

## Education, Employment, Training and Skills Committee Inquiry into delivery of VET in regional, rural and remote Queensland

### Response to Report No. 1, 57<sup>th</sup> Parliament – February 2024

#### Department of Employment, Small Business and Training (DESBT) acknowledgement and response

The Miles Government is committed to ensuring all Queenslanders, including local Queenslanders in rural, regional and remote communities, can access a quality education and a good job.

On 20 May 2024, the Miles Government released the *Good Jobs, Great Training: Queensland Skills Strategy 2024-2028*. The Skills Strategy will train one million Queenslanders, unlock billions of dollars in funding for skills and training, and deliver more Free TAFE.

The Skills Strategy includes a commitment to deliver a regional, rural and remote strategy to increase access to quality face to face training that meets the skills needs of regional and remote communities, and employers and industry. Workers in regional areas are more likely to have a VET qualification than workers doing a similar job in major cities. Regional skills development will be key to delivering the Queensland Energy and Jobs Plan, which will create around 100,000 jobs by 2040, the majority in regional Queensland.

Delivering the skills strategy makes good a key commitment under the *Queensland Workforce Strategy 2022-2032* (QWS). The QWS is the Miles Government's comprehensive workforce strategy to harness the potential of our people, drive economic growth, and strengthen communities.

In 2024, the Miles Government announced a 12-month Rural and Remote Pilot in Central and North Queensland. The Pilot aims to increase high quality, face to face training options for Queenslanders living in these areas. Its other objectives include:

- Support priority student cohorts to participate in inclusive training that delivers individual social and economic benefits, particularly focusing on assisting First Nations people, people with a disability, and people from diverse multicultural backgrounds.
- Support individual learners through pre-training reviews to tailor each student's training and support plan.
- Support a student-centred approach to training participation, including helping participants post-training to transition to the workforce, advance in their career, or transition to higher-level training.
- Improve employability or career progression of eligible participants by providing relevant skills in demand in local areas.
- Reduce the cost of training for individuals and employers by bringing face-to-face training opportunities to their local area.
- Partner with government approved registered training organisations (RTOs), enabling them to submit a business case for additional funding above current subsidies to support face-to-face training and assessment services.



Government subsidised VET is delivered across Queensland through a network of high-quality Skills Assure Suppliers (SAS). Location loadings for additional funding are applied to support delivery of training in regional, rural and remote areas.

The continued valuable work of the Education, Employment, Training and Skills Committee (EETSC) Inquiry into delivery of VET in regional, rural and remote Queensland provides an additional evidence base for future planning to ensure people living in these communities have access to quality training opportunities.

The Miles Government appreciates work of the Committee in conducting this inquiry and accepts or accepts in principle all recommendations of the inquiry.



## **EETSC Inquiry into delivery of VET in regional, rural and remote Queensland Recommendations**

**Recommendation 1** – The Department of Employment, Small Business and Training (DESBT) to consider devising a sustainable funding model for TAFE Queensland that recognises its critical community service obligations in regional, rural and remote areas of Queensland, providing incentives for the organisation to manage its operating costs and reduce inefficiencies strategically whilst delivering the highest quality, industry-leading VET.

**Recommendation 2** – DESBT to further develop strategies for sharing best-practice examples of community consultation between its regional offices.

**Recommendation 3** – DESBT (i) clarify when it will open the next round of general applications for Skills Assure status and (ii) clarify how it decides whether to issue more targeted invitations to apply for Skills Assure status in response to an identified need.

**Recommendation 4** – DESBT upgrade the central register of Skills Assure Suppliers to ensure that members of the public can easily identify (i) which training providers are operating in their local area (ii) whether the training they provide in a local area is delivered in person or online, and (iii) any costs to employers associated with training they provide.

**Recommendation 5** – DESBT regularly review the adequacy of the travel and accommodation allowances paid to trainees.

**Recommendation 6** – DESBT review the current system of location loadings to ensure it delivers equitable access to VET in regional, rural and remote Queensland. This review should include an assessment of whether the 'country' category groups together diverse locations in a manner that adequately reflects the varying costs of delivering VET in different parts of the state. Any resulting changes to location loadings should be brought to the attention of registered training organisations (RTOs).

**Recommendation 7** – DESBT investigate how existing payments could be restructured to provide stronger incentives for training providers to support students to complete VET qualifications. This could include considering changes that would provide training providers with scaled payments as their students' progress towards completion of their qualifications.

**Recommendation 8** – DESBT consider developing a plan to support existing and new regional study hubs working with all levels of government.

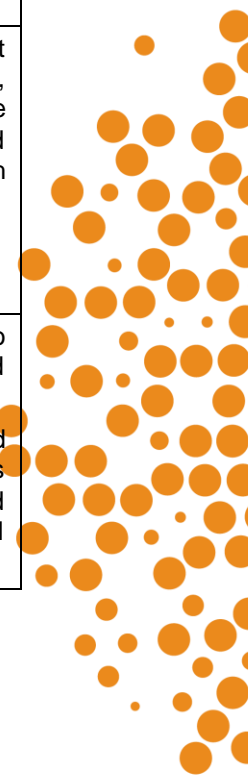
**Recommendation 9** – Department of Education (DoE) maintain appropriate strategies to ensure state schools in regional, rural and remote areas have access to internet speeds sufficient to facilitate students' participation in VET in Schools (VETiS).

**Recommendation 10** – DESBT and DoE work with the Australian Government to identify additional ways in which improved internet access could be leveraged to reduce digital barriers to VET in regional, rural and remote Queensland.

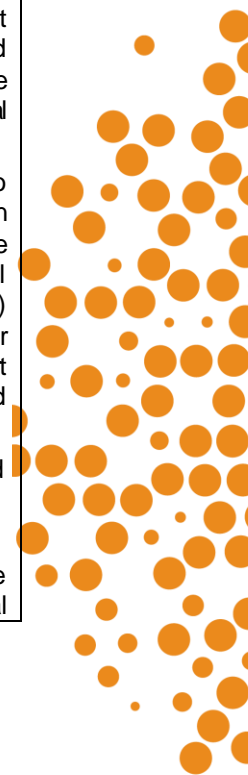
## Responses to Recommendations - EETSC Inquiry into delivery of VET in regional, rural and remote Queensland

	Recommendation	Accept/Not Accept/Accept in Principle	Department's Response
Recommendation 1	DESBT to consider devising a sustainable funding model for TAFE Queensland that recognises its critical community service obligations in regional, rural and remote areas of Queensland, providing incentives for the organisation to manage its operating costs and reduce inefficiencies strategically whilst delivering the highest quality, industry-leading VET.	Accept	<p>The Queensland Skills Strategy (the Strategy) delivers training across Queensland and skills for local economies by putting TAFE at the heart of the training system.</p> <p>TAFE Queensland supports local stakeholder connections and regional workforce planning, and offers training aligned to regional economic opportunities and the unique needs of local industries and employers.</p> <p>The Strategy commits to supporting the broader role that TAFE plays in communities that is not expected of other training providers. This includes the use of funded community service obligations to recognise the social and community benefit of delivering training in rural and remote areas as well as in specialised qualifications.</p>
Recommendation 2	DESBT to further develop strategies for sharing best-practice examples of community consultation between its regional offices.	Accept	DESBT will continue to develop strategies that highlight best practice examples of community consultation across the department's regional networks, and the influence this has on outcomes and consistency of opportunities. This development will include the ongoing recognition of local place-based solutions and the connection between the localised delivery and central office program/policy development.
Recommendation 3	DESBT (i) clarify when it will open the next round of general applications for Skills Assure status and (ii) clarify how it decides whether to issue more targeted invitations to apply for Skills Assure status in response to an identified need.	Accept	DESBT's Skills Assure supplier (SAS) system provides a central register of pre-approved registered training organisations (RTOs) for the delivery of training and assessment services subsidised by the Queensland Government. Currently, there are approximately 355 SAS contracted to deliver training across the state to over 200,000 students each year in priority industry sectors including construction, engineering, health care and social assistance, agriculture, business, hospitality and tourism, and utilities and electrotechnology.

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			<p>The Queensland Skills Strategy commits to develop a new Skills Assure Framework that delivers quality training in priority skills. Future contracting arrangements, including opening to new providers and how SAS will be approved to target future demand, will be considered as part of the implementation of the Skills Strategy to ensure alignment between Strategy objectives and meeting skills needs across Queensland.</p> <p>A limited SAS application process has been made available under the 12-month Rural and Remote Pilot in 2024 for Central and North Queensland aligned to specific local government areas. The Pilot will support employers to grow or upskill their workforce through locally delivered training and assessment in priority qualifications. It has been designed to respond to an identified need for local delivery and existing SAS and eligible RTOs have been invited to apply to increase the availability of high-quality, face-to-face training options for Queenslanders living in these communities.</p>
Recommendation 4	DESBT upgrade the central register of Skills Assure Suppliers to ensure that members of the public can easily identify (i) which training providers are operating in their local area (ii) whether the training they provide in a local area is delivered in person or online, and (iii) any costs to employers associated with training they provide.	Accept in principle	The Queensland Skills Strategy commits to making information about training options and pathways easier to access for students, apprentices and trainees, employers and industry. This will include considering how information about VET, government subsidies and SAS providers is best made available to the public, including through web platforms.
Recommendation 5	DESBT regularly review the adequacy of the travel and accommodation allowances paid to trainees.	Accept	<p>The Queensland Workforce Strategy 2022-2023 (QWS) committed to increasing subsidies available to eligible regional apprentices and trainees to offset their travel and accommodation costs.</p> <p>The department has committed to annual reviews of the Travel and Accommodation subsidy to take into consideration economic factors affecting the cost of living and as detailed within the QWS. Increased rates are to be implemented on 1 July each year following the annual reviews.</p>



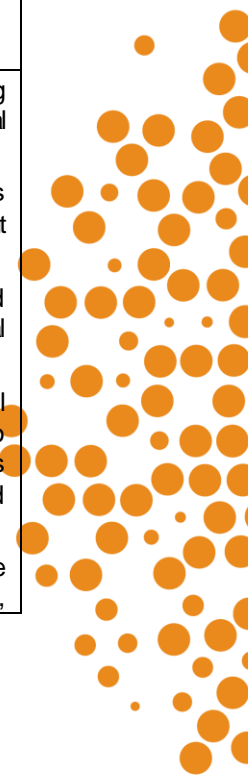
	Recommendation	Accept/Not Accept/Accept in Principle	Department's Response
			<p>DESBT has also committed to supporting regional and remote access to training as part of the Strategy.</p> <p>To support implementation of the Queensland Skills Strategy, in 2024 DESBT will commence a review of loadings, including subsidies paid to apprentices and trainees for travel and accommodation expenses.</p>
Recommendation 6	DESBT review the current system of location loadings to ensure it delivers equitable access to VET in regional, rural and remote Queensland. This review should include an assessment of whether the 'country' category groups together diverse locations in a manner that adequately reflects the varying costs of delivering VET in different parts of the state. Any resulting changes to location loadings should be brought to the attention of RTOs.	Accept	<p>DESBT's investment in skills and training provides for specific support, including location loadings in addition to the government subsidy for training to support the costs of delivery into regional and remote areas of Queensland, and Cape York and Torres Strait communities. The SAS arrangements for location loadings are currently 115% for country areas, 175% for remote areas and 250% for Cape York and Torres Strait.</p> <p>The regional loadings apply to centres outside of Southeast Queensland and includes provincial cities such as Toowoomba and Townsville. The regional loading is intended to compensate for the increased cost of servicing smaller centres outside of the provincial cities, and the smaller cohort groups in rural and remote locations.</p> <p>DESBT is aware of the importance of ensuring equitable access to quality face-to-face vocational and foundation skills training in regional, rural and remote areas of Queensland. In 2024, the Department is trialling a 12-month Rural and Remote Pilot in Central and North Queensland (aligned to specific Local Government Areas) to increase high-quality, face-to-face training options for Queenslanders living in these communities. The Pilot will support employers to grow or upskill their workforce through locally delivered training and assessment in priority qualifications.</p> <p>The following Local Government Areas within the Central Queensland and North Queensland regions have been identified for the Pilot:</p> <ul style="list-style-type: none"> <li>• <b>Central Queensland:</b> Banana Shire Council, Barcaldine Regional Council, Barcoo Shire Council, Blackall Tambo Regional</li> </ul>



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			<p>Council, Boulia Shire Council, Central Highlands Regional Council, Diamantina Shire Council, Isaac Regional Council, Longreach Regional Council, Winton Shire Council, Woorabinda Aboriginal Shire Council.</p> <ul style="list-style-type: none"> <li>• <b>North Queensland:</b> Burdekin Shire Council, Burke Shire Council, Carpentaria Shire Council, Charters Towers Regional Council, Cloncurry Shire Council, Doomadgee Aboriginal Shire Council, Flinders Shire Council, Hinchinbrook Shire Council, McKinlay Shire Council, Mornington Shire Council, Mount Isa City Council, Palm Island Aboriginal Shire Council, Richmond Shire Council, Whitsunday Regional Council.</li> </ul> <p>The Pilot will be implemented using the Department's existing core VET programs, namely Certificate 3 Guarantee (C3G) and Higher-Level Skills (HLS) and the related Skills Assure Framework. Funding paid will reflect three components – current training subsidies and location loadings will be paid, supplemented by a funding contribution to assist face-to-face delivery costs.</p> <p>The Pilot will help to inform the real costs associated with enabling face-to-face delivery in rural and remote Queensland. Importantly, the Pilot will provide an evidence base to inform the review of location loadings, country categories and pricing models to commence in 2024 as part of Skills Strategy.</p>
Recommendation 7	DESBT investigates how existing payments could be restructured to provide stronger incentives for training providers to support students to complete VET qualifications. This could include considering changes that would provide training providers with scaled payments as their students progress towards completion of their qualifications.	Accept	<p>To support implementation of the Queensland Skills Strategy, in 2024 DESBT will commence a review of training subsidy pricing and loadings, including consideration of how payments to Skills Assure Suppliers are structured.</p> <p>The Queensland Skills Strategy also commits to expand data collection to better capture the student voice about their journey and experience with the funded VET system, and to better understand drivers of completions and non-completions.</p>



	Recommendation	Accept/Not Accept/Accept in Principle	Department's Response
Recommendation 8	DESBT consider developing a plan to support existing and new regional study hubs working with all levels of government.	Accept	DESBT is partnering with TAFEQ to consider opportunities for shared space utilisation including the Regional University Study Hub model where appropriate (eg Ingham).
Recommendation 9	Department of Education (DoE) maintain appropriate strategies to ensure state schools in regional, rural and remote areas have access to internet speeds sufficient to facilitate students' participation in VET in Schools (VETiS).	Accept in principle	DoE has advised that in December 2021, their agency signed a \$187 million five-year agreement with Telstra to deliver new and/or upgraded broadband connections at every state school in Queensland. Under this agreement, by the end of 2023, internet bandwidth was to be increased on average 40 times greater than the previous standards, and 200 times greater by 2026. Already, as part of phase one, average bandwidth speeds have reached 1.59 megabits per second (Mbps) per student, which is over 60 times faster than the previous standard of 25 kilobits per second. As of March 2024, the rollout has delivered the first wave of upgrades to 99.5% of students. The rollout continues during the course of 2024.
Recommendation 10	DESBT and DoE to work with the Australian Government to identify additional ways in which improved internet access could be leveraged to reduce digital barriers to VET in regional, rural and remote Queensland.	Accept in principle	<p>There is alignment between this recommendation and the work being delivered under Our Thriving Digital Future: Queensland's Digital Economy (the Strategy).</p> <p>Launched in April 2023, the Strategy is a blueprint to grow the state's digital economy and improve digital connectivity throughout Queensland. There are six priorities including:</p> <ul style="list-style-type: none"> <li>• Closing the digital divide: Promote access, affordability and ability so that everyone can enjoy the economic and social benefits of a digitally-enabled economy</li> <li>• Improved connectivity for regional communities: Regional communities have better, more reliable digital infrastructure so they can connect, grow and prosper. Connectivity improves access to education, innovation, healthcare, employment and goods and services.</li> </ul> <p>The Strategy outlines that regional resilience and confidence will be improved by working with other tiers of government,</p>





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			<p>telecommunications providers and local communities to bring more reliable, scalable digital infrastructure across Queensland. Innovative solutions to connectivity challenges in the state will be explored to ensure people, jobs and industries can flourish regardless of location. Priority outcomes include:</p> <ul style="list-style-type: none"> <li>• The urban-rural digital divide in Queensland has been significantly reduced.</li> <li>• Greater connectivity improves people's access to employment, education, health and social services and enhances community and social connections.</li> </ul>

