

Fact sheet

Draft legislation for TasTAFE



Vision for TasTAFE

The Tasmanian Government's vision is for TasTAFE to be a future-focused and market-aligned training provider that is responsive to the needs of Tasmanian learners, employers and industries, and provides more Tasmanians with the skills they need to get jobs now and into the future.

TasTAFE has a critical role to play in providing vocational education and training that leads to jobs, and that benefits the Tasmanian economy and community.

[TasTAFE transition for a better training future](#) was released on 24 August 2021 and outlined the Government's commitment to ensuring that:

- TasTAFE will remain publicly owned and not-for-profit
- TasTAFE will not be privatised
- There will be no forced redundancies for TasTAFE staff
- TasTAFE staff, students and stakeholders will be consulted
- TasTAFE will receive 80 per cent of the Tasmanian Government's skills funding
- TasTAFE will receive an additional \$98.6 million in investment over the next four years
- no existing TasTAFE employee will be worse off
- access in rural and regional areas will improve
- TasTAFE's physical and digital infrastructure and facilities will be modernised and improved.

Draft legislation for TasTAFE was released for consultation and submissions have now closed.

The draft legislation proposes a business model for TasTAFE that has been designed from the ground up to best suit the role and functions of TasTAFE and give effect to the recommendations from the Premier's Economic and Social Recovery Advisory Council. Importantly, the draft legislation proposes that TasTAFE staff will transition with:

- the same terms, conditions and entitlements as set in industrial awards and agreements at the proposed transition date of 1 July 2022; and
- continuity of service and accruing entitlements (including long service leave, superannuation and defined benefits scheme entitlements) as at the proposed transition date of 1 July 2022.

The proposed TasTAFE model

The proposed new model for TasTAFE includes the following elements:

Functions and powers	To enable TasTAFE to provide vocational education and training that benefits the Tasmanian economy, builds the productivity of the Tasmanian workforce and provides effective pathways for students into work.
Ministerial oversight	The Minister for Skills, Training and Workforce Growth must issue the TasTAFE Board with a Statement of Expectations setting out strategic priorities and policy expectations for the performance of TasTAFE. The Statement of Expectations must be tabled in Parliament.
Board arrangements	A board of Directors of between five and seven members to be appointed by, and responsible to, the Minister for Skills, Training and Workforce Growth.
Financial governance	TasTAFE would be required to prepare a Corporate Plan and Annual Report each year, and the annual report would be required to be tabled in Parliament.
Financial capacity	TasTAFE would have capacity to borrow from the Tasmanian Public Finance Corporation.
Employment powers	TasTAFE would be able to directly employ staff and appoint a chief executive officer under the national employment system (<i>Fair Work Act 2009</i>).
Regulatory environment	The provisions are designed to retain TasTAFE's current Australian Skills Quality Authority (ASQA) registration. There is also a requirement for TasTAFE to implement a Child Safe Code of Conduct. Provides for TasTAFE to make by-laws and for the making of regulations.
Savings and transitional provisions	Provisions that protect existing entitlements for staff and consequential amendments to other legislation to update references to TasTAFE.

The proposed model adopts relevant elements of both a statutory authority model and government business models (Government Business Enterprise (GBE) and State-Owned Company) to create a bespoke, not-for-profit business-focused statutory entity.

The proposed model does not transition TasTAFE to a GBE under the *Government Business Enterprises Act 1995*. The *Government Business Enterprises Act 1995* governance framework is not considered appropriate for TasTAFE.

TasTAFE is proposed to commence operation under the proposed business model from 1 July 2022.

What do the proposed changes mean for TasTAFE staff?

The Government is committed to ensuring TasTAFE staff will not be worse off under a new business model and there will be no forced redundancies. The legislation also proposes that TasTAFE staff will transition with:

- the same terms, conditions and entitlements as set in industrial awards and agreements at the proposed transition date of 1 July 2022; and
- continuity of service and accruing entitlements (including long service leave, superannuation and defined benefits scheme entitlements) as at the proposed transition date of 1 July 2022.

The draft legislation proposes that TasTAFE would cease to be an Agency under the *State Service Act 2000* (Tas). TasTAFE will have its own employment powers and staff will be covered by the *Fair Work Act 2009* (Cth).

The *Fair Work Act 2009* is the Commonwealth legislation that regulates employment and workplace relations. It provides the terms and conditions of employment and sets out the rights and responsibilities of employees, employers and employee organisations in relation to employment.

This framework regulates the employment of most Tasmanians who are not in the Tasmanian State Service. It covers the Victorian Public Service as well as TAFEs in a number of other Australian jurisdictions.

Redundancy and redeployment programs for government agencies and businesses are policy matters and are not written into legislation as a matter of course, including in this draft bill.

The Government has confirmed its policy is for no forced redundancies.

The proposed changes are aimed at ensuring TasTAFE can continue to attract highly skilled staff in all areas of its operations, teaching and non-teaching, and provide TasTAFE with more flexible, contemporary employment arrangements.

What do the proposed changes mean for TasTAFE students?

The changes proposed are aimed at equipping TasTAFE to deliver quality training in sectors where there will be jobs and to enable training to be delivered at times that better meet learners' needs.

The changes proposed in the draft legislation would not affect current student enrolments or placements. The transitional arrangements proposed would ensure that student enrolments (or an offer for enrolment or placement that has been made by TasTAFE) that existed immediately before commencement of the proposed model are not affected and will continue on the same terms and conditions.

What do the proposed changes mean for businesses and employers?

The changes proposed are designed to put TasTAFE on a more fit-for-future footing. The proposed model would provide TasTAFE with more autonomy and flexibility so that it can work more closely with industry and employers and be more responsive to fluctuations in the economy.

The changes proposed would also enable TasTAFE to ramp up training delivery in high demand and emerging industries and attract high-quality, qualified trainers from industry on more flexible arrangements to support training delivery at times that work better for businesses and employees.

Broader legislative and policy framework

TasTAFE would continue to operate under a not-for-profit government business model. Part V of the *Training and Workforce Development Act 2013* that relates specifically to TasTAFE would be repealed.

The arrangements for the broader Tasmanian Vocational Education and Training (VET) system established under the *Training and Workforce Development Act 2013*, would continue to apply to TasTAFE along with other private Registered Training Operators.

Funding and resources

The Government recognises that, in addition to a proposed new business model, TasTAFE also needs better resources and infrastructure to support best practice training delivery.

The Tasmanian Government has committed to ensuring that:

- TasTAFE will receive 80 per cent of the Tasmanian Government's skills funding.
- TasTAFE will receive an additional \$98.6 million in investment over the next four years.

- Access to training in rural and regional areas of Tasmania will improve.
- TasTAFE's physical and digital infrastructure and facilities will be modernised and improved.

The additional \$98.6 million has been committed over the next four years will strengthen TasTAFE and support its transition including:

- \$37.6 million to deliver 100 extra TasTAFE teachers.
- \$10 million for the TasTAFE virtual campus, increasing access for regional students.
- \$2 million for Skill Up!, which provides free short courses to support job readiness.
- \$4 million to increase TasTAFE access for rural and remote students with Libraries Tasmania.
- \$45 million for TasTAFE facility upgrades and Transition Fund to new TasTAFE model.

Next steps

The implementation plan and the draft legislation are informed by consultation with TasTAFE staff and their employee representative organisations, employers and industry.

Feedback received through the consultation process will inform the Government's development of the final TasTAFE legislation which will be tabled in Parliament later this year.

Submissions on the draft legislation for TasTAFE will be published on the Department of State Growth's website at www.stategrowth.tas.gov.au/tastafetransition at the end of the consultation period.