

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget estimates 2020–21 (Tierney)

Melbourne—Wednesday, 2 December 2020

MEMBERS

Ms Lizzie Blandthorn—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mr Danny O’Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

Ms Bridget Vallence

WITNESSES

Ms Gayle Tierney, MLC, Minister for Training and Skills and Minister for Higher Education,

Ms Jenny Atta, Secretary,

Mr Anthony Bates, PSM, Deputy Secretary, Financial Policy and Information Services,

Ms Lee Watts, Acting Deputy Secretary, Higher Education and Skills, and

Dr Simon Booth, Executive Director, Tertiary Education Policy and Performance, Department of Education and Training.

The CHAIR: We will open this hearing of the Public Accounts and Estimates Committee. On behalf of the Parliament, the committee is conducting this Inquiry into the 2020–21 Budget Estimates. Its aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

Please note that witnesses and members may remove their masks when speaking to the committee but must replace them afterwards.

Mobile telephones should be now turned to silent.

All evidence taken by this committee is protected by parliamentary privilege. Comments repeated outside this hearing may not be protected by this privilege.

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We welcome Minister Tierney for the consideration of the training and skills and higher education portfolios. We invite you to make a presentation of no more than 10 minutes, and this will be followed by questions from the committee. Thank you.

Ms TIERNEY: Thank you, Chair, and thank you, committee members, for having us here this afternoon. I would also like to start by acknowledging the traditional owners of the land which we are on today, the people of the Kulin nation, and pay my respects to their elders past, present and emerging and to all elders and Aboriginal people joining us today.

Visual presentation.

Ms TIERNEY: Thank you for the opportunity to absolutely outline the critical role of training and skills as we rebuild our economy. We have a strong foundation for our response to the global pandemic. Over the past six years we have rebuilt TAFE and reinvigorated the training and skills system. It is now in a strong position to help our state recover from the impacts of the pandemic.

As part of our reforms, free TAFE has been a huge success since it began in January 2019. At the end of its first year more than 39 700 students had commenced free TAFE courses across the TAFE network. This was 88 per cent higher than the commencements in the same courses at the same time in 2018. This year, after an initial surge, free TAFE enrolments stabilised, and commencements are up 22 per cent in the first nine months of 2020 compared to 2018. This is a strong vote of confidence in free TAFE.

Free TAFE is also supporting equity and diversity, opening up opportunities for more Victorians to access training. As of 30 September this year women accounted for more than half of all free TAFE commencements in the first three quarters of 2020. Around one in four free TAFE students is from a culturally and linguistically diverse background, and some 29 per cent of free TAFE students were unemployed at enrolment and 43 per cent of students had no prior certificate III. Free TAFE is also continuing to provide opportunities for regional Victorians, who made up 25 per cent of all free TAFE commencements as at 30 September.

Driven by free TAFE, overall government-subsidised enrolments increased by 4 per cent in 2019 and by 11.2 per cent for the TAFE network compared to 2018. Thanks to a \$1 billion boost in this year's budget our training and skills sector will be at the heart of our state's economic and social recovery. This will ensure that

Victorians can access the skills they need for the jobs they want. We are investing in apprenticeships, expanding free TAFE and providing targeted support to help those most in need. The budget additionally includes \$350 million towards the higher education state investment fund, which was announced earlier this year.

TAFE and training play a central role in ensuring Victorians who have lost work due to the pandemic can reskill and retrain. Our investments will also support an additional 60 000 free TAFE places as part of the additional 80 000 training places that will be provided to TAFEs and other providers. This builds on the 18 000 training places we announced as part of our economic recovery package in July this year, of which 10 000 of those places were free TAFE. And because we need highly skilled TAFE teachers, this budget also enables a further \$6.5 million for a TAFE teacher scholarship program.

We want to make sure that every Victorian can get the training and skills they need to get back to work across in-demand industries. We will invest \$155 million to expand eligibility access to TAFE and training for those most impacted by the global pandemic. This includes women, young people of course, migrants and Aboriginal Victorians. This investment includes an extra 1000 pre-accredited training places for Victorians who need to develop their digital literacy and numeracy skills, and this will be delivered by Victoria's fantastic Learn Local sector. Extra support will also be available for Koori learners coming to the Learn Local sector to build their core skills.

We also want to ensure that as Victoria recovers, our workforce has the skills to meet the needs of our fastest growing sectors, so we will be investing \$75 million so Victorians have the high-demand skills needed for the jobs of the future and those of today. This includes more than \$57 million for rapid retraining for available jobs by including accredited skill sets to Skills First. This will enable more Victorians to quickly find work and grow their skills base.

We also know that the clean economy presents huge opportunities for our state, with high-skilled jobs that will help power our state into the future. With a \$10 million investment towards a clean economy workforce we will support this growing sector by developing the workforce it needs to realise its full potential.

Our big infrastructure program will develop a strong skills legacy. We will put high-quality TAFE training at the centre of significant projects, such as the North East Link and the new Footscray Hospital. This will support ongoing workforce development and training, ensuring workers leave these projects with even greater skills and wider experiences.

Quality apprenticeships will be critical to rebuilding Victoria's economy. While the commonwealth government is largely responsible for funding apprentices, we are not waiting around. We want to ensure that Victoria has the skilled workers that our state needs. We will grow apprenticeships so that more learners can get hands-on training as they need, while securing a pipeline of skilled workers for Victoria. We are spending more than \$33 million on Big Build apprenticeships so more tradies can kickstart their careers on vital infrastructure projects. Up to 1500 apprentices and trainees per annum will work across Victoria's major projects, and of course our TAFEs will deliver the top-quality training students need to complete their apprenticeships and find rewarding careers on these projects for years to come. A dedicated division will be established within the Department of Education and Training to support school leavers and those looking to retrain. This will help more Victorians from all walks of life get the opportunities they deserve and get the work rebuilding our state.

We will also strengthen the training oversight of these major projects and see the government take on a role in coordinating and matching apprentices and trainees with host employers. It is more important than ever that we tackle skill shortages before they create potholes in the roads to recovery. So we are investing \$19 million to make sure our apprentices have every support to complete their training, particularly those from vulnerable backgrounds. This also includes \$9 million for more apprenticeship support officers. We also know how important it is to get more women into trades and that is why there is \$5 million for a dedicated program to encourage more women to get on the tools through an apprenticeship or a traineeship in sectors such as construction. The number of women in construction remains stubbornly low and we are making a clear commitment to lifting the participation of women in traditionally male-dominated trades.

We have stuck to our election commitments as well, with this budget providing \$107 million from the Building Better TAFEs Fund. This upgrade will rebuild Chisholm Institute's Frankston campus and Melbourne

Polytechnic's Collingwood campus. This means more students will have state-of-the-art facilities closer to home, with local jobs created along the way.

This has been an extremely tough year for Victorian universities as well. Our universities are a crucial part of Victoria's economy, delivering world-class research and supporting high-value jobs. That is why earlier this year we provided \$350 million to support our universities and contribute to Victoria's economic recovery. This funding through the higher education state investment fund is for capital works, research partnerships and applied research. We will continue to stand up for this sector that has been harshly treated by the commonwealth, which is responsible for essentially funding this sector.

In conclusion, I can say that we have spent the last six years rebuilding the training system and this has laid the strongest foundations for what we need to do as our state recovers. This budget supports a high-quality training system that will get Victorians back to work and ensure no-one is left behind. Whatever your background, whatever your circumstances, we will support Victorians to find the training pathway to a rewarding job, and I thank the committee for its time at this point.

The CHAIR: Thank you, Minister. I will pass to the Deputy Chair, Mr Richard Riordan, MP.

Mr RIORDAN: Thank you, Chair. Welcome, Minister. Thank you for coming. I would like to just go first to some university funding announcements that were made. The government announced on 18 May that \$350 million would be provided to Victorian universities through the higher education state investment fund, which will contribute to capital works, applied research and research partnerships. At 2 October none of that funding has been spent. Can you tell the committee why, please?

Ms TIERNEY: Sure. So that funding was announced on 19 May. You are correct; there was \$350 million announced for that fund. There was also an immediate relief initiative by the government and that was a \$110 million payroll tax deferral. So that provided the immediate relief and the \$350 million fund has been worked through in terms of the actual allocations and how those allocations will be made. That has now been determined. The fund now has received a range of projects and I can assure you, Deputy Chair, that there is a very important, imminent announcement that will be made. I am sure that you will be supportive of it.

Mr RIORDAN: Is that just one announcement or are there multiple?

Ms TIERNEY: There will be multiple announcements, but there will be an imminent one.

Mr RIORDAN: Can you tell the committee what the criteria for allocating this large sum of money will be to achieve those outcomes?

Ms TIERNEY: Yes. So the criteria are to support universities with capital works—that is one part of it—applied research and research partnerships that boost productivity to support the state's priorities. The universities have very much welcomed this initiative and what is seen to be an unprecedented investment by the state in the university sector, and they understand that it plays a pivotal role in assisting in the state's economic recovery. They will use the funding for capital on research and investment to boost innovative research and industry partnerships, which will create jobs and economic return.

Mr RIORDAN: Minister, you mentioned quite a few times there research partnerships and applied research. Can you tell the committee: is that being targeted at particular areas of research? Is it open slather, or is the government targeting particular research with this money?

Ms TIERNEY: It is a range of projects that are being developed, including priorities such as advanced manufacturing, medical technology and healthcare advancements. Digital economy and clean energy are at the forefront.

Mr RIORDAN: And it is available to all our universities.

Ms TIERNEY: All Victorian universities.

Mr RIORDAN: Okay, great. What performance measures or targets will be applied with this grant? As you have said, it is not an area that you normally get involved in, so have you developed measures by which to hold the universities to account?

Ms TIERNEY: First of all, there have been discussions and there will be formalised compacts or memorandums of understanding between the universities and the government so that there is a clear understanding as to the new relationship that is being formed as a result of this fund. We made that announcement at the time of announcing the \$350 million; this is not new. We had a range of people, but there is a project management control group involved. Fran Thorn has headed that up. As I mentioned before, she has also worked through with the universities and of course with the department the two types of allocation within the fund and, with that, how the fund would operate.

Mr RIORDAN: So if you were about to make some big announcements—you were teasing us with that just before—presumably those memorandums of understanding are ready to go?

Ms TIERNEY: They are very close.

Mr RIORDAN: Are you in a position to make those memorandums of understanding available to the committee?

Ms TIERNEY: They will be.

Mr RIORDAN: Is that a yes?

Ms TIERNEY: They will be available once they are signed.

Mr RIORDAN: Okay, great. Minister, just moving to a very parochial question for me: Glenormiston College. That has sort of been a shadow facility. Are there actually people enrolled and attending classes there?

Ms TIERNEY: That is my understanding. It is not in the budget papers, I would suggest, but I am happy to take the details on notice. I notice that—

Mr RIORDAN: So the budget has not allocated any funds to Glenormiston?

Ms TIERNEY: Glenormiston is part of South West TAFE, as you know. Particular campuses associated with different TAFEs are not provided with particular operating funds; the funds go to the designated TAFE, and it is South West TAFE.

Mr RIORDAN: So is your department not on the radar selling that site? You are not hypothecating funds from the sale of that site?

Ms TIERNEY: As you well know, Mr Riordan, there was an arrangement entered into with a Mr Montgomery some time ago. Your government was not able to continue to run education and training at that site. We have been able to. This has been a priority—

Mr RIORDAN: But not with the deal you signed with Mr Montgomery.

The CHAIR: Mr Riordan.

Ms TIERNEY: and we have ensured that training has continued at that site. You asked questions at PAEC last year, and we provided those answers to you. On that—

Mr RIORDAN: Well, when I go there, Minister, it is always locked up, with leaves blowing around doors and cobwebs dangling from phone sockets.

Ms TIERNEY: I do not know when you go, Mr Riordan, but I am happy to take you. I have been there on numerous occasions, and I can assure you there have been classes full and people out on the grounds undertaking a variety of activities.

Mr RIORDAN: Minister, I would welcome a visit with you to inspect a vibrant Glenormiston College with real students that is offering real courses.

Ms TIERNEY: I can assure you it is a lot more vibrant than what it ever was when you were in government.

Mr RIORDAN: Minister, speaking of South West TAFE—and this would be TAFE generally—you are quite right; there have been a variety of courses and extra courses available to South West TAFE. But unfortunately a lot of them do not match the demand that it is in south-west Victoria, and I refer specifically to the plumbing trades, to the diesel automotive trades—trades and skillsets in great need. They tell me that the funding arrangements currently in place do not allow them to ramp up into these areas that they need, forcing students to not only travel to Melbourne for these courses but also have extra expenses incurred. Are there any plans to make such important skills as diesel mechanics, plumbing and others more accessible and affordable for country students?

Ms TIERNEY: Well firstly, I think it is appropriate that we are all together, that we congratulate South West TAFE for taking out the national award two Friday nights ago for the best large provider of VET training in the country. So congratulations to South West TAFE—

Mr RIORDAN: So will they have more support?

Ms TIERNEY: a really amazing feather in their cap.

Mr RIORDAN: Will they be getting more support?

Ms TIERNEY: The second point is that there is no funding arrangement, as you mentioned, that precludes South West TAFE from undertaking the courses that you mentioned. Thirdly, I would say to you that the Victorian skills commissioner and his office ran a very extensive audit in terms of skills shortages in the south-west not all that long ago, and as a result of that audit, and the continuing networking that goes on with employers and the different industry sectors in the south-west, I believe that there have been a number of changes to what South West TAFE provides.

They actually do have a fantastic relationship with their local employers and their local industry, and I am sure that they would be first up at the mark, wanting to provide the skills that employers are saying that they need in their local region. I have got absolutely no doubt of that. When I have done round tables with the industry, with the skills commissioner, with the school principals and indeed with TAFE, everyone is on the same page in wanting to provide the best opportunities for local kids.

The CHAIR: Thank you, Minister, and I will pass the call to Mr Gary Maas, MP.

Mr MAAS: Thank you, Chair, and thanks to you, Minister, and your departmental team for your appearance today. I will give you a budget reference to begin with: budget paper 3, pages 28, 37 and 38, and the topic of apprentices and trainees. Minister, I was hoping you would be able to explain how the government will grow apprenticeships so that more people can get the hands-on training and support they need while giving Victoria the pipeline of skilled workers it needs at the same time.

Ms TIERNEY: Thank you, Mr Maas. Look, I will preface my comments by saying, when I think back, four years ago there was not all that much interest in VET. I think we really are starting to get some change in this area, but there is so much more work that needs to be done. We know that there has been an amazing return to vocational education and training in the last little while, particularly since 1 January last year, but I think part and parcel to all of this is people really looking at VET and making an assessment about what is really important, and one of the things that people have determined is really important is apprenticeships. Now, the difficulty, however, is that for a whole range of reasons the take-up of apprenticeships has not been there. Some of it has been a reluctance in terms of industry and employers, some of it of course recently is in terms of the pandemic and some of it in terms of kids just not getting enough information about the virtue and the value of apprenticeships.

But I think now, particularly with the rollout of different health sector systems as well as the infrastructure build, there is a real inclination for people to take this seriously. And of course I think there is a real opportunity for us to build a skills legacy, a skills basis in this state, so that we do not have to rely on work gangs from overseas—that we can actually have people who are particularly interested in hands-on learning, that do want to actually participate in the healthcare industry, or the caring industry, and indeed the Big Build as such. So that is why we have also expanded the higher apprenticeship system, so that that enables people that have worked in various areas to actually go to RMIT or Swinburne, continue to be employed with their employer and then undertake a course that basically certifies the skills and the experience that they have got.

Then of course we have put \$33.2 million towards the Big Build apprenticeship program, and this is very deliberate. This is about government choosing to get involved in a very coordinated way to ensure that apprentices and trainees are given every opportunity to have serious work experience and gain work experience on these major projects. And it is about also making sure that those that have been traditionally locked out of these areas do get an opportunity to participate in building—like Leah, who was on the front cover of my slide presentation and who works at Melbourne Metro, or whether it be Shona from South West TAFE, who was the Victorian Apprentice of the Year, in fact a plumber, I should say. So it is a fantastic opportunity, I think, because it shows that, one, the government is very serious about making sure that we are providing opportunity, that we are doing it in our own backyard where we have got leverage with major projects, and of course it is about ensuring that this is not just a program—we do have a dedicated unit that will be set up in the department, Apprenticeships Victoria, that will be assisting students, prospective students, parents and definitely employers.

Mr MAAS: Thank you. So you mentioned a little bit there about the Big Build apprenticeships, and in the budget papers they are certainly noted as being a transformative new approach. Can you go into a bit more detail about how those Big Build apprenticeships are different to a standard apprenticeship on a Big Build construction site?

Ms TIERNEY: So it is actually making the direct linkage between TAFE, the contractor and the worksite, and it will mean that there is greater coordination in trying to get more fit for purpose and an alignment between the students and the employer and the work involved. Also, it will enable us to have a much closer tracking system for young ones in particular and those that probably come from vulnerable backgrounds that require a bit more wraparound assistance. We will be able to assist them, track them and monitor what is going on so that we can bring about a completion of their apprenticeship and to have a proper liaison and engagement with everyone involved. If we think this is serious, then we need to have really strong partnerships not just within the classroom but also on the job.

Mr MAAS: Thank you. In terms of apprenticeship support officers, \$9 million is being invested in the apprenticeship support officer program. How does this program work to keep apprentices and trainees in the apprenticeship system?

Ms TIERNEY: So the ASOs—there are 28; there will be an extension of that also—will build on what I have just mentioned in that it will not be just the ASO dealing with the apprentice. The ASOs will be expected to deal with the employers as well and any other people that are connected to the apprentice that might be able to assist in making sure that they keep on track. So they are a referral service too, like if there are health issues, whether there are drug dependency issues, they will be able to refer, but also in terms of wanting greater excellence and craftpersonship employed, they will be able to provide some mentoring in that respect as well. ASOs have proved to be of enormous benefit. They are very experienced, and they also assist in that relationship between the apprentice and the trainer and indeed with that assist in terms of employment in a whole range of ways. What we also then get is the ability of the ASOs, and the young ones that might have had some difficulties, might have struggled, they come back into the TAFEs. They are role models and speak to the younger first-year apprentices as well, who find that sort of conversation, that sort of role model so important for them to continue to aspire and complete their apprenticeship. So that is a reason why we have put more money in and we have expanded it, because it works.

Mr MAAS: Terrific. Thanks, Minister. I have no further questions.

The CHAIR: Ahead of time, Mr Maas—thank you. And I will pass the call to Mr David Limbrick, MLC.

Mr LIMBRICK: Thank you, Chair. And thank you, Minister and team, for appearing today. I would like to start just asking about something that caught my eye in your presentation on slide 7. There is \$809 000 for AMES Australia to support cultural safety training. I actually happen to have a close family member, who is a new migrant, who went through the AMES program, and they had very good things to say about it. But I do not recall anything about cultural safety. What is cultural safety training?

Ms TIERNEY: If I can refer to it—and I have got it in my folder—in terms of my experience of cultural safety, spending so much time in the car industry, where a lot of the workers were from a multitude of different countries and of different levels of literacy in their own language, let alone the English language, what it is about is contextual learning. And I am not an expert in this delivery of course, but what it does is that it uses

symbols and situations that AMES know that that group or that person knows quite well within their own cultural background and then applies them in a whole range of different ways for them to understand what the cultural and legal imperatives are to what they are teaching, essentially. I think that captures it.

Mr LIMBRICK: Yes. I can imagine some dangerous situations if they do not know the right context for something at work.

Ms TIERNEY: Exactly.

Mr LIMBRICK: It makes sense.

Ms TIERNEY: And with infection control it is very important.

Mr LIMBRICK: Yes. There is another thing in your presentation on slide 10, which refers to ‘\$5 million to encourage women to work in industries that have traditionally low female participation’.

Ms TIERNEY: Yes.

Mr LIMBRICK: How does the government intend to actually do that? Is this a marketing thing, or is this some sort of incentive? How does this actually work?

Ms TIERNEY: As you would know, for too long there have been lots of employment categories that just do not seem to attract women, and there are probably a whole range of reasons for that. So what we will be endeavouring to do is to assess what those issues are. I think many of us know many of them, and we are not going to spend too much time on that, but it is a matter of pulling that together, particularly given that we have got a few more women coming into it. So I want to hear more about their lived experience in what they have faced, and then it will be a matter of identifying some role models. Leah from Metro is a good one. Shona is another one. But we have got lots now that are coming through that want to talk about and promote the need and that it is safe, it is a good experience and it is worthwhile. I want real life experience to inform other young women that this is okay, and it is more than okay—it is a great job, it is a great career, a good income. And with all of that it gives them the opportunity to make a whole range of different life decisions that they might not necessarily have thought about before.

Yes, there will be a promotional aspect to it. But it is about providing clear pathways so that girls and women understand that they are not locked out of these what are traditionally male-dominated occupations.

Mr LIMBRICK: It is my understanding that many of these large companies, like construction companies and transport companies, are already working very hard to try and increase the number of women in their workforces. What is the government going to do differently to these companies? Because I feel that these companies have put lots and lots of effort into this from my talking with them. Why does the government think that it can do better than these companies that are directly marketing and offering jobs to these people?

Ms TIERNEY: Look, I do not think that we are asserting that we can do it better. In fact we would be working with them to find out what has worked with them, some of which I already know. When I look at Rebecca Casson from the Master Builders, they are doing some amazing things in the area, but it is often in those male-dominated areas that are not large industries that women are not reflected in in terms of employment profiles, and also medium-size, so we really want to have a look at trying to work out ways in which we can do this.

I think personally ‘learn and earn’ models are a good way—where people are actually employed, but they are earning and learning at the same time. It seems to work quite well in the white-collar area. I would be really interested in exploring what we might be able to do in terms of the so-called traditional blue-collar area as well.

Mr LIMBRICK: Thank you, Minister. On a different topic, with regard to free TAFE there is lots of information about the new commencements—a much higher number of commencements, clearly because it is free. I imagine it is a bit early to know about completions yet, but do you have any sort of early—and I think I might have asked you about this in Parliament before, and you gave me an answer along those lines—indications of dropout rates or anything like this? Because this is a concern of mine: if you have something that is for free that lots of people sign up for, do people give up easier, I suppose?

Ms TIERNEY: What we are finding as a general trend: one, retention rates have improved, and some of them are still continuing in their courses obviously, because we are at that point in time. But what we are finding is because of the alignment between what they are learning and jobs out there it gives them the extra impetus to complete their courses and get that employment. The other thing that I am finding time and time again is that employers are actually going to the TAFEs for recruitment of staff, particularly in aged care, disability support, a whole range—nursing. They are rocking up, and TAFE Gippsland is a classic case of them doing that and going to graduation ceremonies and the employers are there. You can see it physically—that there is a connection between learning and jobs.

But in terms of some of the data, Dr Booth might be able to assist, Mr Limbrick.

Dr BOOTH: Thank you. I think that you were correct earlier when you said it is a bit too early to measure completion. Our standard measure of completion is completion within two years of commencement, and so for people who commenced in 2019 we do not yet track that. We certainly have seen a pleasing number of continuing enrolments across the system over the course of this year. So even though commencements have unsurprisingly dropped off given the COVID situation, students have maintained their attachment in really positive numbers with the system overall. But yes, the actual formal data around completions for free TAFE is not yet able to be made available.

Mr LIMBRICK: Thank you very much, and I do not think I will have enough time for another question, so thank you very much.

The CHAIR: Thank you, Mr Limbrick, and I will pass the call to Mr Danny O'Brien, MP.

Mr D O'BRIEN: Thank you, Chair. Can I just go to the departmental questionnaire. Under new programs announced as part of the COVID-19 response it refers to a 'VET provider viability package' of \$744.456 million over two years. There is no reference I can see to this in the budget papers. I am just wondering how much funding is allocated in each of 2019–20 and 2020–21.

Ms TIERNEY: Thank you, Mr O'Brien. Mr Bates, I think it might be a good idea if you provided some information at this point.

Mr BATES: I think Simon is probably closest to this one, Minister.

Dr BOOTH: Thank you. The provider viability package uses the appropriation which otherwise would have been spent for training delivery, so it is effectively—

What the government determined is during the period of lockdown providers in the community sector and public providers would continue to be paid their expected level of training activity even if commencements fell, and so that package effectively is not a new appropriation—I will make one caveat to that in a second. That package is about maintaining continuity of funding for training providers so that they can plan their way and adjust their businesses to remote delivery during COVID.

There was a new \$68.9 million allocation which was provided to the public sector providers to also help them offset their losses from non-public sources of funding.

Mr D O'BRIEN: Sorry—that was to public providers?

Dr BOOTH: Yes.

Mr D O'BRIEN: So effectively to TAFEs?

Dr BOOTH: TAFEs, dual-sector universities and AMES Australia.

Mr D O'BRIEN: Yes. So that was a new appropriation?

Ms TIERNEY: And Learn Locals.

Dr BOOTH: Yes, that was new funding, that is right. That was in the previous financial year, though; so that funding was announced in April.

Mr D O'BRIEN: Just on that—and I have got some more questions—the actual question was: of that \$744 million, how much was last financial year and how much is 2020–21?

Dr BOOTH: I will have to—

Ms TIERNEY: Take that on notice.

Mr D O'BRIEN: Sorry, I missed the first part of your answer. Did you say it was effectively reprioritised from what would otherwise have been provided to them as—

Dr BOOTH: We have an understanding of what training providers would have expected to get, and we made sure that they had certainty for that funding during COVID to support continuity for their businesses.

Mr D O'BRIEN: Okay. So where did it come from?

Dr BOOTH: That was the funding already within the department's appropriation.

Mr D O'BRIEN: For what?

Dr BOOTH: For training.

Ms TIERNEY: For training.

Mr D O'BRIEN: Okay. But has it been reprioritised from another element of the training package?

Dr BOOTH: No. We expected the provider to have a certain level of activity. The general funding model is there is funding based on activity, so over the period where these continuity payments were in place if their activity level fell below what we expected that we would have funded them, we maintained their funding level.

Mr D O'BRIEN: Okay. And did their activity levels fall dramatically? Was there a massive drop-off in enrolments and commencements? I am just trying to get a sense of whether this was new money or a line item in the questionnaire that just sort of says, 'Oh, well, we thought they'd get this much money. They didn't all get that much money, but we gave it to them anyway'.

Dr BOOTH: There has been a decline in commencements over 2020, which is approximately an 18 per cent decline in commencements.

Mr D O'BRIEN: Eighteen per cent. Is that across the sector or just the government?

Dr BOOTH: That is across the sector—the government-funded sector.

Mr D O'BRIEN: Okay.

Dr BOOTH: I should note on that though overall enrolments are down by about 5 per cent from the same period last year, reflecting the fact that there has been good retention of existing students.

Mr D O'BRIEN: Sorry—enrolments were down 5 per cent?

Dr BOOTH: Yes.

Mr D O'BRIEN: Okay. So essentially other than the \$68.9 million there was no new funding in that package, and it is allocated to the providers on effectively a historic basis—what you anticipated they would get.

Ms TIERNEY: That is right.

Mr D O'BRIEN: Really just to keep them, as it would suggest, viable. Okay. Were RTOs able to access that package as well?

Dr BOOTH: It was available for community sector and public providers.

Mr D O'BRIEN: So not-for-profit providers—okay. Was there any assistance outside of this for private RTOs that would have been expecting a certain level of government-subsidised places?

Ms TIERNEY: In terms of the RTOs, the RTOs qualified for JobKeeper; TAFE did not. So it was about trying to make sure that we kept the VET system stood up during the pandemic and that we had all providers be able to still be there so that we could have an effective skills and training system to rely upon to now train people through what hopefully will be a quick recovery. So that was the philosophy behind it, and I believe that that had bipartisan support.

Mr D O'BRIEN: Sure. Minister, just on another matter, I notice a media release has come out, coincidentally just before your appearing at PAEC, about the Sale campus of TAFE Gippsland.

Ms TIERNEY: Yes.

Mr D O'BRIEN: We just heard from the Minister for Education and his staff before you about the government's desire and attempts to increase local content for education projects, but I notice the winning bidder, McCorkell Constructions, is not local at all. Why is that?

Ms TIERNEY: As you would well know, Mr O'Brien, I am not part of the tendering process, but I can assure you that there is an expectation that local contractors will be engaged.

Mr D O'BRIEN: Is there a view—and if you need to pass to someone else in the witness list—as to the ability of local providers to actually undertake such constructions, because this is a fairly regular issue that I come back to. A lot of local builders say, 'Look, we're perfectly capable of doing it, but we always get locked out'.

Ms TIERNEY: Look, that has not been my experience of capital works, but I am happy to refer the matter to Mr Bates.

Mr D O'BRIEN: I mean, on this one, this is one we have been waiting for—it was announced two years ago in a budget and we have been waiting a long time. A lot of local builders—

Ms TIERNEY: There have been lots of consultations, lots of active consultations, Mr O'Brien—

Mr D O'BRIEN: Yeah, and they are waiting for it.

Ms TIERNEY: with the local community. They are very much behind it.

Mr D O'BRIEN: But we have missed out from the local perspective. I am wondering whether there is an answer to that.

Ms TIERNEY: No, you have not.

Mr BATES: Thanks, Minister. It really is around—

The CHAIR: I am sorry to interrupt you, Mr Bates, but the member's time has expired. I will pass the call to Ms Pauline Richards, MP.

Ms RICHARDS: Thank you, Minister, and thank you to the officials for appearing this afternoon. I am going to take you back a little bit to some of the questions that Mr Limbrick had around free TAFE and refer you to budget paper 3, page 28 and then again on 39 and 40. Could you please explain how the government is continuing to invest in and use the free TAFE initiative and government-subsidised training as part of its efforts to drive economic recovery and of course to get Victorians back into decent and stable jobs?

Ms TIERNEY: Thank you, Ms Richards. One of the things that we have done with the free TAFE list is to look at it and assess what else might be done. It is an activity that happens on an annual basis, but sometimes there are things that happen like royal commissions that might make a recommendation that necessitates an immediate increase. That was the case in terms of some additional courses we put on the list a couple of months ago in relation to health and mental health. There was also an issue in terms of a shortage in plant operations, so that went on the list. And of course the announcement about our fantastic initiatives in early childhood

education—two of those courses went on the list as well. So I think at the moment we are up to 45 free TAFE courses, and of course there are pre-apprenticeship courses as well.

The other element of course in determining that list is the discussions that take place with the industry advisory groups—they are fairly robust and are not short in coming forward about what their views and needs are—coupled with conversations with the Victorian Skills Commission's office and of course with the department, and the relationships that TAFEs have with employers and industry alike and of course what we hear from the private sector as well. So this is an ongoing evolution of free TAFE, and it is about trying to make it as agile and as nimble as possible.

Ms RICHARDS: Thank you, Minister. You just mentioned, for example, the royal commission. I am just interested in perhaps having you unpack a little bit more that part of the skills for economic recovery package announced in July this year about the additional free TAFE courses that were added to the list. Could you step through some of those courses in a little bit more detail for the committee and the industries that they will support?

Ms TIERNEY: Sure. So there was an addition of certificate IV in mental health peer work. This is a course that was in response to the increased need from the impact of COVID-19 and response to the interim recommendations of the Royal Commission into Victoria's Mental Health System. It supports individuals to take up roles such as community workers and disability support officers. It is really important because it will attract people with lived experience and provide them with future employment, and of course they will be able to present their stories in a way that other people that they are seeking to help will be able to relate to, so very important.

The other was certificate III in health services assistance, and that supports the government's workforce priorities in health care but also aims to support women who have been disproportionately affected by immediate job losses as a result of the pandemic. Current enrolment patterns show high levels of female participation. It supports individuals to also take up roles such as nursing support workers and hospital orderlies, and, as we know, we definitely have shortages in this area.

Then there was the other one that I mentioned in terms of plant operations. It is certificate III in civil construction plant operations, and we put that on the list particularly because it was needed for bushfire recovery. As I travelled to East Gippsland I could actually talk to people that were training in the area. It gives substantial work to people and obviously provides great assistance to local communities in the face of massive destruction to property. I am really pleased that people are starting to take up construction plant operator roles as well as earthmoving plant operator roles across the state. Hopefully we will not see the return of the bushfires that we had earlier this year and will not need as many of these people and these skills, but it is always very important to have that residual skills base in your community, particularly one that is prone to bushfires.

Ms RICHARDS: Terrific. Thanks, Minister. You have mentioned free TAFE and that it is driving Victorians back into the TAFE system. What sort of indications from the delivery of the program so far have you got about which groups in Victoria are taking up these opportunities?

Ms TIERNEY: Look, it has been across the board, but there has been a significant increase in women. I think it was in the slide that there was a 118 per cent increase in the number of women. It is women that we know seek exemptions of around 60 per cent—or 59 per cent of exemptions are women. Again it proves that often it is the financial barrier that just sets the divide between those that can and those that cannot, and that is the big thing that free TAFE delivers. The other area is people with disabilities—there has been a 32 per cent increase in the number of people undertaking free TAFE courses. As I mentioned, there has been a doubling of people from CALD backgrounds, and also we have seen an increase in people who are First Nations. Whilst it is a program, it is an effective program, and it goes to the heart of social and economic equity issues in our community.

Ms RICHARDS: It makes a Cranbourne heart sing. Minister, as part of the funding for TAFE there is \$5 million for digital learning. What have been the lessons from online delivery this year, and how will this funding support greater online delivery? Using the same budget paper reference as before.

Ms TIERNEY: Look, there has been an enormous amount of learning. Who would have thought in so many ways, and I am sure in other areas in your electorates you would have seen dramatic changes—things that you

never thought would happen or could happen have happened. That certainly has been the case in terms of VET, with private providers, with the TAFEs and with Learn Locals as well. They have absolutely outperformed anything that I possibly could have imagined in terms of moving from face-to-face to online delivery. They just have been absolutely phenomenal. But what it has shown is that we can—

The CHAIR: Sorry to interrupt you there, Minister, but the member's time has expired. I will pass the call to Mr Sam Hibbins, MP.

Mr HIBBINS: Thank you, Chair, and thank you, Minister and your team, for appearing before us this afternoon. I first want to just get some clarification over budget paper 3, page 179, and that is in regard to the numbers for adult, community and further education. Now, the target for 2021 is lower than the year 2019–20 actual. It is also lower than the 2018–19 actual as well. The reason given is that additional one-off government funding was committed after the initial target was set. What was this one-off funding for, and why has it not been continued? And does it also take into account the 2018–19 actual?

Ms TIERNEY: Just for clarification, I missed the point. The actual money amount is for—

Mr HIBBINS: That is what I am asking, what the money was for.

Ms TIERNEY: Sorry, we need to find it. We will just check for you. Is this the \$1.25 million?

Mr HIBBINS: I am asking you. I am just looking at the budget papers showing an over 6 per cent drop in the number of enrolments, and the reason given was this one-off funding, so I am asking. It is in budget paper 3, page 179.

Ms WATTS: An increase in enrolments, I think.

Mr HIBBINS: Decrease. So:

The 2019–20 outcome is higher than the 2019–20 target due to additional one-off government funding being committed after the initial target was set.

So what was that funding for, and why wasn't it continued?

Ms TIERNEY: Look, we will take that on notice, because it could be one of two things but we want to give you an accurate answer.

Mr HIBBINS: Sure, because I also note that the 2020–21 target is at 45 000 as well, so it would be good to get an understanding of both what that funding was for and why it was not continued.

Ms TIERNEY: Yes, sure.

Ms WATTS: Mr Hibbins, we will come back to you, as the minister has indicated. There are funds that are within the purview of the Adult, Community and Further Education Board, and that is the area that we need to inquire into to be able to answer your question.

Mr HIBBINS: Okay, thank you. Can we also get figures in terms of TAFE enrolment? Now, I understand there has been a decrease over the last year, if that was indicated before. Can we get separate figures for free TAFE courses and non-free TAFE courses as well?

Ms TIERNEY: Not a problem.

Mr HIBBINS: Thank you. I would like to get clarification: when you announce free TAFE courses and it is budgeted and you give a figure for what that is, does that cover the entirety of delivering those courses or does it only include, for example, the subsidy for the fees? Or does it include the extra enrolments? What does that figure actually entail?

Ms TIERNEY: So again it depends on the course—how large it is, what our assessment is of what the enrolment uptake might be—and of course there are all sorts of other factors involved, including work placements. But Dr Booth might be able to provide more detail.

Dr BOOTH: Thank you for the question. So when free TAFE was first announced provision was made for fee waivers and for some growth in overall activity, but part of what contributes towards the overall cost of free TAFE delivery is the existing subsidies budget. There are those two components: there is the budget offset, the fact that the TAFE cannot charge a fee, and then there is the subsidy which we would otherwise pay to any training provider. With the initial announcement around that, the majority of those funds were for the new fee waivers and there were some for subsidy growth. In subsequent announcements there has been, I suppose, a different combination, and that has depended on, I suppose, our overall modelling on what demand looks like and what is in the forward estimates. So it varies, I suppose; that is my answer to you.

Mr HIBBINS: Great. Thank you. Obviously there is the overall recurrent funding for TAFE and VET, but can we get a figure breakdown of the total allocation to free TAFE courses and then the total allocation to non-free TAFE courses?

Ms TIERNEY: Yes, not a problem.

Mr HIBBINS: Excellent. Thank you. One of the issues that I raised last time was when free TAFE was announced, there were some descriptions about it being subject to availability and at the time you indicated that no-one had actually been rejected from a free TAFE course. Is that still the case?

Ms TIERNEY: That is my understanding. What we also do that you might have also encountered is sit down and make an assessment with the student to determine whether TAFE or free TAFE—TAFE generally—is really where their education and training journey needs to be at that particular time. I know that we have done a lot of really good work between the Learn Locals and the ACFE Board with TAFE so that we build a relationship with the local Learn Local so that they might take that person on—it might be a better fit for that person—and they then assist in walking that person on that journey, once they have completed that Learn Local course, to enter into TAFE or free TAFE or whatever. Skills and job centres are really important as well in all of that, and if there is other assistance that people need, there is the Reconnect program that provides a wraparound service to identify extra support that that person might require so that they can then take that next step.

Mr HIBBINS: Terrific. Thank you.

The CHAIR: Sorry to interrupt, but the member's time has expired. I will pass to Mr Tim Richardson, MP.

Mr RICHARDSON: Thank you, Chair, and thank you, Minister, for your time this afternoon, and department officials. Minister, I want to take you to budget paper 3 at page 28. Could you please explain how the 'Skills for women, young people, migrants, vulnerable Victorians and retrenched workers' initiative as in table 1.9 will ensure that more Victorians can retrain in the economic recovery?

Ms TIERNEY: This was one of the elements that I touched on in the presentation. All of the evidence points to the fact that women generally have been impacted by the pandemic, whether it be in terms of their employment, shorter hours, no hours or not being able to be engaged in things that they were previously engaged in because other priorities in their lives have come about, whether that be looking after family members who are older or indeed homeschooling—that being the case for men as well, but predominantly for women.

Young people have obviously been impacted, and I think many of them have wanted to know what opportunities lie ahead, what their future might be. Of course there have been a whole range of other people that have been particularly impacted. This is an initiative of \$155 million that is targeted for eligibility exemption places within the system, and that will go to, obviously, women. There is extra funding in this package for 1000 Learn Local places. We have introduced a Koori loading in Learn Locals to enable extra supports that are necessary, and of course we have already talked about the AMES Australia projects that we have announced.

Look, we think that this is part and parcel of what good governments should be doing. When they know that people are doing it really tough, that we provide an opportunity for them to be able to step up. This is not about just targeting over here; it is about creating a much more inclusive society. It does not matter where you come from or who you are, you need to be part of it and you need to be engaged, and skills and training obviously provides an engine for that to happen. Of course we have seen through free TAFE that it does happen, and that

is why we are also continuing to increase and enhance free TAFE and TAFE generally, so that we can continue to have, essentially, a program that does make a difference to people's lives, and particularly when they have been doing it tough.

Mr RICHARDSON: Thank you, Minister. I might take you further into eligibility exemptions and the additional capacity for TAFEs to enrol students with existing qualifications through those eligibility exemptions. That has come as great news for Victorians across the state. What are some of those examples that you can provide to the committee of that change?

Ms TIERNEY: I think one of the big ones is that there was an eligibility barrier, where if you had a qualification—an AQF qualification—that was at a certain level, you could not then exercise a TAFE or a free TAFE position because it was seen to be double dipping, so to speak, in very crude language. But what has happened of course is that people increasingly have had their employment situation change, whether they are now not employed or indeed need to change employment for all sorts of other reasons. So this eligibility barrier has been removed, and it ensures that people can be retrained and upskilled as well. I think it is a terrific initiative, particularly for those that might have even a university qualification, but really what they need is a TAFE-VET qualification to get the job that they need. So I think that will really be a game changer for lots of people.

Mr RICHARDSON: Obviously you mentioned in your presentation and other answers the great work done by Learn Locals, that we know in our communities. In terms of the funding provided as part of this initiative, what is the role that Learn Locals will play in the economic recovery?

Ms TIERNEY: Look, I have this saying that is often quoted back to me, which I think is rather nice. The saying I say is that 'the time is right for Learn Locals, and Learn Locals need to be taken out from behind the kitchen door'. Too often we have relegated Learn Locals to over there, and because of a whole range of historical reasons they have not been front and centre. We have started making them front and centre, beginning with the ministerial statement that I launched last year.

Since that time, we have made sure that Learn Locals have a very clear platform about what their objectives are within their communities, and by and large it is to serve their communities, to encourage and provide and build the confidence of local people and to get them job ready. That of course also means that digital literacy and numeracy are incredibly important, so a lot of our focus is directed in that way, and of course, as I mentioned before, the ACFE board has been making serious links with TAFEs as well.

I know in Morwell there is this fantastic work program where a company has embedded the Learn Local in their premises, and there are windows that look onto the call centre floor, but they are in the classroom learning a whole range of different skills. Over time—over weeks—you can see the student members of the community learn and then actually start to become operators. So they have embedded the Learn Local way into their business, and it is one of the most profitable businesses in Gippsland.

So there are lots of things that Learn Locals do, but one of our goals is to try and see whether the promotion of Learn Locals can really get to the core of what else we might be able to do in this space.

Mr RICHARDSON: Staying on Learn Locals, we know that TAFEs have been funding a Koori loading for every First Nations student enrolled in a course. It is going to be extended to Learn Locals in this year's budget. How will this funding support Koori students to succeed at their Learn Locals?

Ms TIERNEY: It will be directed at particular things that they will require to continue to participate, so it will be a range of things. It could be digital support. It could be all sorts of other social referral services that they might need, and indeed extra tutoring that may be required for them to complete their course.

Mr RICHARDSON: Fantastic. I have run out of time here, Minister. Thank you for your time.

Ms TIERNEY: Thank you.

The CHAIR: Thank you, Mr Richardson. I will pass the call to Ms Bridget Vallence, MP.

Ms VALLENCE: Thank you, Chair, and thank you, Minister and team, for appearing. Minister, just looking at apprenticeships and budget paper 3, pages 28 and 37, in March 2016 there were around

43 000 apprentice and trainee commencements in Victoria, and in March 2020—so pre the COVID pandemic—there were around 31 275, showing a drop of about 27 per cent, or nearly 12 000 commencements, over four years. In relation to the \$19 million provided for within the budget for apprenticeship growth, how many additional apprentice commencements is that expected to generate?

Ms TIERNEY: Well, firstly, can I add the whole story in terms of decline. Firstly, the decline in apprenticeships has been across all jurisdictions in this country. It has been a problem for a long time, and the financial responsibility for apprenticeships lies with the commonwealth, as I said earlier.

What happened was that the commonwealth released a thing called the skilling Australia fund, which was really a problem. It meant that no-one, no state, qualified for it. The eligibility targets were impossible, and I think by and large the commonwealth has learned from that, and I take this opportunity to actually congratulate the commonwealth on the wage subsidy scheme that it has recently announced—recently. So it has taken a long time, and maybe the decline in the numbers helped get them to that point along with Victoria's advocacy at COAG and the national skills committee on an ongoing basis.

So we do have wage subsidies now but, as I said, the \$19 million will assist in encouraging people to uptake the apprenticeship model but it also provides a whole range of support for apprentices to continue in their apprenticeship.

We have adopted these measures and the growth strategy to attempt to encourage as many Victorians as possible to seriously undertake an apprenticeship, Ms Vallenge. There is not a silver bullet in any of this, but we are being incredibly proactive because we understand how important it is to have skilled people in our community.

Ms VALLENCE: So in terms of that, encouraging many Victorians to take it up—and you have set aside that \$19 million there in the budget—what is the estimate of how many commencements you expect that will generate—or even a range?

Ms TIERNEY: So what we have committed to in terms of the Big Build apprenticeship program is 1500 apprentices and trainees per annum. We have committed to 400 higher apprentices employed in the community services sector. We have also committed to 300 trainees to be employed in the community services sector and 240 new trainees to support victims of family violence and sexual assault.

Ms VALLENCE: Minister, it was about commencements in apprenticeships, not employment opportunities.

Ms TIERNEY: Well, we will encourage as many people as possible—

Ms VALLENCE: So the \$19 million in terms of commencements—

Ms TIERNEY: We are not going to restrict the number of apprenticeships, if that is what you are asking us to do.

Ms VALLENCE: No—and that is a good thing. It was just more that that \$19 million—what was it targeted at?

Ms TIERNEY: What we will do is encourage as many apprentices and trainees to take up an apprenticeship as possible. I can advise the committee that within three weeks of the introduction of the wage subsidy package that was announced in the federal budget there were 1600 kids that took up a new apprenticeship, so it is fertile ground. We are hoping that there will be a significant number, and we will, as I said, encourage school leavers and encourage parents and career advisers to ensure that those that are thinking about hands-on learning seriously think about an apprenticeship.

Ms VALLENCE: And the budget also provides in the jobs brochure for 20 women to undertake diesel mechanic apprenticeships. We know that there is that decline, as you mentioned, across all trades from an apprentice perspective. Why has the government specifically prioritised 20 diesel mechanics and what is the cost of the 20 diesel mechanic scholarships or apprenticeships?

Ms TIERNEY: I think that is an initiative that is being employed by a different department, Ms Vallenge.

Ms VALLENCE: It was in your presentation. You had that in your presentation.

Ms TIERNEY: It is not part of my portfolio; it would be part of DJPR as I understand it.

Ms VALLENCE: It was in your original presentation around apprenticeships for women and getting them into construction.

Ms TIERNEY: Yes, that is right, but it is not part of my portfolio. It is there to demonstrate our commitment to getting as many women as possible into non-traditional, male-dominated industries and trades.

Ms VALLENCE: Okay, so from the apprenticeship perspective, is the funding for those apprenticeships in your portfolio area, and if so, what is the total cost?

Ms TIERNEY: No, they are not in the DET budget.

Ms VALLENCE: Sorry, they are not—

Ms TIERNEY: They are not in the DET budget.

Ms VALLENCE: Okay. But they were in your presentation.

Ms TIERNEY: Yes, that is right.

Ms VALLENCE: So in terms of being in your presentation—

Mr D O'BRIEN: Did you not just answer a whole lot of questions from Mr Limbrick about this?

Ms VALLENCE: Yes.

Mr D O'BRIEN: Mr Limbrick just asked about that.

The CHAIR: Mr O'Brien, the call is with Ms Vallence.

Mr D O'BRIEN: I am just trying to assist, Chair. I am sure Mr Limbrick just asked about exactly this issue and you answered all the questions.

The CHAIR: Mr O'Brien, if the minister has an answer to the question, I am sure she will provide it. As she has indicated, it sits within a different portfolio. Ms Vallence, you have the call.

Mr D O'BRIEN: Did you not ask about women in apprenticeships—

The CHAIR: Mr O'Brien, the call is not with you.

Ms VALLENCE: You have referred to this already in this committee and we really would like it. As a woman who has also worked in the manufacturing sector, I think this is very important, so we are just wanting to know about these, which you talked about in your presentation and you have referred to already to one of my colleagues on this committee. What is the cost of this program?

The CHAIR: Ms Vallence, as the minister has indicated, it sits within a different portfolio, which will be appearing at this committee tomorrow. So perhaps you could save your question that is obviously so burning until tomorrow.

Ms VALLENCE: Chair, I think your obligation is to ask the witness to answer the questions, and she has talked about it in her presentation. I think—

The CHAIR: Ms Vallence, the minister has provided you with an answer, which is that the responsibilities for the program do not fit within her responsibilities.

Ms VALLENCE: So you cannot provide the cost, okay. Budget paper 2 at page 14, we are just wondering, around the \$1 billion investment in TAFE and training and getting people their skills back through this process, why are those additional places not reflected in the performance measures on pages 179 and 180 of budget paper 3?

Ms TIERNEY: Dr Booth?

Dr BOOTH: Thank you. The performance measures, the targets, set for this year's budget have all been held at the same level as for the previous year. This follows a directive from the Department of Treasury and Finance.

The CHAIR: Sorry to interrupt, Mr Booth, but the member's time has expired and I will pass the call to Ms Nina Taylor, MLC.

Ms TAYLOR: Thank you, and thank you, Minister and department officials, for attending today. I think it would be useful for the committee to explore TAFE capital works. I refer to budget paper 3, pages 41 and 48. Could you please explain how the Building Better TAFEs Fund is continuing to invest in Victorian TAFEs so they can progress capital works that are needed to provide quality industry-relevant training that leads to jobs?

Ms TIERNEY: Thank you, Ms Taylor. So in this budget there is \$107 million for capital works out of the better TAFE fund. I was fortunate to be out at the Melbourne Polytechnic campus at Collingwood on Friday, and then we went down and talked to students and staff out at Chisholm Frankston on Friday afternoon. This is a fund that is about making sure that we do have a capital works program that meets the needs of what is being delivered at various campuses. It was only 12 months ago that the Premier and I opened stage 1 of the Chisholm Frankston campus, and I would implore anyone, if they have not done so, to please go down there and have a look at it. It is sort of a dental surgery on steroids. There is a health and wellbeing, spa and health and beauty section that goes on for some miles almost. It also of course provides a whole lot of space for cybersecurity and allied health professional courses as well. It is directly opposite the Frankston railway station, so it is easy access, and members of the community can use many of the services that are available too.

It is all about modernising TAFE too. It is not just about it being cutting-edge architecture and great equipment—both of those things are important—but it is also about getting the synergy right with the community. I am very much looking forward to the Collingwood campus also doing what their plan is in terms of that greater connectivity with the local community. I think that it has been an under-utilised facility for some time, and I think that the plans that now will absolutely be able to be undertaken with the \$40 million allocation will mean that that whole area will be a precinct that the community can be very engaged with and very proud of.

We are very supportive of capital works. On this occasion both of the projects were in Melbourne, but almost in every other budget where I have been minister the capital works have been in regional Victoria. We have heard of the Sale turning of the sod this month, and we know that Morwell already has some brilliant new facilities. There is a new learning and library hub at South West TAFE in Warnambool, there are allied health facilities that will be built at GOTAFE and of course there is the culinary school at the Gordon, which will also include a social enterprise cafe. We have also redeveloped the Bendigo campus of Kangan—\$60 million—and of course, as I mentioned, the Morwell campus received \$35.5 million, and \$25 million for the port of Sale. We have been very active in the capital works space, and I think it is a real drawcard and a real signpost for the local community that their local TAFE is the place to go to. Of course it is running courses that are affordable and/or free and they will lead to jobs in the local community, and they do not have to go to Melbourne.

Ms TAYLOR: No. That is great. I am just wanting to move on to resilient and emerging industries. I refer you to budget paper 3, pages 28 and 38. Could you please explain how the government is supporting training in growth areas to ensure Victorians have the skills needed for the jobs in demand?

Ms TIERNEY: Thank you, Ms Taylor. There are a couple of examples that I can give. One is that we are introducing skill sets so that people are accredited, so people can enter public providers and others to pick up skills very quickly so that they can get the jobs that are there at the moment and into the future, and that they are stackable and lead to qualifications. I think this is a really good and interesting initiative that we have done. Victoria predominately and historically has had a qualifications-only area. Other jurisdictions have moved to skill sets some time ago, but with a number of safeguards in place we feel as if we can step into this area and provide opportunities that previously were not in existence.

The other thing that we are doing is providing a \$10 million investment in the clean economy workforce. A lot of work has already started, but we are looking forward to seeing what the task force will come up with so we can implement that sooner rather than later for obvious reasons.

And the other thing that we are doing is of course embedding skills and jobs in projects like the Footscray Hospital and the North East Link so that people can see a job at the end of their training or get the experience whilst they are training so that they are more employable after the project has finished. There are so many initiatives to try and ramp up—to provide stimulus but provide different pathways that have not been considered before or indeed try to join the dots that have not properly been joined in the past—that have now got a real chance to be able to be delivered.

Ms TAYLOR: Terrific. Thank you. I just wanted to move on to university viability. If I can refer you to budget paper 3, pages 28 and 40, can you please explain how the higher education state investment fund will support universities and the state to recover from the impact of the pandemic?

Ms TIERNEY: Thank you. I answered this in part, I think with the Deputy Chair, on the higher education investment fund. There is a project control group that is made up of representatives from various government departments and they have been working closely with the universities to ensure that we can identify and design projects that will generate the best outcome for universities and the state. As I have indicated, that has been underway for a period of time. Fran Thorn has been involved in it. We have worked out that there are two stages, or two parts, of the fund. There is an initial allocation that the universities have been made aware of and then there will be a contestable element as well. Of course the universities have provided a number of projects for consideration for the panel and many of them do align with the set priorities that the government has indicated, which I mentioned earlier, whether it be medical research—

The CHAIR: Sorry to cut you off there, Minister, but the time for consideration of the portfolio has concluded, so we thank you very much for appearing before the committee today. The committee will follow up on any questions taken on notice in writing, and responses will be required within 10 working days of the committee's request. The committee will take a short break before moving to consideration of the early childhood portfolio, but we thank you for your attendance today. I declare this hearing adjourned. Thank you.

Witnesses withdrew.