

Skills funding urged China talks denied

Joanna Mather

The federal government is under pressure to deliver the next stage of its “education revolution” by putting skills and training at the centre of Tuesday’s budget.

The vocational education and training sector is demanding a big win following blockbuster packages for universities and schools in previous budgets.

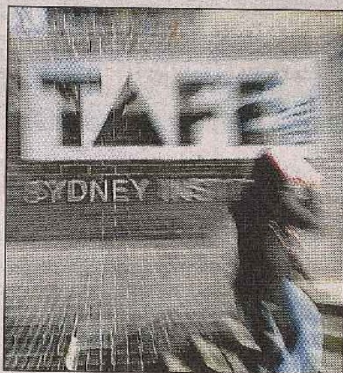
TAFE chiefs have urged Canberra to end the “resourcing crisis” engulfing publicly funded colleges with a \$572 million package, while industry skills councils called for extra funding for the existing enterprise-based productivity places program.

TAFE Directors Australia (TDA) chief executive Martin Riordan said the government needed to deliver the next piece of the “education revolution” puzzle to avoid a return to full-blown skills shortages.

“Budget 2009 saw a major boost to universities and Building the Education Revolution for schools, but it was silent on skills,” he said.

“Skills has been the black hole . . . a disappointment.”

TDA represents the leaders of 59 TAFE institutes. Its \$572 million funding proposal includes \$200 mil-



Next hotbed of education revolution.

lion in bonus funding for top-performing TAFEs and \$100 million for “green” skills provision.

The government has already signalled a shift in focus to VET.

In March, Education Minister Julia Gillard said VET would be “at the centre of the next stage of the education revolution”.

The Australian Education Union’s federal TAFE secretary, Pat Forward, said VET had been underfunded for too long.

Ms Forward pointed to research showing the sector needed an extra

\$200 million a year until 2020 to help more people achieve higher qualifications.

“It seems logical to us that if the government is to meet those targets, then they are going to have to invest additional funds in the TAFE and VET sectors,” she said.

Executive director of the Australian Council for Private Education and Training, Andrew Smith, said additional money should be set aside to extend the number of courses for which students are eligible for commonwealth tuition loans to certificate three and four levels.

Skills DMC, the industry body for the resources and infrastructure sectors, and the Manufacturing Skills Council called for extra spending on the productivity places program, which subsidises employers’ costs.

Program funding was doubled to \$50 million in March, but Skills DMC chief executive Des Caulfield said demand still far outstripped the number of places on offer.

Australian Primary Principals Association president Leonie Trimper is not banking on much in the budget.

“We haven’t got any big dreams for next week,” she said. “We’re being realistic about this budget.”

with AAP

Sophie Morris

NSW Resources Minister Ian Macdonald said he had not had recent discussions with China’s Shenhua Energy about a new power station in the Hunter Valley.

Shenhua – which is China’s biggest coalmining and energy company – said on Wednesday, in a statement from senior vice-president Wang Jinli, that it was talking to the government about building power stations.

“Shenhua is actively seeking the opportunity to build clean, high-tech power stations in Australia and is currently in discussions with the government,” Mr Wang said.

A local Shenhua representative, Joe Clayton, who is project director for the company’s Watermark Project near Gunnedah, told *The Australian Financial Review* on Wednesday that the discussions related to a possible coal- and gas-fired power station in the Hunter Valley.

Mr Macdonald yesterday said the issue had been raised as part of the electricity privatisation process that was pursued unsuccessfully in 2008 by then premier Morris Iemma, but he had not recently discussed it with Shenhua.

“Nothing has been proposed,

nothing has been agreed to,” he said.

“A few years ago, during the energy reform process the company expressed some interest in the Hunter and I believe may have had talks then with power companies about it.

“Any proposals for any power station anywhere in NSW would need to follow due process i.e. a development application would need to be lodged with the Department of Planning.”

Mr Wang said, in an interview published in the *AFR* on Monday, that the company was so concerned about the transport and port infrastructure in NSW that it was considering building coal-fired power stations near mines rather than shipping coal to port for export.

This raised fears in the Watermark region that Shenhua planned to build a power station as well as a mine in the area, where it is exploring for coal, to avoid a rail bottleneck where the Ardglen Tunnel crosses the Great Dividing Range near Murrurundi.

But Mr Wang said on Wednesday the discussions about power stations did not include the Watermark lease.

In 2008, Shenhua paid \$300 million to the NSW government for the license to prospect for coal in the Watermark region, covering 195 square kilometres.