

Extract from Hansard

[ASSEMBLY — Tuesday, 22 October 2013]

p5268d-5278a

Speaker; Mr Mark McGowan; Mr Fran Logan; Mr Terry Redman; Ms Wendy Duncan; Mr Jan Norberger; Ms Margaret Quirk; Ms Simone McGurk; Dr Tony Buti

TRAINING SECTOR FEES

Matter of Public Interest

THE SPEAKER (Mr M.W. Sutherland) informed the Assembly that he was in receipt within the prescribed time of a letter from the Leader of the Opposition seeking to debate a matter of public interest.

[In compliance with standing orders, at least five members rose in their places.]

MR M. MCGOWAN (Rockingham — Leader of the Opposition) [3.00 pm]: I move —

That this house condemns the Barnett government for its attacks on the training sector and, in particular, putting up fees on ordinary families.

One of the issues that came out of the state budget that I do not think was properly scrutinised in Western Australia and the effects of which have not been properly felt or understood by Western Australian families is the increase in the cost of undertaking training in Western Australia. One of the great things about our state is that over a long period Western Australians who wanted to undertake training by way of a traineeship, apprenticeship or course through the training sector such as TAFE could undertake that course or training at an affordable cost. Ordinarily this training is undertaken by a young school-aged person or school leaver, but not necessarily a young school-aged person or school leaver. Their parents or family who might need to pick up the cost of that training should be able to do so without a heavy burden being placed upon them. I regard this as a birthright for Australians—in particular, Western Australians. If someone is born here and they grow up in this country or they come to this country and become an Australian citizen, they are entitled to a decent education or training to ensure that they can be the best that they can be and that they can undertake the roles and jobs in society that make them the best they can be.

One of the fantastic things about this state is that the training courses provided by the TAFE sector and other training providers have been affordable for ordinary families over a long period. A working or middle-class person in our community has the confidence in knowing that when their son or daughter leaves school, their son or daughter will be able to undertake training, gain a traineeship or apprenticeship or just do a course through the TAFE or training sector and they will be able to afford it without breaking the bank. This is not the United States of America. We do not live in a community where we have to open an account on the birth of our children so if they want to study 18 years hence, we have scrimped and saved for all those years so they can study. One of the great things about our society is that we allow people from whatever background, whatever their circumstance, whatever their race or wherever they live in society to undertake training or study.

We often focus and are always talking about university study, whether it is at a university in Midland or the like. They are great initiatives. It is often forgotten in this debate that the tens of thousands of Western Australians who undertake training or do a course through the TAFE sector will be impacted by the changes this government is putting in place. I think it has slipped through to the keeper and I think the government is happy about that. Next year this government will put up enormously the cost for ordinary people to go to TAFE. It is saying that it is part of a cost-recovery mechanism, part of a new funding mix—future skills or the like. I say that it is just a cash grab on ordinary families—a cash grab on people who have an expectation that their son or daughter can undertake training without a massive impact on the family budget. Young people from my electorate and from many of the electorates of members in this house, such as the electorates of the members for Kwinana, Cockburn, Girrawheen, Collie–Preston and Midland, are more likely to undertake a training course or go to TAFE than attend university. It is more likely that that will be the trajectory of their career. To put up the cost of that life decision so dramatically on those families and not think that there would be an impact, and brazenly say that this is all just part of a new funding model, betrays those families who live in those communities and have that expectation for their children. I do not think the Liberal Party, the National Party and the people of Western Australia fully understand what this will mean for people across the state.

The minister pre-empted today's debate in question time indicating that this was all about a new model and future skills: it was affordable, it would work out okay in the end, and it was all market-oriented and market-driven. What is market-driven about someone undertaking a certificate IV in youth work, which is one of the more poorly paid jobs for graduates? These are the people who counsel young people who might have drug issues and who prevent people from committing suicide. These are the roles that these people undertake. Someone undertaking a certificate IV in youth work currently pays \$621 a year to do so. By 2017, it will cost \$4 235 a year. That is an increase of 500, 700 or 800 per cent in the cost of undertaking that course to become a youth worker. We are lucky to get people to do youth work now. We should be thanking people who do that course. They are the people who walk around shopping centres on a Thursday night with the disengaged children, trying to talk to them and get them to engage in society so they do not cause all sorts of problems and

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disruption. These youth workers work for St Vincent de Paul or the local youth centre, working with young people who are disengaged and problematic. They are compassionate and decent people. This government is discouraging people from undertaking these roles. It is making it more difficult for people to undertake these courses of study.

I turn to another course—a certificate IV in alcohol and other drugs work. Let us think about what the job that one is likely to get after doing that course entails. One would work with organisations such as Alcoholics Anonymous, the Palmerston Association or some of those organisations that help people with drug issues. That is what they do for their career. Can members imagine how hard that would be? Let us also think about the fact that those jobs, particularly in the non-government sector, are not highly paid. These workers would be paid only a small fraction of what anyone in this house gets paid to undertake the work we do. Guess how much these course fees will go up? They will rise from \$621 a year now to \$4 296 a year in 2017. Therefore, to undertake that course of study, again, people will be faced with a 500 per cent plus increase.

Then we go to two of the doozies. First, I refer to a certificate IV in disability. Let us think about the people who have done those courses. Have members ever been to a respite centre at which there are people in wheelchairs who need assistance to be taken to the toilet or people lying on stretchers or gurneys who need assistance with the most basic of human functions? For someone who does a certificate IV in disability, that is likely to be where they will end up working. We need people in those roles. What else do we do? How does society function without these people? Such people are currently paying \$621 a year for their study, and that will go up to \$4 235 a year, which is a 581 per cent increase. Second, to study to be an enrolled nurse currently costs \$1 862 a year. That will go up to \$8 047 a year. This has all been lost. The minister uses language like “market-driven” and “student-focused” and that all sounds great. Who would not want to be student focused? I am student focused. I think everyone is student focused! But an 800 per cent increase in fees to \$8 000 a year to become an enrolled nurse is not student focused. Enrolled nurses work in aged-care homes. All of us, I hope, have spent some time in aged-care homes in our electorates and have seen the sorts of jobs people need to do in those places, such as cleaning up and assisting with people who have died; counselling family members after a relative has died; and all the associated work with someone who is extremely old. Enrolled nurses play that role. Nursing homes cannot get people now. Nursing homes in my electorate are trying to get staff, but they cannot get people; they end up with people who are not totally suitable or with gaps in staffing. What does this government do? It puts up training costs from \$1 000 a year to \$8 000 a year. What sort of government does something like that and couches it in this language that somehow it improves the system?

When I was the Minister for Education and Training from 2001 to 2008, the number of people undertaking traineeships and apprenticeships more than doubled, and it has gone up another 4 000 people since then. The system has been successful over a long time. It has its flaws; we do not have as many people in apprenticeships in traditional trades, but more than 40 000 people are undertaking apprenticeships and traineeships in Western Australia. We have done a good job, but there is no doubt that we need to do better. The number one productivity issue that the Chamber of Minerals and Energy of Western Australia, the Chamber of Commerce and Industry of Western Australia and the trade union movement talk about is the need for more people in training. They need more people to undertake courses to do the jobs that they need done. That is the number one productivity issue those organisations talk about when we meet with them. They need properly skilled, properly trained staff to carry out the roles they need carried out. That is what they talk about. I do not blame them. It is an important issue. We, as members, are all employers. We know the value of good, well-trained staff, but what does the government do? It puts up the cost of courses in which we desperately need people. From what I have seen, they are often the sectors in which it is hard to recruit people, such as disabilities, youth work and enrolled nursing. We need people to enrol in courses for those jobs in the community that a lot of people do not want to do. What does the government do? It lifts the cost for some young person or mature age person from an electorate such as mine to undertake that training. The government is discouraging people from doing these courses and I think people need to know. The minister can say that it is market oriented and student focused and about cost recovery. That is his argument. I will tell the people out there who want to do these courses, or who have kids or mature age relatives who want to do these courses, that this is about ripping more money out of their pocket through a system that has had bipartisan support for a long time and has been affordable for ordinary families across the community. All this comes into effect in 2014. Despite its record revenue over the past years, the government has managed to lose Western Australia’s AAA credit rating and, as a consequence, both young people and mature age students will suffer.

MR F.M. LOGAN (Cockburn) [3.14 pm]: The last time I was on my feet in this house to talk about the increase in TAFE fees and its impact on apprentices, the Minister for Training and Workforce Development asked me whether I support a wage increase for apprentices. Because I said yes, he dismissed that statement of mine as being a contributing factor to apprentices not being taken on. It is not the changes that this minister and

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this government is making to TAFE fees; it is the wage increases to apprentices. This minister quoted the Fair Work Commission decision as an example of why apprenticeship numbers—we were talking about the construction industry in particular—were falling —

Mr D.T. Redman interjected.

The SPEAKER: Minister!

Mr F.M. LOGAN: Let us go to the full bench decision. This is the first wage increase for apprentices in 40 years. This is the wage increase that this minister said should not have been paid. This is the decision —

The Full Bench decided that the rate for a first year apprentice who has completed Year 12 schooling will be 55% of the C10 award rate ... being \$398.50 per week or \$10.49 per hour.

This minister said it was too much and should not be paid. I asked him whether he supported this wage increase and he said no.

Mr D.T. Redman interjected.

Mr F.M. LOGAN: The minister is a disgrace to his job and this state.

The impact on apprenticeship fees is a disincentive to people taking up apprenticeships and to growing our state's economy. I know, the minister knows and people in this house know that there is already a shortage of tradespeople in certain trades. This minister is putting up apprenticeship fees and saying that that is fine. It is not fine. As I tried to explain to this minister during the previous debate in this house—who does not seem to take anything into account about his own portfolio, because he knows it all and he cannot be told—apprentices pay apprenticeship fees. Most bosses ask their employees to pay the fees up-front and then they reimburse them based on whether they pass.

Mr D.T. Redman interjected.

The SPEAKER: Minister!

Mr F.M. LOGAN: The minister should listen and he might learn something. I know the minister has never been out there in industry, but if he listens, he will learn something. The apprentices pay up-front and the bosses reimburse them based on whether they pass their course. That is the way it goes. Those fees are normally then paid by the parents of the apprentices. That is why the Leader of the Opposition has talked about the impact on families. The families have to pick up the tab. Members should remember that the cost of apprenticeship training is going from \$626 to \$2 151 next year and to \$3 706 in 2017. That will have a significant impact on families and it is a significant disincentive for people going into apprenticeships. The full bench gave a very, very small wage increase—the first in nearly 40 years—to apprentices to try to attract people into industries and to incentivise people to take up trades. What does this minister do? Under the guise of the national training agreement, he puts up fees for TAFE, which will have the opposite impact on the work that has been done by the full bench of the Fair Work Commission. He is undermining the work of the full bench of the Fair Work Commission and industry. Industry wants these apprentices and to attract these people into their workplaces, yet this minister is stopping that and is disincentivising it. As the Leader of the Opposition said, it is not just apprentices; it is also people who are needed in aged care, people who want to go into enrolled nursing and people who want to work with the disabled and the handicapped. Their fees are going up significantly.

The statements made by the minister about increases in TAFE fees give members an idea of where he is coming from. When he was asked about those increases in TAFE fees, he said, “Well, this means that those students will appreciate their studies more and will take them more seriously.” That is his answer to those huge increases in TAFE fees: “So what? Students will take their coursework more seriously, and they’ll appreciate that study.” What a pompous, arrogant, dismissive silvertail attitude from this minister. What a pompous attitude! It is a reflection of the fact that he has never, ever got his hands dirty or been out there, talking to industry and understanding the demands of industry. It is an arrogant, silvertail attitude that is undermining training and the apprenticeship system in Western Australia.

MR D.T. REDMAN (Warren–Blackwood — Minister for Training and Workforce Development) [3.21 pm]: I thank members opposite for bringing on this debate. It is interesting that it is almost an exact replica of the previous motion that was brought to this chamber during private members' business.

Several members interjected.

The SPEAKER: Member for Albany, if you want to talk, there is plenty of time left. I call you to order for the first time.

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Mr D.T. REDMAN: I want to make a couple of points. I know I have made points before in this place about what is being introduced. There are national reforms in place moving to this entitlement model, and the Leader of the Opposition in his contribution to the debate talked about a birthright. The entitlement model is exactly that: there is an entitlement to training. That component of training in WA is uncapped, so if members opposite want to argue about changes being a birthright in Western Australia, we are introducing, in a very managed way, an entitlement to training that is exactly the point that the Leader of the Opposition made. I challenge his argument that the government does not support training in Western Australia.

The other point, which is obviously critical to the opposition's argument, is the change in the fee structure. Certainly, we introduced a change to the fee structure and I will make some points about that. I might add that that is in black and white in the state budget; it was not brought up by the shadow Minister for Training and Workforce Development during the budget reply debate or during the budget estimates hearings. In fact, I proactively put it out in a media release on the Thursday of the budget estimates hearings week. It has taken the shadow Minister for Training and Workforce Development a month or two to debate the issue that he says is so critical to the training sector in Western Australia.

I will make a number of points about the change to the fee structure. The first point is that it comes off a very, very low base. A cap has been in place for training for some time, and until the end of 2013 the cap will be about \$1 250. When the Leader of the Opposition talks about fees for a six-month course—I think he quoted \$600 or so—that is obviously half the fee cap. That cap has been going up by CPI for some time, and we have taken away the cap, but we argue that it is coming off a very, very low base. I will also make this point: of all the subsidised training that occurs in Western Australia, until the end of this year, no student undertaking training in Western Australia will pay any more than \$2 000; in fact, it is capped at \$1 250, as I said. In respect of previous training levels and what people are doing, in 2014, 92 per cent of those engaged in training will be paying \$2 000 or less for their training. As we look at the glide plan of increases—which is in the state budget; we are not hiding that—in 2017, 87 per cent of all training in Western Australia will be \$2 000 or less. Therefore, I think a sound point to make is that it is coming off a very, very low base and it is not unreasonable to say that the fee component of the regulated cost of training is being increased, but I think it is a fair increase.

The state government's aim is to try to maintain the level of subsidised positions in Western Australia. If we look at last year's budget, we see that there is a reduction in funding at the end of this financial year, so I had some choices. I could either say, "Let's reduce the amount of subsidised training and support the Leader of the Opposition's case to say that therefore we will have a reduced level of training", but it would be very highly subsidised, to the point that it currently is; or I could say, "Let's introduce a change in fees to maintain the level of training in Western Australia." The government chose to put in place a fee structure that will enable both the level of training and the number of places that are subsidised in Western Australia to be maintained at a fair level to support the economy.

I stand by the point—the shadow minister seems to take heed of this—that by putting an increased fee structure in place, there is more buy-in from the student. I think that is a fair point; people should make very careful choices about the training that they do. We are introducing an uncapped entitlement model for those who choose to study in the areas that support the priority industry qualification list.

Several members interjected.

The SPEAKER: Member for Kwinana, I call you to order for the second time.

Mr D.T. REDMAN: This means that there is a very direct relationship between industry's identified priority areas of qualifications that are needed, support of the entitlement model and, of course, a reduced impact on fee structures. We are using the fee structure as an incentive to choose those areas that support the state's needs. I think that is sound. If the opposition wants to argue that we should not use a fee structure to support those areas of need in Western Australia —

Several members interjected.

The SPEAKER: Member for Warnbro, I call you to order for the first time.

Mr D.T. REDMAN: I think it is an important principle to try to support, through a reduced increase in fees, those areas that industry sees as a priority. Of course, we are biting off a piece of the entitlement this year of around about 40 per cent of training, and I think that is a fair position.

Something else that I think is relevant to this debate are the changes that have happened at a federal level. They are income-contingent loans—I think they are called VET FEE-HELP—for diplomas and above. It is a similar model to what happens at tertiary level with HECS fees. Those who choose to study diplomas and above are able to access income-contingent loans and there are eligibility requirements for that. Students can borrow funds to

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support their training, and the payback program threshold applies when their income levels reach \$50 000. I make the point that the right policy setting —

Mr R.H. Cook interjected.

The SPEAKER: Member for Kwinana, I call you to order for the third time. I do not want to hear from you again in this debate.

Mr D.T. REDMAN: The right policy setting—the Leader of the Opposition made this point—is that areas of need ought to be supported more, and I think the fee structure does that. We have an income-contingent loan available to those who choose to study diplomas and above. They have access to the resources to do that, which means that, presumably, if they see it as being important, they will be able to take it up and do it. It will not be a barrier to entry to training, as the Leader of the Opposition claims. There will also be, as there is currently, a 50 per cent concession for those students who are eligible for Centrelink payments, which will halve their fees. That concession will remain in place, which means that the policy setting is still about targeting those in high need. I make the point that we have very, very carefully thought through this policy setting; it is not something that we have just jumped at. We have thought very, very carefully about the settings that are in place. I also make the point—I have made it right from the time of the announcement of this policy; it is not something I have hidden in any way—that, because we are moving to a market-driven student-centred model, what we do not know —

The SPEAKER: I call the member for Warnbro to order for a second time.

Mr D.T. REDMAN: We do not know what the behaviour in the marketplace will be. We do not know whether there will be a choice to go into particular areas and what areas of demand might emerge. We do not know how price sensitive some of those market areas are. That is the point the Leader of the Opposition makes. It is a valid argument, because we are moving to a model where the resources go with the student and there is market focus on that.

Mr M.P. Murray interjected.

The SPEAKER: I call the member for Collie–Preston to order for a first time.

Mr D.T. REDMAN: It is important that what is happening in the marketplace is monitored from the start of next year. I have insisted that the Department of Training and Workforce Development ensures that at different times there is a clear understanding and a direct link to the state training providers, and that the private providers with whom I have met and talked openly tell us what is happening with market behaviour early. We need to know what is happening out there so that if we need to make adjustments to the model being rolled out, those adjustments can be made early.

It is also important to recognise—again I have said this from the outset; there is nothing I have hidden in this regard—that areas will need to be price sensitive. I agree with that point. That is one of the premises of the debate the opposition puts today. Some areas will not be price sensitive. As I have said, to support the premise of looking at a fee structure and having different changes in fees according to the priority qualifications needed to support industry in Western Australia, we need to understand what the behaviours will be at the end of the game. It is important that after introducing this we do not have an outcome we do not want—that is, an outcome in a critical area, supporting the economy in Western Australia, that is not supported. I have made that point.

Mr D.J. Kelly interjected.

Mr D.T. REDMAN: I will pick up on the point raised by the member for Bassendean. It is a point the Leader of the Opposition raised when he cited a couple of examples. One was a certificate IV in youth work and the other a certificate IV in disability. The government will be trialling an income-contingent loan structure for certificate IV courses in identified areas, including certificate IV in aged care, disability, community services work, youth work and education support. The government will be supporting a trial—the outcome of which I hope to know in the next few weeks—to support income-contingent loans to extend down to certificate IV in those particular areas so that it is not linked just to diploma and above courses. That is an exact example.

Mr D.J. Kelly: Did you consult with workers in those industries?

Mr D.T. REDMAN: That is an exact example of the effort of the Liberal–National government to try to roll out these changes, which are substantial and which are probably the biggest reform that has happened in training for some time.

Mr F.M. Logan: It is not reform.

Mr D.T. REDMAN: It is a reform.

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Mr F.M. Logan: It is cost cuts.

Mr D.T. REDMAN: No; it is a reform. It is another example of trying to identify and give support to the strategies.

Mr F.M. Logan interjected.

The SPEAKER: The member for Cockburn has had his chance. I call him to order for the first time.

Mr D.T. REDMAN: It is a reform. There are changes to the fee structure, but changes in a managed way. I make the point again, because the opposition seems to have missed this: I have said from the outset that in moving towards a more market-driven model and putting out a changed fee structure with increased fees, areas will be sensitised to that. As it goes out, we need to clearly understand what those sensitised areas will be and make adjustments if necessary. That is important when rolling out something the size of this reform. We are predicting the behaviours of the marketplace, and that is reasonable.

Mr D.J. Kelly interjected.

Mr D.T. REDMAN: If the opposition does not support the entitlement model —

The SPEAKER: I call the member for Bassendean to order for the first time. Minister, please address the Chair.

Mr D.T. REDMAN: There are significant changes in what the government has put in place. The two things are around the entitlement model. It is a market-driven approach. The government has also put in a changed fee structure. The increases in fees are lower for areas identified as priority industry qualification areas. Those priority industry qualification areas are determined by industry to see where the priority is. The entitlements changes are for 40 per cent of the training space in Western Australia. I have said from the outset that the government is monitoring very closely the changes in and the impact on the marketplace. I have already said that identified areas in some community service areas are seeking support. I will hopefully know what that is pretty soon so that income-contingent loans can be extended to the certificate IV level so that areas that are identified as having that need are supported.

I now turn to a couple of other points of criticism from the opposition. One of my colleagues will talk on the Fair Work Commission decision, but I comment on a point raised by the shadow Minister for Training and Workforce Development. He led a debate—in fact, he has used the same argument in this debate—to say that the fee increase will be a disincentive for people signing up for apprenticeships. It is mandated that for about 60 per cent of the apprenticeships in Western Australia that come under the federal award, those fees are passed on to the employer. The employer effectively pays those fees for nearly two-thirds of training in WA. The member was prosecuting the argument that that will impact on the number of students who will do apprenticeships in Western Australia. The Fair Work decision is about a tenfold increase on the quantum by which this state government has increased the fees. The opposition cannot have it both ways. It cannot say that it supports that Fair Work decision and that will not be a disincentive to apprenticeships, and then say that the fee increase will be.

Mr F.M. Logan: It is \$10.49 an hour.

Mr D.T. REDMAN: The member for Cockburn cannot have it both ways.

It is important that I leave some time for my colleagues. In summary, there are some changes, and the government has been upfront about them and has not been backward in articulating them. The government will be watching closely what happens in the marketplace in terms of the changes in behaviour. Today in answer to a dorothea dixer in question time I announced the establishment of a review to support any recommendations for changes in the state training sector and by state training providers that might unshackle their capacity to respond to what essentially is a changed market environment for training in Western Australia. Examples in other states have demonstrated that heading down this path has lifted the size of the training sector in those states. There have been some changes in other states that the government does not support. This government has tried to constrain that so that it bites off only as much as it can chew; so this applies to about 40 per cent of the training space in Western Australia. I have the greatest amount of respect for training in these facilities. I have visited most of them now, and there is a lot of innovation, which is fantastic. I hope that I can support them by unshackling some of the constraints that training providers have and capitalise on those opportunities so that the state training system better supports the needs of industry in Western Australia.

MS W.M. DUNCAN (Kalgoorlie — Deputy Speaker) [3.38 pm]: I speak against this motion, particularly the part of it that condemns the Barnett government for its attacks on the training sector. The training sector has seen great benefits under the Liberal–National government, particularly in regional areas. I will focus on that and on what the Liberal–National government has done under royalties for regions to support the training sector.

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Several members interjected.

Ms W.M. DUNCAN: Opposition members may well sigh and moan, but that is only because they wish they had thought of it first. In May 2011 the government announced in the budget, under royalties for regions, \$110.6 million for the regional skills training initiative. This initiative has focused on refurbishing and upgrading facilities and student accommodation in dedicated regional training centres that will meet industry training needs well into the future. Part of that initiative has involved replacing ageing technology, some of which was downright unsafe when this government came to office. This \$110 million represents the biggest investment in regional training for a very long time. The aim is to keep our kids in the bush by providing better training facilities and options that meet the need for skilled workers where the work is—the resources industry in regional Western Australia.

This year the government will invest over \$41 million of royalties for regions money as part of its regional training initiative. I will go through a few of these initiatives that are making a difference to young people in the regions who want to access training and tap into the jobs available in regional areas. One of the standout initiatives that I am particularly proud to be involved with is the \$20 million upgrade for Agricola College in Kalgoorlie. We will see the demolition of the existing dilapidated accommodation that houses 127 students and its replacement with new halls of residence accommodating 180 students from not only the School of Mines but also the Goldfields Institute of Technology. It will reduce students' reliance on the rental market and build the higher education training capability in Kalgoorlie, which will not only produce skilled tradespeople for the economy but also contribute to the local economy through those students being resident in and training there. The Goldfields Institute of Technology was established under this government as a statutory authority in the goldfields region to ensure goldfields communities have access to quality training through the state's publicly funded vocational education and training network. That setup is overseen by a board. Its governing council has representatives from Kalgoorlie, Boulder and Esperance and it manages those facilities under the Vocational Education and Training Act 1996.

The Department of Training and Workforce Development has provided \$400 000 in the past financial year to enable the reconfiguration of the Esperance workshop to improve the occupational health and safety of students. It will modify trade equipment in Kalgoorlie to meet higher occupational health and safety standards. The member for Cockburn talked about the minister getting his hands dirty. I accompanied the Minister for Training and Workforce Development to look at the facilities in Kalgoorlie. We saw the state of the equipment that we inherited from the previous government and recognised the need to provide protection for students because this equipment was not compliant with workplace safety regimes in this day and age. The minister and I met with students there. The minister had a long chat with them about what they were doing and how they were enjoying their training. We saw the great relationship that the Goldfields Institute of Technology in Kalgoorlie–Boulder has with the mining industry, which provides heavy equipment for the students to train on. I know as well that just this last weekend the minister was in Esperance, looking at the Goldfields Institute of Technology facility there. That facility was an absolute disgrace when we inherited it from the previous government. It had a few dongas stuck in an area that is flooded for most of the year. It really has been begging for funding. For a very long time I have been aware of the continual submissions to upgrade that facility, but they fell on deaf ears until this minister went down there last weekend. The Department of Training and Workforce Development completed a comprehensive assessment of the campus infrastructure in Esperance and Kalgoorlie to determine the condition of the buildings and to prioritise future critical remedial works. It will be thanks to royalties for regions funding that those facilities will be upgraded.

While the minister was in Kalgoorlie, we looked at the mining hall of fame, which has been taken under the wing of the Goldfields Institute of Technology. This was a great example of thinking outside the square. That is a beautiful building that was looking for greater use. This initiative is working extremely well and is delivering training to upskill mining engineers. It recognises prior learning courses. I am not sure whether members are aware of the layout of that building, but they have set up equipment to train students to work from heights and students can abseil from one floor of the mining hall of fame to the next. This training is greatly needed and welcomed in the goldfields region.

Let us think about some of the other parts of regional Western Australia where this \$110.6 million of royalties for regions has rolled out. The proposed West Kimberley trade training centre in Broome has had \$10 million allocated to it, which will allow it to service 350 additional students. The project will provide a new carpentry and joinery workshop to increase training delivery in carpentry; it will increase the number of Aboriginal people in training and help with their work readiness and provide upskilling programs.

Mr D.J. Kelly interjected.

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Speaker; Mr Mark McGowan; Mr Fran Logan; Mr Terry Redman; Ms Wendy Duncan; Mr Jan Norberger; Ms Margaret Quirk; Ms Simone McGurk; Dr Tony Buti

Ms W.M. DUNCAN: The minister has addressed the fee increase. To get good quality infrastructure and lecturers —

Several members interjected.

The SPEAKER: Members! We cannot hear the member for Kalgoorlie and the Hansard reporter cannot take down what she is saying.

Ms W.M. DUNCAN: I will move onto the Derby trade training centre, which has been upgraded to take an additional 120 students. Funding of \$6.2 million will provide new classrooms and workshops.

Several members interjected.

Ms W.M. DUNCAN: Members opposite do not want to hear about this, do they? They are ashamed of their record in looking after regional TAFEs under their watch. Now, at last, these regional training centres are getting some attention, which they greatly need. The state of some of those trade training facilities is an embarrassment to members opposite.

Several members interjected.

The SPEAKER: Member for Bassendean, I call you to order for the second time. Member for Kalgoorlie, address the Chair, please.

Ms W.M. DUNCAN: An amount of \$2.8 million was provided for the Halls Creek trade training centre, a 20-year-old facility that desperately needed upgrading. That facility focuses particularly on Aboriginal workers to address underemployment and unemployment. It is a culturally appropriate workplace for Aboriginal people. Funding of \$15.54 million has been allocated to upgrade and expand the Pundulmurra campus of the Pilbara Institute in South Hedland, which will be able to service over 10 000 students at Karratha and Port Hedland. The Durack Institute of Technology in Geraldton has been allocated \$15.02 million, which will provide an extra 3 800 square metres of classroom and teaching areas. I have quite a lot more I could detail, but I will get to it on another occasion because the government has other members who wish to object to this motion.

MR J. NORBERGER (Joondalup) [3.48 pm]: Notwithstanding for one little bit the respect I have for the member for Cockburn, we will have to agree to disagree on some points. I have a lot of history with the vocational education and training sector, and I believe I can speak with a little authority on that sector. We heard a lot of emotion from the Leader of the Opposition today, but he was very light on particularities. In fact, the opposition leader was very selective in the examples he provided to the house. I am glad that the Minister for Training and Workforce Development has brought some further information to bear on some of the initiatives that are underway and to review some of the help that people who are studying the various certificate IV courses may be able to get. We know that, relatively speaking, apprentices in general are the most affected group across the board. On average, in 2013, course fees for apprentices are \$561, which is \$11 a week. Members must remember that an education, be it a tertiary qualification or vocational and educational training, is an investment in somebody's future. If I go to university, I do not get paid to learn. If I went to university, I would have to get a job at night. Everyone believes that when someone graduates from university they suddenly receive big bucks. That is just not the case. Quite often, people who graduate with an accounting degree are lucky to get paid \$40 000 or \$45 000 a year.

Several members interjected.

The SPEAKER: Members are drowning out the member for Joondalup again. Member for Warnbro, we have missed you for the past few days but if you keep shouting out, we might be missing you again.

Mr J. NORBERGER: A lot of examples can be given. My background and experience is in the mining sector and we know that the mining, resources and oil and gas sectors employ a lot of apprentices. When one of those apprentices graduates, they are on \$180 000-plus a year.

Ms M.M. Quirk: What about nurses?

Mr J. NORBERGER: I said in the mining industry. In fact, nurses in the north west earn a fair bit as well.

Several members interjected.

The SPEAKER: Members! Member for Bassendean!

Mr J. NORBERGER: I would like to give some perspective to another couple of things that members opposite have chosen to forget. Two-thirds of all apprenticeships undertaken in Western Australia are under a federal award whereby, by law, the employer picks up all the fees.

Tabling of Paper

Extract from Hansard

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Ms M.M. QUIRK: The member appears to be reading an official document that I seek to be tabled.

The SPEAKER: It looks like the member for Joondalup's speech notes, member for Girrawheen.

Ms M.M. QUIRK: It happens to be the same ones that three other members have.

Debate Resumed

Mr J. NORBERGER: We have already heard from the minister that one-third of apprentices are eligible for concessions and we now have vocational education and training FEE-HELP as well. A lot of support is available for people who choose to undertake VET training. Why should they not? There are some great career opportunities available for them.

Let us now look at something else. In the year leading up to 31 May 2013, we saw a decrease of 11.1 per cent in apprenticeship commencements. Let us not forget that the greatest limiting factor on whether or not someone will do an apprenticeship is whether there is an employer willing to give an apprentice a position. It is businesses, predominately small to medium-sized businesses, that decide to make positions available and take on apprentices. Of the people that I have met, there tends to be more people wanting to do apprenticeships than businesses that are willing to take them on. If we look at the wage increases that were handed down by the Fair Work Commission, and let us be very clear for the benefit of the member for Cockburn —

Mr F.M. Logan: Ten dollars a week!

The SPEAKER: Member for Cockburn!

Mr J. NORBERGER: I am not making a judgment on whether or not that was a good decision. What I am saying is that the opposition is telling us that our fee increases are working as a disincentive for employers, when in actual fact the wage increase is nine times higher than those fee increases. As the minister said, "You can't have your cake and eat it too". Those opposite cannot accuse us of creating a disincentive by having these fees passed on in two-thirds of the cases, when in fact the \$4 000 increase is creating the disincentive.

Several members interjected.

The SPEAKER: Members!

Mr J. NORBERGER: That is right. Quite frankly, it is the small to medium-sized businesses that will decide whether to take on an apprentice. Most of these apprentices are going to graduate with great job opportunities.

Mr D.J. Kelly: What about the disability sector?

Mr J. NORBERGER: Again, that is a selective example. The member needs to look more broadly.

MS S.F. MCGURK (Fremantle) [3.54 pm]: I also support this motion today. We have just heard a range of reasons from the government that actually support our resolution. I will address a couple of these. People are frustrated with the current vocational training system because Western Australians understand that access to training is one of the key ways that they will get access to the boom that we have had and are seeing the tail end of. Access to real and meaningful vocational education and training will enable them to share in the benefits of the resources boom. This government's efforts to increase vocational training fees works in exactly the opposite direction; it makes that training less accessible and less affordable for ordinary Western Australians. That applies to key industries, for example, resources and construction, let alone other high-demand areas such as the community and health sectors that the Leader of the Opposition and the member for Cockburn have already addressed.

In the Barnett–Grylls government's first term, we saw fewer apprentices in the highest skill demand areas of construction, electrical and mechanical trades. They were the areas that had the most demand, but in fact, the number of apprentices in those areas either declined or was static. What do we do to attract more apprentices into those areas? The labour movement and trade unions applied to increase wages for those apprentices so that there would be an incentive for young people to move into apprenticeships. They were successful, in part, because some wage increases were awarded, which the member for Cockburn has addressed. That is one way of attracting people into apprenticeships. But what has this government done? It has increased the fees for those apprentices.

The SPEAKER: Minister for Local Government, if you want to have a private meeting, please make other arrangements.

Ms S.F. MCGURK: Increasing the fees, whether they are borne by the apprentices or by the employers, will be a disincentive. The fee increases are a further disincentive for the employers, who are looking at the bottom line of costs they have to endure to train people and to provide vocational training in key areas, and for apprentices who might initially bear the increases. On a whole range of measures, any of these increases run counter to the efforts

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that should be put in place to attract people into key skill demand areas, whether that is in the traditional trade training areas or other vocational areas such as the health and community sectors.

Entry-level training is another area that I draw to the attention of the house. I am concerned about this government's attacks on the training and vocational training sector. An organisation in my electorate—South Metropolitan Youth Link—provides key entry-level training, and has done for a number of years. In fact, it has been a nominee or winner in both state and national entry-level training. In 2007, it won an award for being the access and equity training provider of the year, and it was a finalist in the national awards in the same category as well as for Aboriginal school-based training programs. It has a lot of experience in entry-level training. Trainers from that organisation recently asked to meet with me because they are concerned that the cuts this government has put in place will leave some of the most vulnerable in our community exposed and with no access to entry-level training. South Metropolitan Youth Link estimates that 30 of its employees who provide important entry-level training will have to be let go.

When high levels of unemployment and poor school attendance were identified as a major concern in the Rockingham–Kwinana area, SMYL led community and stakeholder consultation that confirmed the need for alternative approaches to at-risk youth. SMYL did that work and is concerned that as a result of the cuts to these programs, people are going to be left high and dry. Over three years SMYL has serviced more than 1 900 young people. For example, the school leavers program SMYL runs in the south west metropolitan region contacts years 10, 11 and 12 school leavers and in 2012 had contact with over 2 300 students.

Finally, the community learning centres program, which allows young people to undertake formal vocational studies in certificate I, increased the attendance rate at school from 54 per cent to 84 per cent as a result of the students' participation in the SMYL program. They are the people we need to keep engaged. They are Aboriginal people and young people who are falling through the cracks at school and TAFE. SMYL was engaging those people and I am concerned that those programs will be put at risk.

I will give the minister a word of advice. Perhaps he should undertake a TAFE course in simple English. A “market-driven student-centred model” really just means that there will be an increase in fees.

As someone suggested to me, the only part of students that this government is centred on is their wallets. If we are talking about sensitised areas—that is, those people who will find it difficult to pay will drop out of the vocational areas—just call it what it is. This increase in fees will affect those people badly. It will act as a disincentive for them. It will affect people in the metropolitan area, and, member for Kalgoorlie, it will affect them in the regions as well, believe me. For all those reasons, I support this motion.

DR A.D. BUTI (Armadale) [4.00 pm]: I also rise in support of this motion. Once again, we are talking about an area in which this government is falling down—that is, education and training. This government has to go down as the most anti-education and training government in Western Australia in living history. I respect the abilities of the Minister for Training and Workforce Development, but I never thought he would outdo the Minister for Education in trying to damage the portfolio that he has responsibility for. What he is doing in this portfolio rivals what the education minister is doing in his portfolio.

The minister talked about an entitlement and an uncapped system. He will not need to worry about caps because people will not be able to afford to take up a position. He cannot call something an entitlement and then make the cost so prohibitive that people cannot afford to take up a position. The minister mentioned in his contribution that in 2014, 92 per cent of students will be paying \$2 000 or less, and in 2017 it will go down to 87 per cent who will be paying \$2 000 or less, as though \$2 000 is not much money! The minister does not seem to realise that for a lot of people who want to take up these positions in TAFE courses, \$2 000 a year is a significant amount of money for them or their parents to try to pay. For the minister to say that \$2 000 is not a prohibitive amount of money shows how out of touch he is. Western Australia is known as one of the most expensive states in Australia and one of the most expensive places in the world for working families, especially for families on single incomes. An impost of \$2 000 a year is a significant impost. Of course, that is for the ones who will get away with paying \$2 000 a year. People will not be able to afford to do the other courses for which the fees have been significantly increased. The minister can talk about entitlements and an uncapped system, but that is meaningless if people do not have the ability to pay for the courses.

The member for Fremantle talked about the market-driven, student-centred model. I am sure that Milton Friedman is incredibly happy with the minister. Is it not ironic that the members of the National Party, the champions of agrarian socialism, who always fight the market forces in agriculture, suddenly become economic rationalists on TAFE issues? This model will eventually lead to the complete privatisation of the vocational education and training system. It is about time the minister was honest about this. His model is about privatisation. He talked about an income-contingent loan system. People who work in the disability sector will not be able to afford to pay back the loan. Either they will not do the course or they will do the course and be

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driven out of the industry. The minister should not talk about loans. He should study the loan system in the United States, where the debt for the loan system is driving down the economy. The minister stands condemned.

Division

Question put and a division taken, the Acting Speaker (Mr I.M. Britza) casting his vote with the noes, with the following result —

Ayes (17)

Dr A.D. Buti
Mr R.H. Cook
Mr W.J. Johnston
Mr D.J. Kelly
Mr F.M. Logan

Mr M. McGowan
Ms S.F. McGurk
Mr M.P. Murray
Mr P. Papalia
Mr J.R. Quigley

Ms M.M. Quirk
Mrs M.H. Roberts
Ms R. Saffioti
Mr C.J. Tallentire
Mr P.B. Watson

Mr B.S. Wyatt
Mr D.A. Templeman (*Teller*)

Noes (34)

Mr P. Abetz
Mr F.A. Alban
Mr C.J. Barnett
Mr I.C. Blayney
Mr I.M. Britza
Mr T.R. Buswell
Mr G.M. Castrilli
Mr M.J. Cowper
Ms M.J. Davies

Mr J.H.D. Day
Ms W.M. Duncan
Ms E. Evangel
Mr J.M. Francis
Mrs G.J. Godfrey
Mr B.J. Grylls
Dr K.D. Hames
Mrs L.M. Harvey
Mr C.D. Hatton

Dr G.G. Jacobs
Mr R.F. Johnson
Mr S.K. L'Estrange
Mr R.S. Love
Mr W.R. Marmion
Mr J.E. McGrath
Mr P.T. Miles
Mr N.W. Morton
Dr M.D. Nahan

Mr D.C. Nalder
Mr J. Norberger
Mr D.T. Redman
Mr A.J. Simpson
Mr M.H. Taylor
Mr T.K. Waldron
Mr A. Krsticevic (*Teller*)

Pairs

Ms L.L. Baker
Mr P.C. Tinley
Ms J.M. Freeman

Ms A.R. Mitchell
Mr V.A. Catania
Mr A.P. Jacob

Question thus negatived.