



**TAFE Directors**  
AUSTRALIA



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**By E-MAIL: [fadt.sen@aph.gov.au](mailto:fadt.sen@aph.gov.au)**

Dear Dr Kathleen Dermody,

**Submission to Senate Inquiry into the main economic and security challenges facing Papua New Guinea and the Island States of the Southwest Pacific.**

TAFE Directors Australia is the national peak association for Australia's 59 TAFE and technology institutes. International engagement is a key platform of Australian TAFE institutes in their development of skilled workers for a global economy.

TAFE Directors Australia welcomes the inquiry into the main economic and security challenges facing Papua New Guinea and the Island States of the South Pacific and posits that skills and training are mater keys to economic development and stability.

TAFE Directors Australia (through its membership) has played an important role in supporting the macro economic and security needs of PNG and the Pacific in the past and will continue to do so into the future.

Our submission is attached for your consideration.

**MARTIN RIORDAN**  
**Chief Executive Officer**  
**TAFE Directors Australia**



## **TAFE Directors Australia Submission to the Senate Inquiry into the main economic and security challenges facing Papua New Guinea and the Island States of the Southwest Pacific.**

The Terms of Reference request consideration of

- a. The major economic and security challenges facing Papua New Guinea and the island states of the southwest Pacific;
  - i. the implications for Australia;
  - ii. how the Australian Government can, in practical and concrete ways, assist these countries to meet the challenges.
- b. And in doing so the inquiry to include an examination of the following:
  - i. employment opportunities, labour mobility, education and skilling;
  - ii. barriers to trade, foreign investment, economic infrastructure, land ownership and private sector development; and
  - iii. current regional organisations such as the Pacific Islands Forum and the Secretariat of Pacific Community.

### **How TDA and its members currently engage with the region**

TAFE Directors Australia member's institutes engage with the region on range of levels:

1. Inbound students – both scholarship and self funded students coming to Australia.
2. Transnational programs – the Australian Pacific Technical College is supported by two leading member institutes, Sunshine Coast Institute of TAFE and Box Hill Institute.
3. Offshore industry development – many TAFE institutes have developed partnerships for training and consultancy with industry partners in PNG and the Pacific, including TAFE Queensland and BHP, and Toyota. These models involve consultancy and partnership on workforce planning, trade and skills development and up skilling
4. Government partnerships - TAFE institutes have been actively involved in a range of aid and development funded programs supporting the reform and or development of VET systems and VET institutions.



## The Challenges

The recent article by Hughes and Sodhi (2008) *The Bipolar Pacific*, summarizes the challenges well:

- The Pacific is now home to more than eight million people, of whom some five million are of working age. Total population doubled from some 4 million in 1975 to more than 8 million in 2008. New Guinea and the Solomon Islands growth rates have been among the highest in the world.
- By 2030, Papua New Guinea could have a population of 9 to 10 million, depending on the progress of HIV/AIDS, and the Pacific's population could be more than 13 million.
- More than two million men—four out of five—are unemployed in towns or underemployed in villages. Underemployment and unemployment are at the core of Pacific crime, and are the cause of the 'arc of instability.' Without employment-led growth, crime, civil disruption, and corruption will undoubtedly worsen.
- Permanent emigration can continue to be a safety valve for the Pacific, particularly for its small countries, easing labour-market pressures, adding remittances to income, and contributing to political maturity. However, the Pacific can only avoid looming economic, social, and political crises if its large economies dramatically reform their policies to encourage substantial employment creating growth.
- The Pacific islands have received high aid flows, but the principal effect of aid has been to avoid the adoption of policies necessary for growth.
- It is only a matter of time before the growing army of unemployed and underemployed turns from restless to violent.<sup>1</sup>

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<sup>1</sup> Helen Hughes and Gaurav Sodhi (2008) *The Bipolar Pacific*, The Centre for Independent Studies August 2008



## **Proposed Solutions**

### **Vocational Education and Training- Partnerships**

- Education, particularly TVET, is a critical driver in nation building and facilitating substantial employment creating growth.
- Australia recognised this in the 80s and 90s when it embarked on its far reaching TVET reforms.
- Notwithstanding the pressures of a national skills shortage, Australia has now developed a national TVET framework which it successfully shares with many other countries through the establishment of self funded transnational programs with partner training organisations or participating in aid and development projects supported by donor or foreign government funds.
- Collectively TAFE Colleges/Institutes represent an enormous resource of TVET expertise particularly in the area of competency based training, flexible delivery, industry partnerships, TVET teacher development and modern TVET leadership and management practices which would be of enormous benefit to the Pacific.
- TDA and its member institutes would like to contribute to Australia's contribution to easing the significant social and economic problems being experienced by Pacific nations with flow on effects to Australia.
- New AusAID Pacific initiatives, such as the Australian Pacific Technical College, have captured the attention of TAFE Colleges/Institutes and represent the biggest single international activities in which the participating TAFE Colleges/Institutes have been involved.
- TDA and its member institutes are keen to expand long term partnerships with key Pacific Island TVET Institutions. Increased levels of TVET focused donor aid in the region would help facilitate this process.



## **Labour Mobility Schemes**

- With the introduction of regional labour mobility schemes, TAFE Directors Australia highlights the importance of support and training in assisting new workers to contribute effectively in both the community and the workplace.
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- TAFE, through its presence throughout regional and rural Australia can assist government and industry with training and skills development to support the success of these schemes and the individual workers experience in Australia.

## **New Skills Architecture for the Region**

- The 2020 Summit proposed a Pacific Council that would 'help engage Australians more in Pacific affairs and involve Australians in twinning and partnering with Pacific organisations at the grass-roots level'.
- A regional forum for vocational education, skills and human resource development would be a welcome addition to the existing infrastructure.
- TDA and its members would be key stakeholders and supporters. Opening up increased opportunities for collaboration and communication on skills development will be crucial to both Australia and the region's economic stability and security.

In closing TAFE Directors Australia believes that security and economic stability can be enabled through skills development. We commend the three point plan of:

- Vocational Education and Training- Partnerships
- TAFE training and support for workers in Labour Mobility schemes
- New Skills Architecture for the Region