the Gap outcomes?

**STEPHEN BRADY:** We have a range of measures where we're engaging our Aboriginal students and workforce. We have approximately 35,000 Aboriginal students in TAFE NSW, so it's a really critical part. We see vocational learning as a critical lever to help with the Closing the Gap measures across government. We have a range of initiatives that we work on, which I will get Ms Tickle to talk about in a moment. We also have a reconciliation action plan. We completed our first Innovate RAP and we're now just launching our second. We've just launched our Aboriginal employment strategy. It's really important that we have Aboriginal staff members in our local communities to create the cultural connection and cultural safety so we can engage with those learners. There's a broad range, but I'll ask Ms Tickle to specifically answer your question.

**The Hon. WES FANG:** Just while I'm doing that—I note, Chair, that my time has expired.

**The CHAIR:** Go ahead.

**The Hon. WES FANG:** I wanted to, in particular, seek to understand what has happened in relation to Closing the Gap since, say, 1 April. Since there's been a change of government, what new initiatives—not the initiatives of the previous Government—have been introduced by any of the new Ministers who have had carriage of this area? There have been three now since the change of government. What initiatives have been newly rolled out by this Government?

**STEPHEN BRADY:** The new reconciliation action plan and new Aboriginal employment strategy were absolutely within the term of this Government. We have internally set up a review of our Closing the Gap measures. Clearly Ms Tickle, Ms Schorer and myself are sitting down with our leaders and Closing the Gap initiatives that we work on. We will be putting proposals to the Minister about how we want to sharpen our activities.

**CHLOE READ:** If I could just add a couple of extra—

**The Hon. WES FANG:** I would love you to.

**CHLOE READ:** Mr Collins outlined the loadings that we paid into Smart and Skilled previously. Up until I think it was July of this year we used to pay one of those loadings even if a learner would potentially attract more than one of those loadings. If a learner was Aboriginal and also had a disability, they would only receive one amount of loading as opposed to both. We have changed that. In the institution of the new Smart and Skilled provider contract we now have more Aboriginal controlled RTOs on that; I think it's 14?

**DAVID COLLINS:** We've increased, from eight to 13, Aboriginal community controlled organisations that are on contract with us and are able to be funded to deliver training.

**CHLOE READ:** The other piece I'd add is the signing of the National Skills Agreement, where one of the priority reform areas is States and Territories working together with Aboriginal controlled organisations and Aboriginal learners and communities towards Closing the Gap from a skills perspective.

**The Hon. WES FANG:** Wonderful.

**The CHAIR:** How many secondees from consulting firms do you have sitting within TAFE?

**STEPHEN BRADY:** Ms Tickle? I don't know that we have—

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**JULIE TICKLE:** I wouldn't describe them as secondees. We have secondees working with us from other government agencies. Do you mean people who are in our organisation that have come across from—

**The CHAIR:** No, not even. People who are currently employed either as a partner or an employee of a consulting firm, who are sitting on premises when they're doing a piece of work for you.

**JULIE TICKLE:** Oh, we'd need to take—

**STEPHEN BRADY:** But under our control and direction as if they were an employee?

**The CHAIR:** Not necessarily. In other departments we've had examples where consultants are doing particular bits of work. Often they'll have a secondee who comes in and sits there and acts as a liaison. In other circumstances, people have been brought on from consulting firms—for example, in Transport—where people don't actually know that they are consultants because they're sitting there for, say, six months or a year. It depends, but they're fundamentally still being employed by the consulting firm. Do we have those within TAFE?

**STEPHEN BRADY:** I might go first. I don't believe we have, certainly, the second category. The first category—when we have a piece of work with a consulting firm—sometimes it's more efficient to have them come and work in alongside our team. You talked about the Nous work, for instance. We have had consultants spend time working in our offices. In terms of a liaison sitting in our office, we don't have that practice.

**The CHAIR:** Have you had any circumstances where you've had a consultant or a consulting firm come in and set up a project management office to oversee implementation—something along those lines? Is that a practice within TAFE?

**JULIE TICKLE:** I wouldn't describe it as a practice within TAFE, and I'm certainly not aware of any of those types of arrangements in the last couple of years. I wouldn't be able to comment prior to me being in this role, but it's not a practice. Certainly not.

**The CHAIR:** That's very useful, thank you. Something completely different—I understand the National Skills Agreement will take effect from January 2024. What will that mean in terms of TAFE working with transition authorities, or however they're described, once they're set up? Is that the general intention of the National Skills Agreement—that we will have climate-ready workers to help with climate transition?

**CHLOE READ:** Sorry, can you repeat the question on transition authorities? What do you—

**The CHAIR:** At both Federal and State level, commitments have been given by Labor to set up authorities, called various different things. I can't remember what the New South Wales one is but, basically, it's for those areas that are transitioning out of reliance on coal and fossil fuels and into renewables or something else.

**The Hon. WES FANG:** Nuclear?

**The CHAIR:** No, not nuclear.

**The Hon. WES FANG:** Shame.

**The CHAIR:** The idea of those transition authorities is to provide funding and ensure that people are actually moving from one job to another.

**CHLOE READ:** Okay, I understand.

**The Hon. MARK BUTTIGIEG:** I think it's Job Ready.

**The CHAIR:** Job Ready, yes. Nods to that concept have been given in relation to the National Skills Agreement. How will that apply, given that it will start next year? Is there already some sort of a plan, or is that still to be worked out, in terms of making sure that people are getting upskilled and reskilled to go into jobs for the future?

**CHLOE READ:** Yes, I understand. As you would have heard from the Minister earlier, there are various priorities in the agreement and then there are those specific pieces of reform programs funding that are aimed at things like the centres of excellence, which you might imagine would play some role in the types of transition that you referred to. For each State and Territory, there's a requirement to produce an implementation plan, I think by the end of 2024. On those particular reform priority areas, also, we'll be producing bilateral engagements on what are those reforms, how do they look and how do we work together on things.

The short answer is that the agreement isn't that specific because different States and Territories have really different landscapes in terms of where they're at in those sorts of transition journeys and how they would approach it within their different jurisdictions. Mr Collins and Training Services often do work with particular workforces or reach out to particular areas to assist in planning that transition, and I know that TAFE have also been involved

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in those sorts of things in the past. Qantas, when they needed to stand down a bunch of workers during the pandemic, I think it was you, Mr Brady—

**STEPHEN BRADY:** Yes.

**CHLOE READ:** —who worked with those employees to find them suitable training and opportunities into employment. We've had similar, if you want to talk about the renewables piece.

**DAVID COLLINS:** Yes, we've got a regional network of teams, and they will work within their labour markets to look at where there are transitions occurring. There's a lot of work going on in the Hunter, for example, that's looking at the transition that's happening there, the opportunities that may be emerging through the renewable or net-zero-type activities and how we can support people to make that transition. Interestingly, whether it's there or in the renewable energy zones, a lot of the skills that are emerging and that are in demand are trade skills. We've got a really strong demand for things like electrotechnology skills and construction and the like. We're working through, in the various locations, identifying what the skill needs are, what the opportunities are for people and what support might be needed to help people make that transition but also to prepare for the opportunities that are emerging in those areas. TAFE is a big part of that as well, in each of those areas, as the major provider.

**CHLOE READ:** I think the intent of the centres of excellence concept is that they would be hubs for expertise for a particular type of training delivery or a particular sector and—obviously, the concept is still in definition with the Commonwealth—that they might work more nationally, even if they are located in a particular State or Territory, and so offer that type of transition skill set or specialisation on a particular thing where there's going to be a focus across the country.

**The CHAIR:** It's interesting. When we talk about transition—any community that is reliant on one particular industry that will be transitioning to other types of jobs—it's very important that we talk about a job-for-job transition and we make sure workers have jobs and they're upskilled and reskilled for that. But another piece of the puzzle is the social impact of transition. For example, we're hearing a lot of concern in the Hunter area. I'm from the Central Coast, so I spend quite a lot of time talking with different service providers in the Hunter. They're worried, for example, that we will see an uptick or a further uptick in rates of domestic violence in those areas that are going through transition. There's a huge workforce planning issue in those areas, and it would strike me that that sort of upskilling and reskilling could and should also be applied to those sorts of social services professionals as well. Who will organise that, or are we too early in the process to be thinking about that? Where in government should I be looking to make sure that somebody is thinking about that and trying to make sure we have the right people coming in?

**CHLOE READ:** I think in the concept of precinct and local area planning. You might be looking to regional New South Wales, where those are non-metro areas. You might also be looking to the Department of Enterprise, Investment and Trade, who have the kind of precinct approach in terms of responsibility within government. They would be doing things like—one of the things we would wrestle with is what's the right time to say, "Here's training in a different industry", if that industry isn't yet there. The industry may not be attracted to invest in that area if there aren't people who can provide a workforce, so you've got this kind of paradox. That sort of planning would be a function, I would imagine, that those departments would be involved in.

**The CHAIR:** There's a danger that if we only look at it through one particular department or we treat things in a siloed way that we end up with, as you say, business forcing a new industry. But when we're looking at the need for government services and for workforce strategy to actually back up those government services that are divorced from that sort of industry, who will be doing that?

**DAVID COLLINS:** Where we've worked previously there has been a close relationship with Regional NSW, and Regional NSW has tended to have the kind of leadership to engage with a broader range of agencies and services. Where we see an industry or a major regional enterprise that may be closing or scaling back, we do endeavour to bring to the table the range of service providers. So it's not just us and our ability to fund TAFE to do stuff; it's, "How do we identify the individual needs and how they're best served?" Your question is a bit broader than that, but it's probably our relationship with Regional NSW that provides a focus for looking at what the broader implications may be within the community.

**The CHAIR:** Thank you. That's very useful. You mentioned before that Qantas, when they laid off—what was the arrangement that you were referring to there?

**STEPHEN BRADY:** It preceded my time. I'm not sure we've got anyone who can directly answer your question, actually! We might have to come back to you with the detail.

**CHLOE READ:** Sorry. I remembered it as an example, which was obviously unhelpful.



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**The CHAIR:** Sorry, it was an example. When Qantas laid off—

**CHLOE READ:** Just of the way that TAFE supported a particular sector in transition with reskilling and just with—

**The CHAIR:** It would be interesting to find out more about that. If no-one can tell me now—

**STEPHEN BRADY:** We're happy to come back on notice.

**The CHAIR:** Yes. Was it an arrangement with Qantas? Did Qantas help out with the funding for—

**STEPHEN BRADY:** I know we certainly placed a lot of Qantas staff into places like Service NSW et cetera because the needs there were going up when Qantas was going down, so there was an opportunity to work across government to place some of those people.

**The CHAIR:** Okay. That is interesting. I'd love to see more details.

**DAVID COLLINS:** If I can use maybe a couple of examples going back through a bit of history, Pacific Brands in Western Sydney decided to offshore its activities. We worked very closely with the organisation and looked at the role that the organisation itself would play in supporting its staff to consider outplacement-type arrangements. We met with the staff collectively and, in some cases, individually to identify what their needs were. Many were making different choices. Where these things happen, some people choose to take the money and run. They decide to retire or go off and do other things. Others do need support to make the transition into something else. Our team will work with them to identify what their skills are, how that corresponds to what sorts of opportunities there are within their region and within their community, and whether there is a training need to help them get there. We'll also bring to the table employment services—Centrelink and the like—and other agencies to look at other services, support and advice for people to move from where they were to something new.

**The CHAIR:** Thank you. I will end there for this round and pass back to the Opposition.

**The Hon. WES FANG:** Chair, given the time, unless Ms Merton has any more questions, I think that we're happy to put some questions on notice and provide Mr Buttigieg the opportunity to mop up the mess that was left by his Minister earlier.

**The CHAIR:** I will take that as you ceding the rest of your time.

**The Hon. WES FANG:** Being a very generous offer from the Opposition.

**The CHAIR:** I'm now happy for Mr Buttigieg to ask some questions.

**The Hon. MARK BUTTIGIEG:** I have just a couple by way of clarification. This is further to Ms Boyd's line of questioning. I noted, Mr Dizdar, that you made the point that the new Government's direction with regards to consultants was something that was being permeated throughout the departments. We've had quite a few questions today regarding the use of consultants and the volume thereof. Is it your evidence that that message from government that we've got to—obviously there will be some consultancy required, but there's a clear direction from various Ministers that we're to be more prudent with our use of consultants. That would be fair enough testimony, wouldn't it?

**MURAT DIZDAR:** That's correct, Mr Buttigieg—that we should look at reprioritising and achieving savings on the consultancy front, on the contractor front. I know that the Premier has addressed all of the secretaries and indicated that he'd like repeatable expertise inside the organisation.

**The Hon. MARK BUTTIGIEG:** Okay, so it's come from the Premier?

**The CHAIR:** Can I clarify, though. If Mr Brady has authority without going through the secretary, does that apply to you as well?

**STEPHEN BRADY:** It applies to us as well, absolutely. It applies to every agency.

**The Hon. MARK BUTTIGIEG:** The only other thing I wanted to pick up on was something that my colleague the Hon. Rachel Merton raised regarding the \$3.1 billion, I think it was. That amount has been replicated, I heard in response to the question, from the previous Government, where apparently it was the historical funding level. If that's correct, we have actually maintained that historical increase at a record level for a second year in a row. Would that be a fair enough statement?

**MURAT DIZDAR:** That's correct.

**The CHAIR:** Thank you very much for spending the day with us. It has been a very interesting day.

**The Hon. WES FANG:** Illuminating, you'd say.

**UNCORRECTED**

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**The CHAIR:** Very illuminating, thank you. The secretariat will be in touch in relation to questions taken on notice and any supplementary questions, of which I know there will be some. That ends our session for today.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**