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**iMOVE 2007 EXPORT CONFERENCE
THE ECONOMIC VALUE OF EDUCATION AND TRAINING EXPORT:
TRENDS AND PERSPECTIVES**

***‘Backpacker-led Skills Recovery’
‘Can innovation lift skilling across Europe and Australia?’***

Day 1 – Monday 15th October 2007

Berlin, Germany

I AM DELIGHTED TO BE PARTICIPATING IN THIS SIGNIFICANT INITIATIVE BY THE GERMAN MINISTRY OF EDUCATION, CELEBRATING VOCATIONAL EDUCATION AND ITS INTERNATIONAL GROWTH.

YOURS IS AN IMPORTANT AGENDA.

TODAY, FROM AN AUSTRALIAN PUBLIC SECTOR *‘TAFE INSTITUTE’* PERSPECTIVE, WE SHARE AN ENVIRONMENT THAT IS NOT UNCOMMON FROM OTHER PUBLIC VET SYSTEMS WORLDWIDE:

- RISING DEMAND FOR TRAINING,
- RISING INDUSTRY NEEDS FOR SPECIALIST ENTERPRISE HR SUPPORT AND TRAINING,
- RISING INDUSTRY EXPORT PRESSURES,

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- GLOBALISATION, PUSHING THE NEED FOR CROSS-BORDER MAPPING OF QUALIFICATIONS,
- RISING IMMIGRATION, DOMINATING GOVERNMENT AGENDAS FOR AGEING AND DOMESTIC RESOURCE POOR COUNTRIES, AND,
- RISING DEMANDS FOR PUBLIC SECTOR SPENDING ON EDUCATION, YET LOWERING DELIVERY OF GOVERNMENT SPENDING ON TRAINING AND ZERO GROWTH BUDGETS.

THE SPECTRE DEMANDS ATTENTION, AND LIKE ANY ORGANISATION WANTING TO BE A WINNING ORGANISATION, AND NOT LEAST SURVIVE, A CONSUMER FOCUS IS ESSENTIAL – PUBLIC OR PRIVATE.

AUSTRALIA'S 57 TAFE PUBLIC INSTITUTES HAVE LARGELY RESPONDED IN TWO WAYS, AND TODAY I WILL FOCUS ON THE FIRST GROUP INVOLVED IN THE INTERNATIONAL DELIVERY OF VET.

THIS INTERNATIONAL GROUP OF TAFE INSTITUTES COMPRISE ABOUT ONE THIRD OF AUSTRALIA'S PUBLIC SECTOR INSTITUTES.

GENERALLY, EACH INSTITUTE HAS, OR IS WORKING HARD TO EMBRACE, AN ENVIRONMENT ALREADY FAMILIAR TO INTERNATIONAL UNIVERSITIES.

THE KEY CHARACTERISTIC OF THIS TRANSFORMATION HAS BEEN A FAIRLY HARD-WON TRANSITION FROM DEPENDENCE ON GOVERNMENT FUNDED TRAINING – TO MORE COMMERCIAL REVENUES – FUELED BY A GENERAL LEVEL OF SUCCESS GROWING THIS SUPPLEMENTARY BUSINESS WITH INTERNATIONAL ACTIVITIES.

THOSE INSTITUTES THAT HAVE SUCCESSFULLY GROWN IN THIS WAY, IN MANY CASES, HAVE BECOME EQUAL OR LARGER THAN MANY MIDDLE-LEVEL AUSTRALIAN UNIVERSITIES. THIS SUCCESS REQUIRES STRONG GOVERNANCE AND FLEXIBLE BUSINESS PLANNING THAT IS SUPPORTED BY HIGHLY FOCUSED COMMERCIAL-STYLE MANAGEMENT TEAMS.

IN AUSTRALIA, HALF OF THE COMMERCIAL REVENUE RAISED BEYOND GOVERNMENT FUNDING FOR TAFE INSTITUTES IS CONCENTRATED IN INSTITUTES IN VICTORIA - ONE OF OUR SIX STATES AND TWO TERRITORIES SITUATED IN THE SOUTH OF THE AUSTRALIAN MAINLAND.

EACH OF THESE 17 VICTORIAN INSTITUTES HAS BEEN INDIVIDUALLY INCORPORATED - LIKE AUSTRALIAN UNIVERSITIES FOR ABOUT 10 YEARS NOW – AND FOUR OF THIS GROUP ARE CO-BRANDED WITH UNIVERSITIES IN WHAT WE CALL 'DUAL SECTOR' INSTITUTIONS.

YET THE GROWTH IS NOT RESTRICTED TO VICTORIA, WITH MANY INSTITUTES ACROSS SYDNEY IN NSW, BRISBANE IN SUNNY QUEENSLAND, AND PERTH, CLOSE TO SE ASIA, POPULAR STUDENT DESTINATIONS AND BUSY WITH OFFSHORE PROGRAMMES.

THE BASIS OF THIS ORGANIC GROWTH HAS BEEN ACROSS ONSHORE AND OFFSHORE MARKETS, AND FREQUENTLY THROUGH COLLABORATION WITH PRIVATE PROVIDERS OR COMMERCIAL AGENTS ACTING FOR OUR INSTITUTES.

OUR AUSTRALIAN FOCUS IS ON DEVELOPING, AND REDEVELOPING, WHAT WE CALL THE **AUSTRALIAN QUALITY FRAMEWORK**.

IN PAST MONTHS, WE HAVE SEEN THE LAUNCH OF THE **AQTF 2007**; A TWO CATEGORY LEVEL OF QUALITY ASSURANCE FOR INDUSTRY AND INDIVIDUAL USERS.

I COULD SPEAK FOR MANY HOURS ON THIS NEW QUALITY STANDARD, BUT THE KEY ISSUE IS SIMPLY THAT THIS WHOLE DEVELOPMENT HAS BROUGHT TWO OPPORTUNITIES INTO CLEARER FOCUS:

FIRSTLY, COLLABORATION AND BENCHMARKING BEST PRACTICE IS FUNDAMENTAL TO OUR WINNING TEAMS.

FREQUENTLY, THE PUBLIC SECTOR INSTITUTES ARE NOT WORRIED WHETHER THIS COLLABORATION IS BETWEEN OTHER PUBLIC SECTOR INSTITUTES OR WITH PRIVATE RTOS.

THE WINNING WAY IS COLLABORATION AND DELIVERING CUSTOMER SATISFACTION ON TIME, ON BUDGET AND WITH QUALITY AS THE NUMBER ONE PRIORITY.

BUT GLOBALISATION IS RELENTLESS.

AUSTRALIA AND GERMANY BOTH BOAST QUALITY VET SYSTEMS.

WE KNOW THIS BECAUSE BENCHMARK STUDIES ARE FREQUENT BETWEEN OUR COUNTRIES.

BUT WHAT HAS NOT BEEN A TREND – AS IT MIGHT HAVE BEEN ACROSS PRIVATE INDUSTRY – IS INTERNATIONAL COLLABORATION.

TOO FREQUENTLY, OUR RESPECTIVE INSTITUTES HEAD INTO BIDDING AND TENDER WARS THAT BRING OUR EXCELLENT VOCATIONL EDUCATORS HEAD TO HEAD. DESTINATION MARKETS ARE BEMUSED AT THE RESULTING ‘CUT PRICED’ EDUCATION, OR, ONLY GAINING HALF OF WHAT COULD HAVE BEEN A DEVELOPED AS A CONSORTIUM.

AS THE PEAK BODY FOR AUSTRALIAN TAFE INSTITUTES, THIS WEEK IN BERLIN – IN THE HEART OF EUROPEAN ECONOMIC DEVELOPMENT – OUR DESIRE IS TO FLAG THAT SURELY TOGETHER WE WOULD BENEFIT TO FOCUS ON STRATEGIES TO GROW THE WHOLE MARKET.

HAVING WORKED IN A PREVIOUS LIFE ACROSS INTERNATIONAL COMPANIES AND HAVING LIVED SOME SEVEN YEARS IN SINGAPORE, WHAT I LOOK TO IS THE SUCCESS OF COLLABORATION BETWEEN ORGANISATIONS ACROSS BORDERS.

SO THE SECOND CHALLENGE OF FOCUS IS ‘WALKING THE TALK’.

IF INTERNATIONAL JOINT VENTURES AND COLLABORATION CAN BE ACHIEVED IN THE PRIVATE SECTOR, WHAT ARE THE BARRIERS IN THE PUBLIC SECTOR FOR VOCATIONAL EDUCATION?

MIXING CULTURE CAN BE CHALLENGING, BUT IF WE ARE TO RESPOND TO GLOBAL TRAINING NEEDS, THE QUESTION POSED TODAY IS SIMPLE:

HOW REALISTIC IS IT FOR OUR PUBLIC SYSTEMS TO REMAIN INHERANTLY INWARD-FOCUSED WHEN WE LOOK TO INTERNATIONAL TRAINING VENTURES AND THE EXPORT, DESIGN AND DELIVERY OF

ENTERPRISE TRAINING FOR INTERNATIONAL COMPANIES, AND INCREASINGLY LARGE AID PROJECTS?

OUR PUBLIC VOCATIONAL EDUCATION INSTITUTES ARE CREDIBLE.

IMPORTANTLY, WE FREQUENTLY UNDERVALUE COMPETITIVE ADVANTAGES TO OUR SYSTEMS.

FOREMOST IS THE ADVANTAGE THAT MANY OF OUR VOCATIONAL INSTITUTES HOLD OVER HIGHER EDUCATION INSTITUTIONS WHICH IS INDUSTRY TRAINING LINKS.

INCREASINGLY, U.S, EUROPEAN AND AUSTRALIAN UNIVERSITIES ARE PROMOTING COURSE ENROLMENTS (AND EXORBITANT ENROLMENT FEES) WHICH INCOPORATE INDUSTRY INTERNSHIPS, SURELY A MAJOR ATTRIBUTE OF BOTH OUR VOCATIONAL EDUCATION QUALITY SYSTEMS.

A RECENT BENCHMARKING SURVEY ACROSS THE WORLD'S TOP 50 MBA SCHOOLS FOUND JUST 5% OF STUDENTS RECOGNISED WHAT WAS CRITICAL TO MANY COMMERCIAL COMPANY SUCCESS STORIES.

THAT KEY COMPONENT WAS COLLABORATION.

YET THE CHALLENGE '**BETWEEN SLUMBER AND AWAKENING**' – LIGHTING THE FLAME TOWARD AWARENESS OF VOCATIONAL EDUCATION AS A DRIVER OF INTERNATONAL RICH AND POOR COUNTRY WEALTH - IS EXACTLY THIS ATTRIBUTE OFTEN LACKING FOR OUR RESPECTIVE INSTITUTES.

THIS IMOVE SHARED PLATFORM BETWEEN AUSTRALIA'S PRIVATE AND PUBLIC INSTITUTES, ALONG WITH REPRESENTATIVES FROM THE EU, ASIA, THE MIDDLE EAST AND NORTH AMERICA, DEMONSTRATES THIS POTENTIAL.

RATHER THAN LEAVE YOU WITH A PROBLEM, HOWEVER, WE ARE PREPARED TO PROPOSE A START TO PROCEEDINGS.

TAFE DIRECTORS AUSTRALIA IS CURRENTLY LEADING DISCUSSIONS ON THREE FRONTS. OUR OVERARCHING OBJECTIVE IS TO WIDEN EXCHANGES BETWEEN INSTITUTES, AND WE WOULD WELCOME DISCUSSIONS ON CREATING BRIDGES TOWARD SYSTEM SHARING.

- I. FIRSTLY, WE ARE KEEN TO COLLABORATE ACROSS SYSTEMS. WE SHOULD BE INNOVATIVE.

WE CAN FIND MANY SIMILARITIES BETWEEN OUR MARKETS.

TAKE YOUNG BACKPACKERS, NOW A MULTI-BILLION DOLLAR TOURISM AND TRAVEL MARKET.

HOW DIFFICULT WOULD IT BE TO BEGIN OPPORTUNITIES FOR BACKPACKER STUDENT ENROLMENTS IN JOINT GERMAN AND AUSTRALIAN INSTITUTE SKILL COURSES?

TOGETHER, OUR DEVELOPED SYSTEMS COULD EASILY DIGEST SUCH FLEXIBILITY, ALBEIT WITH SOME DIFFERENCES.

BUT MAYBE WE MIGHT BOTH LIGHT THE FLAME OF INTEREST IN SKILLS AS AN EARLY CAREER OPTION, WHICH OTHERWISE CAN BE A VERY FORMAL PROCESS FOR TEENAGERS LEAVING SCHOOL.

ANOTHER WAY TO COLLABORATE IS TO SHARE OUR PEOPLE.

SURELY WE COULD COLLABORATE WITH SENIOR NUMBER TWO OR TOP-LEVEL EXECUTIVES, AS PART OF SUCCESSION PLANNING, TO AWAKEN INTERNATIONAL OPPORTUNITIES, AND ENCOURAGE

INTER-INSTITUTE COLLABORATION – ESPECIALLY IN BUSINESS DEVELOPMENT FOR MAJOR VET EXPORT OPPORTUNITIES.

HOW WOULD THE WORLD BANK REACT TO A CONSORTIUM COMPRISING HIGHLY SPECIALISED AND DEVELOPED GROUP OF INSTITUTES – EACH WITH STRONG INTERNATIONAL CREDENTIALS, AND EACH DELIVERING COMPONENTS OF A CAPACITY BUILDING PROJECT, OR INDEED, A MAJOR ENTERPRISE PROJECT IN A DEVELOPING MARKET FOR AN INTERNATIONAL CORPORATION.

II. SECONDLY, WE ARE WORKING AT GOVERNMENT AND INSTITUTE LEVEL TO BEGIN LEADERSHIP BENCHMARKING ON PROFESSIONAL DEVELOPMENT WITH A STRONG INTERNATIONAL FOCUS.

WE ARE KEEN TO ASSESS HOW SUCH PROGRAMMES AND INTERNSHIPS MIGHT BE SHAPED AND TO BEGIN SUCH COLLABORATION. THIS MIGHT BE HELPED BY INTER-COUNTRY OR PEAK BODY ASSOCIATION MEMORANDUMS OF UNDERSTANDING.

III. THIRDLY, LIKE THIS INITIATIVE, WE ARE PLANNING OUR OWN INTERNATIONAL EVENT IN 2008 – MARKING THE 10TH ANNIVERSARY OF OUR PEAK TAFE AUSTRALIAN ORGANISATION.

ESSENTIALLY, THIS WILL BE DESIGNED TO GROW AND STRENGTHEN THE REGIONAL VET MARKET, NOT MERELY AUSTRALIAN TAFE INSTIUTES.

OUR AUSTRALIAN MISSION MUST DECIDELY AND INCREASINGLY BE OUTWARD-FOCUSSED:

- WE ARE CONVINCED THIS WILL BE THE PATHWAY TO FURTHER DEVELOP QUALITY SYSTEMS,
- TO STRENGTHEN VOCATIONAL EDUCATION,
- AND OF COURSE, DEMONSTRATE THAT EXPORT GROWTH IN VOCATIONAL EDUCATION IS A COLLABORATIVE NEIGHBOURLY GESTURE IN OUR FAST-GROWING YET SENSITIVE, ASIA-PACIFIC REGION.

THIS WILL BRING SUSTAINABLE CAPABILITY TO RESPOND TO COMMUNITY AND INDUSTRY NEEDS BOTH DOMESTICALLY AND INTERNATIONALLY.

SO WE WELCOME TODAY'S CONFERENCE, AND SIGNAL OUR INTEREST TO COLLABORATE.

THANK YOU