

TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget Estimates 2019–20 (Higher Education / Training and Skills)

Melbourne—Friday, 7 June 2019

MEMBERS

Mr Philip Dalidakis—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr Gary Maas

Mr Danny O'Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Ingrid Stitt

Ms Bridget Vallenge

WITNESSES

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

Ms Jenny Atta, Secretary,

Mr Simon Hollingsworth, Deputy Secretary, Higher Education and Skills,

Mr Tony Bates, Deputy Secretary, Financial Policy and Information Services, and

Ms Lee Watts, Assistant Deputy Secretary, Quality and Implementation, Department of Education and Training.

The CHAIR: Good evening, everybody. I declare open this hearing of the Public Accounts and Estimates Committee. On behalf of the Parliament, the committee is conducting this inquiry into the 2019–20 Budget Estimates. Its aim is to scrutinise public administration and finance and improve outcomes for the Victorian communities. The committee will now be in consideration of the portfolios of training and skills, and higher education at the same time. I welcome the Honourable Gayle Tierney, minister for said portfolios, and also the officers from the department that have joined her. I thank you all for appearing before the committee this evening.

All evidence given is protected by the Parliamentary Committees Act. This means that it attracts parliamentary privilege and is protected from judicial review. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

Minister, I will invite you in a moment to make a very brief opening statement or presentation of up to 10 minutes, followed by questions from the committee. However, I have two other roles this evening prior to us finishing: the first one is to tell you that Geelong is leading by 2 points over Richmond, and the other is to tell you that Ash Barty unfortunately lost the first set. Minister, over to you.

Visual presentation.

Ms TIERNEY: Thank you, Chair, and thank you, committee members. I appreciate the opportunity to talk to you about the 2019–2020 budget. I want to outline how this government is continuing to provide more Victorians with the skills they need for the jobs of today and into the future. I am so proud of this budget and the way we are transforming the training and skills sector and with it the lives of thousands of Victorians. This year's budget provides \$231.1 million to continue this vital work.

This government's focus is on the entire post-secondary system—VET, adult and community education, and higher education. While the commonwealth has broad funding and policy responsibilities for higher education, the Victorian government is committed to having a post-secondary system that works in harmony to deliver the best outcomes for this state. The creation of a standalone higher education portfolio reflects this commitment and acknowledges the role that Victoria will play in advocating for and influencing national higher education policy.

It has been a journey to get from where we were when this government was first elected to where we are now, working towards a complementary and joined-up post-secondary system. When this government came to power over four years ago we did inherit a training and skills sector that was in utter disarray. Since then we are making good on our commitment to real training for jobs. We have made significant investment in building the quality of training and facilities available to Victorian learners. Victorians will be job-ready regardless of their circumstances or where they live.

We have delivered a new TAFE and training system under Skills First. We have ensured our training places are linked to jobs, whether they are in TAFE, Learn Locals or private training providers. TAFE facilities have been modernised, apprenticeships and traineeships have been strengthened and of course we are funding 50 free TAFE courses for more Victorians to gain jobs. Free TAFE has been a huge success and it is changing lives. Through our reforms we have lifted the quality of training to ensure training aligns with the skills needed by

employers, and it has worked. More and more Victorian learners are reporting satisfaction with their training, and more employers are reporting satisfaction with the training received by apprentices and trainees.

Victoria is Australia's jobs engine room. My work across the entire post-secondary system will help Victorians take advantage of this jobs boom. Since November 2014 more than 450 000 jobs have been created in Victoria. Government major projects and priorities continue to drive jobs growth in crucial areas, and there are skills and jobs centres across the state that help Victorians to reskill or enter the workforce by connecting training to jobs at a local level. The Victorian TAFE and broader post-secondary system plays a very important role in training workers for the future.

In this budget we are investing an additional \$231 million to help Victorians get good skilled jobs, including \$82.7 million for additional training delivery, an additional \$41.2 million to continue rolling out free TAFE, and \$28.5 million to add early childhood courses to the free TAFE list. We are investing \$7.2 million to provide shearing training and to upgrade facilities at agricultural colleges, and of course \$2.2 million for the Sir John Monash government scholarships.

We are building on last year's investment in apprentices and trainees. First-year apprentices will continue to be supported by \$4.7 million for the apprenticeship support program, 28 apprenticeship support officers based at TAFEs across Victoria will help Victorians apprentices stay in training and encourage others to get back into training. And I am especially proud of the budget's inclusion of \$5.6 million for the new Victoria's Big Build and Victoria Cares higher apprenticeships program. These will support the rollout of Victoria's major infrastructure program, support the growth in our state's human services sector and provide opportunities for Victorians to earn while they learn. It is an example of how this government is building stronger links between higher education and the training sectors.

Turning now to infrastructure, which is a key part of a strong post-secondary system, in this budget we are investing \$56.5 million for major projects and a number of TAFEs, and, as you can see from this slide, much of this investment is in regional Victoria. As committee members would be aware, this government is committed to reinvigorating the role of TAFE as a public training provider. Major infrastructure projects have been the hallmark of this government, and TAFEs are working in a close partnership with employers delivering major projects to provide a pipeline of skilled workers. Wodonga TAFE, supported by Box Hill and Chisholm, are delivering key technical trade training requirements for defence personnel; this includes army vehicle mechanics, engineers, technicians and other specialised army training courses.

There is amazing innovative work happening in TAFEs through the workforce training and innovation fund, one of which is an example of a partnership between Federation University and the Ballarat and Wimmera health services which connects training to real jobs in the community. This partnership takes innovative approaches to training delivery, including the use of mobile simulation vans. This allows young people to have access to high-tech facilities without having to leave home or move to the city for training. And more broadly TAFE's share of enrolments is growing and they are now more financially sustainable.

Free TAFE is being implemented successfully, and I am immensely proud of free TAFE for priority courses and its positive impact on the VET sector and the Victorian community. It is proving to be a real game changer. It is bringing people into the system and it is attracting people who would otherwise not be enrolled in training. In the first quarter of this year more than 19 000 students began free TAFE courses across Victoria. That is more than twice the number of students training in those courses at TAFE compared to the same time last year.

Mr D O'BRIEN: Sorry, Minister, what was the figure? Fourteen thousand?

Ms TIERNEY: Nineteen thousand. Importantly, all parts of the government-funded training system—that is, TAFEs, Learn Locals and private providers—are growing. Overall, enrolments across the sector are up by 18 per cent in 2019 compared to 2018. And free TAFE has led to greater collaboration across the TAFE network.

Free TAFE is changing people's lives for the better, both young Victorians and those who need to re-skill, retrain and re-enter the workforce. I have met many people this year who have told me how free TAFE is giving them hope for a brighter future. I have met woman from a farming community near Colac who was

struggling with the drought and debt, and she needed to find ways to assist her family's finances. In her 50s she has been able to gain skills and qualifications in the disability sector, and not only has she found a career but she has found new confidence and a vocation that is going to keep her employed and assist her family for years to come. Free TAFE has made this happen. The feedback has been so encouraging; for example, people on social media have said that free TAFE was the first time in a long time that they felt they had a real chance to retrain properly and not take on more HECS debt. Free TAFE is that chance.

Free TAFE will provide this sort of opportunity for many Victorians in the early childhood education care sector, and I do want to congratulate Minister Merlino on the government's huge commitment to three-year-old kindergarten. This is a once-in-a-generation reform that will have profound impact on the education of young Victorians. These reforms will create more than 6000 jobs in the sector over the next 11 years, and that is why through this year's budget we are investing \$28.5 million to add two early childhood qualifications to the free TAFE course list.

Committee members, in conclusion, this budget acknowledges that our post-secondary system is indeed the engine room for Victorian jobs. And I am proud that this government continues to invest in education and training and the huge impact it has on our society. We have rejuvenated and stabilised Victoria's TAFE system and we are continuing to ensure that it grows sustainably. Students can be confident that when they enrol at a TAFE they will be in a great place to get a job or go on to further study. We are prioritising the courses that are most likely to lead to employment. We are doing this because our government believes in real training for real jobs. By doing this work we are giving more Victorians than ever before the opportunities that they never thought that they would have. This budget is keeping that momentum going.

The CHAIR: Thank you very much for that, Minister. In the second set Ash Barty is trailing three games to two. In relation to the football, Richmond is now ahead, 13 points to 2. Now we can get on with government questions, and the first question today is from Mr Maas.

Mr MAAS: Thank you, Minister, for your attendance and for your presentation as well. I also take this opportunity to thank the departmental officials for their attendance too. Minister, I would like to take you to TAFE capital investment, in particular I refer you to budget paper 3, pages 14, 22 and 31. These outline investment in the Building Better TAFEs Fund. Minister, could you please explain what types of projects will be funded under this fund?

Ms TIERNEY: Thank you for that question. Our \$220 million Building Better TAFEs Fund is the largest single investment in Victoria's TAFE asset portfolio in recent years. This was an election commitment at the 2018 election, and we are delivering on that commitment. It should be noted that whilst Labor made this commitment, the Liberal-National opposition did not commit one single dollar to TAFE infrastructure at the 2018 election.

We believe that every Victorian deserves to have access to world-class TAFE facilities wherever they live across the state, Mr Maas. So we are investing in these types of projects that are modern, vibrant and technologically advanced to enhance the learner experience and increase job outcomes. In the 2019–20 state budget we will fund the following projects: \$23.5 million to upgrade the Gordon's culinary school at the Geelong city campus, and that will be jointly funded with the Gordon and will actually establish a social enterprise business as well as a hospitality connection. There is a \$20.25 million project for a new learning and library hub at South-West TAFE at the Warrnambool campus, and that will be in conjunction with the Warrnambool City Council. There is a further \$10.2 million to build an integrated centre for sustainable construction technologies at Box Hill Institute's Lilydale campus, and I remind the committee that the Lilydale campus was closed—it was shut by the previous government. There is \$2.54 million to build a health and community services training facility at GOTAFE's Seymour campus, and I understand what facilities they have at the moment in terms of the nursing and community services and I look very much forward to seeing a fantastic outcome for that local community. There was a further allocation of half a million dollars that is to be utilised by Melbourne Polytechnic and Chisholm because they have two fairly large projects that have been committed to, so this money is to afford them the ability to start the planning of those projects. I look forward to seeing the development of those two major projects in the foreseeable future.

But can I say that the Warrnambool project is one that I think the community has been working on for a long time. It is going to be a joint-user facility. It will enable people of all ages and all abilities access to the highest grade computers, technology, innovation and of course books, but it will also afford people a lot of space to have meetings and hold community events. This is a project that I do not think people expected, but we were able to see a very positive business case and we saw the importance it had for the fabric of that community, particularly given that they have been dealing with low school retention rates for a time—we have had the Beyond the Bell project. This is a great complementary aspect to what will be on offer in the Warrnambool region now and into the future. That is a really pleasing outcome for regional Victoria.

On top of last year's budget commitments to Bendigo, BKI had a significant capital investment. And indeed at what is now TAFE Gippsland a brand-new campus will be built at Sale and indeed a new trade technical campus will be built at Morwell. So, as you can see, regional Victoria is doing quite well in respect to TAFE, but that is also because communities in regional Victoria deserve the best and we also need to afford the best possible facilities for our young people in regional Victoria.

Mr MAAS: Thank you, Minister. Minister, you specifically mentioned four projects in that answer. Would you care to put some more detail around those projects for the committee, please?

Ms TIERNEY: The Lilydale campus initiative I think is one that is quite unique in that it brings together the trades of carpentry, plumbing and electrical with a focus on sustainability and sustainability skills with the new energy technology sector. It is very much supported by the minister for energy. Minister D'Ambrosio has very much been interested in supporting this initiative, and it is obviously an area that training providers are getting more and more into. They see the value of making sure that we have got changed workforces, workforces for the future that do deal with alternative and renewable energies, as well as applying more green approaches to even more traditional types of trades such as plumbing. So there is lots work that can be done.

In respect to the culinary school at Geelong, part of the motivation for this—apart from a genuine interest by a lot of younger and older folk in the area—was the need to have a more highly skilled workforce in the tourism industry, not just in Geelong obviously but further west, and to ensure that we do have a range of skilled workers in the region that can obviously cook, that are specialised chefs and that can also of course interact with the public. There are front-of-house, back-of-house skills that are required in restaurants but also in the motel industry and our accommodation sector. So I am very much looking forward to seeing this. I know that in terms of the Gordon there have been some dramatic changes on the Latrobe Terrace site, and I look forward to opening the brand-new library that they have got there. But this part of the equation is up behind the Latrobe Terrace entrance foyer, and it will provide a restaurant that is of very high quality. And as I understand it, there are a number of restaurants and cafes in Geelong and the surrounding area that are forming partnerships with the Gordon so that there can be some alternative settings for hands-on skills and training in the cafe and restaurant sectors as well. All in all I think the projects that have been chosen are well-deserved and very much needed within the communities in which they are located.

Mr MAAS: Thank you, Minister. In terms of student experience, what will be the benefit to students studying at Victorian state campuses from these projects in the fund?

Ms TIERNEY: I think they get an automatic sense of real value associated back into the TAFE system. I think for a long time people were starting to look at TAFE in a negative way. I think there is a real buzz around the campuses now. I think there is a real step up, to say the very least. And it is not like we have just refurbished in this area or that; we have actually built cutting-edge facilities that really blow you away. You just do not expect that to be in what your old views of a TAFE might be. So I think there is a lot of high value associated with people just walking onto a campus and them being surrounded with a physical environment that is of a very, very high standard and is cutting edge. But more than that too, because the TAFEs are a lot more connected with their committees and their local industries, it means that people can see students participating in a whole range of activities, and they are starting to serve as a real role model. I think this will happen with the Warrnambool library and learning hub as well, where you will see young people participating in a whole range of activities. They will see mum and dad and the sister or brother actually going off to classrooms.

Mr D O'BRIEN: Chair?

The CHAIR: Minister, I apologise. This has sadly become all too frequent. Mr O'Brien, I thank you for pulling me up, but as engrossing as that answer and the question were, it is now Mr O'Brien's time.

Mr D O'BRIEN: Good evening, Minister. Just to correct the record, you said before that the coalition made no capital commitments to TAFE at the election. I know for a fact there was one because the port of Sale campus was committed to in August 2017 by myself and the shadow minister at the time, and we did it without forcing Federation Training to sell its Chadstone campus as well, so just to correct the record. My question, though, is to the secretary. Secretary, page 22 of budget paper 3 lists supporting free TAFE for priority courses. There is \$23 million there for 18-19. Can you explain to me what that is for? Does it deliver enrolments or is it for student support? What actually was it?

Ms TIERNEY: So in terms—

Mr D O'BRIEN: No, sorry, Minister—the question was to the secretary.

Ms ATTA: Sorry, Mr O'Brien—the additional funding in the budget papers for 18–19?

Mr D O'BRIEN: Yes, \$20 million there.

Ms ATTA: So that additional allocation is to support the additional take-up of free TAFE. It has proved, as the minister has mentioned in her presentation, to be very popular, and the demand has been greater than initially anticipated.

Mr D O'BRIEN: So that was to support enrolments?

Ms ATTA: To support enrolments and to support TAFEs to manage those enrolments effectively to support students working through, entering training, particularly students with a high level of need, many of whom are entering training for the first time.

Mr D O'BRIEN: So how many enrolments would that \$20 million have supported?

Ms ATTA: Just bear with me, Mr O'Brien. I will see if I have got that detail. We might have to take that on notice.

Mr D O'BRIEN: I am happy for you to take it on notice, and if I can get whether the entire \$20 million was for enrolments or if 80 per cent of it was for enrolments and some for support and other factors, that would be great.

Ms ATTA: Very happy to provide that.

Mr D O'BRIEN: Okay. Thank you. And what are the expected numbers of free TAFE enrolments for 2019? I think the minister said 19 000 so far. Is that right?

Ms ATTA: Nineteen thousand in the first quarter for 2019.

Mr D O'BRIEN: So what is the expected for the whole year?

Ms ATTA: I might ask Lee.

Mr D O'BRIEN: If there is not a target, that is fine. I am just interested to know what it will be.

Ms WATTS: Mr O'Brien, free TAFE, as all of the other government-funded training services, is demand driven. Numbers of enrolments are based on student access, student enrolments et cetera. As the secretary has indicated, there has been a very strong take-up of students into free TAFE programs.

Mr D O'BRIEN: Naturally.

Ms WATTS: We anticipate as well that there will be a continued strong take-up in what is the traditional second semester enrolment period, which commences in July and August.

Mr D O'BRIEN: Okay. But if you have allocated a certain amount of money, then you must have some idea of what the take-up will be—or is it uncapped entirely?

Ms WATTS: As I have indicated previously in my answer, it is a demand driven system, and within that not one student has been turned away.

Mr D O'BRIEN: Okay. So it is uncapped then?

Ms WATTS: Students are able to access the training if they are eligible students for that training.

Mr D O'BRIEN: Sure. Secretary, what assumptions do you use—this may be to Ms Watts—about the completion rate for free TAFE enrolments.

Ms ATTA: Again I might refer that to Ms Watts.

Ms WATTS: The assumptions that have been made in relation to completion rates for free TAFE programs are to reflect back on what the completion rates have been for the same 50 courses that we had across the previous years to build in a number of assumptions within that. We do not know. It is the first year of the program. Clearly we will have a much greater evidence base as we move forward into the following three years of the rollout of this initiative.

Mr D O'BRIEN: So there is not a percentage expected that the department is targeting with respect to completion rates?

Ms WATTS: We anticipate through a number of the different supports that are currently being put in place through our TAFEs that we will continue to support every free TAFE student and that within that, completion and retention rates, which are a focus of our TAFE institutes, will continue to lift.

Mr D O'BRIEN: Okay. Budget paper 3, page 156, has a performance measure, the 'Two-year completion rate for non-apprentice commencements', at 46.3 per cent. What is the current completion rate?

Mr HOLLINGSWORTH: Simon Hollingsworth from the department. Sorry, what was the budget paper reference there?

Mr D O'BRIEN: Page 156, BP 3, 'Two-year completion rate for non-apprentice commencements'. The percentage is 46.3, but it is not measurable for previous.

Mr HOLLINGSWORTH: This is the two-year completion rate.

Mr D O'BRIEN: Yes. So what is the current rate? The target is 46.3.

Mr HOLLINGSWORTH: I do not have that in front of me, so I had better take that on notice.

Mr D O'BRIEN: If you could take that on notice, that would be great. And likewise, do you have the current completion rate by TAFE, adult community education and private providers—RTOs? You would also need to take that on notice.

Mr HOLLINGSWORTH: Yes, I will take that on notice.

Mr D O'BRIEN: Secretary, given the focus of free TAFE is to get people the skills to get jobs in high-demand areas, will the department be specifically tracking the results of free TAFE as to how many people are actually getting a job at the end of it?

Ms ATTA: Mr O'Brien, sorry—how will the department be tracking?

Mr D O'BRIEN: Well, 'will the department', is the first question. It is easy to say free TAFE is a success. Clearly if it is free, people are going to take it up. The success in my opinion is whether they got a job at the end.

Ms ATTA: Absolutely. So it is obviously very encouraging to have the take-up that we have had in the first quarter of 2019. Ultimately we want to see those students complete and then, in line with the objectives for the initiative, make that transition to employment. That is the ultimate outcome. So the department is working to—and I might ask Ms Watts to talk a little bit more about this—be able to track students through their experience with free TAFE and to follow up to get the evidence, get the best information we can on successful linkage to employment.

Mr D O'BRIEN: The question is exactly to that, the evidence; will you be able to track the evidence that free TAFE is delivering X number of people into a job versus the rest of the TAFE sector?

Ms ATTA: I will ask Ms Watts just to talk a little more to that.

Mr D O'BRIEN: If you could be very brief, please, Ms Watts.

Ms WATTS: Mr O'Brien, yes, the department is currently working on producing a bespoke survey, which will in fact be circulated to every free TAFE student at different points after the completion of their training. The first point of the survey—which will ask whether or not they have been successful in finding employment, increasing their employment status and/or going on to further study—will occur—

Mr D O'BRIEN: So you will report that separately from the rest of the TAFE sector?

Ms WATTS: three months after the students have been reported with completion.

Mr D O'BRIEN: And will you report the free TAFE outcomes separately to the rest of the sector?

Ms WATTS: It would be our desire that in fact every TAFE student who completes will be part of that survey eventually.

Mr D O'BRIEN: No, I understand that, but free TAFE is—

Ms WATTS: So the answer is yes.

Mr D O'BRIEN: Thank you. Secretary, there has been an extensive advertising campaign obviously for free TAFE. Can you give me the total cost, including the design, the creative and the ad buy for this campaign?

Ms ATTA: I am not sure that I have got that here, but I would be very happy to take it on notice.

Mr D O'BRIEN: If you could take that on notice—

Ms ATTA: As a breakdown of each?

Mr D O'BRIEN: Including what has actually been spent—

Ms ATTA: The breakdown of expenditure for the total campaign?

Mr D O'BRIEN: Yes. The advertising spend on it.

Ms ATTA: I am very happy to provide that.

Mr D O'BRIEN: Including what has been spent and what is proposed in the future.

The CHAIR: Ash Barty won the second set and is now leading 1-0 in the third. I feel like I am performing the most important role of the day!

Ms RICHARDS: Thank you, Minister and departmental officers, for your time this evening. I am always a little bit parochial, and so I have to do a shout-out to Chisholm TAFE in Cranbourne. They have got this extraordinary horticultural program there, and I am very lucky to have met some amazing people but also, as you said before, some women locally who were able to take advantage of free TAFE. Mr O'Brien, you asked a question I was really interested in finding out about, but it was good to be able to perhaps hear from the minister. I would like to refer you to budget paper 3, page 22, and this further investment in free TAFE priority

courses of \$41.2 million. I am interested in hearing from you, Minister, about what the funding is for and a little bit more about this topping up of what was allocated. Perhaps you can also expand on the impact that free TAFE is having in terms of providing access to TAFE for Victorians. I am happy to hear specifically about those changes that you are really seeing in the community.

Ms TIERNEY: Thank you for that question. I have been able to go to most of the various constituent parts of all TAFEs across the state, and my purpose was to actually get a feeling for exactly where free TAFE students came from and what made them actually make this dramatic step in attending a TAFE institute. The first thing I would say is that most people come up to me, without any way of being prompted by anyone else, just wanting to tell their story. And their story by and large is that they never ever thought they would get a chance to go to a TAFE—like it was way beyond their expectations—and through that they have been able to work through what they want to do with their life or what the next step in their life is going to be. It has been really exciting to see the enthusiasm and the value that they place on the opportunity that has been provided. Many of them know exactly what job they want to go into. Many of them have spent quite a bit of time at skills and job centres, and they have got a fairly well tuned, accurate bank of information to determine exactly what they want to do with their TAFE course once they graduate.

I have got to say also that apart from the increased participation of women, what struck me about the women that I have spoken to is that by and large they seem to fall into two groupings. One group is women who are a little bit older that have done the hard, hands-on rearing of their children and they are now seeing this as a real opportunity to be able to go and work out what they are going to do with their career. Some of them know that their children will be not in the family home all that much longer, they know that they have got another 20 years before they retire and they do not want to retire in poverty, and this is their opportunity to actually start a brand-new career. Some of them have held hopes and wishes to be a nurse since they were this high, and now they get that opportunity. So it is just amazing.

The other thing that I have noticed is that there are a lot of young women who are undertaking cert II, some of whom are single mums, who have deliberately chosen those cert II courses, often in traditional male areas, because they want to step into an apprenticeship. They see that as a solid, stable way that they can continue to make a financial contribution to their family. That has been exciting to actually see that, and that has been the case right across the state, whether it be in regional centres or in the metropolitan area.

There are other people that have had a pretty rough life, that have had to live on the streets for one reason or the other but they have been able to clean up and become eligible for TAFE, who are now doing certificate IV in youth work and want to give back. They want to work in a refuge themselves, but what they want to do is help other kids, because they know exactly what is going on. They have got the lived experience and they want to help. So there are amazing things that are happening.

There are also amazing things happening with people wanting to get into areas that traditionally TAFEs have not done—things like cyber security. My goodness, that has become very popular. I must acknowledge the Chair for this, because when he was the minister for trade and innovation he lobbied me very hard. He sat next to me in the chamber and every opportunity he said, ‘Cybersecurity. Cybersecurity. Cybersecurity’. And it is so true. The partnerships with the financial sector have been amazing. We have been able to connect up and have a learn-and-earn model in that area. That is amazing. It also enables people to continue that work and study in the university sector as well. So many people in that sector have said, ‘This has been a passport for my international career’. So it has been really heartening to see that there is that connectivity that is going on with the young, particularly when it comes to technology. Some think that the old traditional trades are a bit staid, but there is now offering at TAFE some very serious, legitimate options for kids to actually get into cybersecurity and make a difference. And of course they provide a major service to us in terms of protecting our databases.

Ms RICHARDS: It is just lovely to see that passion and also, like you say, we all probably have stories of people we have met locally whose aspirations are completely changed by this, so congratulations. You have just spoken about cybersecurity and it is so interesting. Are there any other skills shortages in other priority areas that you would like to particularly highlight?

Ms TIERNEY: Well, I think the government’s physical infrastructure projects are enormous and require a skilled workforce all through different skill levels, from labouring right through to engineering and everything

in between. So there are a number of courses that are on the free TAFE list that assist in that. But I also want to raise the need for government to assist in providing a pipeline of skilled workers in the health and human services sector. With the rollout of NDIS and the work that needs to happen in relation to the prevention of family violence, there are a number of courses that assist in the human services sector, whether it be disability support, youth work, independent support or aged care, just to touch on a couple.

The CHAIR: Minister, I am sorry but I am going to have to have you take the rest of that question on notice.

Mr HIBBINS: Thank you, Minister, and your team for appearing today. Can I just get some clarity about to what extent the uptake of free TAFE is contributing to the increase in subsidised places at TAFE? The numbers that I am looking at, and I would like some confirmation, pretty much say—you have stated there are about 19 000 free TAFE places. I am seeing the numbers; it is about 20 000-odd in terms of increases to overall subsidised places at TAFE. It pretty much attributes all of it to free TAFE. Is that an accurate measurement?

Ms TIERNEY: There is a 21.8 per cent overall TAFE growth. If you go to the slide—

Mr HIBBINS: No, I see the slide but I am just not quite working out to what extent that overall rise in subsidised places, that rise in TAFE places—how much of that is attributable to free TAFE places?

Mr HOLLINGSWORTH: What we know is that free TAFE is listed in the government-subsidised VET system overall, with 18 per cent more student commencements than at this time last year. In terms of the drive in the overall increase there is, as the minister said, a 100 per cent increase in free TAFE, but there is 21.8 per cent in the TAFE system and 18 per cent in the VET system overall. So the majority is in the TAFE system and yes, a significant proportion of that growth is from free TAFE, but we are also seeing growth in the non-free TAFE courses and also in private provider courses, which are up by 14.9 per cent, and Learn Locals, which are up 1.2 per cent. So each of those sectors are growing and yes, free TAFE is the biggest driver of the growth in the TAFE sector and enrolments, but it is not the only driver of growth.

Mr HIBBINS: But there is growth in the non-free TAFE courses?

Mr HOLLINGSWORTH: That is correct, yes.

Mr HIBBINS: Okay, all right. Thank you. I just want to also get some more detail in terms of the uptake of free TAFE. You mentioned it is demand-driven, but I noticed on the eligibility requirements, one of the requirements was people looking to change careers. It states:

Victorians who want to reskill, change careers, improve their employment prospects and/or meet the needs of local industries, subject to availability of TAFE places, and prioritised based on need.

Can I get an understanding about how many people have taken up free TAFE who fit into that category and whether all those people who have applied have been able to get free TAFE, and have any been turned away?

Ms TIERNEY: In terms of those that have applied and have got the prerequisites, no-one has been turned away. I think that is very important. The other thing that I have stressed is that in terms of those people that are enrolling in free TAFE, if their literacy and numeracy are not to a certain point, then they need to be referred to foundation studies. The last thing that this government wants is a situation where we have a great initiative but it essentially sets some individuals up for failure. That is why Learn Locals are particularly important as well.

Mr HIBBINS: I guess I was mainly concerned about people who would not fit into the requirements of having to upskill but are probably looking maybe to change careers, looking for a flatter or even a lower degree to change careers, that they are still able to access free TAFE.

Ms TIERNEY: That is my understanding. Lee?

Ms WATTS: Certainly, no-one has been turned away from a free TAFE course for reasons—particularly for those that the bottom set of criteria that you have referred to, Mr Hibbins, outline. There are a number of programs in place which are run through TAFE-based skills and job centres where workers who are transitioning from different employers and different careers are actively career managed and given advice about

how and where they could and should equally enrol. So there is a very active set of careers guidance and support that fits and wraps around that particular criteria.

Mr HIBBINS: Thank you. Now, I just want to take you back to the previous PAEC inquiry, and you stated that there would be a review into Skills First and that that would inform this year's budget. Has that taken place?

Ms TIERNEY: Deloitte actually provided a final report to the department, and I am working with my colleagues to consider the findings of the evaluation of Skills First and to develop a government response. I think it is important to note, though, that the evaluation represents an interim assessment of Skills First, because it is only that first year of Skills First. So I think that is important, but what I can say to you is that the experiences that we have seen in the rebuild of the TAFE system have informed government, but of course the industry advisory groups, the skills commissioner's office and a variety of other organisations also of course assist in providing opinion and views.

Mr HIBBINS: Just in terms of the timing, I mean, it was a pretty clear undertaking that it would be completed by the end of that year and then it would be—or it would be in time for this year's budget, but that does not seem to have taken place.

Ms TIERNEY: I think what happened is that it actually started running close to the caretaker situation, so we have gone back and continued that work.

Mr HIBBINS: I just want to touch on the importance of having, you know, a really strong and secure workforce for TAFE and just get an understanding. I mean, obviously there are issues around job security and I guess the ability of TAFE teachers to be able to do their job properly. I wonder if you can just give me what the government is doing to ensure that there is a really secure and strong workforce in the TAFE sector.

Ms TIERNEY: Thanks for that. Can I say that my sense from the TAFE teachers that we have is a real sense of optimism, that they are saying to me—for the first time—they had not been able to see their future; now they can. We have also been able to negotiate a multi-enterprise agreement with the AEU, and that has been very successful. That was voted on and endorsed last year. Within that there is a recognition of the interrelationship between TAFE teachers at TAFE and industry, and I think there is a lot of scope for that interaction and that exchange. I can also point to the fact that we also now are getting the TAFE network to actually operate as a network instead of them being so competitive against each other. And so they have come up with a number of initiatives, one of which—

Mr HIBBINS: That was the idea, wasn't it—to be competitive against each other?

Ms TIERNEY: is Jobs at TAFE. It is a single portal that covers every single TAFE in the state. Whether it be a gardening position, a trade, a trainer or a managerial position, it can be found on this portal, and people have responded incredibly well to it. So in terms of the—

The CHAIR: Minister, I apologise for interrupting you, but I run a tight ship and that ship has set sail now to Mr Richardson.

Mr RICHARDSON: Thank you, Minister, for joining us this evening—Department Secretary, deputy secretaries. We heard from your colleague in the department of education, James Merlino, the education minister, before about early childhood. I just take up one point from before that one of my colleagues, Mr O'Brien, talked about—because TAFE is free, people might choose it. It is not my experience locally. Those 50 courses have unlocked opportunities for people. I am really wanting to take you to budget paper 3, page 22. Minister, it indicates \$28.4 million of funding over four years for free TAFE for early childhood services, and this brings the number of free TAFE courses from 50 to 52, with those extra two early childhood courses. Can you give the committee an expansion on how this initiative will support this sector? And what can students expect from their early childhood free TAFE course?

Ms TIERNEY: Thank you, Mr Richardson, for that question. I also agree with you about the value attached to free TAFE. People are really coming up and saying, 'I really value this. This is a dream that I never thought I'd have'. To think that people associate something free as something that is not worthwhile, that is not the case

within free TAFE. That is a test that is put on a daily basis, and I can assure you that every single time I have had a conversation with someone, the value of free TAFE actually runs through the pores of the body, I can assure you. But in terms of early childhood, as you know—and I am sure Mr Merlino spoke to the committee about this earlier today—this is a generational change reform, and it will mean that there will be, we believe, close to 6000 people that will be needed in the workforce to support this amazing commitment for universal child care for three-year-olds. We also are wanting the pilot period to home in on those areas in local government areas that often find it difficult to get childcare workers and have childcare services.

So these reforms will see three-year-old kinder rolled out to six regional local government areas by 2020, which includes Buloke, Hindmarsh, Northern Grampians, South Gippsland, Strathbogie and Yarriambiack. So it is great to see fairly small communities actually being up there with the benefits of this great initiative. In 2021 there will be an extra 15 local government areas that will come on board—places like Alpine; Ararat; Campaspe; Central Goldfields; Colac Otway; Corangamite; East Gippsland; Glenelg, down at Portland; Hepburn; Indigo; Loddon; Murrindindi; Southern Grampians; Towong; and West Wimmera. These are really great initiatives, and I think they provide an indication to the families in those areas that this government is very serious about how we can actually create the best opportunities for our youngest Victorians.

We know the evidence. The evidence stipulates that if you give younger people and small children the greatest opportunities to learn in a formed and frank environment then they will prosper, and also of course if we can have that sort of intervention at an earlier time it means for taxpayers that there is less chance of needing to provide a whole lot of more complex and expensive services later in a child's or an adult's life. So we are really excited about this, and we know that there are lots of people in regional Victoria that will be very interested in undertaking these two free TAFE courses in early childhood education and care. Perhaps Ms Watts might wish to add—

Ms WATTS: Thank you, Minister. So, as the minister has indicated, there will be 6000 early childhood education jobs that will be, in effect, on offer as a result of the new three-year-old kindergarten reforms over the next 11 years. It is a really significant opportunity to build the workforce, and as such, the budget not only includes the \$28.5 million investment for the two early childhood qualifications within the VET system but also provides a range of further supports, including scholarships et cetera for early childhood educators.

Both portfolios will continue to provide support, advice and resources to increase both the number and the quality of our early childhood teachers, educators and service providers across the transition period. There is a further investment of \$92.4 million, which will attract, develop and retain the workforce over these next 11 years. We will also ensure, as part of free TAFE, that the demand for early childhood teachers will continue to grow across the 11 years. We anticipate that, as we have seen with a number of other health-related free TAFE courses such as aged care, individual support and nursing, there will be high-quality provision from our TAFE sector, which has brought a number of students back into these areas of training. Where there is a close nexus between good-quality facilities, a number of our TAFEs in particular run their own early childhood centres. So we anticipate that there will be very strong work placement opportunities for these students who are enrolling in their certificate III courses and diploma courses.

Mr RICHARDSON: Thank you. Your comments before, Minister, about mums re-entering the workforce really touched at a heartstring, thinking of my mum, when she was a single mum, going back into the workforce. And I wonder if you could take us, in addition to that budget reference, through what the expected savings for students taking up one of these early childhood free TAFE courses would be.

Ms TIERNEY: Thank you. So, as you said, there are two courses that will be added to the free TAFE priority course list in 2020: the certificate III in early childhood education and care and the diploma of early childhood education and care. So students enrolling in a certificate III in early childhood education and care will save up to \$5900, and enrolling in a diploma students will save up to \$11 800. So this is a really significant amount of money and certainly enough to bring about an opportunity that was not previously there. And it is again very much part and parcel of what I have heard when I have visited campuses right across the state—that there is a passion to learn. There is a desire to get on and get a different job and a different career and a different life, and people understand that these opportunities do not come often, and they are absolutely supportive of other people as well as themselves getting into training, and the word is out.

Mr RICHARDSON: Minister, with 10 seconds to go I might cede back to the Chair. Thank you for that.

The CHAIR: That is good timing, because Ash Barty is serving for the match, and Geelong has kicked the last six goals.

Mr RIORDAN: All is right in the world again, Chair.

The CHAIR: All will be right in the world when Ash Barty wins two more points, Deputy Chair. Suffice to say I now get to pass to you, Deputy Chair. You have the call—unless I interrupt you with Ash Barty's successful completion of her semi-final.

Mr RIORDAN: Thank you, Chairman. My question is to the minister. Minister, I refer you to budget paper 3, page 154, the performance measure, 'Number of government subsidised course enrolments'. The target number for government subsidised enrolments in 2019 is 317 500, almost the same as was expected in 2018 and quite a lot less than the actuals in 2017. With free TAFE, which we have heard much about today—and we have also learned that we have knocked no-one back for free TAFE—and other TAFE investments, presumably, from a government that touts it, why will the number be decreasing and not increasing?

Ms TIERNEY: Thank you. Well, the first thing I would say is that what we are doing, the central part of our reform agenda, is shifting from high-volume low-quality training to quality training. That is the objective and the basis of the Skills First changes. What we know is that we are wanting to deliver—

Mr RIORDAN: So that means there are fewer wanting quality education: is that what you are saying?

Ms TIERNEY: We are delivering training that is much more aligned to the skills that are needed in the economy. Gone are the days, Mr Riordan, of tick and flick. We do not want tick and flick and we do not want cowboy behaviour—

Mr RIORDAN: Well, that is what you say, but you are saying you are not—

Ms TIERNEY: within the Victorian education and training sector.

Mr RIORDAN: You are accepting everybody with no discretion at all on courses. How does that work?

Ms TIERNEY: We are about stabilising the sector. We are about making sure that we have real linkages—

Mr RIORDAN: But, Minister, on your own figures you are talking 70 000 people fewer.

Ms TIERNEY: with industry and people being able to get a job.

Mr RIORDAN: So this reinvestment equals less people?

Ms TIERNEY: Government-subsidised course enrolments in the TAFE network remain relatively stable, Mr Riordan, decreasing from 141—

Mr RIORDAN: Okay. So take it on notice, Minister. We will keep moving, because we have time. If you cannot tell us why there are fewer people enrolling with free TAFE and other investments—

Ms TIERNEY: This decrease is only 1.7 per cent compared to the 24.5 per cent decrease in enrolments at private providers.

Mr RIORDAN: A question to the secretary before we move on.

The CHAIR: She has just won. Ash Barty has just made her first grand slam point.

Ms VALLENCE: And please just confirm—

The CHAIR: It is quintessentially Australian to provide that news to PAEC.

Mr RIORDAN: First of all, we will take it on notice that we will get a figure as to why there will be a significant decrease in enrolments into the TAFE sector.

Ms VALLENCE: Please confirm it.

Mr RIORDAN: So that is the first thing.

Ms VALLENCE: Confirm that is taken on notice, Minister.

Mr RIORDAN: The second thing is, Secretary—

Ms VALLENCE: Confirm that is taken on notice, Minister. Confirm that is taken on notice.

Mr RIORDAN: Minister? Yes. So, Secretary, do you have an estimated number of free TAFE enrolments for 2019 or not? We did try and get that figure before. Your budget figures here have got a considerable reduction on the last couple of years. Are you actually working to a figure?

Ms ATTA: Free TAFE enrolments for 2019?

Mr RIORDAN: Yes, this year. An actual figure?

Ms ATTA: I think Mr Hollingsworth can talk to this.

Mr RIORDAN: Mr Hollingsworth, do you have a figure for the quantity of people you expect—the volume of students?

Mr HOLLINGSWORTH: In terms of the free TAFE enrolments?

Mr RIORDAN: No, just enrolment in TAFE. Do you have it separated? Surely you have got some idea how many people you are expecting.

Mr HOLLINGSWORTH: Well, I refer to the number of—

Ms VALLENCE: Just free TAFE then.

Mr HOLLINGSWORTH: Sorry, can I just clarify: are you asking for free TAFE enrolments or TAFE enrolments?

Mr RIORDAN: Well, I asked for both but—

Ms VALLENCE: Free TAFE.

Mr RIORDAN: Free TAFE if you cannot provide—

Mr HOLLINGSWORTH: Just referring to budget paper 3, page 154, at the bottom of page: ‘Number of government subsidised course enrolments in the TAFE Network’ in the 19–20 target is specified there as 145 000.

Mr RIORDAN: Right, 145 000, okay. So that is what you are expecting.

Mr D O’BRIEN: Free TAFE?

Ms VALLENCE: Confirm that is, yes, free TAFE.

Mr HOLLINGSWORTH: There is not currently a specific free TAFE number in that.

Mr RIORDAN: All right. We will move on. It seems extraordinary for such a strong focus to sort of not know what you are expecting.

Mr HOLLINGSWORTH: Obviously it is an entitlement program then. It is a demand-driven program.

Mr RIORDAN: Okay. My question is for the minister again and I refer to budget paper 3, page 22: ‘Free TAFE for early childhood courses’. Learn Locals have traditionally provided many early childhood courses. Minister, what is the expected effect of early childhood courses being available as free TAFE courses on enrolments at Learn Locals? Have you done modelling on that?

Ms TIERNEY: It is our understanding that there is going to be so much needed in terms of the workforce that those that have been undertaking child-care courses will continue to undertake those child-care courses.

Mr RIORDAN: And have you had those conversations with the Learn Locals?

Ms TIERNEY: Yes, I do.

Mr RIORDAN: Yes. So you have had it verified by the industry that they see no threat to—

Ms TIERNEY: We have talked to a range of providers over a long period of time. Everyone accepts that in terms of the amazing government commitment to universal child care it will require a huge skilled workforce in the area and that they know—

Mr RIORDAN: Okay. We know that. The question specifically relates to the Learn Locals and whether your push to free TAFE in this area is going to affect their capacity to deliver courses.

Ms TIERNEY: Well, I can tell you that in terms of pre-accredited training, Learn Locals have increased their enrolments by 30 per cent, so the whole Learn Local sector—

Mr RIORDAN: Okay. So the industry has told you there are no issues.

Ms TIERNEY: is in a very healthy place, and I am very pleased to see that all sectors of the skills and training system will be participating and assisting in training people in the delivery of child-care educators.

Mr RIORDAN: Minister, I refer you to budget paper 3, page 155: the performance measure ‘Proportion of government subsidised enrolments related to qualifications that will lead to jobs and economic growth’. The purpose of Skills First is to increase this percentage to provide training that leads to jobs for students. Why has this measure reduced from 84.9 per cent in 2017 to 81 per cent in 2018? If I may add, there seems to be quite a trend here in falling enrolment numbers and now falling performance outcomes, despite the rhetoric that we have heard this evening.

Ms TIERNEY: Well, Mr Riordan, you forget one big thing, and that is that right across all jurisdictions there has been a decline in student numbers. As recently as yesterday in the *Australian Financial Review*: ‘Training numbers collapse puts pressure on’—federal—‘government’, because—

Mr RIORDAN: No, my question is to do with why you have reduced the measure.

Mr D O’BRIEN: We have got Big Build, we have got population growth, we have got free TAFE—

Mr RIORDAN: The size of Ballarat moves to Melbourne every—

Ms TIERNEY: Because we are rebuilding the sector that you have destroyed, and it takes time.

Mr D O’BRIEN: Five years you have been there.

Ms TIERNEY: It takes time.

Mr RIORDAN: Based on your own figures you are reducing outputs and outcomes and throughputs from what it was when we were—

Ms VALLENCE: With the time, can we on notice have: why is this measure reduced?

Ms TIERNEY: For the record, Chair, it has not changed. It is 83, the target, and 83 if you look at page 10.

Ms VALLENCE: It is 84.9. We want that on notice.

The CHAIR: Minister, you are in the fortunate position that the Deputy Chair's time has expired and my time has now begun. So we will have a range of opportunities to discuss things, but I am happy for you to continue your answer and then I will ask my first question. So if you would like to continue that answer, you can, or I will just go straight into my question.

Ms TIERNEY: I just wish to correct the record. It is 83 and 83. There has been no change to the target. The committee member was misleading the house.

The CHAIR: That is all right. Thank you for correcting the record, and it is my great pleasure to talk about a range of programs and ask you about a range of programs that you are responsible for. I think one of the committee members earlier was talking about the industry relationship with TAFE programs, and I can certainly say from my experience with the certificate iv in cyber security, over 90 per cent of graduates from that certificate have jobs by the time they begin their final year of the course; and the reason the 10 per cent do not is because they often decide and do some other area of IT work rather than working within cyber security.

Be that as it may, I would like to focus on the industry side of it with you, Minister, and I am keen to better understand it. You spoke a lot about the huge investment that the government is making in skills and training, especially in relation to, I think, a workforce development output of, I think, \$2.5 billion in 2019–20. I was keen to better understand how that investment in the TAFE and training system will assist in meeting the industry's training needs because obviously that is critical to making sure that industry can meet the needs of what they are doing, and us to meet their needs as well.

Ms TIERNEY: That is right, and that is very much part and parcel of the Skills First framework. What I say when I am out there—it does not matter whether it is in the private provider sector, the Learn Local or the TAFE sector—it is all about relevance. Relevance to me is making sure that there are jobs connected to the skills that are being applied and delivered. That is why it is so important to make sure that you do not have ongoing silos, that there is a real partnership and a relationship with industry.

We have been able to do that in a number of ways. Firstly, we have been able to do it with the Victorian Skills Commission's office, where they have a fairly comprehensive arrangement called industry advisory groups that cover a whole range of areas. They have input into what their industries and what the skills are that are required for their businesses. We also of course have work in workforce shortage development, and the skills commissioner's office has been involved in that. They have done a report for the Mallee, one for the south-west, Gippsland and the south-east of Melbourne. In doing that we establish local employers on reference groups and they feed directly into and are very much part and parcel of the development of those reports. They then come to us often with some very great initiatives that are applications either through the RSTF fund or the workplace innovation fund. Obviously if they meet the requirements, then those applications are funded and indeed work is commenced and people are employed.

And we tie that to a range of things in the Mallee. Often it is sort of the almond production and olive oil—whatever is sort of the relevant industry is what we tap into and we assist the development of those sorts of industries. But we have also of course partnered, as you say, with the finance sector, and we are also doing work with Siemens at Swinburne University in respect to a whole range of things.

I think the higher apprenticeship initiative that is new in this budget will not only strengthen the ties between government, industry and the higher education sector, it will mean that we will have some serious joining up of the post-secondary system. At the moment it is like a spaghetti machine in so many ways, and what I would like—and I am sure lots of parents, let alone students, would like—is a declogging of the system where we would have a complementary system of adult education, Learn Locals, private providers, TAFEs and universities and applied post-secondary institutions so that people understand their pathways. Sometimes it is one of the most difficult things to try and work out who offers what and what it will lead to and what are the building blocks. So industry is very much a part of that, and they want to also assist in shaping what a new Victorian complementary post-secondary school system might look like.

The CHAIR: I think you are well aware of my background when I was CEO of the timber industry some years ago, so I still remain very fond of rural and regional Victoria. So my question is very specifically in relation to the agricultural sector. I note that in budget paper 3, on page 6, it included investment to grow the

agricultural industry, and I was keen to ask if you could expand on how the government's expenditure here will assist in meeting training needs across the agricultural industry.

Ms TIERNEY: Sure. So this investment is particularly targeted on this occasion to the delivery of certificate III in shearing—that is seen as a significant shortage, and I think that that has been highlighted generally by the sector, including the VFF, so we are making arrangements to make sure that we can do that, and progress is being made. The other area is in terms of agricultural facilities that we have—Dookie, Glenormiston and Longerenong—that there will be moneys available to improve facilities and accommodation facilities at those locations. Again it is to reduce the barrier for people thinking that maybe an agricultural college is too far away and it is too much travel and it is too much everything else. It is just making it easier so that we can support the agricultural industry to grow. It is incredibly important in every aspect, every corner of the state, and this is a contribution. But can I say that in terms of the RSTF—the Regional and Specialist Training Fund—also with industry, is proving to be an important feature in complementing and supporting agricultural industries and industries that are in regional Victoria.

The CHAIR: I only have about 20 seconds left before I have to pass it on, so I am going to make a statement as distinct from a question. Can I just say that one of the things that pleases me most—whether it is a Labor government or a Liberal government I do not care—is that people who go through the TAFE system now believe, and deservedly so, that they are worthy of their qualification. TAFE is no longer considered a secondary choice. It is no longer considered a pathway for people that could not go to university. I think, more than anything else that we have been able to achieve, changing people's perceptions about TAFE as a pathway forward is a significant achievement in and of its own right, and I am very proud about that.

Ms VALLENCE: Minister, thank you for attending. Minister, in terms of the Skills First review, and thank you for taking us through that, with the Skills First funding being a large part of the training budget, can you please provide a copy of the report of last year's report to the committee on notice?

Ms TIERNEY: As I said in response to Mr Hibbins's question on this matter, the Deloitte report is being considered by my colleagues at the moment and we will be developing a response, and part of our deliberations will be determining the release of public documentation.

Ms VALLENCE: Okay, thank you. Can you confirm that the report is complete?

Ms TIERNEY: Yes, I have already done that.

Ms VALLENCE: Okay, and the time line to provide that?

Ms TIERNEY: In the next few months.

Ms VALLENCE: The next few months, so two months?

Ms TIERNEY: I am not going to pre-empt the length of the discussions, but obviously—

Mr D O'BRIEN: Well, last year you said 'definitely before the budget'.

Ms VALLENCE: Yes, last year—and I refer to in fact the PAEC minutes from last year—you said it would absolutely be ready for next year's budget, so we were really looking forward to that. Can you please confirm that that will be made available in the next one or two months?

Ms TIERNEY: I have already answered that question.

Mr RIORDAN: So it is a 'no', I suspect.

Ms VALLENCE: Okay then. On that basis we will move through to funding details. My questions are to the secretary. Secretary, in terms of the output summary 'Training, Higher Education and Workforce Development', I am just going to run through a couple of questions here, given time constraints, and have those on notice, please, if you could confirm taking them on notice. What is the total amount of contestable funding in the 2018–19 budget, and what is the breakdown within that of TAFE, RTOs, ACE and other programs, if you could provide that detail on notice?

Ms ATTA: I am happy to take that query on notice and to provide whatever breakdown we can against that.

Ms VALLENCE: Thank you. The next one, which I am happy to have on notice is: what is the amount of the appropriation unspent in 2018–19 for Skills First? Can I take that on notice? Also, what is the intended use—

Ms TIERNEY: Ms Vallence, we can address that one now if you would prefer.

Ms VALLENCE: Yes, if it is quick.

Ms TIERNEY: I might ask Mr Bates to take us through that.

Ms VALLENCE: The reason I say that is that we obviously have a number of questions and truncated time, so—

Mr BATES: I will just try to do that one quickly, Ms Vallence.

Mr D O'BRIEN: Mr Bates, just before you—

Ms VALLENCE: I will ask the next question whilst he is looking that up. So what is the intended use of the underspend—so it is a corollary question, obviously. Is it to be reinvested in VET?

Ms ATTA: Yes, it is.

Mr BATES: I can do that now, Ms Vallence. So what we have done in this budget is that there is about \$114 million of underspend in 18–19. As we have talked about during the course of the hearings, it is an entitlement program, so if students do not enrol, the money does not get spent. So we have got about 114—

Mr RIORDAN: The numbers were down a fair bit, weren't they?

Mr BATES: Sorry?

Mr RIORDAN: The numbers were down a fair bit.

Ms TIERNEY: Like the Commonwealth.

Mr BATES: One hundred and fourteen million dollars will not be spent in this year, and that is all being re-phased into the next two years, back into skills. So \$82.7 million of that will be going into responding to Victorian jobs growth with more training, \$4.7 million of that is being used to extend the apprenticeship support officer program. We are using \$5.6 million of that to do the apprenticeships for the Victorian Big Build, and \$21.2 million will be moving into next year for anticipated because we think free TAFE is, the data we have got, as the minister mentioned, is running ahead of what we thought. So \$21.2 million will be going into boosting free TAFE funding for the next financial year.

Ms VALLENCE: Okay. Thank you. The next one—again, perhaps on notice if you do not have it—is to you, Minister. The output for the training, higher education and workforce development budget is 2.449 billion. So—this is why this perhaps is on notice—based on our question on notice for question 1, the first question we asked, on the amount of contestable funding, what else is funded from this allocation, and can you please also take on notice the amounts by program or initiatives and departmental funding for this allocation?

Ms TIERNEY: Great. Thank you. So the \$2.4 billion output cost is mainly made up of the following: Skills First programs, \$1.2 billion; forecast revenues generated from TAFEs and Learn Local organisations, \$582 million; and various programs such as other non-training funding, corporate overheads carried forward and capital asset charge and depreciation is \$417 million. The Skills First budget is made up of three elements: payments for training activity—\$855 million has been estimated for payments for training activity. This includes—

Ms VALLENCE: Minister, thank you. Minister, I appreciate that you have the numbers there, but we would really like to get through a lot and we have been shortened today. So I will take those on notice—

Ms TIERNEY: I was just trying to answer questions—

Ms VALLENCE: Thank you, and I really appreciate that, but if we could have those on notice, that would be great. Also, Minister, just on notice, regarding the Workforce Training Innovation Fund and Regional and Specialist Training Fund: for each of these three funds, how much has been committed to date and when do each of these funds conclude? I would just really appreciate that on notice, because we have had time shortened today in this section.

Ms TIERNEY: Through no fault of ours.

Ms VALLENCE: Finally, in the time remaining, a question to you, Secretary.

Ms TIERNEY: Chair, can I have clarification?

The CHAIR: Certainly, Minister.

Ms TIERNEY: The member mentioned three funds.

Ms VALLENCE: Yes—oh, that might have been two: Workforce Training Innovation Fund and Regional and Specialist Training Fund.

Ms TIERNEY: Yes, so it is two.

Ms VALLENCE: I beg your pardon, thank you. Secretary, in regards to land previously occupied by TAFEs—for this question, again, you could perhaps take it on notice—for all of the land previously occupied by TAFEs and government training institutions currently leased to third parties, could you please provide a list that includes the suburb of the land and the third party currently occupying the land. And also, for those pieces of land that were previously occupied by TAFE or government training institutions that are currently idle, if you could provide a list of that too.

Ms ATTA: I am happy to take that away and to see what records we have and provide them accordingly.

Mr D O'BRIEN: Chair, could I just quickly clarify something. Minister, the question about the Skills First review: can we just confirm that the actual Deloitte report that has been prepared will be released?

Ms TIERNEY: As I said, my colleagues and I are discussing that report. We will be formulating a government response, and when we will have those discussions further to the ones we have already had, we will make a determination on the format—

Ms VALLENCE: Will they be made public?

Ms TIERNEY: in which that information will be available.

The CHAIR: All right. Ms Vallence, just for your benefit, you are welcome to ask the questions and seek answers, because you can provide questions on notice and they can answer those questions on notice. So I do not want you to feel that you need to get those questions that they are going to take on notice out now, because you can put those questions in to them and they will have to respond to you in time anyway. Ms Stitt, bring us home, and you can have until 12 midnight—no, you cannot. You can have until 9.29, and not a second more.

Ms STITT: Thank you, Minister and departmental officials, for being here so late. Minister, I know that you are personally very passionate about the transformational power of training, so I wanted to ask you about the allocation of budget paper 3, page 134, where it outlines the investment of nearly \$2.5 billion for training, higher education and workforce development output. Could you please expand on how this expenditure improves access to TAFE, particularly for Victorians who are either disengaged or disadvantaged in Victoria?

Ms TIERNEY: Sure. Thank you for that question. So one of the best things a government can do, in my opinion, is to provide access to quality education that can lead to a job, and every Victorian should be afforded that opportunity, regardless of background, circumstance or postcode. We believe that Victoria's TAFE and training system plays a really important part in that. The expenditure that you referred to includes things like

Labor's community service fund for TAFEs. This is available to TAFEs and dual sector universities to deliver services and programs that help some of our most disadvantaged members of the Victorian community to access TAFE and of course to then stay on in training. So this would include things like counselling, welfare, library services as well as language and literacy programs. And I think it is important to note here that under the previous Liberal-National government this community service funding for TAFEs to provide this student support was cut, and so things like libraries were under attack—cafeterias, lounges, financial counselling, welfare counselling.

Mr D O'BRIEN: On a point of order, Chair, you have made it very clear that these hearings are about what is going forward.

Ms TIERNEY: In terms of other programs that we also are involved in, this budget commits to continue the funding of important programs such as the Skills First Youth Access Initiative, the Reconnect program, the Raising Expectations program, youth learning pathways, the asylum seeker VET program and the deafConnectEd core services. So I also want to take this opportunity to talk about Learn Locals, as they are known. They provide adult community education to many, many people in our suburbs and in our towns, and they do do an outstanding job in supporting people who are facing barriers to re-engage with education, training and indeed employment. This is carried out by their delivery primarily in preaccredited training across Victoria. That is quality assured, and it is subsidised by the Victorian government. Learn Locals actually play such a critical role in providing a connection with some of our most vulnerable people in Victoria. And they do do an excellent job in this, because they are so grassroots. They make the vital connections, and when people are that vulnerable, they often have complex needs. Yes, they might be there for training, but there is a whole range of other wraparound services that are connected to that person. And so I take this opportunity to thank all of those people that are involved in the sector, but not only that—the volunteers that put in tireless hours to assist their own.

Of course free TAFE has been another way of supporting people who are disadvantaged and disengaged, and we heard that there are significant savings through this. Even in terms of the diploma of nursing, which is in the top five courses, there is a saving of something like \$10 000. But we have also done things like re-establish the Auslan courses—you know, those very courses that were cut by the previous government. They are up and running, and I was very, very pleased to go to the Prahran campus to see the benefits of them and indeed how they have expanded the course through technology to reach more difficult geographical positions within the state of Victoria. So there are people who have got different abilities in terms of deafness that are definitely involved in this, and for the first time in a long time they can see that they too now will be able to get a job and indeed assist people in their own local communities as well as in the so-called more mainstream.

There are a number of things that we are doing in this area, including, as I touched on before, an introduction to NDIS, which is proving very popular. It gives people a broad understanding of what is available in terms of workforce training in NDIS and indeed what the core principles of NDIS are about, and of course many people who are in this grouping often know people who are needed in terms of services that are available. The introduction to NDIS course is a first in the country, one that we are very proud of, and is heavily supported by communities that know that they need to reap the real benefits of NDIS.

Ms STITT: Thanks, Minister. And just in the time that I have got left, in terms of student support services I just wanted you to comment briefly about the Reconnect program.

Ms TIERNEY: This is a really important program. It provides for high-needs learners, including vulnerable young people. The good thing about it is that it is tailored to the needs of the particular individual, but it also provides wraparound services, and it is about supporting them to enable them to engage and succeed in vocational education and training. And it is also of course directed towards being able to build up the skills and the connections—

The CHAIR: Minister, I am sorry to interrupt you, but it is time for us all to go to bed. Thus it is my disappointingly sad pleasure to announce that it is the end of today's hearings. I thank you very much for appearing before the committee today, both yourself and also the officials. 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.

Mr D O'BRIEN: Chair, just a quick question before you finish on that tune. Your comment to Ms Vallence a moment ago—so you are happy for us to provide a written list of on-notice questions?

The CHAIR: Absolutely, I am. Yes, I am.

Mr D O'BRIEN: Thank you very much.

The CHAIR: All right. The committee will now go and enjoy the long weekend, and we will see you all in the same place at the slightly earlier time of 8.30 on Tuesday morning. Go well and prosper. And do not forget to watch Ash Barty. Thank you.

Committee adjourned.