

**ADDRESS BY MARTIN RIORDAN
CEO, TAFE DIRECTORS AUSTRALIA
AFR SKILLING AUSTRALIA SUMMIT**

'Paradigm Shift or Parody Play'

***Engaging TAFE in Accelerating Workforce Development
and Job Participation***

Day 2 Summit - Morning Session

Tuesday 28th August 2007, Melbourne

I AM DELIGHTED TO BE PARTICIPATING IN THIS SKILLING SUMMIT, WITH SKILLING NOW TAKING RIGHTFUL PLACE CENTRE STAGE IN AUSTRALIA.

THIS IMPORTANT AGENDA – AND THE ROLE OF THE MAJOR BRAND, TAFE -- IS AS EXCITING AS CHALLENGING.

OUR ASSOCIATION TAFE DIRECTORS AUSTRALIA IS NINE-YEARS YOUNG, AND AS A PEAK BODY REPRESENTING AUSTRALIA'S 57 TAFE INSTITUTES – IMPORTANTLY IS LED BY THE LEADERSHIP OF TAFE INSTITUTES.

JUST LAST YEAR, WHEN THAT MAGNIFICENT CHORUS OF COLLABORATION – THE COUNCIL OF AUSTRALIAN GOVERNMENTS (COAG) – WERE INVITING INPUT TO THE SKILLS CRISIS, SO THE BOARD OF TAFE DIRECTORS AUSTRALIA COMMITTED TO A NON-POLITICAL, CONSTRUCTIVE REVIEW.

OUR RESPONSE BEGAN WITH A GREEN PAPER FOR DISCUSSION IN SEPTEMBER 2006, AND IN MARCH THIS YEAR, TAFE DIRECTORS LAUNCHED A WHITE PAPER CALLED ***INVESTING IN PRODUCTIVITY! ENGAGING TAFE TO ACCELERATE WORKFORCE DEVELOPMENT AND JOB PARTICIPATION.***

PREDICTABLE IT WAS NOT..!

I FACT IT WAS PURE TAFE...!

---- A SERIES OF STEP-BY-STEP SOLUTIONS THAT WOULD QUICKLY MAKE INROADS INTO AUSTRALIA'S SKILLING CRISIS.

OUR WHITE PAPER BEGAN AT GROUND LEVEL -- A ROADMAP ON CAPABILITY FOR PRACTICAL AND SOUND SOLUTIONS.

SO IT IS APPROPRIATE THAT MY ADDRESS TO THE AFR SKILLING SUMMIT TODAY IS TO CHECK-OFF WITH YOU HOW THESE STEPS ARE PROCEEDING, AND HOW TAFE ENGAGEMENT CAN AND SHOULD MAKE A DIFFERENCE.

PROGRESS AGAINST OUR WHITE PAPER CHARTER CONTINUES APACE..!

YESTERDAY WE WELCOMED PETER HENDY, WHO ON BEHALF OF THE AUSTRALIAN CHAMBER OF COMMERCE AND INDUSTRY, SUPPORTED OUR CALLS FOR MICRO ECONOMIC REFORM FUNDING TO ACCELERATE GOVERNANCE AUTONOMY AND REFORM FOR TAFE INSTITUTES.

THE AUSTRALIAN CHAMBER CHALLENGE OF 1ST JULY NEXT YEAR MAY BE ACHIEVABLE, AND GIVEN WHAT IS AT STAKE, WE WOULD ADVOCATE A GOOD INVESTMENT BY THE AUSTRALIAN GOVERNMENT TO ACCELERATE WHAT WOULD BE A MOST ACCOUNTABLE AND EFFECTIVE REFORM MEASURE.

THIS SINGLE ADVOCACY BY TAFE DIRECTORS AUSTRALIA FOR TAFE AND VOCATIONAL EDUCATION STREAMLINING IN GOVERNANCE REFORM REMAINS PARAMOUNT. REPORTS LIKE THOSE FROM BOSTON CONSULTING TO THE QUEENSLAND GOVERNMENT, AND THOSE FOR NSW FROM DR. MICHAEL KEATING, CHAIR OF THE INDEPENDENT PRICING AND REGULATION REVIEW TRIBUNAL, AND OF COURSE FORMERLY SECRETARY OF THE DEPARTMENTS OF PM&C AND FINANCE, BOTH ADVOCATED SUCH STEPS.

THIS BASIC YET FUNDAMENTAL REFORM IS AIMED TO QUICKLY ACHIEVE TANGIBLE AND INTANGIBLE OUTCOMES – AND REGAIN WHAT PROBABLY HAS BEEN LOST GROUND FOR WHAT IS A MOST CREDIBLE AUSTRALIAN PUBLIC SECTOR INVESTMENT IN VOCATIONAL EDUCATION.

THIS IS THE FLEXIBILITY INDUSTRY DEMANDS AS LARGE AND SME BUSINESSES SEEK MORE EFFECTIVE LINKAGES IN TRAINING -- SUPPORTING THEIR DOMESTIC AND INTERNATIONAL DEVELOPMENTS -- ESPECIALLY WITH NEW TECHNOLOGIES AND INNOVATION, WITH OUR TAFE AND TECHNOLOGY INSTITUTES.

AND TODAY, I ALSO WANT TO TAKE THIS OPPORTUNITY TO PASS ON OUR APPRECIATION TO THE PRIME MINISTER, AND TO THE MINISTER THE HONOURABLE ANDREW ROBB, FOR THEIR OWN RAPID RESPONSES TO OUR COAG WHITE PAPER.

AND WHILE I AM REMINDED IT MIGHT BE JUST OVER 200 DAYS INTO THIS STRATEGIC APPOINTMENT AS THE AUSTRALIAN GOVERNMENT MINISTER FOR VOCATIONAL AND FURTHER EDUCATION, ANDREW ROBB TOOK NO TIME -- WITHIN A MATTER OF WEEKS -- TO ADVOCATE TAFE GOVERNANCE REFORM WHEN ADDRESS THE NATIONAL PRESS CLUB EARLIER THIS YEAR.

AND THIS WEEK MINISTER ROBB HAS ROLLED OUT THE GREEN LIGHT TO TWO OF WHAT WERE FURTHER REFORM ADVOCACY OFFERED BY TAFE DIRECTORS AUSTRALIA:

- OFFERING FEDERAL FUNDING TOWARD EXPANDED NEW PATHWAYS INTO SKILLED TRADES, WITH PILOTS INVITED FOR WHAT WE TERMED A NEW QUALIFICATION CALLED THE **TRADE DIPLOMA** – STAY TUNED ! -- , AND
- PROCEEDING WITH CALLS TO ALL TRAINING ORGANISATIONS, FOR **ACCELERATED APPRENTICESHIPS** – ANOTHER KEY PLANK OF OUR REFORM AGENDA TO WIDEN SKILLING.

TOGETHER, THESE REFORMS HAVE THE CAPABILITY OF RE-LAUNCHING SKILLING AND ITS OFFER OF EXCITING CAREERS TO YOUNGER AND OLDER AUSTRALIANS. MORE ON THAT SHORTLY --

NOT TO REST ON OUR LAURELS, TAFE DIRECTORS AUSTRALIA IS NOW MOVING TO MAPPING HOW THIS REFORM AGENDA SHOULD TAKE SHAPE – AND MAKING SURE EVERY TAFE INSTITUTE IS SHOULDERING AND SHOWING CAPABILITY TO LEAD WITH NEW DIRECTION.

IN OTHER WORDS, OUR TDA ORGANISATION IS VIGOROUS IN WANTING TO **REFRAME ~ REFRESH ~ AND MAKE A FRESH START FOR TAFE.**

WE SINCERELY BELIEVE AUSTRALIA DESERVES NOTHING LESS FOR WHAT HAS BEEN A CONSIDERABLE NATIONAL INVESTMENT IN TAFE.

SO AS WE APPROACH OUR TDA 2007 NATIONAL CONVENTION LATER NEXT MONTH THIS MONTH – ALSO TO BE HELD IN MELBOURNE -- TAFE DIRECTORS WILL UNVEIL FOR THE FIRST TIME OUR OWN ELECTION MANIFESTO.

THE MANIFESTO WILL BE REFORMIST -- HIGHLY PRODUCTIVITY DRIVEN – DESIGNED AS AN ECONOMIC VOCATIONAL EDUCATION ROAD MAP -- FOR WHOEVER WINS GOVERNMENT -- TO UNDERSTAND HOW TAFE AS A SET OF 57 INSTITUTES ACROSS RURAL, REGIONAL AND CITY LOCATIONS, IS A PRIZED PUBLIC ASSET TO BE BETTER UTILIZED TO MORE EFFECTIVELY BUILD THE AUSTRALIAN SKILLS BASE.

OUR THEME – **REFRAME – REFRESH – FRESH START** – IS INDICATIVE OF HOW WE HOPE TO BRING INFLUENCE AS BOTH SIDES OF

POLITICS PREPARES FOR THE FEDERAL ELECTION – AND LOOKS TO SOLUTIONS ON SKILLING.

WE WILL BE SHOWCASING THAT THERE REMAINS CONSIDERABLE POTENTIAL TO SUBSTANTIALLY REFORM THE SKILLING AGENDA – AND BEGIN TO BETTER ENGAGE TAFE WITHIN THIS STRATEGIC REFORM -- WHILE WIDENING ACCESS TO SKILLING.

THE VISION IS TO ENSURE THIS VERY CONSUMER FOCUSED GOAL ON SKILLING BECOMES SOMETHING THAT CAN BE ACHIEVABLE FOR BOTH SIDES OF POLITICS, FOR BUSINESS AND EDUCATORS – AND FOR SCHOOL LEAVERS AND PARENTS – AND OLDER AUSTRALIANS – AND DELIVER SKILLING AS AN EQUAL FIRST CAREER CHOICE.

THE COAG 'NEW NATIONAL REFORM AGENDA', AGREED IN EARLY 2006, PUT THE SPOTLIGHT ON TWO KEY AREAS –

- ASSISTING MORE AUSTRALIANS TO REALISE THEIR POTENTIAL BY ENTERING OR REJOINING THE WORKFORCE, AND
- FINDING WAYS TO IMPROVE THE ABILITY AND PRODUCTIVITY OF THE CURRENT WORKFORCE.

TAFE IS UNIQUELY POSITIONED TO MEET THESE NEEDS.

TAFE IS THE MAJOR BRAND FOR VOCATIONAL EDUCATION.

TAFE DIRECTLY OR INDIRECTLY MEETS THE TRAINING NEEDS FOR SOME 85% OR MORE OF THE TRADITIONAL SKILLS TRAINING – A CRITICAL TRAINING CHANNEL FOR THOSE SEEKING TO ENTER THE WORKFORCE.

WE ARE ALSO A DOMINANT MARKET SHARE PLAYER FOR TRAINING ACROSS INDUSTRY AND IN LIFELONG LEARNING FOR ADULT EDUCATION.

IN 2006, 1.68 MILLION LEARNERS WERE ENROLLED IN PUBLICLY-PROVIDED TRAINING – THAT IS AROUND ONE IN NINE WORKING AGE PEOPLE PARTICIPATING IN PUBLICLY FUNDED TRAINING IN THAT YEAR.

FOR A RANGE OF REASONS, UNLIKE THE PUBLIC SCHOOL SCENARIO, TAFE INSTITUTE ENROLMENT LEVELS HAVE BEEN INCREASING – THIS HAS TAKEN PLACE ACROSS MOST INDUSTRY TRAINING CATEGORIES, INTERNATIONAL OFFSHORE AND ONSHORE DELIVERY, AND AS FOR ADULT EDUCATION WITH MORE AND MORE AUSTRALIANS SEEKING 2ND, 3RD AND 4TH CHANCES IN CAREERS.

FOR TAFE, THE PAST TEN YEARS HAVE SEEN A STRENGTHENING OF OUR MARKET POSITION AND BRAND, AND THE FORGING OF NEW MARKETS IN AUSTRALIA AND OVERSEAS.

WITHIN OUR INDUSTRY-LED TRAINING SYSTEM, WE HAVE A NUMBER OF KEY ADVANTAGES – STRONG INFRASTRUCTURE, SKILLS TEACHING STRENGTHS, AND GEOGRAPHIC ADVANTAGE ACROSS CITY AND REGIONAL AREAS.

A BIG CHANGE IS OUR MARKET:-

- WE NOW WORK WITH A MUCH MORE DIVERSE CUSTOMER BASE, INCLUDING A STRONG FOCUS ON MEETING ENTERPRISE TRAINING NEEDS.
- OVER THIS PERIOD TAFE HAS REACHED A NEW LEVEL OF MATURITY, BUILDING A SOLID REPUTATION AS A QUALITY AND OPEN ACCESS SOURCE FOR THOSE SEEKING VOCATIONAL EDUCATION.

- IN PARTICULAR, WE KNOW FROM RESEARCH THAT THERE IS A FUNDAMENTAL TRUST ON THE PART OF CONSUMERS, AND EMPLOYERS, IN THE QUALITY OF TRADESPERSONS TRAINED AT TAFE.

THE CHALLENGE

BUT DESPITE HISTORIC SATISFACTION FROM OUR BUSINESS PARTNERS AND RECORD ENROLMENTS, OUR CLIENTS ARE DEMANDING MORE FROM TAFE.

ANTA CONDUCTED EXTENSIVE RESEARCH ON TAFE, AND THIS REMAINS RELEVANT.

WHILE TRUST WAS RECOGNISED FOR TAFE QUALIFICATIONS, CONSUMERS FELT THAT THE BRAND MAY HAVE BECOME WHAT WAS TERMED A LITTLE 'DUSTY'.

THERE IS A PERCEPTION IN SOME QUARTERS THAT TAFE NEEDS TO STRETCH FURTHER – THAT PERHAPS WE ARE OVERDUE FOR CHANGE IN THE RANGE OF SKILLING OPTIONS WE OFFER AND THE WAY WE DO BUSINESS. FOR EXAMPLE, SOME BELIEVE WE RELY TOO HEAVILY ON STRATEGIES THAT INVOLVE INDIVIDUAL CLIENTS COMING TO US AND THAT WE COULD DO MORE TO SEEK OUT INDUSTRY DEMAND. OTHERS THINK WE PLACE TOO MUCH EMPHASIS ON CLASSROOM DELIVERY RATHER THAN EXPLORING THE FULL RANGE OF OTHER DELIVERY OPTIONS. STILL OTHERS CHALLENGE US TO EXPAND THE RANGE OF HIGHER-LEVEL SKILLS TRAINING ON OFFER.

OUR RESPONSE WAS TO AVOID FLAT EARTH RESPONSES, AND INSTEAD LOOK TO A MARKETPLACE POSITION.

THE WHITE PAPER *ENGAGING TAFE TO ACCELERATE WORKFORCE DEVELOPMENT AND JOB PARTICIPATION* – ADVOCATED THAT WE

NEED TO MOVE BEYOND INCREMENTAL IMPROVEMENTS TO MEET THE CHALLENGES AHEAD.

IN SHORT, WE NEED A MAJOR PARADIGM SHIFT ON THE PART OF THE TAFE SYSTEM IN THE WAY WE ENGAGE WITH INDUSTRY, PROVIDING FOR A MORE INTEGRATED APPROACH AROUND WORKFORCE DEVELOPMENT.

THE WHITE PAPER PROPOSAL CREATE 12 PRACTICAL SOLUTIONS TO SKILLS SHORTAGES.

WE PREFACED OUR RESPONSE WITH RECOGNITION THAT THE COMMUNITY AND GOVERNMENTS HAVE A LARGE INVESTMENT IN TAFE AND ITS INFRASTRUCTURE.

WE ALSO RECOGNISED THAT TAFE INSTITUTES NEED TO GROW AND FURTHER IMPROVE THEIR OWN SKILL BASE, TECHNOLOGY AND COMPETITIVENESS.

WE NEED TO BUILD NEW STRATEGIC PARTNERSHIPS AND FIND NEW MORE INNOVATIVE WORKFORCE DEVELOPMENT SOLUTIONS. ONLY THIS WAY WILL WE KEEP UP WITH THE CHANGING NEEDS OF INDUSTRY AND POSITION OURSELVES TO SUPPORT THE FULL RANGE OF SKILLING DEMANDS FROM INDIVIDUALS AND BUSINESS.

AND AS MANY OF YOU KNOW, A NUMBER OF AUSTRALIA'S TAFE INSTITUTES RANK WITH MANY HIGHER EDUCATION PROVIDERS IN SIZE AND STUDENT NUMBERS, AND LEAD UNIVERSITIES ESPECIALLY IN CAPABILITY TO DELIVER LOWER AND HIGHER LEVEL SKILLS – WITH HIGHLY SOPHISTICATED ON AND OFF THE JOB TRAINING.

NOT SURPRISINGLY, TWO OF THE INSTITUTES YOU WILL HEAR FROM TODAY – **BRUCE MCKENZIE** FROM THE HOLMESGLEN INSTITUTE OF TAFE, IN MELBOURNE, AND **CRAIG SHERRIN** FROM THE SOUTHBANK INSTITUTE OF TECHNOLOGY – ARE INDICATIVE OF CREATING INNOVATIVE MARKET POSITIONS WELL BEYOND EXPECTATIONS.

INTERESTINGLY, THE SOUTHBANK INSTITUTE IS ONE OF THE QUEENSLAND INSTITUTES THAT HAS BEEN PILOTING NEW GOVERNANCE ARRANGEMENTS UNDER BEATTIE GOVERNMENT REFORMS AND IN THE AUDIENCE OUR INCOMING CHAIR, **DEB DALY**, IS CEO OF GOLD COAST INSTITUTE OF TAFE, WHICH IS ALSO ANOTHER OF THOSE THREE QUEENSLAND INSTITUTES PUSHING AHEAD WITH NEW GOVERNANCE.

NEVERTHELESS WE BELIEVE THERE IS MUCH TO DO STILL, AS REGULATORS RE-ASSESS TAFE'S ROLE, AND FOR TAFE DIRECTORS, WE ARTICULATE WITH INDUSTRY PARTNERS THE WAY INSTITUTES SHOULD AND CAN DO BUSINESS.

LOOKING AT GOVERNANCE REFORM FOR TAFE, WE RECOGNIZE, ALONG WITH SEVERAL STATES, THAT A ONE-SIZE APPROACH TO GOVERNANCE MAY NOT FIT ALL.

HOWEVER, IT REMAINS CLEAR TO TDA, AS A NATIONAL PEAK BODY, THAT TOO MUCH DIVERSITY IN GOVERNANCE REFORM MAY IN FACT EXACERBATE THE CURRENT FRUSTRATIONS AND PERCEPTIONS OF TAFE, AND THE COMPLEXITY OF THE VET SYSTEM.

FOR THAT REASON, WHILE THE IPART KEATING MODEL MIGHT BE USEFUL TO NSW, THIS MAY NEED FURTHER WORK WITH A NATIONAL PERSPECTIVE IN MIND, INCLUDING A FOCUS ON HOW TAFE MIGHT WORK BETTER UNDER THE NATIONAL TRAINING FRAMEWORK.

IN THAT SPIRIT, WHEN THE WA GOVERNMENT WAS RECENTLY CONSIDERING GOVERNANCE CHANGES, TDA ENCOURAGED IT TO SUPPORT THE RETENTION OF WA TAFE COLLEGES AS STATUTORY AUTHORITIES AND THIS HAS SINCE BEEN AGREED.

TDA HAS ALSO INITIATED DISCUSSIONS WITH THE AUSTRALIAN GOVERNMENT RELATING TO THIS AREA AND I WOULD PARTICULARLY LIKE TO ACKNOWLEDGE THE SUPPORT THAT WE HAVE RECEIVED FROM THE PRIME MINISTER AND MINISTER ROBB FROM THE GOVERNMENT, AND STEPHEN SMITH FROM FEDERAL LABOR, ON OUR TAFE REFORM INITIATIVE, INCLUDING THEIR ENDORSEMENT OF GOVERNANCE REFORM TO TAFE.

OVER THE COMING MONTHS, TDA WILL BE WORKING CLOSELY WITH TAFE INSTITUTES AND GOVERNMENT TO IDENTIFY THE BEST WAYS FORWARD TO EMBRACE STRONGER GOVERNANCE PLATFORMS THAT ENHANCE TAFE INSTITUTES' CAPACITY TO LIFT WORKFORCE DEVELOPMENT AND PARTICIPATION.

RESEARCH AND DEVELOPMENT

THE TDA WHITE PAPER HIGHLIGHTED THE NEED FOR A MAJOR FOCUS ON REFORMING APPROACHES TO RESEARCH AND DEVELOPMENT IN OUR SECTOR.

THIS HAS ALREADY BEEN RECOGNISED IN THE EUROPEAN UNION, WHERE INDUSTRY FREQUENTLY WORKS MORE CLOSELY WITH VOCATIONAL EDUCATION BODIES – ESPECIALLY TO RESEARCH WORKPLACE AND PRODUCT INNOVATION ISSUES.

I REFER TO THIS AS THE ***VERTICAL SKILLS REFORM MODEL***.

I OFTEN QUOTE THE CASE STUDY OF A BRICK FIRM KEEN TO UNDERTAKE MUCH NEEDED RESEARCH INTO BRICKS.

UNDER THE CURRENT AUSTRALIAN RESEARCH COUNCIL (ARC) OR COOPERATIVE RESEARCH CENTRES (CRC) R&D SYSTEM, THIS TYPE OF RESEARCH MIGHT TRADITIONALLY BE CHanneled INTO UNIVERSITY LABORATORIES.

YET A BRICK AND CONSTRUCTION FIRM IN THE EU WOULD MORE LIKELY BE INVITED TO UNDERTAKE THAT RESEARCH IN ONE OF THEIR WELL-RECOGNISED SKILLING OR TECHNOLOGY INSTITUTES. THERE THE WIN-WIN ON THE ONE HAND IS THE BRICK COMPANY, WHILE THE OTHER WINNER IS THE INSTITUTE WITH THE CAPABILITY TO RECRUIT HIGHER LEVEL EXPERTS AND ACADEMICS TO UNDERTAKE THIS SENIOR RESEARCH. THIS BUILDS A BETTER CAPABILITY WITHIN THE INSTITUTES, THE LOCAL COMMUNITY, AND ULTIMATELY THE CONSUMER AND TAXPAYER, SEEING BETTER OUTCOMES, AND BETTER UTILIZATION OF SKILLS INFRASTRUCTURE.

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ACROSS AUSTRALIA, MANY TAFE INSTITUTES ARE THE ENVY OF OUR UNIVERSITY COLLEAGUES, AS WE ALREADY WORK CLOSELY WITH ENTERPRISES AND INDUSTRY GROUPS TO DEVELOP, ADAPT AND MODIFY PRODUCTION PROCESSES AND PRACTICES RESULTING IN THE CREATION OF NEW WORKPLACE KNOWLEDGE AND INNOVATION.

HOWEVER, CURRENT AUSTRALIAN PUBLIC POLICY ON RESEARCH AND DEVELOPMENT FOCUSES ALMOST ENTIRELY ON THE INTELLECTUAL CAPITAL CREATED IN AND BY UNIVERSITIES AND OTHER DEDICATED RESEARCH INSTITUTIONS. TDA BELIEVES THAT IF BUSINESS WERE OFFERED EQUITY IN TERMS OF R&D AND INNOVATION OPTIONS FOR INVESTMENT, TAFE WOULD BE WELL POSITIONED TO WORK MORE CLOSELY WITH INDUSTRY ON R&D ISSUES.

THIS COULD HAVE MAJOR SPIN-OFFS FOR SOLVING SHORT AND LONGER TERM PRODUCTIVITY ISSUES.

TAFE HAS CONSIDERABLE APTITUDE TO MAKE A SIGNIFICANT AND INNOVATIVE CONTRIBUTION.

MANY TAFE STAFF ARE RECRUITED FROM INDUSTRY.

THEY FREQUENTLY HAVE THAT SCARCE COMBINATION OF ACADEMIC QUALIFICATIONS AND APPLIED KNOWLEDGE OF SPECIFIC TECHNOLOGIES.

ADDITIONALLY, TAFE TECHNICAL FACILITIES AND EQUIPMENT ARE FREQUENTLY CUTTING EDGE TECHNOLOGY – AND IF NOT, WOULD BENEFIT FROM INDUSTRY CO-INVESTMENT.

ONE EXAMPLE ALREADY IS HAPPENING IN WA, WITH **CHALLENGER TAFE'S** OIL AND GAS INSTITUTE – A REMARKABLE COLLABORATION PPP MODEL BY INTERNATIONAL AND DOMESTIC BUSINESSES, TAFE, AND THE WA GOVERNMENT.

THE BENEFITS FOR INDUSTRY OF A STRONGER R&D FOCUS ARE CLEAR.

- FROM A TAFE AND GOVERNMENT PERSPECTIVE, THIS WOULD ALSO PROVIDE FOR BETTER LEVERAGING AND USE OF TAFE RESOURCES AND INFRASTRUCTURE AND DEVELOP HIGHER TAFE WORKFORCE SKILL LEVELS.
- ADDITIONALLY, IT WOULD DEVELOP INTELLECTUAL PROPERTY WHILE BUILDING INNOVATIVE APPROACHES TO SKILL DEVELOPMENT AND NEW MARKET OPPORTUNITIES FOR TAFE.

THE WHITE PAPER PARTICULARLY HIGHLIGHTED THE URGENT NEED TO GAIN GOVERNMENT SUPPORT TO CREATE A SOURCE OF FUNDING SIMILAR TO THE CURRENT ARC OR CRC PROGRAMS. THIS WOULD ENCOURAGE CLOSER INDUSTRY/TAFE WORKING RELATIONSHIPS AND POTENTIALLY HAVE FAR-REACHING IMPLICATIONS FOR BOTH THE INDUSTRY AND TAFE WORKFORCES.

WE NOW NEED A CONCERTED EFFORT FROM PROVIDERS, GOVERNMENT AND INDUSTRY TO BUILD R&D AND INNOVATION CAPACITY IN THE SECTOR. WE MUST SEIZE THIS REAL OPPORTUNITY TO BETTER LEVERAGE TAFE CAPABILITY AND USE MICRO ECONOMIC REFORM INVESTMENT TO REINFORCE A NEW DIRECTION FOR TAFE IN BETTER SUPPORTING WORKPLACE DEVELOPMENT.

ULTIMATELY THIS WILL BE A 'WIN-WIN' FOR TAFE, INDUSTRY AND INDIVIDUAL CLIENTS.

TRADE DIPLOMA

A THIRD AREA HIGHLIGHTED IN THE TDA WHITE PAPER WAS THE NEED TO ADVANCE HIGHER LEVEL VOCATIONAL EDUCATION QUALIFICATIONS IN AUSTRALIA.

HIGHER LEVEL QUALIFICATIONS (SUCH AS CURRENT DIPLOMAS, ADVANCED DIPLOMAS AND ASSOCIATE DEGREES) PROVIDE VIABLE TRAINING PATHWAYS TO FILL SKILL NEEDS FOR TODAY'S MORE TECHNOLOGICAL, COMPLEX AND CHALLENGING WORK ENVIRONMENTS.

RESEARCH INTO THE DEMAND FOR WORKERS WITH QUALIFICATIONS IN THE AUSTRALIAN LABOUR MARKET FOR 2006-2016 SHOWS THAT THE HIGHEST PROJECTED GROWTH AREAS ARE AT THE AQF DIPLOMA AND ADVANCED DIPLOMA LEVELS.

THERE IS ALSO EXPECTED GROWTH AT THE AQF CERTIFICATE III LEVEL.

THE MONASH CENTRE FOR THE ECONOMICS OF EDUCATION AND TRAINING (CEET) PUBLISHED A REPORT IN 2006, *THE FUTURE LABOUR MARKET AND QUALIFICATIONS IN AUSTRALIA*, WHICH SHOWED LARGE PROJECTED GROWTH RATES PARTICULARLY IN THE THREE HIGH SKILLS OCCUPATIONS OF MANAGERS, PROFESSIONAL AND ASSOCIATE PROFESSIONALS. HOWEVER WE ANTICIPATE A LARGE SHORTFALL IN THE SUPPLY OF PEOPLE WITH THESE QUALIFICATIONS IF NOTHING IS DONE TO INCREASE CURRENT LEVELS OF HIGHER LEVEL SKILLS TRAINING.

CURRENT APPRENTICESHIP PATHWAYS NOW INCLUDE OPTIONS FOR HIGHER LEVEL QUALIFICATION OUTCOMES, BUT THESE HAVE NOT BEEN TAKEN UP IN LARGE NUMBERS.

POSSIBLY THE TRADITIONAL APPRENTICESHIP APPROACH IS LESS ATTRACTIVE TO TODAY'S YOUNGER GENERATION WHEN THEY ARE CONSIDERING HIGHER LEVEL CAREER OPTIONS. AT THE SAME TIME CURRENT APPRENTICESHIP ARRANGEMENTS CONTAIN POTENTIAL BLOCKAGES TO ENTRY FOR MANY MATURE AGED WORKERS.

WORSE, UP TO 45% OF APPRENTICES DO NOT COMPLETE – SURELY AN INCREDIBLE WASTE FOR CONSUMERS, BUSINESS AND EDUCATION,

WE BELIEVE IT IS TIME TO SERIOUSLY CONSIDER A NEW SUPPLEMENTARY FORM OF APPRENTICESHIP PATHWAY TO MEET HIGHER LEVEL SKILL DEMANDS – AND BREATHE LIFE INTO SKILLING OPTIONS FOR SCHOOL LEAVERS – AND MANY ADULTS -- WANTING TO LOOK SERIOUSLY INTO CAREER CHOICE.

THIS WE HAVE CALLED AN **AUSTRALIAN TRADE DIPLOMA**.

DOUBTLESS, THE PILOT TRADE DIPLOMA PROGRAMS MINISTER ROBB HAS SIGNALLED TO BE FUNDED WILL KICK-START THIS NEW ERA IN AUSTRALIAN SKILLING.

I WILL VERY BRIEFLY OUTLINE ATTRIBUTES ON THE AUSTRALIAN TRADE DIPLOMA.

- FIRST, IT WOULD INCORPORATE MANY OF THE EXISTING APPRENTICESHIP FEATURES BUT ALSO VARY IN SOME IMPORTANT WAYS.

- IT WOULD COMBINE STRUCTURED ON- AND OFF-JOB TRAINING, BUT IN THE FORM OF INTENSIVE UP-FRONT OFF-JOB TRAINING AND FOCUSED ON-JOB TRAINING.
- AS WELL AS TRADITIONAL TRADE OUTCOMES, IT WOULD INCLUDE TRAINING AT EITHER THE CERTIFICATE IV OR DIPLOMA LEVEL. TRAINING TIME COULD BE SHORTENED, WITH DISCUSSIONS INCLUDING THE OPTION OF A FINAL SUMMATIVE TRADE ACCREDITATION TEST ON DEMAND.
- AN INDENTURE OR CONTRACT OF TRAINING WOULD NOT BE REQUIRED. INSTEAD, THE RTO WOULD ENSURE APPROPRIATE ON-JOB EXPERIENCE WITH A SPONSORING EMPLOYER, POSSIBLY THROUGH A GROUP TRAINING ARRANGEMENT, WHICH WOULD BE CLOSELY MONITORED BY THE RTO. THIS WOULD BE SOMEWHAT AKIN TO CURRENT TRAINING ARRANGEMENTS ACROSS VARIOUS SKILLS AND PROFESSIONS -- ALBEIT IN THE VET ARENA.
- IT WOULD OPEN TO DOMESTIC STUDENTS THE EDUCATIONAL PATHWAYS CURRENTLY AVAILABLE TO INTERNATIONAL STUDENTS, WHO CURRENTLY APPLY FOR TRADE RECOGNITION AFTER ONLY TWO YEARS OF STUDY IN AUSTRALIA.

THIS REFORM TO WIDEN QUALIFICATIONS ENTRY INTO TRADES ALONE HAS THE POTENTIAL TO RELAUNCH SKILLING AS A EQUAL FIRST CAREER CHOICE IN AUSTRALIA.

CERTAINLY, IT HAS THE ADVANTAGE OF BEING POPULAR WITH POTENTIAL APPLICANTS AND IN THE LONGER TERM BOOSTING APPRENTICESHIP NUMBERS AT HIGHER SKILL LEVELS.

ITS KEY BENEFITS FOR THE INDIVIDUAL INCLUDE ITS BROADER FOCUS AND THE WIDER OPPORTUNITIES IT WILL CREATE. SUCCESSFUL PARTICIPANTS WILL BE ABLE TO ENTER EITHER MANAGERIAL/PROFESSIONAL OR SKILLED TRADESPERSON POSITIONS ON THE CONCLUSION OF THEIR TRAINING. FOR EMPLOYERS AND INDIVIDUALS, IT WOULD POTENTIALLY SHORTEN THE TRAINING PERIOD AND IMPROVE ATTRITION RATES. FOR RTOS, IT WOULD ALLOW GREATER FLEXIBILITY AND PROVIDE OPPORTUNITIES FOR CLOSER, ONGOING ENGAGEMENT WITH INDUSTRY AND INDIVIDUAL ENTERPRISES, ALTHOUGH THIS WILL ALSO BRING A NUMBER OF ADMINISTRATIVE CHALLENGES WHICH STILL NEED TO BE WORKED THROUGH.

INDUSTRY IS ALREADY HEAVILY ENGAGED ON THIS EXTENSION TO CURRENT SKILLING:

- FOR EXAMPLE, COLLABORATION BETWEEN POWER SUPPLIER COUNTRY ENERGY AND THREE REGIONAL TAFE NSW INSTITUTES HAS LED TO THE DEVELOPMENT OF A NEW COURSE DESIGNED TO ASSIST INDUSTRY WITH WORKPLACE DEVELOPMENT
- THE NEW DIPLOMA OF ELECTRICAL ENGINEERING IS DELIVERED ACROSS NSW AND FORMS PART OF COUNTRY ENERGY'S TRAINEE TECHNICAL OFFICER PROGRAM. THE

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DIPLOMA COMBINES CENTRALLY LOCATED 'BLOCK' TRAINING WITH DISTANCE LEARNING, FLEXIBLY DELIVERED. THIS CAN TAKE MANY FORMS INCLUDING EMAIL, PHONE CONVERSATIONS AND GROUP TELECONFERENCES.

- THE PROGRAM IS UNDERPINNED BY ON-THE-JOB COMPETENCY ASSESSMENT UNDERTAKEN BY COUNTRY ENERGY.

ACROSS OTHER SECTORS AND STATES AND TERRITORIES, THE BUILDING AND CONSTRUCTION INDUSTRY HAS SIGNALLED STRONG INTEREST, AND AIRLINES, OIL AND GAS, AND OTHER TECHNOLOGY-RELATED SECTORS HAVE EXPRESSED A DESIRE FOR TALKS.

THIS WEEK'S GREEN LIGHT ON TRADE DIPLOMA PILOTS BY THE AUSTRALIAN GOVERNMENT WILL ALLOW OUR TAFE INSTITUTES TO FULLY ENGAGE INDUSTRY ON THE BENEFITS OF THIS ALTERNATIVE PATHWAY OPTION AND COMMENCE PILOTS IN AREAS OF CRITICAL SKILL SHORTAGE.

AT THE START OF THIS PRESENTATION I SIGNALLED THE NEED FOR A PARADIGM SHIFT WITHIN TAFE TO FIND NEW WAYS OF WORKING WITH INDUSTRY TO BUILD WORKFORCE AND TAFE CAPABILITY.

TDA IS VERY CONSCIOUS OF THE NEED TO FIND BETTER WAYS IN WHICH THE TAFE SYSTEM CAN WORK IN PARTNERSHIP WITH INDUSTRY TO ACCELERATE WORKFORCE DEVELOPMENT AND JOB PARTICIPATION.

THE THREE AREAS I HAVE HIGHLIGHTED TODAY – THE NEED FOR MORE FLEXIBILITY IN TAFE GOVERNANCE ARRANGEMENTS, TO EXPAND INDUSTRY AND TAFE COOPERATION ON RESEARCH AND DEVELOPMENT, AND THE PROPOSAL FOR A NEW TAFE DIPLOMA – ARE CRITICAL LIFELINES TO RE-ENERGISE TRAINING.

IMPORTANTLY, EACH IS A REFORM FOCUSED TO BRING CAPACITY TO IMPROVE ITS ENGAGEMENT WITH INDUSTRY.

THE FOCUS ON HIGHER LEVEL QUALIFICATIONS WILL INTENSIFY FROM 2008, WITH THE RELEASE OF HIGHER EDUCATION PROTOCOL GUIDELINES ACROSS THE TERTIARY SECTOR.

IN PLAIN ENGLISH, THIS WILL ENFORCE NEW ROAD RULES ON WHO, WHERE HOW AND WHY UNIVERSITIES AND TAFE INSTITUTES DELIVER QUALIFICATIONS.

FOR TAFE, OUR **VERTICAL SKILLS REFORM MODEL** IS ESSENTIAL IF WE ARE TO BUILD THE CAPABILITY OF OUR FUTURE WORKFORCE AND KEEP AUSTRALIA'S ECONOMY STRONG AND COMPETITIVE.

WE NEED TO MAKE VOCATIONAL SKILLING SOLUTIONS AND PATHWAYS MORE ATTRACTIVE TO INDIVIDUALS THROUGH INITIATIVES SUCH AS THE TRADE DIPLOMA, AND WE NEED TO ENCOURAGE INDUSTRY TO TURN TO TAFE WHEN IT NEEDS NEW WORKFORCE SOLUTIONS.

WE BELIEVE THAT TAFE HAS A KEY ROLE IN THE NEXT PHASE OF AUSTRALIA'S ECONOMIC GROWTH -- BUILDING WORKPLACE CAPABILITY.

MUCH HAS BEEN DONE OVER RECENT YEARS TO BUILD TAFE'S CAPABILITY AND ITS ENGAGEMENT WITH INDUSTRY. BUT WE NOW

TDA ADDRESS - AFR SKILLING AUSTRALIA SUMMIT 2007

NEED TO INTRODUCE STRATEGIC REFORM ACROSS THE TAFE SYSTEM TO LIFT TAFE'S ROLE IN BUILDING WORKFORCE DEVELOPMENT AND PARTICIPATION.

OUR INSTITUTES STAND READY TO TAKE ON THE CHALLENGE.

BUT WE WILL NEED TO WORK SUCCESSFULLY WITH GOVERNMENT AND INDUSTRY TO MOVE TRADITIONAL TAFE DELIVERY TO THIS NEXT LEVEL OF INDUSTRY ENGAGEMENT -- AND DELIVER A WIN-WIN OUTCOME FOR INDUSTRY AND TAFE.

AS I SAID AT THE OUTSET, WE NEED TO FIND WAYS TO WIDEN ACCESS TO SKILLING TO ENSURE THIS BECOMES AN **EQUAL FIRST CAREER CHOICE** FOR YOUNGER AND OLDER AUSTRALIANS.

AND WE NEED TO ASSIST MORE AUSTRALIANS TO REALISE THEIR POTENTIAL BY ENTERING OR REJOINING THE WORKFORCE, AND FIND WAYS TO IMPROVE THE ABILITY AND PRODUCTIVITY OF THE CURRENT WORKFORCE.

TDA AND OUR MEMBER INSTITUTES WILL CONTINUE TO BE AT THE FOREFRONT OF THESE EFFORTS. WE WILL CONTINUE TO WORK CLOSELY WITH GOVERNMENT AND INDUSTRY TO ADDRESS MORE SYSTEMIC BARRIERS AND FIND NEW STRUCTURAL SOLUTIONS.

I HOPE TO SEE SOME OF YOU AT THE TDA 2007 NATIONAL CONVENTION LATER THIS MONTH, WHERE WE WILL BE EXPLORING THESE OPTIONS IN MORE DETAIL.

CLOSE