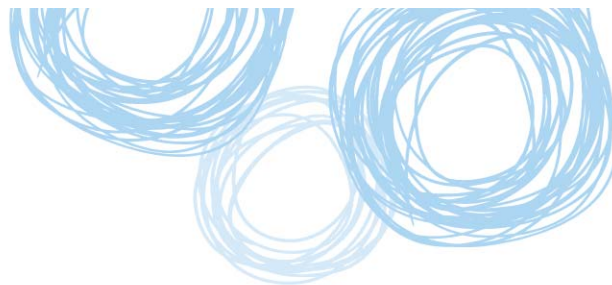


clever • skilled • creative

# TAFE Queensland Governance Model

Consultation Paper  
August 2008



## Message from the Minister

Queensland's workforce, industry and economy continue to develop and change. Jobs and industries unheard of five years ago are emerging with unique training needs and demand for skills in Queensland continues to grow at unprecedented rates.

Queensland's vocational education and training system must remain responsive to these changes, be flexible enough to offer solutions and ensure public and private training sector growth to support the state's rapid economic expansion.

The 2006 *Queensland Skills Plan* acknowledged that the rapidly changing training market posed real challenges for the responsiveness of the current TAFE delivery model. It outlined the need to revitalise the TAFE system to enable more flexibility and greater responsiveness to industry and business needs.

Ensuring we have a vibrant and robust public training provider, alongside a thriving private sector, is the cornerstone in ensuring the skills of Queensland's workforce matches the needs of industry and our vocational education and training system remains world-class.

In partnership with industry and employers, we have made considerable progress in implementing the 24 actions of the *Queensland Skills Plan* designed to create a modern and responsive training system that meets the skilling needs of industry, individuals and employers.

In 2008, as part of the *Queensland Skills Plan* initiatives to revitalise TAFE, Southbank Institute of Technology and Gold Coast Institute of TAFE have been established as statutory TAFE institutes providing flexibility and responsiveness at the local level to respond to emerging business and industry needs.

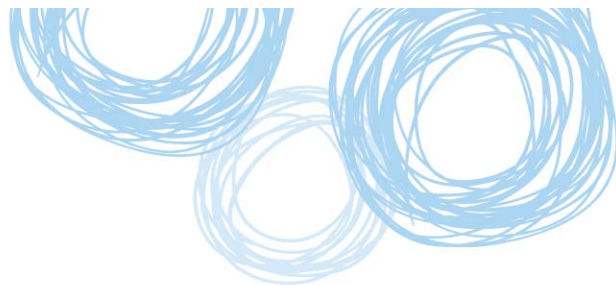
It is now our responsibility to consider a governance model for the TAFE system for the future that will best meet Queensland's training needs — including industry, employers, workers and learners.

Rod Welford MP  
Minister for Education and Training  
Minister for the Arts



## Table of Contents

Why does our TAFE system need to change? .....	1
What is this paper for?.....	2
Guidelines for making a submission .....	2
Who should make a submission? .....	2
How to make a submission .....	3
Contacts .....	3
<i>Queensland Skills Plan</i> .....	4
A training system to support our growing state.....	4
What has already been done?.....	4
Commercial Governance Model .....	4
Legislation .....	5
Southbank Institute of Technology .....	5
Gold Coast Institute of TAFE .....	5
What are the benefits of changing to a statutory authority model? .....	5
A TAFE Queensland model for the future.....	6
Initial consultation .....	6
Model development .....	7
Governance models considered .....	8
Meta model: Metropolitan and near metropolitan options .....	8
Meta model: SkillsTech Australia .....	8
Meta model: Regional options .....	9
Considerations for the governance model .....	9
Consideration of the national agenda .....	10
Where to from here? .....	11
Recommended TAFE Queensland Governance Model.....	11
Why are these changes being proposed now? .....	12
Future options.....	13
Discussion points .....	13
Other information.....	14
Process for becoming a statutory TAFE institute .....	14
When is an institute ready to transition? .....	15
How is the Board appointed?.....	15
How is the Executive Officer appointed? .....	16
How can we be sure that the TAFE system will continue to deliver high-quality training? .....	16
What are the checks and balances for the system? .....	16
Staffing arrangements - institute .....	17
Impact on departmental staff .....	17
Impact on students .....	17
Impact on industry .....	18
TAFE community service obligations.....	18
Lead institutes .....	18
Teacher support networks .....	18
Will statutory TAFE institutes compete with each other? .....	18
Next steps .....	19
Timelines .....	19



## Why does our TAFE system need to change?

The Queensland Government's Smart State strategy is focused on creating a state where knowledge, creativity and innovation drive economic growth to improve prosperity and quality of life for all Queenslanders. The Smart State strategy identifies the need to invest in people, creativity and innovation, partnerships and collaboration, while maintaining a future focus.

The Queensland TAFE system must support a diversified knowledge-based economy along with our traditional economic base to ensure Queensland has the people with the skills and qualifications for the jobs of tomorrow.

Queensland industry is continuing to report skills shortages. There are many reasons for skills shortages, including rapid changes in the population and labour market. However, these factors will have less impact on the availability of skilled labour if the education and training systems are more closely aligned to the needs of students, industry and the community.

Queensland's TAFE system must be enabled to effectively collaborate with industry to diversify and expand training opportunities and provide training that matches current and anticipated workforce requirements. We need to move from a supply driven training system to a system that can respond rapidly to changes in market demand for skills.

Within our regional communities, Queensland's individual TAFE's are ideally placed to build on the strengths of local relationships and provide real partnerships for local economic development. Within metropolitan areas, TAFE must be positioned to address the needs of key segments in a highly competitive market.

To support the Queensland Government's vision for a Smart State we must also provide for private and public sector growth in the vocational educational and training sector. The Queensland Government is committed to ensuring a vibrant and robust public training provider equipped to develop training capacity and capability to best meet the needs of individuals, industry and communities.

Statutory TAFE institutes are enabled with the autonomy and business acuity to meet customer needs, target new markets, and create a financially sustainable organisation delivering the opportunity for surpluses to be reinvested at the institute level in staff and training facilities.



## What is this paper for?

We are seeking your views about the proposed model for the organisation of the Queensland TAFE system for the future, including options for metropolitan institutes, near metropolitan institutes, SkillsTech Australia and regional reorganisation and alignments.

Initial consultation on the future governance model for the TAFE Queensland system was undertaken late in 2007, along with a more recent review and consideration of the many critical external factors. The outcome is this TAFE Queensland Governance Model Consultation Paper. The Consultation Paper documents the important considerations for the future of the system, presents models that could be adopted for the TAFE Queensland system and recommends a specific model.

We want to hear what you think about the recommended governance model for the TAFE Queensland system and its ability to deliver on Queensland's training needs for our state's future. Your views are important and will help improve our TAFE system to ensure it is the best in Australia.

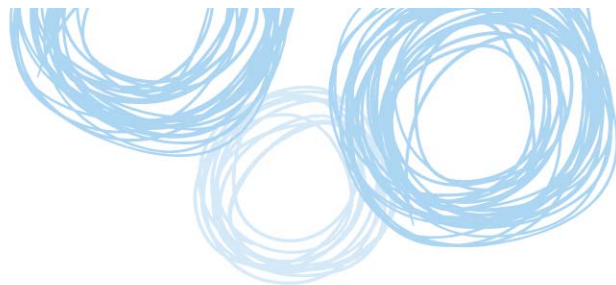
## Guidelines for making a submission

### Who should make a submission?

The Department of Education, Training and the Arts welcomes comments on this Consultation Paper. Anyone in the community with an interest in vocational education and training is invited to have their say about the model proposed here.

Copies of this paper are available on the internet at [www.trainandemploy.qld.gov.au/skillsplan](http://www.trainandemploy.qld.gov.au/skillsplan)

Please share it with interested parties.



## How to make a submission

There is no specified format for submission. Submissions may range from a response addressing one issue to a systematic analysis of the proposed model. Submissions will be accepted in a range of styles and in electronic or hard copy format, however, electronic format is preferred. See the Contacts section below for submission details.

Submissions received will be available for use within the Department of Education, Training and the Arts. The Consultation Paper outcomes report will list the names of all those who made submissions. Please mark your submission as 'CONFIDENTIAL' if you do not want your name listed as having made a submission. Your submission will be registered as having been received with a submission number and the word 'confidential'.

Responses to this Consultation Paper should be received by Monday 1 September 2008.

Please refer to the section titled Discussion points for further information.

## Contacts

Email for enquiries or submissions

[TAFEGovernance@deta.qld.gov.au](mailto:TAFEGovernance@deta.qld.gov.au)

Postal address for submissions

TAFE Governance Project – Consultation Paper  
Department of Education, Training and the Arts  
Level 4, 30 Mary Street  
LMB 527  
Brisbane QLD 4001



## Queensland Skills Plan

After consultations between government, industry associations, unions, registered training organisations and community members across Queensland, the *Queensland Skills Plan* was launched in March 2006.

The *Queensland Skills Plan* comprises 24 separate actions that are substantial systemic improvements to vocational education and training, aimed at providing the skilled workforce that will underpin the state's future economic growth and prosperity.

## A training system to support our growing state

Queensland's vocational education and training system needs public and private sector growth to support the state's rapid economic expansion.

The training system must be flexible, responsive and innovative to guarantee development that matches the skilling needs of industry and individuals.

In response to these challenges, the *Queensland Skills Plan* is reshaping our training landscape, including improving the way TAFE institutes operate.

The Queensland Government is determined that TAFE institutes continue to play a major role in meeting Queensland's skilling requirements. To achieve this, some key aspects of the TAFE Queensland system need to be changed.

## What has already been done?

### Commercial Governance Model

Action 2 of the 2006 *Queensland Skills Plan* — Reforming the Queensland TAFE system — identified a move to more commercial governance arrangements for the TAFE system, alongside the development of a new model for industry engagement and the redirection of resources to TAFE institutes.

Commercial governance establishes a framework for operations that provides the flexibility and responsiveness needed to compete in a commercial environment whilst maintaining an appropriate level of government control and oversight.



The government considered a range of options to move TAFE to a more commercial governance model. The statutory authority model was considered to be the best balance of operational flexibility and autonomy with accountability and government training priorities.

## Legislation

The addition of Chapter 6A to the *Vocational Education, Training and Employment Act 2000* in November 2007 created a framework for the establishment and operation of TAFE institutes as statutory authorities, to be known as statutory TAFE institutes.

## Southbank Institute of Technology

On 1 April 2008, Southbank Institute of Technology was established as Queensland's first statutory institute in the Queensland TAFE network.

## Gold Coast Institute of TAFE

On 1 July 2008, Gold Coast Institute of TAFE was established as a statutory TAFE institute.

## What are the benefits of changing to a statutory authority model?

The primary objective of the statutory authority model is to establish more flexible, cost effective and autonomous governance arrangements, to enhance the capacity of TAFE Queensland institutes to develop industry partnerships and grow the investment in training to provide more training opportunities for Queensland.

A vibrant and robust public provider will be ensured by providing statutory TAFE institutes with the autonomy and business acuity to meet local customer needs, target new markets, improve training capacity, and create a financially sustainable organisation delivering the opportunity for surpluses to be reinvested at the institute level.

A secondary objective of this model is to position TAFE institutes to enable eligible students to access Commonwealth VET FEE-HELP. Commonwealth VET FEE-HELP will be extended to assist full-fee paying vocational education and training students undertaking diplomas and advanced diplomas, with a credit transfer arrangement toward a higher education award, graduate diplomas and graduate certificates. To obtain VET FEE-HELP provider approval under the *Higher Education Support Act 2003* (Commonwealth), TAFE institutes are required to have body corporate status, which will be addressed by establishing TAFE institutes as statutory authorities.



While this work began as a result of the 2006 *Queensland Skills Plan*, the federal agenda to create a nationally competitive market with a suite of reforms, has now impacted on the context and timeframes for these initiatives. The Queensland TAFE system must be prepared for future participation in a nationally competitive and demand driven market.

## A TAFE Queensland model for the future

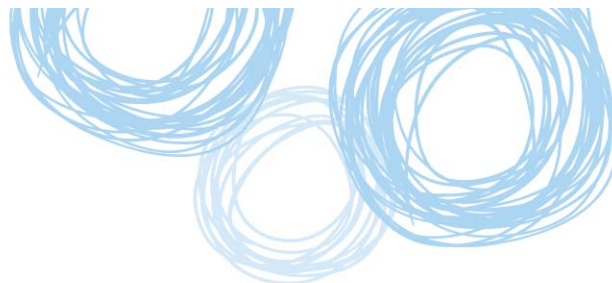
### Initial consultation

Actions 3.3 and 3.4 of the 2006 *Queensland Skills Plan* respectively set the challenge to reorganise Brisbane metropolitan TAFE delivery and realign the structures of regional TAFE institutes to better meet the current and future needs of industry, employers, workers and learners.

At the TAFE Institute Council Chairs meeting in September 2007, a proposed model for TAFE Governance, as outlined in Action 2 of the 2006 *Queensland Skills Plan*, was discussed in the context of the introduction of the enabling legislation and the anticipated establishment of Southbank Institute of Technology as a statutory authority.

During October 2007, initial proposals and feedback were canvassed from TAFE institutes, their Chairs and Directors. A request for written feedback by early November 2007, was distributed to all TAFE institutes with a focus on: key considerations when developing a model of governance for the TAFE system; specific institute considerations; and development of possible options. Context issues such as capacity, size and scope of institute operations, duplication, board expertise, external drivers (eg. Federal Government), market positioning, stakeholder perceptions and the roll out of SkillsTech Australia were also considered. Responses were received from Barrier Reef, Brisbane North, Central Queensland, Metropolitan South, Mt Isa, Southern Queensland, The Bremer and Tropical North Institutes of TAFE. A combined response was received from The Bremer, Sunshine Coast and Gold Coast Institutes of TAFE and SkillsTech Australia.

Information gathered through the initial phase has informed the development of the governance models outlined here.



## Model development

Based on initial consultation, the department has developed a number of models for the Queensland TAFE system as a whole, including options for metropolitan, near metropolitan, SkillsTech Australia and regional reorganisation.

Driving intended 2006 *Queensland Skills Plan* outcomes has been a key consideration in development of the models, including the ideals of Action 1, the move to commercial governance arrangements under Action 2 and the creation of SkillsTech Australia under Action 3.

Various market and organisational segmentation methods were considered in developing the proposed options such as:

- Geographic (transport corridor, Training Queensland district model, Education Queensland district/regional model and national and international comparatives);
- Customer demographics and customer type (corporate customers, school-based, mature age and life long learning);
- Delivery model (face to face, blended, virtual real time and not real time);
- Product delivered (nominated trades, higher level qualifications, further education); and
- Industry-based analysis.



## Governance models considered

Actions 2.2, 3.1, 3.3 and 3.4 of the 2006 *Queensland Skills Plan* respectively set the challenge to move to commercial governance arrangements; create SkillsTech Australia; reorganise Brisbane metropolitan TAFE delivery; and realign the structures of regional TAFE institutes. As a result of these actions and requests from various TAFE Councils, the following options have been explored in the context of, and under the framework provided by, Chapter 6A of the *Vocational Education, Training and Employment Act 2000*.

### **Meta model: Metropolitan and near metropolitan options**

The multiple options considered in relation to the metropolitan institutes of Brisbane North Institute of TAFE and Metropolitan South Institute of TAFE and subsequently extended to include the near metropolitan institutes, Sunshine Coast Institute of TAFE and The Bremer Institute of TAFE, are summarised below and include:

- the transition of all institutes to statutory authority status individually;
- the amalgamation of various institutes either prior to or following the transition to statutory authority status; and
- the realignment of campuses between institutes.

### **Meta model: SkillsTech Australia**

SkillsTech Australia has been created as a result of Action 3 of the *Queensland Skills Plan* as the statewide trade and technical skills institute to lead product development and delivery throughout Queensland for automotive, building and construction, manufacturing and engineering and electric/electronic studies.

Currently, SkillsTech Australia manages the metropolitan training delivery formerly undertaken by Brisbane North Institute of TAFE, Metropolitan South Institute of TAFE and Southbank Institute of Technology. Subsequently, trades and technical training will transfer in June 2009 from Gold Coast Institute of TAFE to SkillsTech Australia. Identified trade training from The Bremer Institute of TAFE and Sunshine Coast Institute of TAFE is also anticipated to follow.

As part of the statewide system, SkillsTech Australia will transition to a statutory TAFE institute. In addition, through an identified SkillsTech regional entity it would then negotiate the trade and technical training delivery with a proposed Regional Queensland statutory TAFE institute as detailed below.



### **Meta model: Regional options**

The options considered for the regional TAFE institutes of Tropical North Queensland, Mount Isa, Barrier Reef, Central Queensland, Wide Bay, and Southern Queensland Institutes of TAFE include:

- the transition of all institutes to statutory authority status individually, represented by a Board for each institute and individual interaction with SkillsTech Australia; and
- the formation of a Regional Queensland statutory TAFE institute that interacts with the SkillsTech Australia regional entity. This model would incorporate a single statutory TAFE institute Board and Executive Officer, with an Institute Director at each institute and a SkillsTech Regional Director.

### **Considerations for the governance model**

The various models identified have been reviewed with consideration of the many critical factors surrounding the governance of Queensland's vocational education and training system including:

- Balancing educational outcomes for students and the efficiency of training delivery to ensure the long-term viability and enhancement of institutes and the training system in Queensland overall.
- Balancing critical mass, efficiency achievements and financial viability against the aim to grow the Queensland training sector as outlined in Action 1 of the 2006 *Queensland Skills Plan* through increasing the number of providers.
- Supporting collaboration between institutes as appropriate to achieve the overarching goals of the *Queensland Skills Plan* within the legislated framework.
- Ability to deliver community service obligations.
- Ability to maintain a local presence and identity; and recognise the differences between regional community considerations, in which the institutes are more commonly perceived as part of the community, compared to market driven considerations which prevail in the metropolitan areas.
- The systemic issues of administration, complexity, internal diversity, conflict, and culture also need to be considered in relation to realignments and incorporated into change processes.



## Consideration of the national agenda

Important developments for training are also occurring at the national level. As the Federal Government's education revolution unfolds in 2008-09, Queensland is an active participant in ongoing negotiations around the national agenda for training and must be positioned to respond to the changes driven by this agenda.

The Federal Government has indicated to the states there will be a move toward a national market with an emphasis on developing partnerships. The ongoing negotiations under the Council of Australian Government arrangements include a suite of reforms designed to increase the productive capacity of the economy and workforce participation, with a wider focus on social inclusion, Indigenous outcomes, geographic mobility and environmental sustainability. There is also an emphasis on national competition within the sector, with states and territories involved in developing the agenda.

Significant reforms of the vocational education and training sector are anticipated, including supply and delivery reforms, along with being responsive to demand. This includes the separation of roles, contestable funding, quality assurance and competitive neutrality, supported by demand driven and outcome based funding arrangements, aligned to reforms and enhanced consumer choice. Within the suite of reforms, a move toward additional productivity places provided in a nationally contestable market is anticipated.

A responsive vocational education and training system, that aligns supply and delivery to market demand, requires flexibility and capacity for growth to meet the requirements of a nationally competitive market.



## Where to from here?

### Recommended TAFE Queensland Governance Model

Based on the initial consultation, *Queensland Skills Plan* priorities, contextual issues and the ongoing national reform agenda, the following TAFE Queensland Governance Model and timeframes for transition are recommended.

The move to a statutory authority model enables institutes to be more responsive to individual, industry and community training needs at the local level. TAFE Queensland's strong relationships in regional areas must be built upon to develop partnerships for economic development, while maintaining a local focus. Within metropolitan Queensland, the importance of key market segments must be acknowledged and institutes must be enabled to meet the needs of individual market communities in a flexible and responsive manner.

The recommended governance model includes the transition of six TAFE institutes and SkillsTech Australia (metropolitan) separately to statutory TAFE institute status, and the establishment of a single regional statutory TAFE institute with the following proposed timelines:

In 2008, Southbank Institute of Technology and Gold Coast Institute of TAFE complete transition to statutory TAFE institute. This includes trades transitioning to SkillsTech Australia from Gold Coast Institute of TAFE in July 2009.

In July 2009, Metropolitan South and Brisbane North Institutes of TAFE transition to statutory TAFE institute status separately.

In January 2010, Sunshine Coast and The Bremer Institutes of TAFE transition to statutory TAFE institute status separately. This includes trades transitioning to SkillsTech Australia from Sunshine Coast and The Bremer Institutes of TAFE in January 2010.

In July 2010, the establishment of one statutory TAFE institute which includes six regional institutes and regional SkillsTech Australia, with one Executive Officer and seven brands.

In January 2011, SkillsTech Australia (metropolitan) transitions to statutory TAFE institute status.



The situation for each institute is unique and the transition to a statutory authority model will be subject to the current validation assessment and the mandatory transition conditions as has been the case for Southbank Institute of Technology and Gold Coast Institute of TAFE.

## Why are these changes being proposed now?

The Queensland TAFE system has been examining the move toward system-wide governance reform since the release of the 2006 *Queensland Skills Plan*. This has been supported by various actions within the plan that seek to continue to grow the Queensland vocational education and training sector and reform and restructure the Queensland TAFE system. As a result, SkillsTech Australia has been created and Southbank Institute of Technology and Gold Coast Institute of TAFE have both been established as statutory TAFE institutes.

While this work has been underway, the federal agenda to create a nationally competitive market with a suite of reforms, has impacted on the context and timeframes for these initiatives. The future direction for the Queensland TAFE system must be determined to prepare Queensland for participation in a nationally competitive and demand driven market. The work around the Queensland TAFE system will allow Queensland to actively participate in the national market redesign in an organised and coherent way that will benefit Queensland and Queenslanders.

The recommended model reflects the requirements of recent national and state level reform, and will allow regional flexibility and community responsiveness, as well as market driven competitiveness.

The timelines proposed provide the opportunity for institutes to prepare for any governance transition, while continuing to deliver on training priorities and agreements. Should the amalgamations path be pursued prior to transition, there would be a significant impact on timelines, especially when overlaid with the continuity of training delivery.

The timelines also allow the opportunity to evaluate and document the transition process of Southbank Institute of Technology and Gold Coast Institute of TAFE in order to inform any future statutory TAFE institute transitions. The evaluation and documentation phase of the pilot statutory institutes is critical to the success of future transitions. In conjunction with planning for the TAFE Queensland governance model for the future, the evaluation and documentation of the implementation of the pilot statutory TAFE institutes will be completed.



## Future options

Having completed the initial transitions in line with the requirements and timeframes of the federal reform agenda, consideration may be given in the future to the amalgamation opportunities identified. This is enabled by the legislative provisions in Chapter 6A of the *Vocational Education, Training and Employment Act 2000*, and would be informed by future system developments and environmental changes.

## Discussion points

We are seeking your views on the recommended governance model for the TAFE Queensland system and its ability to deliver on Queensland's training needs for our state's future.

You may wish to provide an overall impression of the recommended model or comments relating to the specific impact of the recommended model such as:

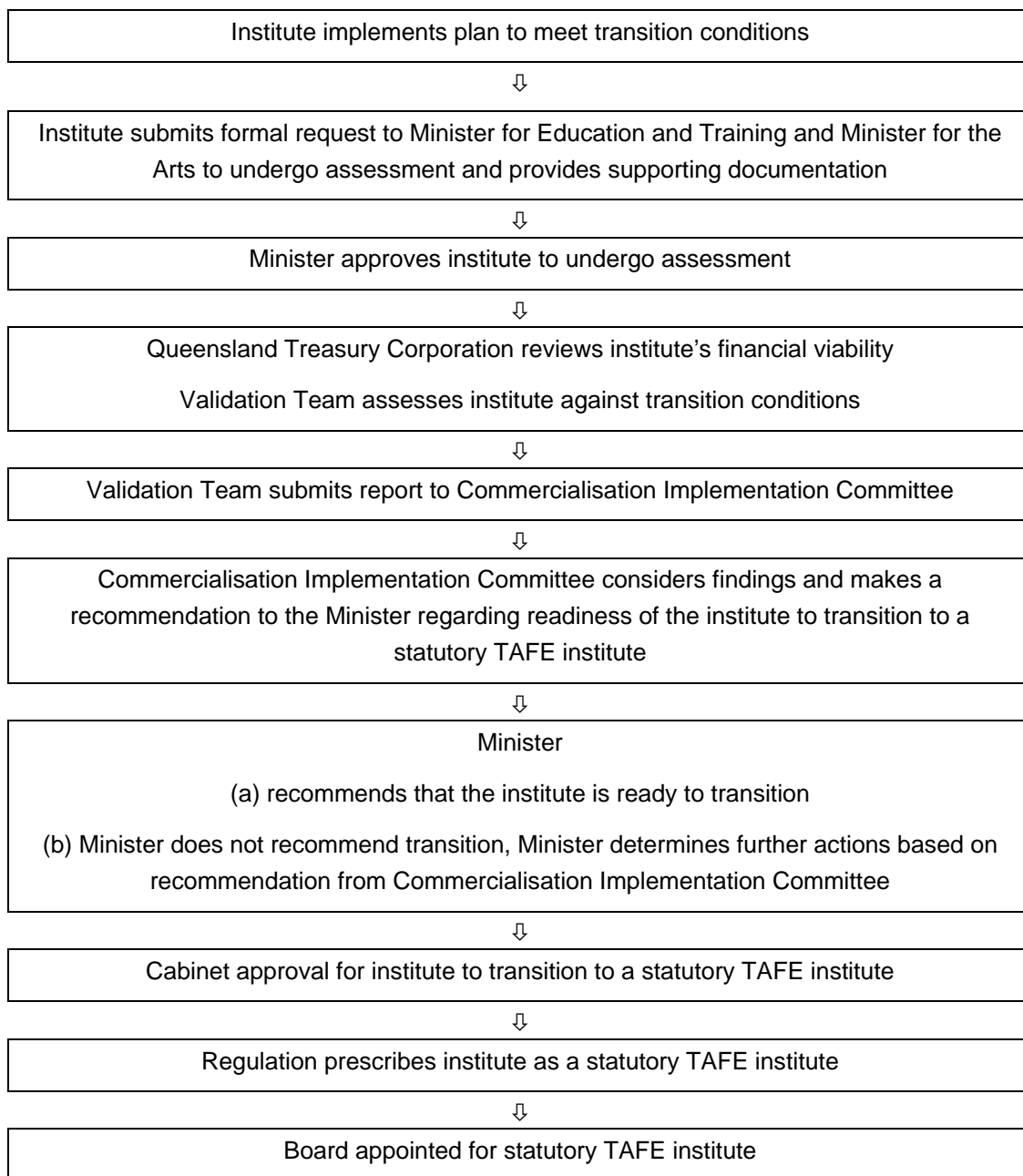
- the impact on students
- the impact on institute staff
- the impact on industry
- the impact on a specific institute
- the impact of the proposed model as a whole
- the impact of the federal vocational education and training agenda
- the impact on the strategic direction for TAFE Queensland
- board expertise
- proposed improvements to the recommended model.

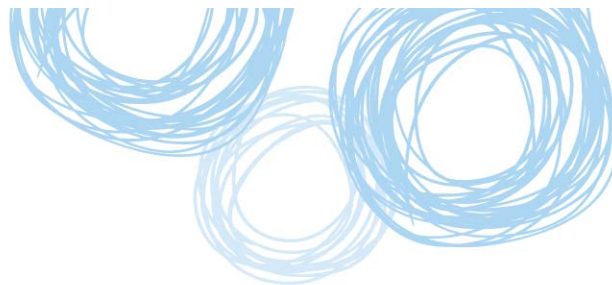
Please refer to the section titled Guidelines for making a submission for further information.



## Other information

### Process for becoming a statutory TAFE institute





## When is an institute ready to transition?

Prior to an institute transitioning to a statutory authority, a rigorous assessment of its suitability to transition is undertaken. The institute is assessed against a range of transition conditions relating to a clear strategic direction, financial sustainability, an understanding of market demand and training delivery, business acumen and structural capacity, and an acknowledgement of, and commitment to, the change required.

For example, mandatory financial conditions include: having achieved budget for two consecutive years; having a liquid working capital position with a minimum ratio of 1:1 (Net Current Assets : Net Current Liabilities); evidence of at least 10% of revenue from non-government funded sources; success in winning fee for service contracts with industry; and financial projections for a minimum of three years that demonstrate sustainable financial performance.

Other expertise that needs to be demonstrated includes the ability to: research individual markets in support of the strategic plan directions; assess competitor activities; determine customer product preferences; develop and exploit market opportunities; and successful training delivery capability, in accordance with the *Queensland Skills Plan* and accredited quality management systems.

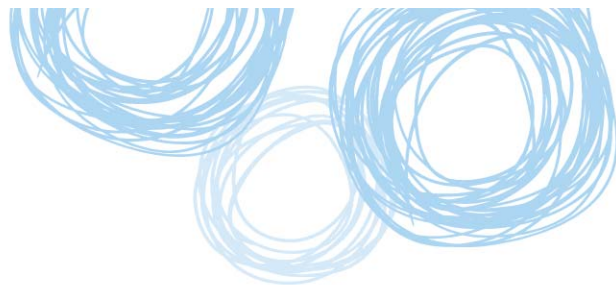
An institute must satisfy all mandatory transition conditions prior to receiving approval to transition to a statutory authority.

This validation process is overseen by a committee chaired by the Director-General of the Department of Education, Training and the Arts.

## How is the Board appointed?

Board members are nominated on the basis of their corporate governance expertise, commercial experience, knowledge of local business, industry or vocational education and training, understanding of public accountability or other expertise relevant to the institute's functions and the role of the board as the institute's governing body.

The governing board will comprise up to 12 members nominated by the Minister and appointed by the Governor in Council.



## How is the Executive Officer appointed?

The board employs an Executive Officer, who is responsible for the day-to-day management of the statutory TAFE institute. The Executive Officer is employed by the institute (subject to the prior approval of the Minister).

## How can we be sure that the TAFE system will continue to deliver high-quality training?

Statutory TAFE institutes will be subject to the same regulatory oversight as all other registered training organisations under the Australian Quality Training Framework.

Quality training outcomes are a key focus of the State Government, therefore statutory TAFE institutes are required to articulate their objectives and performance targets in their operational plan.

The operational plan, approved by the Minister, and the operating agreement between the statutory TAFE institute and the department's chief executive (Director-General) act in concert to quality assure training delivery.

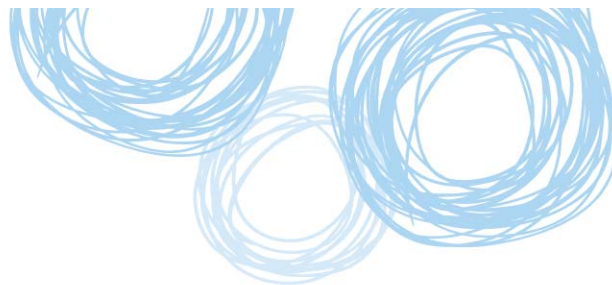
## What are the checks and balances for the system?

Statutory TAFE institutes are required to operate within a prescribed accountability framework that ensures monitoring of the institute's performance. An institute that fails to operate within this framework risks having its board removed from office.

Each institute has a governing board that is accountable to both the Minister and the department's chief executive (Director-General) for the institute's performance, within the framework set out in the *Vocational Education, Training and Employment Act 2000*.

Government's expectations of the institute are articulated through the operating agreement between the institute and the department's chief executive (Director-General), and the institute's operational plan which is approved by the Minister.

Statutory TAFE institutes are also subject to a degree of Ministerial oversight, for example, by requiring them to notify the Minister of activities that could adversely affect the institute's performance or transactions that exceed a prescribed threshold value.



## Staffing arrangements - institute

The transition process is conducted in such a way as to minimise disruption to students and staff. The focus for staff will continue to be delivering high-quality vocational education and training for students.

The new arrangements will not adversely impact existing or future TAFE institute employees. Existing and future TAFE staff will continue to be employed as public servants by the department. Employees will stay within the jurisdiction of the State's industrial relations system and be subject to future enterprise bargaining arrangements that apply to the Queensland Public Service.

A small number of senior management and commercial personnel may be employed by the statutory TAFE institute directly. The Minister will monitor the number of directly employed personnel through the institute's operational plan.

## Impact on departmental staff

Departmental staff will continue to support institutes through the transition to statutory authority status, to ensure continuity of training delivery.

Initially, on a day-to-day basis it will be business as usual. However, over time there will be some changes for staff who deal directly with TAFE institutes. Departmental areas that currently deliver services to TAFE institutes have been planning for the changes in their relationship with the new statutory TAFE institutes, and for any changes in their roles, responsibilities and accountabilities in the delivery of services to statutory TAFE institutes.

Between 2008-2011 some institutes will remain under the current operating model and others will have transitioned to statutory authority status. This will require a dual operating model for a period of time given the two models of engagement with institutes.

## Impact on students

Students will continue to receive the same high-quality vocational education and training by dedicated teachers and staff.

Eligible full-fee-paying vocational education and training students undertaking diplomas and advanced diplomas (with a credit transfer arrangement toward a higher education award), graduate diplomas and graduate certificates will benefit from the new model through access to Commonwealth VET FEE-HELP assistance.



## Impact on industry

Commercial governance will enhance TAFE institutes' ability to engage with and respond to the training needs of industry, develop industry partnerships and handle complex business contracts with employers.

Lead institute responsibilities to liaise with peak industry bodies in the sector will continue.

## TAFE community service obligations

The statutory TAFE institute's operational plan will identify the institute's community service obligations. The community service obligations policy framework is set by Queensland Treasury and will apply to statutory TAFE institutes.

## Lead institutes

Lead institute responsibilities in product development will continue under this model.

## Teacher support networks

Teacher support networks will continue under this model.

## Will statutory TAFE institutes compete with each other?

TAFE institutes do not actively compete with each other for the delivery of government funded training, however students have the ability to choose the institute at which they enrol.

TAFE institutes currently compete with each other and private providers in the fee-for-service market.

Under the new governance arrangements, institutes will be positioned to operate more efficiently and effectively in their current highly competitive environment. The new operating model will enable TAFE institutes to develop more collaborative partnerships, as well as position them to compete with private training providers in the fee-for-service market to drive better outcomes for students, employers and industry.



## Next steps

The outcomes of this Consultation Paper will be considered by the Minister for Education and Training and Minister for the Arts. A report on the outcomes of this Consultation Paper will be available at [www.trainandemploy.qld.gov.au/skillsplan](http://www.trainandemploy.qld.gov.au/skillsplan) by Monday 29 September 2008.

## Timelines

Consultation Paper released	Monday 4 August 2008
Consultation Paper responses due	Monday 1 September 2008
Review of Consultation Paper responses	Monday 15 September 2008
Consultation Paper outcomes report available	Monday 29 September 2008