TO: Construction Industry Training Fund Act Review Secretariat, Skills SA

RE: Investigation and Review of the Construction Industry Training Fund Act 1993

TAFE SA welcomes the opportunity to contribute to the *Investigation and Review of the Construction Industry Training Fund Act 1993*. The Construction Industry Training Board plays an essential role in supporting training for the building and construction industry in South Australia. TAFE SA considers the Review an important opportunity to further strengthen the state's construction industry and support quality training outcomes for workers and industry.

TAFE SA notes the South Australian Government's separate work to develop a Skills Plan for South Australia, as well as A Roadmap for the Future of TAFE SA. These critical programs of work will establish a refocused vision and purpose for TAFE SA, as well as shape the strategic agenda for reform and delivery of a high performing skills system in South Australia. By considering the purpose of the CITB, of TAFE SA and of the strategic agenda for the skills system concurrently, the State Government is facilitating comprehensive reform, which will bring about a stronger VET ecosystem in South Australia to the benefit of students and industry.

BACKGROUND

TAFE SA is South Australia's largest provider of vocational education and training (VET). In 2021 TAFE SA delivered over 11 million hours of training to 47,000 students across 30 sites across the state. This includes delivery in regional and remote areas such as the APY Lands, with 28% of students residing in regional South Australia.

TAFE SA's training includes nationally accredited vocational education qualifications and skill sets, non-accredited training, and courses in foundational skills. TAFE SA is a major provider of apprenticeships and traineeships in South Australia, as well as training for the state's secondary school students. TAFE SA is also a higher education provider, offering specialised associate degrees, as well as pathways that lead to degrees with all three South Australian public universities.

As the South Australian public provider of VET, TAFE SA prioritises support for learners from diverse backgrounds, including vulnerable and less advantaged South Australians. TAFE SA's comprehensive wrap around services expand access to education and training by giving students the necessary skills, confidence and support to succeed and enter the workforce. TAFE SA received the nation's top ranking for student satisfaction in 2021 as reported by the National Centre for Vocational Education Research (NCVER).

TAFE SA has established a reputation for delivering high quality education and training. In 2019, TAFE SA was granted the maximum seven-year registration by the Australian Skills Quality Authority in a show of confidence in TAFE SA's ability to deliver quality outcomes for students. TAFE SA continues to build on this achievement, with the aim of setting the benchmark for quality in South Australia's VET sector.

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COMMENTS

ToR A - CITB composition, administration and operation

In response to Proposition A1, TAFE SA welcomes changes to the CITF Act to 'provide greater clarity around the Board's purpose, including the CITB's role in addressing skills shortages and supporting upskilling and entry level training as supported by data and evidence'.

Specifically, TAFE SA supports the inclusion of an explicit Objects section in the CITB Act, including succinct outcomes-focused objects, which would provide valuable clarity, purpose and strategic intent to guide the work of the Board. This would also provide important clarity to RTOs and industry.

In response to Proposition 2A, TAFE SA supports the appointment of Board members with a greater balance of employer and employee perspectives than is presently the case. This could be achieved by reverting to the Board composition as existed prior to the 2019 amendments to the current Act. TAFE SA considers that the previous Board composition better reflected the interests of employer and employee groups, and facilitated a greater understanding of current industry trends and needs.

Separately, TAFE SA supports changes to the Act to ensure that the Board composition includes members with knowledge including:

- Application of fiduciary responsibilities,
- Capabilities in strategic planning
- Government policy priorities and planning
- Legal skill sets
- Financial and risk expertise

The above expertise and knowledge, in addition to knowledge and expertise of the building and construction industry, is critical to enable the Board to discharge its duties effectively.

TAFE SA also supports the inclusion in the CITB Act of objectives that support social inclusion and participation in public life. This could include objectives to ensure the Board composition includes people from diverse linguistic and cultural backgrounds, as well as gender diversity. Separately, TAFE SA is advocating for changes to the TAFE SA Act to ensure broader diversity in the composition of the TAFE SA Board.

In response to Proposition 12A, TAFE SA supports changes to the Act enable more integrated and complementary connections between the Board and Government. The current provision in the CITF Act which specifically excludes public service employees from becoming staff of the CITB, restricts the Board's access to Government staff with strong institutional knowledge of the CITB's operating environment, and of the interconnections between the CITB and government investment planning processes. TAFE SA supports changes to the Act that facilitate a more flexible approach to permit the assignment of public service employees to the board.

ToR D - Training Plans

In response to Proposition 28D, TAFE SA supports the proposal that Government and CITB should develop processes that facilitate information and market intelligence sharing in the formative stage of the development of a Training Plan. TAFE SA considers that significant benefit could be achieved as a result for the sector CITB and Government working together more closely to determine the state's training needs, including the development of new programs to support the state's construction projects.

In response to Proposition 29D, TAFE SA supports the proposal that the annual planning cycle should be replaced by four-year rolling reviews of the overall strategic direction developed through the CITB's investment decisions, with capacity for annual adjustments and reallocation of funds. The annual review is critical in ensuring ongoing alignment and responsiveness to market trends.

Separately, TAFE SA acknowledges the important role of Sector Committees in providing RTOs and industry with opportunity to input to the Training Plan. TAFE SA therefore advocates for the Act to formalise a requirement to consult with Sector Committees during preparation of the CITB Training Plan

Conclusion

TAFE SA welcomes the SA Government's review of the Construction Industry Training Fund Act 1993, and acknowledges the separate work under way to develop a Roadmap for TAFE SA and a South Australian Skills Plan. The opportunities outlined above, together with the opportunities that will be identified in the Skills Plan and in the Roadmap for TAFE SA, will facilitate much-needed legislative and sector reform and the delivery of a high performing skills system in South Australia. TAFE SA is thankful for the opportunity to submit feedback on this critical component of regulatory intent.

David Coltman
CHIEF EXECUTIVE, TAFE SA

30 January 2023