

NSW Board of Vocational Education and Training
2002 ANNUAL REPORT





BOARD OF VOCATIONAL EDUCATION AND TRAINING
Annual Report 2001 - 2002

The Honourable John Watkins
Minister for Education and Training
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Minister

In accordance with the provisions of the *Annual Reports (Statutory Bodies) Act 1984*, it is my pleasure to submit to you the Annual Report of the NSW Board of Vocational Education and Training for the financial year 2001-2002.

Yours sincerely

A handwritten signature in blue ink that reads 'Bert Evans'.

Bert Evans AO
Chairman

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CHAIRMAN'S OVERVIEW

THE NEW SOUTH WALES VOCATIONAL EDUCATION AND TRAINING SYSTEM IS A DYNAMIC LEARNING NETWORK LINKING PEOPLE WITH SKILLS AND JOBS.



Bert Evans, AO, Chairman

The New South Wales Vocational Education and Training system is a dynamic learning network linking people with skills and jobs in the State's new knowledge-based economy. The Board of Vocational Education and Training is responsible for facilitating the growth of our high-quality training system, and I am proud of our progress towards this goal during the year in review.

During 2001-2002, the Board continued to provide advice to the Minister for Education and Training on vocational education and training policy and the allocation of Commonwealth funds for training.

In addition to its advisory role, the Board's work included the implementation of a range of training projects designed to demonstrate the value of vocational education and training for individuals, industry and communities.

In 2001-2002, demonstration projects included:

→ The Vocational Rehabilitation Project for People with Recent Spinal Cord Injury

- The Regional Development Project - Bringing Vocational Education to Cellulose Valley
- The Murray Youth Training and Employment Strategy and
- Pathways for Indigenous People in Vocational Education and Training.

The Vocational Rehabilitation Project for People with Recent Spinal Cord Injury was a joint initiative of the Board, IBM Australia Limited, Telstra Corporation and TAFE NSW to assist people with spinal cord injury to develop computer skills and create opportunities for further education or employment. The initiative involved the design of individual training programs for 32 people in the spinal injury units of three Sydney hospitals.

The achievements of program participants were recognised by the Minister at an awards presentation in April 2002, where he announced funding for a continuation of the project in 2002-2003. One of the Board's key goals is to improve the participation of people with a disability in vocational education and

training and employment, and the vocational rehabilitation project is an excellent example of how this goal can be achieved.

Two other Board initiatives are demonstrating the value of vocational education and training in building regional communities. On the New South Wales-Victoria border, the *Murray Youth Employment and Training Strategy* is taking a whole-of-community approach to addressing young people's education, training and employment needs in the Albury-Wodonga region.

In the Northern Rivers region, *Bringing Vocational Education and Training to Cellulose Valley* is building partnerships between business, government, training providers, the job network and community groups to train people in skills required by emerging industries in the region. An important aspect of this initiative is the way in which the project's training solutions are enabling existing businesses to expand while attracting new businesses to the region.

Another important demonstration project in Armidale is focusing on the needs of Indigenous people in the New England region. *Pathways for Indigenous People in Vocational Education and Training* is giving project participants from the Indigenous community access to vocational education and training and to business and employment opportunities. An Indigenous Business Enterprise has been established through the project to help create new jobs for Indigenous people across the region.

The Board's program of demonstration projects reflects its legislated objective to encourage the development of best-practice vocational education and training initiatives, as well as the creation of new partnerships between consumers of vocational education and training and public and private training providers.

Part of the Board's charter is to understand the environment in which vocational education and training operates. During the year in review, the Board held a

TRAINING AND SKILLS DEVELOPMENT ARE VITAL TO THE GROWTH OF A WELL-BALANCED AND PROSPEROUS SOCIETY

successful and thought-provoking conference of leading academics who examined the findings of our 2000–2001 research projects, the *Knowledge Based Economy and the Changing Nature of Work*.

The research explored the radical shifts that have occurred in our economy, labour markets and workplaces in the last two decades. It also canvassed the possible negative economic and social consequences of our transition towards a new knowledge-based economy. The research projects and national conference considered ways of positioning our training system as a more powerful force for shaping our society's future – a society where everyone is able to develop the skills for participation and prosperity.

The Board's ongoing support of Vocational Education and Training in schools illustrates its commitment to linking skills with work for the next generation. Sixty-four thousand students enrolled in a vocational HSC course in 2002.

The Board met with VET teachers and students in several high schools as part of its 2001–2002 consultation program. We were impressed by the partnerships that have been formed between schools and industry to deliver VET programs, and we have seen first-hand the benefits for VET in Schools students who have progressed to traineeships, apprenticeships and university studies as a result of their vocational studies.

Vocational education and training for school students represents a large and valuable investment for the State. Ensuring the quality and relevance of vocational HSC subjects continues to be a priority for the Board.

The Board's comprehensive program of consultations with industry, training providers and the community has given us considerable insight into the vocational education and training needs of the New South Wales community. In addition to our first-hand experience, the findings of our research and demonstration projects allow us to plan for the State's future training needs.



Bert Evans, AO, pictured at TAFE NSW's National Environment Centre with Year 11 Primary Industries students Shannon Fulford and Nicole Stevens from Albury's James Fallon High School.

The New South Wales economy is undergoing a transformation from one based on agriculture and manufacturing to one where knowledge is the most valuable currency. Information and communication technologies are key drivers in our new economy and a number of Board initiatives supported better skills formation and more equal access to training in this critical area.

One success during the year in review was a pilot scheme to provide 2,000 small businesses in non-metropolitan areas with free Information Technology training. Workers in these businesses were able to see the benefits of participating in the training system while learning how to run their businesses for the future.

The Board continued rolling out its innovative program of free tuition in foundation computer skills to members of our community who lack these basic skills. The International Computer Driving Licence (ICDL) course was delivered by public and private training providers to 14,000 people throughout New South Wales in 2001–2002.

During the year in review, more than 600,000 people took part in a publicly-funded training course. The development of skills by individuals continues to play a vital role in building our communities, with vocational education and training providing the link between learning and jobs.

The Board's advice and activities are underpinned by our belief that training and skills development is vital to the growth of a well-balanced and prosperous society. We are committed to ensuring that vocational education and training meets the needs of individuals as well as industry, and that the benefits of high-quality training are shared by whole communities. In the context of this commitment, I am proud to present this review of the Board's achievements during 2001–2002.

Bert Evans, AO
Chairman, NSW Board of Vocational Education and Training

THE ROLE OF THE BOARD

THE BOARD OVERSEES POLICY AND PLANNING INITIATIVES AND FOSTERS PARTNERSHIPS BETWEEN KEY STAKEHOLDERS IN THE NSW TRAINING SYSTEM.

The Board of Vocational Education and Training was established in 1994 to provide the State Government and the Minister for Education and Training with strategic advice about the NSW vocational education and training system.

The Board, which is appointed by the Minister, oversees policy and planning initiatives and fosters partnerships between key stakeholders in the NSW training system. The Board is a key source of advice to the Minister on state and national vocational education and training priorities.

The Board's charter is to:

- **research** and **understand** the marketplace and environment in which vocational education and training operates
- **plan** appropriate strategic responses
- **advise** on the suitable allocation of resources
- **liaise** with governments, industry and community groups, and
- **inform** people about and **promote** the value of the NSW vocational education and training system.



Board member Dr Paolo Totaro, AM, speaks with VET in Schools students James Smithwick and Jaclyn Burton (studying at TAFE NSW - Riverina Institute) during the Board's consultation visit to the Murray region.

MEMBERS OF THE BOARD

MEMBERS OF THE BOARD ARE DRAWN FROM INDUSTRY, THE EDUCATION AND TRAINING SECTOR AND THE WIDER COMMUNITY ON THE BASIS OF THEIR EXPERIENCE AND EXPERTISE.

The Board consists of nine part-time members, eight of whom are appointed by the Minister. The Director-General of the Department of Education and Training is an ex-officio member of the Board.

In the first half of 2001, three members of the Board resigned because of new work commitments. Linda Burney resigned in March 2001 and Ted Wright, AM and Jim McMorrow both resigned in May 2001.

To fill these vacancies the Minister made three new appointments to the Board during the year in review. Ms Leslie Loble and Professor Cliff Blake, AO were appointed to the Board in August 2001, and Mr Bill Wooldridge was appointed to the Board in March 2002. All members of the Board are appointed until 31 December 2002.

Bert Evans, AO (Chairman)

Bert Evans retired as Chief Executive of the Metal Trades Industry Association in 1996. He is now the Chairman of the Sydney law firm, Cutler, Hughes and Harris.

Mr Evans is also Chairman of the NSW Vocational Education and Training Accreditation Board, Visiting Professor in the Macquarie Graduate School of Management, and Visiting Professor in Industrial Relations at the University of Sydney.



Bert Evans, AO (Chairman)

MEETINGS OF THE BOARD

During the year under review, there were 10 meetings of the Board. One meeting was held in conjunction with a consultation visit to Albury and one meeting was held at TAFE NSW – South Western Sydney Institute, Wetherill Park College campus.

TABLE 1: MEMBERS' ATTENDANCE AT BOARD MEETINGS

Member	Meetings Attended	Meetings Eligible to Attend
Bert Evans, AO	10	10
Kevin Power	10	10
Dr Paolo Totaro, AM	9	10
Kay Sharp, AM	10	10
Dr Doreen Clark, AM	8	10
Leslie Loble	7	8
Prof Cliff Blake, AO	6	8
Bill Wooldridge	1	1
Dr Ken Boston, AO	8	10

Kevin Power

Kevin Power was appointed to the Board in 1995. He is Chairman of the Australian Training Company and was formerly the Executive Director of the ACTU-Lend Lease Foundation, and former Deputy Secretary of the Commonwealth Department of Employment, Education and Training. Mr Power is also a member of the NSW Vocational Education and Training Accreditation Board, a Director of the Indonesian Skills Foundation and Special Adviser to the National Aboriginal Sports Corporation, Australia. Mr Power is a Fellow of the Australian Institute of Management.

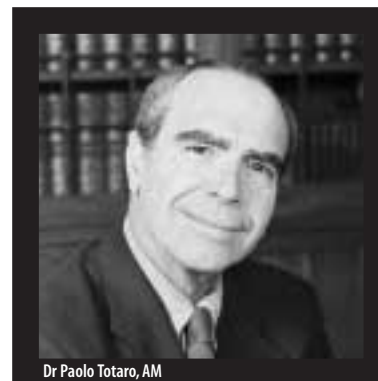


Kevin Power

Dr Paolo Totaro, AM

Paolo Totaro was appointed to the Board in July 1996. He was foundation Chairman of the Ethnic Affairs Commission from 1977 until 1989.

Dr Totaro is a Pro-Chancellor of the University of Technology, Sydney, and a visiting Professor in the Faculty of Education at the University of Western Sydney. He is also a member of the Northern Sydney Area Health Board and the NSW Vocational Education and Training Accreditation Board.



Dr Paolo Totaro, AM



Kay Sharp, AM

Kay Sharp, AM

Kay Sharp was appointed to the Board in 1998. Mrs Sharp is Executive Director of the Hunter Valley Training Company, a member of the Board of the National Secretariat for the WorldSkills Australia Foundation, and a member of the Advisory Council to TAFE NSW – North Coast Institute.

Mrs Sharp has been involved in a number of specialist vocational programs including training and employment programs for people with a disability, young people and Indigenous communities.



Dr Doreen Clark, AM

Dr Doreen Clark, AM

Doreen Clark was appointed to the Board in 1999. Dr Clark has had a long career as a scientist in business. She was a founding Director of an environmentally-friendly agricultural chemical company and a company that provided testing services to the chemistry and microbiology industry.

Dr Clark chairs the Board of Insearch, the commercial arm of the University of Technology, Sydney. She is a member of the NSW TAFE Commission Board, chair of the National Standards Commission, and a member of the NSW Innovation Council.



Leslie Loble

Leslie Loble

Leslie Loble was appointed to the Board in August 2001. She is the Deputy Director-General of Strategic Planning and Regulation within the Department of Education and Training.

Ms Loble was a senior appointee of President Bill Clinton. As Chief of Staff to the Secretary of Labor, Robert B. Reich, and prior to that, head of the policy division of the U.S. Department of Labor, Ms Loble managed major Presidential initiatives across education, training and employment.

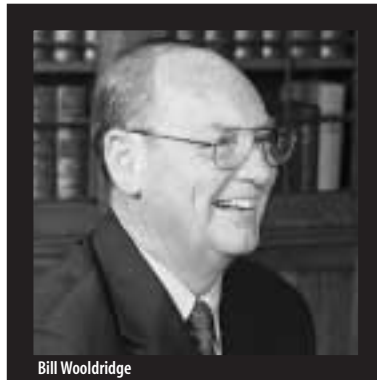


Professor Cliff Blake, AO

Professor Cliff Blake, AO

Cliff Blake was appointed to the Board in August 2001. Professor Blake has more than forty years experience in higher education. He was the foundation Principal of the Riverina College of Advanced Education from 1971 until 1990, foundation Vice-Chancellor of Charles Sturt University in 1990, foundation Chair of the National Conference on Open and Distance Education from 1994 until 1996, and President of the Australian Higher Education Industrial Association from 1990 until 1999.

Professor Blake was most recently the Vice-Chancellor of the University of Adelaide from August 2001 until July 2002.



Bill Wooldridge

Bill Wooldridge

Bill Wooldridge was appointed to the Board in May 2002. He is currently the Assistant Secretary of the Electrical Trades Union of Australia, NSW Branch.

Mr Wooldridge is currently an appointed member of the Vocational Training Tribunal. He is a Director of the Mechanical and Electrical Redundancy Trust and the NSW Electrical Superannuation Scheme. He is also Chairman of the Electro Group Training Company, and Deputy Chairman of the Electro Skills Centre at Rhodes. Mr Wooldridge is also a member of the NSW Labor Council Executive and the Local Trades Committee (Electrical).



Dr Ken Boston, AO

Dr Ken Boston, AO

Ken Boston was appointed to the Board as an ex-officio member in February 1998. Dr Boston has more than forty years experience as a teacher, lecturer and education administrator. He was the former Director-General of the South Australian Department of Education and the Director-General of the former NSW Department of School Education. Dr Boston has been the Managing Director of TAFE NSW and the Director-General of the NSW Department of Education and Training since 1997.

Dr Boston is also a member of the NSW Vocational Education and Training Accreditation Board, President of the Australian College of Education, a Fellow of the Australian Institute of Management and a Fellow of the Royal Geographical Society. He received the Australian College of Education medal in 1997.

DIRECTIONS AND PRIORITIES

THE GOAL OF THE NSW VOCATIONAL EDUCATION AND TRAINING SYSTEM IS TO DEVELOP A HIGHLY-SKILLED WORKFORCE TO ENHANCE THE PROSPERITY OF THE STATE.

The goal of the NSW vocational education and training system is to serve industry, enterprises, communities and individuals in ways that best meet their needs, and to provide the NSW economy with a highly skilled workforce to enhance the prosperity of the State. To achieve this, the Board has identified the following key directions:

Meeting the Challenges of the Changing Nature of Work and Future Skill Needs

The world of work is constantly changing. New technology and the push for a competitive edge are driving the evolution of a new employment marketplace.

A major challenge for New South Wales is to respond effectively to emerging demands through training programs and strategies that meet the needs of both industry and of individuals in the new work environment.

Supporting Equitable, Life-long Participation

It is important that everyone has the opportunity to participate in vocational education and training. Improving access to vocational education and training for Indigenous communities, people from a language background other than English, older people, and people with a disability is an important goal of the Board.

Preparing Young People for Work

It is important to ensure that young people have a smooth transition from school to work.

This will be achieved by providing structured and meaningful workplace training and opportunities to complete industry-recognised vocational courses while at school. There will also be opportunities for young people at risk to learn at campuses offering school, TAFE, apprenticeships and traineeships and preliminary university programs.

Responding to Regional Needs

To assist the development of regional economies and communities, partnerships must be forged between vocational education and training, adult and community education, schools and the higher education sectors. Partnerships will need to be established for the effective delivery of education and training, the planning and use of facilities and the establishment of joint delivery ventures.

Responding to regional needs also involves developing and implementing training initiatives of strategic importance to specific regional economies, as well as working with other service providers – such as government agencies – to improve economic and social outcomes.

Responding to Emerging Industries and New Jobs

To ensure that a skilled workforce is available in New South Wales, the training system must work closely with emerging industries. Planning for vocational education and training involves developing industry and enterprise-specific training strategies, developing new courses in high demand skill areas and specialist fields, making more courses available using new communication technologies and using the skills of VET providers to assist with business and product development.

Improving Vocational Education and Training

To ensure the quality and relevance of vocational education and training and to respond effectively to the changes in work and work environments, there must be flexible and innovative approaches to providing vocational education and training as well as appropriate professional development for teachers and trainers.

This involves building partnerships between industry, communities, government agencies and vocational

education and training providers, using the latest technology and a wide range of flexible teaching and learning methods.

Key Priorities

The Board of Vocational Education and Training has also set specific priorities to guide activities and initiatives in the State's training system. These priorities are to:

- implement reforms of the apprenticeship and traineeship system
- meet client needs through flexible vocational education and training services
- expand vocational education and training in schools and links between all sectors of education
- improve language, literacy and numeracy skills
- ensure quality in the provision of vocational education and training services
- promote lifelong learning opportunities for the community and increased investment in vocational education and training for the existing workforce, especially by small business
- improve opportunities and outcomes for individuals with special needs
- use vocational education and training resources efficiently, and
- implement effective vocational education and training for strategic industries and for regional development.

Each priority is underpinned by actions and initiatives that will ensure New South Wales leads the way in the development of a more responsive and inclusive vocational education and training system.

THE NSW TRAINING SYSTEM

THE BOARD IS GUIDED BY THE PRIORITIES OF GOVERNMENTS AT BOTH THE NATIONAL AND STATE LEVEL, AND BY THE DIVERSE NEEDS OF INDUSTRY, ENTERPRISES AND INDIVIDUALS WITHIN THE NSW TRAINING SYSTEM.

The NSW Board of Vocational Education and Training operates within a complex policy environment. The Board is guided by the priorities of governments at both the national and state level, and by the diverse needs of industry, enterprises and individuals within the NSW training system.

National Policy Framework

In 1992, the Commonwealth established a national partnership with the states to guide reform of vocational education and training in Australia. In return for Commonwealth funding for growth in training provision, the States agreed to implement nationally-consistent strategic directions and annual priorities for training.

In 1994, the NSW Board of Vocational Education and Training was established by an Act of Parliament to provide the NSW Government with strategic policy and resource advice to support the State's involvement in the National training partnership.

The Australian National Training Authority (ANTA) manages the partnership at the national level and guides training reform within a framework of nationally-agreed priorities. ANTA operates under the authority and direction of the ANTA Ministerial Council, which is comprised of all Commonwealth and State and Territory Ministers responsible for vocational education and training.

The broad national vision and strategic directions under which the Board operated during the year in review were outlined in *A Bridge to the Future: Australia's National Strategy for VET 1998-2003*.

The strategy sets out the long-term objectives for the national system. The five objectives of the strategy are:

- equipping Australians for the world of work
- achieving mobility in the labour market
- achieving equitable outcomes in vocational education and training
- increasing investment in training, and
- maximising the value of public vocational education and training expenditure.

Vocational Education and Training Plans

A key requirement of the national training partnership is the preparation of annual vocational education and training plans by the states.

The plans require formal approval by the ANTA Ministerial Council and they report on the states' achievements in the previous year and priorities for the coming year. The plans also include data on training activity and a capital development plan.

ANTA Agreement 2001-2003

In June 2001, the ANTA Ministerial Council endorsed a new ANTA Agreement for 2001-2003. The key policy objectives of the agreement are to:

- build a leadership role for industry in vocational education and training
- enhance national recognition of qualifications and training providers
- develop a skilled Australian community by expanding vocational education and training opportunities in schools, improving pathways with the higher education sector, and expanding apprenticeship and traineeship opportunities
- increase opportunities and employment outcomes for individuals
- develop a competitive training market with an appropriate framework of competency standards, recognition and qualifications
- encourage a training culture in Australian enterprises, and
- improve the efficiency of the provision of vocational education and training.

Under the ANTA Agreement 2001-2003, states need to:

- match Commonwealth growth funding with additional state funds
- prepare specific state innovation strategies, and
- increase the number of trainees and apprentices to pre-agreed levels.

The agreement provides growth funds to the states of \$50 million in 2001, \$75 million in 2002, and \$100 million in 2003. These funds are provided on the basis that states contribute an equivalent amount of additional funding. New South Wales' share of growth funds in 2001 was almost \$17 million and was matched by the same amount of additional State funding.

Despite the new growth funding, New South Wales will continue to use its own resources to meet significant additional training demand generated by Commonwealth policies in other areas. This includes additional vocational education and training activity generated by reforms to the Commonwealth Youth Allowance and the anticipated impact of enhanced mutual obligation requirements announced in the 2001-2002 Commonwealth Budget.

National Consistency

Building consistency and improving quality across state training systems were key areas of national focus during the year in review.

Four broad areas are being addressed through national negotiation:

- building the Australian Recognition Framework
- improving business practices
- improving mutual recognition, and
- gaining consistency in apprenticeship and traineeship training agreements.

Other issues being explored include concerns regarding the effectiveness of mutual recognition between state regulatory bodies.

NSW Information Technology Plan

Another significant policy framework that influenced the work of the Board during the year was the NSW Government's Information and Communications Technology (ICT) skills action plan, *Skilling People for an Information Society*, which was launched in 2000.

BUILDING CONSISTENCY AND IMPROVING QUALITY ACROSS STATE TRAINING SYSTEMS WERE KEY AREAS OF NATIONAL FOCUS DURING THE YEAR IN REVIEW

The ten-point plan was an outcome of the NSW Premier's ICT Skills Forum held in August 2000. Leaders from business, government, community and education organisations met to identify solutions to skills gaps in information and communications technology across the community. The action plan outlines a range of strategies to significantly increase skills levels in these fields across New South Wales.

The Board supported the Government's action plan through a number of initiatives. These included:

- initiating a program to use the International Computer Driving Licence to extend basic computer literacy in the community
- extending the Government's 2001 Small Business Training Bonus to focus on information and communications technology skills for small businesses and mature workers
- approving the introduction of a new diploma-level traineeship in information technology, and
- funding a pilot information technology training project for recent victims of spinal cord injury.



BVET Chairman Bert Evans, AO (second from left) pictured with Robert Lucas, Chair of the Murray Industry Education Advisory Committee and Australian Industry Group Regional Manager, at BTR Automotive in Albury. Bert and Robert are pictured with BTR apprentices Corina Murraylee and Aaron Cullen.

2001-2002: THE YEAR IN REVIEW

EACH YEAR MORE THAN HALF A MILLION PEOPLE PARTICIPATE IN PUBLICLY FUNDED TRAINING IN NEW SOUTH WALES. TOTAL PUBLIC EXPENDITURE ON VOCATIONAL EDUCATION AND TRAINING HAS REACHED ALMOST \$1.3 BILLION.

Each year more than half a million people participate in publicly funded training in New South Wales. Total public expenditure on vocational education and training has reached almost \$1.3 billion and nationally-recognised training is delivered through 130 TAFE NSW colleges. More than 1,000 registered private and community-based training providers operate in the State and most Government and non-Government high schools throughout New South Wales now deliver VET courses.

STRATEGIC PLANNING ADVICE

One of the Board's key responsibilities is to provide the Minister with strategic advice about the future needs of the NSW training system. In fulfilling this role, the Board develops planning documents, which detail the strategies, priority areas and specific initiatives that will guide the future of the State training system. The Board's main planning documents are the *Annual NSW VET Plan*, which incorporates the *NSW Innovation Strategy*, and the *NSW Strategic VET Plan 2002-2004*.

NSW VET Plan 2002

Under the Australian National Training Authority's Agreement with the states for 2001-2003, New South Wales is required to provide an annual VET plan.

The Board's *NSW VET Plan 2002* reported on:

- New South Wales' progress towards fulfilling the nationally-agreed annual training priorities for 2001
- planned vocational educational and training initiatives for 2002
- training activity data for 2001, and
- projected training activity for 2002.

The 2002 plan was prepared with input from the Department of Education and Training, TAFE NSW, the Board of Adult and Community Education, the NSW Board of Studies and Industry Training Advisory Bodies.

The Annual NSW VET Plan incorporates a mutually-agreed state Innovation Strategy for the allocation of almost \$26 million in Commonwealth growth funds.

The *NSW Innovation Strategy* for 2002 targets the delivery of additional training in a range of new and emerging industries that are important to the State's regional and rural economies and the NSW economy as a whole.

Industries targeted by the *NSW Innovation Strategy 2002* include aquaculture, information technology, biotechnology, e-commerce, telecommunications, electrotechnology and pharmaceuticals. Environmental industries will be targeted, including alternative energy production and waste disposal, as will the manufacture of medical and scientific equipment.

NSW Strategic VET Plan 2002-2004

In order to improve planning for future skill needs, the Board has developed the *NSW Strategic VET Plan 2002-2004*. The three-year strategic plan provides a long-term vision for future training directions and priorities in New South Wales. The Board will be guided by the strategic plan in positioning vocational education and training as a key driver of economic and regional development in New South Wales.

Development of the plan was supported by:

- five-year projections on industry, economic and occupational trends
- regional statistical profiles
- formal consultations with industry, community groups, training organisations, trade unions and government, and
- data from Board-commissioned research into the emerging knowledge economy and the changing nature of work.

The *NSW Strategic VET Plan* has been developed to shape a training system that lifts the level of innovation and productivity across all industries and occupations. The VET plan focuses on three key areas in addressing the demand for new skills. The plan emphasises the development of:

- skills for the new economy – assisting emerging and existing industries

- skills for regions and communities, and
- skills for participation – ensuring equitable access to education and training for all groups within the community.

The Minister launched the *NSW Strategic VET Plan* in June 2002. Since its launch, the plan has been distributed to more than 800 government, industry and community organisations involved in the training system. It has also been accessed 2,300 times through the Board's website.

RESOURCE ALLOCATION

The Board is responsible for providing the Minister with advice on the allocation of resources, including the strategic distribution of Commonwealth recurrent funding which is provided to New South Wales under the ANTA Agreement.

The Board also advises on priorities for State investment in vocational education and training, and on special purpose programs, such as ANTA literacy funds.

Commonwealth Recurrent Funds

During 2001-2002, New South Wales received almost \$150 million in Commonwealth funding. This included \$26 million to support growth in the NSW training system.

The Board recommended distribution of these funds to meet priorities in TAFE NSW, Adult and Community Education, VET in Schools, (including for structured workplace learning, apprenticeships and traineeships), the Contracted Training Provision program and NSW Agriculture.

ANTA Literacy Funds

The Commonwealth also provides annual funding for adult literacy initiatives. The Board recommended a special allocation of \$1.6 million to TAFE NSW and \$1.1 million to the Adult and Community Education sector. These funds were provided under the Commonwealth's literacy program to assist people

THE BOARD IS RESPONSIBLE FOR PROVIDING ADVICE ON THE ALLOCATION OF RESOURCES AND PRIORITIES FOR INVESTMENT IN VOCATIONAL EDUCATION AND TRAINING.

from language backgrounds other than English, Indigenous people, the unemployed and people who live in rural and remote areas.

Australians Working Together

Under the Commonwealth's *Australians Working Together* initiative, New South Wales received funding of \$670,000 to help improve the participation and training outcomes for people with a disability. The Board identified strategies that will assist people with a disability to:

- undertake higher level courses
- complete apprenticeships and traineeships
- undertake vocational HSC courses, and
- gain employment in the public sector.

The program is assisting women with a disability to complete information technology courses. An extra 140 training places are being created under this initiative.

The Board also proposed a further \$470,000 for TAFE NSW under the *Australians Working Together* initiative to assist mature-age workers and parents with school-age children return to the paid workforce.

Skills Centre Infrastructure

Another key responsibility of the Board is to oversee and endorse proposals for the establishment of new skills centres funded under the Commonwealth's Skills Centres program. The program provides capital infrastructure grants to build training facilities for industry-based ventures and for school students undertaking vocational programs.

Skills centres for school students help to increase participation in existing vocational HSC programs, expand industry and community involvement in training provision and provide industry-standard, off-the-job training facilities for young people.

In making recommendations on skills centre funding, the Board gives priority to getting the best value for public funds, expanding local training places, securing local partnerships, enhancing access in rural and regional areas, and meeting State priorities for training.

During the year in review, the Board supported four skills centre proposals. The first involved funding of \$427,000 to expand Wollongong's industry-based Entertainment, Multimedia and Arts Centre. These funds have been matched by industry contributions of \$427,000. The Board also supported funding of \$770,000 to build skills centres at high schools in Tenterfield and Moree in the State's north west and at Kempsey on the mid-north coast. School-based skills centres do not require industry contributions.

Improving VET in Schools

A key priority of the Board is the expansion of vocational education and training programs in NSW high schools. In 2001 there was a 14 per cent increase in the number of students enrolled in vocational HSC courses, and a 200 per cent increase in the number of students with a disability undertaking vocational HSC programs. The Board supports the expansion of quality vocational HSC programs in schools through the allocation of more than \$8 million for delivery and coordination.

In 2001-2002, the Board continued to manage the development of vocational education and training in schools through the NSW Schools Consortium. The consortium is a formal partnership between the Government and non-Government schools sectors that pursues strategies to expand and improve vocational programs in NSW schools.

The consortium distributes \$6 million annually in Commonwealth funding according to national guidelines. The consortium made significant progress in 2001 towards increasing the range, quality and status of vocational programs for school students. It expanded student choice, aligned programs with the *NSW Strategic VET Plan* and developed VET in Schools infrastructure, teaching resources, partnerships and professional development for teachers.

The consortium's activities are positioning VET in Schools as an integral part of the NSW and national training systems.

Workplacement Coordination

Students undertaking vocational education and training subjects as part of their HSC are required to undertake workplacement. The Board supports workplacement as an essential element of all HSC framework courses.

In 2002, the Department's Workplacement Coordination Program will organise structured workplace learning for 64,000 senior school students as part of their vocational HSC programs.

During the year in review, the Board recommended the allocation of \$3 million to fund sixty cross-sectoral workplacement coordination services. This represents an increase of \$900,000 on the previous year, and will be used to meet a projected 35 per cent growth in the number of students undertaking coordinated workplace learning in 2002.

During the year in review, the Board has been negotiating with the Enterprise and Career Education Foundation (ECEEF) towards an agreement for the Department to manage the NSW share of ECEEF workplacement coordination funds. The Board proposes joint management of the \$3.4 million ECEEF program and the \$3 million BVET workplacement coordination program for a three-year period from 2003 until 2005.

Quality In Group Training

During the year in review the Board considered strategies to improve the effective operation of group training companies. Group training companies employ 15 per cent of the State's apprentices and trainees and manage on-the-job training through host employers.

Annual joint funding of \$3.2 million by the Commonwealth and New South Wales for group training has increased total trainee and apprentice numbers, expanded the range of industries where they are employed and provided more equitable training opportunities for all.

The number of apprentices and trainees in funded group training has increased by 42 per cent to more than 8,600

A PRIORITY FOR THE BOARD IS TO DEVELOP INITIATIVES TO HELP IMPROVE PARTICIPATION OF PEOPLE WITH A DISABILITY IN VOCATIONAL EDUCATION AND TRAINING AND EMPLOYMENT.

in recent years. In 2001–2002, almost 2000 people from equity groups, including people from language backgrounds other than English, will be employed as apprentices or trainees.

In 2001 the Board oversaw the development of new quality arrangements for group training in New South Wales that are incorporated under the new *Apprenticeship and Traineeship Act 2001*. The Board endorsed a new registration system under the Act for group training companies receiving public funds. From June 2003, the system will set the minimum quality standards for the operation of group training companies.

The Board also advised the Minister about changes to performance agreements with group training companies. These changes include a shift away from targeting selected apprenticeship areas to encouraging apprenticeships across all industry areas. The Board also recommended a one-year agreement with group training companies pending finalisation of a national review of group training.

New State Industry Advisory Arrangements

The State's network of 20 Industry Training Advisory Bodies has been operating since a Board-commissioned review of advisory arrangements in 1995. The role of Industry Training Advisory Bodies is to provide industry training planning advice, promote the benefits of training to increase industry participation, and represent all stakeholders within their industry.

At the end of June 2002, the Commonwealth provided \$1.7 million and the NSW Government \$1.1 million to fund industry training advisory arrangements in New South Wales.

In its 2002 budget, the Commonwealth announced that it would phase out support for state Industry Training Advisory bodies. Commonwealth funding will be reduced by two-thirds in the 2002–2003 financial year and will cease in 2003–2004.

This has required a re-assessment of NSW industry

training advisory arrangements. In June 2002, the Minister extended funding for State Industry Advisory Bodies for three months pending advice on the future of industry advisory arrangements from the Board and the Department of Education and Training.

At the end of the year in review, a consultation process was being established to assist the Board to develop a range of options for future industry advisory arrangements.

OTHER PROGRAMS AND ACTIVITIES

Initiatives for People with Disabilities

A priority for the Board is to develop initiatives to help improve the participation of people with a disability in vocational education and training and employment.

Board initiatives during the year in review supported the Department of Education and Training's *Disability Action Plan 2000–2002* and the national strategic framework that is detailed in ANTA's *Bridging Pathways: National Strategy 2000–2005*. Specific initiatives are detailed below:

The Vocational Rehabilitation Project for People with a Recent Spinal Cord Injury

In April 2002 the Minister held a special awards ceremony for participants in the Board's *Vocational Rehabilitation Project for People with Recent Spinal Cord Injury*. The project, which was also sponsored by IBM Australia and Telstra Corporation, was an innovative approach by industry, health and training providers to assist people with spinal injuries back into the workforce.

The project, which began in August 2000, involved the design of individual training programs for 32 people in the spinal injury units of 3 Sydney hospitals. Training was linked to the national Information Technology Training Package and aimed to assist people with recent spinal cord injury to develop computer skills, creating opportunities for further education, training and employment.

Using computers and adaptive technology provided by

IBM Australia and high-speed Internet connections supplied by the Telstra Corporation, teachers from TAFE NSW – Northern Sydney Institute and OTEN worked with medical and other support staff to implement the individualised training programs. Other project partners included the Spastic Centre of NSW and ParaQuad, the Paraplegic and Quadriplegic Association of New South Wales.

ANTA funded an independent evaluation which reported that the project had been an innovative and highly successful early intervention training program, particularly in terms of the project's community and inter-agency partnership model and its potential application for other people with disabilities. Many participants had returned or planned to return to work, while others were beginning or continuing further education and training.

In May 2002 the Board and the project partners agreed to continue the project for a further twelve months. The second phase of the project will incorporate adjustments recommended in the evaluation report.

The vocational rehabilitation project provides an effective model for how business, education and training providers and the community can work together to maximise work and learning pathways for people with a disability.

Traineeships for People with a Disability

The Board's commitment to ensuring the benefits of training are made available to all is reflected in its contribution to the *Traineeships for People with a Disability* program, which commenced in July 2001. The program is complemented by a similar initiative for apprenticeships.

The program provides on-the-job training opportunities in NSW public sector agencies for people with a disability. It fully funds trainees' wages, wage-related costs and allowances. Trainees undertake training leading to a nationally recognised qualification.

A KEY GOAL FOR THE NSW GOVERNMENT AND THE BOARD HAS BEEN TO MAKE TRAINING IN FOUNDATION COMPUTER SKILLS ACCESSIBLE TO ALL PEOPLE IN THE COMMUNITY.

A unique feature of the program is that the participants will be offered permanent employment with their host employer upon successful completion of their traineeship.

In its first year of operation the program has placed 37 people with a disability in traineeships with 20 NSW public sector employers. During the next twelve months the program will place a further 37 people with a disability into traineeships.

As well as employment and training benefits for program participants, a broader program goal is the increased participation of people with a disability in the public sector workforce, which will increase the capacity of agencies to deliver better services to all.

Foundation Information Technology Skills for Communities

A key goal for the NSW Government and the Board has been to make training in foundation computer skills accessible to all people in the community.

In 2001 The Board allocated \$9 million towards a *Basic Information Technology Skills Development Program* for the NSW community. The program will provide free tuition in basic computer skills to more than 14,000 people across the State in 2001 and 2002.

Key target groups have been mature age workers and people seeking to re-enter the workforce, people from traditionally disadvantaged groups within the community, and people in regional and remote areas of New South Wales.

The program provides students with basic skills in computer and Internet applications and qualifies them for an International Computer Driving Licence, which is an internationally-recognised standard of computer literacy.

The program has been delivered through all TAFE NSW Institutes, 52 Adult and Community Education providers and more than 50 private Registered Training

Organisations. The large number of providers has ensured wide availability of training places throughout the State.

Preliminary outcomes from 2001 show strong participation by women, Indigenous people, those from a language background other than English, people with a disability and the unemployed. Half the participants were aged over 40 years.

IT Skills for Small Business

The globalisation of new technologies has led to the emergence of knowledge-based industries at the centre of the State's economy. The growth of these industries has been matched by a demand for workers with information technology skills. One of the Board's key priorities is the development of skills for the new economy. A range of Board initiatives were implemented to support this priority during the year in review.

A new \$1 million *IT Training Advantage* scheme was implemented during the year in review. The scheme supported the Government's *NSW IT Skills Action Plan* and targeted the development of information technology and e-commerce skills in 2,000 small businesses in six regional areas of New South Wales. Selected small businesses were offered vouchers with a redeemable value of \$500 to purchase information technology training. The scheme also targeted mature workers employed in small businesses.

There was overwhelming demand for the vouchers in all six regions and the scheme was successful in reaching many small businesses in rural areas that would not normally participate in training. Many business people participated in training on their own premises and learned how to use their own IT equipment more efficiently.

Diploma Level IT Cadetships

In October 2001, the Minister launched a new diploma-level information technology cadetship. The cadetship was developed in response to industry demand and to

meet a projected growth in IT jobs requiring advanced skills.

The IT cadetship:

- provides an integrated pathway through traineeships at Certificate levels III, IV and V
- includes multiple entry and exit points from school through to university, and
- incorporates internationally-recognised vendor-specific training and qualifications relevant to the student's area of employment.

The program was developed by the Department of Education and Training's ICT Skills Working Group. The Board provided input into the program's development, with particular emphasis on ensuring its articulation with relevant vocational HSC courses in IT and university courses. The Board also emphasised the need for solid industry support and streamlined movement between traineeships for those undertaking the cadetship.

INQUIRIES AND PROJECTS

An important objective for the Board is to conduct inquiries into vocational education and training issues. In fulfilling this role the Board ensures that the projects it commissions:

- inform planning and resource allocation
- support its commitment to improving the NSW vocational education and training system's responsiveness to industry needs, and
- equip individuals and communities to respond to changes facing the workforce.

The Board's projects focus on gaining a better understanding of the forces that are shaping our society, and developing a strategic response for the vocational education and training system that harnesses these forces to benefit the community.

AN ISSUE OF PARTICULAR SIGNIFICANCE FOR REGIONAL NEW SOUTH WALES IS THE HIGH UNEMPLOYMENT RATE AMONG YOUNG PEOPLE.

Changing Nature of Work and Knowledge Based Economy Projects

In 2001–2002 the Board engaged researchers across Australia to examine the evolving knowledge economy and the changing nature of work, and the challenges of these trends for the training system and future skills formation in New South Wales.

During the year in review, the Board published the outcomes of several cross-disciplinary projects. They included:

- five working papers and a final report of the *Beyond Flexibility: Skills and Work in the Future*, of the *Changing Nature of Work* project, and
- a working paper from the *Knowledge Based Economy* project.

These publications were distributed to 800 senior policy makers throughout Australia and were downloaded on 3,000 occasions from the Board's website.

The Regional Development Project – Bringing Vocational Education and Training to Cellulose Valley

The Board has a strong focus on building strategic partnerships in regional areas to increase skills development in industries that are particularly important to regional economies, including new and emerging industries.

As part of this commitment, the Board funded *Bringing Vocational Education and Training to Cellulose Valley*, a two-year demonstration project. The project, which commenced in September 2001, is being managed by Invest Northern Rivers, a body established by the Northern Rivers Regional Development Board to promote regional investment and development.

The project is developing strategies to position the training sector as a leader in regional development. The project's training solutions are enabling existing businesses to expand, attracting new businesses to the

region, and creating new education, training and employment pathways for local people. The project is particularly focused on young people, mature workers and Indigenous communities.

The project is extending the training model beyond the region's emerging medicinal plant industry to meet the needs of other new industries. The project has already created new training, job and career opportunities for local people in several enterprises and more than 60 new traineeships are planned.

The project is also demonstrating how vocational education and training can attract new business to the Lismore region, including a food manufacturing facility which expects to employ 49 full-time and 13 part-time staff within the next three years.

One of the keys to the success of the project is a new partnership management model, which involves collaboration between a wide range of businesses, industry associations, education and training providers, government agencies and community groups in the region.

Pathways for Indigenous People in Vocational Education, Training, Employment and Business

Another important regional demonstration project supported by the Board is the Armidale-based *Pathways for Indigenous People in Vocational Education, Training, Employment and Business*. The project is being conducted by Regional Extended Family Services (REFS), a Registered Training Organisation specialising in community services.

The project is linking communities across the New England region and trialling new ways of integrating training for Indigenous people with employment opportunities created through local business, government, and community development initiatives.

The main elements of the project are the creation of a new nationally-recognised management course, an

Indigenous Business Enterprise and a sponsorship and mentoring program for course participants.

Integrated into all *Pathways* courses are units in cultural and community awareness and Indigenous therapies. These units, called the Bookoola modules, provide an Indigenous cultural framework in which all learning takes place.

Articulation into diploma and degree courses offered by three regional universities has been negotiated, and the Department of Education and Training has agreed to use several modules in senior high schools across the New England region. The course was accredited by the Vocational Education and Training Accreditation Board at the end of the year in review.

An Indigenous Business Enterprise has also been established as part of the *Pathways* project to improve links between training and employment for course participants. It will provide direct employment and structured workplacement for participants, as well as pathways to employment and business opportunities.

The project has attracted a high level of interest and inquiries from a number of business, community and government agencies in New South Wales and other states.

Murray Youth Employment and Training Strategy

An issue of particular significance for regional New South Wales is the high unemployment rate of young people. Many are at risk of becoming completely disengaged from the labour market, from education and training that could help them into jobs and from full participation in the communities in which they live. This can occur even in areas experiencing skills shortages.

The Board recommended \$250,000 for an initiative aimed at improving education, training and employment outcomes for young people in the Albury area. BVET Chairman, Bert Evans, launched the *Murray Youth Employment and Training Strategy* in May 2002.

THE RELATIONSHIP BETWEEN IMMIGRATION, VOCATIONAL OCCUPATIONS AND SKILLS FORMATION IN AUSTRALIA WAS EXAMINED IN THE BOARD'S PROJECT: "THE IMPACT OF SKILL MIGRATION ON SKILL FORMATION AND THE LABOUR MARKET"

The strategy will assist young people to gain meaningful employment and a secure future through a whole-of-community approach to improving education, training and employment outcomes.

The Murray Industry Education Advisory Committee, chaired by the Australian Industry Group's Regional Manager, is managing the strategy and developing a wide range of practical responses to the job and training needs of local young people. The advisory committee comprises local industry bodies, individual enterprises, government agencies, community groups and education and training providers.

A key goal of the strategy is the strengthening of cross-border partnerships with the adjacent Victorian community of Wodonga. The advisory committee is working closely with the Local Learning and Employment Network for North East Victoria to ensure that the needs of all young people in the Albury-Wodonga region are comprehensively addressed.

Skill Migration and the Labour Market

The relationship between immigration, vocational occupations and skills formation in Australia was examined in the Board's 2001 project: *The Impact of Skill Migration on Skill Formation and the Labour Market*.

The project's final report, which was published during the year, filled a significant research gap and produced valuable empirical data concerning the role and impact of immigration in meeting skill shortages in Australia.

As well as distributing the final report widely, the Board has sought detailed advice from the Department's Migrant Skills and Qualifications Committee on the strategic implications of the report's findings for the NSW training system.

Post School Pathways

During the year in review the Board commissioned the Department of Education and Training to survey the outcomes of students who had completed a vocational Higher School Certificate course in 1998, the first year for

which full data on TAFE NSW and university entry for these students was available.

The *Post School Pathways* report found that students valued their vocational courses highly, in particular because of the practical nature of their learning. Students also valued highly the generic skills they had gained through studying a vocational HSC program. The report noted that one third of students who undertook a vocational HSC program in 1998 progressed to university.

Plan-It Youth: Mentoring Youth at Risk

In 2001 the Board provided funding for an independent evaluation of an inter-agency mentoring program for young people at risk of disengaging from education and training.

The evaluation report *Plan-It Youth: Mentoring Youth at Risk on the Central Coast of NSW* found that the pilot program was a tremendous success.

Based on the program's success, the Department extended it to five other districts in 2002. The program's mentoring approach also informed the new *Arabic Youth Partnerships* program being piloted by the Premier's Department in four areas of south western Sydney.

Addressing Industry Restructuring

During the year in review, the Board initiated a project to develop a training strategy for the NSW Textile, Clothing and Footwear industry, which is undergoing significant restructuring.

The project aimed to address the needs of displaced workers in a diverse workforce of more than 22,000 people. The project also aimed to address skill shortages, in order to place the industry in a position to ensure that it remains internationally competitive in the new global marketplace.

The Board endorsed the project's final report and proposed strategy *Measuring Up: A Training Strategy for the Textile, Clothing and Footwear industry in NSW* in 2001. The strategy has been widely distributed and has

informed development of a Department action plan for implementing the strategy in collaboration with all stakeholders.

Trends in Apprenticeships and Traineeships

A Board-commissioned review of commencements and completions in apprenticeships and traineeships in NSW presented its final report on *Current Trends in Apprenticeship and Traineeship Training in NSW* during the year.

The project involved employer, apprentice and trainee surveys, stakeholder interviews and statistical analysis, and examined structural, regulatory and legislative factors specific to New South Wales. The final report documented apprenticeship and traineeship trends to 1999, including a decline in traditional apprenticeship trade training, lower completion rates in traineeships compared to apprenticeships, and a shift in traineeship expenditure to lower skilled occupations.

Although several NSW initiatives since 1999 have mitigated these trends, the report has implications for NSW policy in a number of areas. These include State responses to the national approach to entry-level training, the NSW Government's procurement policy, the structure of employer training incentives, a possible need to re-introduce pre-apprenticeship courses, and expanding traineeships in higher skill occupations.

Greater University Recognition of VET

Significant progress was made during the year to expand university recognition of VET in Schools courses. A national project called the *Greater Recognition by Industry and Universities of Achievement in VET in Schools Programs* was established in March 2000. Improved recognition of VET courses is essential if all students are to have equitable opportunities for progressing to higher education.

The project is jointly funded by the Board and the Australian National Training Authority and its goal is to improve university recognition of VET in schools courses

for those seeking entry to higher education. Vocational programs currently receive only limited recognition as Category B courses in the calculation of tertiary entrance scores.

Chaired by New South Wales, the project's National Working Group has been negotiating with a wide range of agencies across Australia to develop a consistent and national approach to university recognition.

In 2002 the project is piloting a standards-referenced assessment model in a number of NSW schools which will allow assessment of student competency as well as generating ranked scores for tertiary entrance. The results of the pilot will inform a national trial of the model in 2003.

The project has also been working with three NSW universities on ways to extend recognition outside of the tertiary entrance score process. The outcomes will be a model for 17 other universities who have agreed in principle to improve recognition of VET courses.

Work also progressed on informing students, parents and careers advisors about university recognition options. At the end of the year a website was being finalised for this purpose and work was about to commence to involve industry bodies in better promoting VET in schools to industry.

CONSULTATION AND PROMOTION OF VOCATIONAL EDUCATION AND TRAINING

The Board is committed to ensuring that all people in New South Wales, regardless of where they live, have the same opportunity to participate in and gain the benefits of vocational education and training. Essential to achieving this aim is the Board's ongoing program of visits to regional areas. By meeting people involved in industry, education and training and workplace learning initiatives, the Board is able to gain an insight into the challenges and opportunities specific to each

community. By visiting regional areas, the Board ensures that it is well-informed about the training needs and issues of individuals and industry throughout New South Wales.

The Board's consultation program is complemented by a range of promotional activities aimed at raising the profile of vocational education and training and highlighting the important role of the training system to the State's economy.

Future of Work Conference

In July 2001 the Board hosted a highly successful *Future of Work* conference for 120 senior decision makers from across Australia to discuss future directions for skills development and workforce policy. The *Future of Work* conference was followed by a forum of senior education and training managers who evaluated the conference's outcomes and their implications for skills formation in Australia.

Conference presenters included senior research analysts from the United States and the Organisation for Economic Cooperation and Development (OECD), as well as leading authorities from Australian research, industry and government bodies.

The outcomes of the conference and the reports produced for the Board provided a foundation for the Board's work in aligning the NSW vocational and training sector with new economic and labour market demands.

Visit to TAFE NSW – South Western Sydney Institute

During the year in review, the Board continued its program of consultations with training providers.

The Board held its March meeting at the Wetherill Park College of TAFE NSW – South Western Sydney Institute. The Institute received a NSW Premier's Public Sector Gold Award for its *Youth At Risk* program (social justice category) in 2001. The Board was keen to learn more about the program and the opportunities it had

provided for young people at risk of disengaging from education and training.

As part of their visit, members met with the team of teachers implementing the program across south western Sydney. The Board heard about their innovative approach to giving young people choices regarding their own education, in an area of Sydney where 40 per cent of the population is under 25 years of age.

The Institute's program offers 50 courses for Youth at Risk which aim to develop pathways for young people to maximise their options for employment and further study. It relies on partnership arrangements with community organisations to provide the best outcomes for young people.

Albury Regional Consultation

The Board regularly holds consultations in regional and remote communities across New South Wales. These consultations are essential to understanding how State planning and training initiatives can best support social and economic development initiatives in regional areas.

In May 2002, the Board visited Albury in the Murray region for an intensive two-day program of discussions with local education and training providers, business associations, individual enterprises and community groups.

A central element of the visit was a public forum of community and industry representatives, at which the Board held discussions on critical training issues and needs.

The Board's participation in the forum provided valuable insight into the vocational education and training challenges and opportunities for the Albury community. The insights gained by the Board as part of their regional visits also inform the development of advice for the Minister about the planning of vocational education and training throughout New South Wales.

National Automotive Industry Skills Forum

The Australian automotive industry is an example of a traditional industry undergoing significant

DURING THE YEAR IN REVIEW, THE BOARD'S WEBSITE CONTINUED TO BE AN EFFECTIVE CHANNEL FOR COMMUNICATING VET ISSUES TO A WIDE AUDIENCE.

transformation. Its use of advanced technologies and its importance as a growing global exporter is changing the industry's workplaces, production processes and skills needs. The industry continues to experience significant skills shortages.

The industry approached the Board seeking assistance with the promotion of automotive careers and a promotion project team was convened. Initial meetings led to the formation of the National Automotive Industry Skills Forum, a unique partnership of leading manufacturers focused on the industry's future skills needs.

Significant progress has been made in promoting the benefits of school-based traineeships to the industry. In 2003, Toyota will offer school-based, part-time traineeships across all states, Holden will offer traineeships in New South Wales, Victoria and Queensland, and Ford and Mitsubishi will pilot the program in New South Wales.

At the end of the year in review the forum was considering strategies for greater promotion of the industry. This will involve providing more information about the industry's high-tech nature, its high-level skills needs, prospects for employment growth, and its excellent employment and career pathways for young people.

WorldSkills Competition

An important Board strategy for providing skills for the new economy is fostering excellence in skills formation across all industries.

The Board believes a key way of encouraging excellence in skills formation is to assist young people from New South Wales to participate in the International WorldSkills Competition. The competition is held every two years with participants from 35 countries.

WorldSkills Australia conducts school, regional and national competitions and sends teams to the

international competition. These competitions recognise excellence in more than fifty occupational categories, and more than 40,000 young Australians have participated in the competitions, testing their skills against extremely demanding world-class standards.

These competitions challenge young people, their teachers, trainers and employers to achieve world-class standards in all industries and to promote the status of vocational education and training across Australia.

During the year in review, the Board recommended funding to assist WorldSkills Australia to improve the chances of young people winning gold medals at the next International WorldSkills Competition to be held in Switzerland in 2003.

This funding will provide highly skilled competitors with additional expert training, experience with industry leaders and intensive vocational support. Other initiatives will focus on promoting an increase in the level of NSW participation in WorldSkills competitions and on gaining increased industry support.

Publications

In line with its role of promoting the vocational education and training system, the Board publishes a range of research information and material for VET practitioners and the wider community.

During the year in review the Board produced the following publications:

- *NSW Strategic Plan for Vocational Education and Training 2002-2004*
- *The Knowledge Based Economy - A Review of the Literature*
- *Older Workers and Education and Training*
- *Older Workers and Education and Training: Quantitative Data*
- *Impact of Skill Migration on Skill Formation and the Labour Market*

→ *A Comparative Study of Entry Level Training: United Kingdom, France, Denmark and Australia*

The Board also produced their final report on the changing nature of work project, *Beyond Flexibility: Skills and Work in the Future*, as well as the following papers:

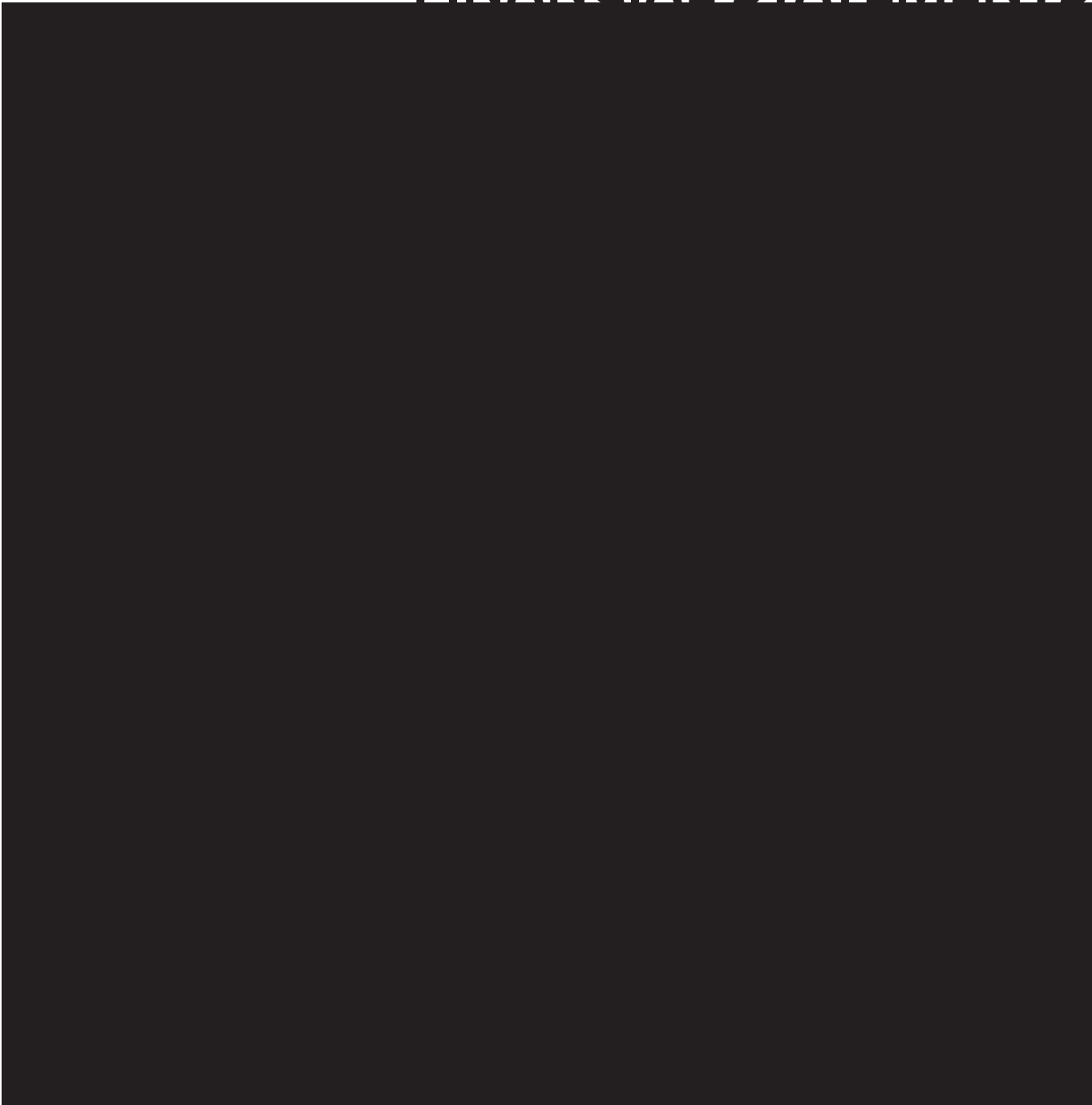
- *Vocational Education and Training and the Changing Nature of Work: Overview of Work in Progress*
- *Vocational Education and Training, Skill Formation and the Labour Market: Overview of the Major Contemporary Studies*
- *Vocational Education and Training and the Labour Market: A Statistical Profile*
- *Changing Nature of Work: Industry Case Studies*
- *The Three Logics of Skills in French Literature*

During the year in review, the Board's website continued to be an effective channel for communicating VET issues to a wide audience. An average of 21,000 pages were accessed each month, an increase of 70 per cent on the previous year.

Board publications are available online as well as in print form, ensuring access for all to information and analysis on critical training policy issues.

The website is a useful resource for promoting the profile of vocational education and training and providing links to a range of general and specialist VET sites.

FINANCIAL STATEMENTS





GPO BOX 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT

NSW BOARD OF VOCATIONAL EDUCATION AND TRAINING

To Members of the New South Wales Parliament

Scope

I have audited the accounts of the NSW Board of Vocational Education and Training for the year ended 30 June 2002. The members of the Board are responsible for the financial report consisting of the accompanying statement of financial position, statement of financial performance and statement of cash flows, together with the notes thereto, and the information contained therein. My responsibility is to express an opinion on the financial report to Members of the New South Wales Parliament based on my audit as required by the *Public Finance and Audit Act 1983* (the Act).

My audit has been conducted in accordance with the provisions of the Act and Australian Auditing Standards to provide reasonable assurance whether the financial report is free of misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the requirements of the Act, Accounting Standards and other mandatory professional reporting requirements, in Australia, so as to present a view which is consistent with my understanding of the Board's financial position, the result of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report of the NSW Board of Vocational Education and Training complies with section 41B of the Act and presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the Board as at 30 June 2002 and the results of its operations and its cash flows for the year then ended.

Eric Lumley FCPA
Assistant Auditor-General

SYDNEY
8 October 2002

STATEMENT BY MEMBERS OF THE BOARD

New South Wales Board of Vocational Education and Training

Financial Statements for the Year Ended 30 June 2002

Pursuant to Section 41C(1B) and (1C) of the Public Finance and Audit Act, 1983, and in accordance with a resolution of the Members of The Board of Vocational Education and Training, we declare on behalf of the Board that in our opinion:

- (i) the accompanying financial statements exhibit a true and fair view of the financial position of the Board of Vocational Education and Training as at 30 June 2002 and transactions for the year then ended;
- (ii) the statements have been prepared in accordance with the provisions of the Public Finance and Audit Act, 1983, the Public Finance and Audit Regulation, 2000, the Treasurer's Directions and other mandatory professional reporting requirements.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



Mr Bert Evans, AO
Chairman



Leslie Loble
Member

STATEMENT OF FINANCIAL PERFORMANCE FOR THE TWELVE MONTHS ENDED 30 JUNE 2002

	Note	2002 \$'000	2001 \$'000
Revenue from ordinary activities			
State Contribution		746	748
Project Funds	2(f)	786	2,212
Total Revenue from ordinary activities		1,532	2,960
Expenses from ordinary activities			
Operating Expenses		746	748
Project Expenses		1,030	436
Total Expenses from ordinary activities	3(a)	1,776	1,184
Surplus or Deficit/Result from ordinary activities		(244)	1,776
Total changes in equity other than those resulting from transactions with owners as owners	6	(244)	1,776

The accompanying notes form part of these statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2002

	Note	2002 \$'000	2001 \$'000
Current Assets			
Cash Assets			
Operating Account	4	45	20
Project Funds	4	1,532	1,776
Receivables		8	6
Total Current Assets		1,585	1,802
TOTAL ASSETS		1,585	1,802
Current Liabilities			
Payables		36	14
Provisions	5	17	12
Total Current Liabilities		53	26
TOTAL LIABILITIES		53	26
NET ASSETS		1,532	1,776
Equity			
Accumulated Funds	6	1,532	1,776
TOTAL EQUITY	6	1,532	1,776

The accompanying notes form part of these statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2002

	Note	2002 \$'000	2001 \$'000
Cash flows from operating activities			
Payments			
Employee Related		(399)	(344)
Other Operating Expenses		(1,351)	(868)
Goods and Services Tax		(130)	(53)
		1,880	(1,265)
Receipts			
Cash flows from government			
State Contribution		746	748
Project Funds		786	2,212
Reimbursement of Goods and Services Tax		129	47
		1,661	3,007
Net cash used in operating activities	8	(219)	1,742
Net increase / (decrease) in cash held		(219)	1,742
Cash at the beginning of the reporting period		1,796	54
Cash at the end of the reporting period	4	1,577	1,796

The accompanying notes form part of these statements..

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. THE REPORTING ENTITY

The NSW Board of Vocational Education and Training ("Board") is the Government's principal advisory body on vocational education and training. It also liaises with the Australian National Training Authority (ANTA) over the provision and distribution of Commonwealth training funds in NSW and on national training policy.

The Board has been a corporation constituted by the *Board of Vocational Education and Training Act 1994* No. 33 since 1 July 1994. The Board is the body nominated as the State Training Agency for the purposes of the *Australian National Training Authority Act 1992* of the Commonwealth.

On 1 July 1996, the reporting of the functions of the Board were altered to include only those accounting transactions and activities which directly relate to the Board itself. The Board as an entity does not enter into agreements relating to grants and subsidies.

In its role as the nominated State Training Authority, the Board administers funding for research projects. Prior year unspent Commonwealth grant funding, previously included in the Department of Education and Training's accounts, is disclosed as cash balances in the Board's accounts since 30 June 2001.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Board's financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards, the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation, 2000*, the Treasurer's Directions Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The Statement of Financial Performance and Statement of Financial Position are prepared on an accrual basis. The Cash Flow Statement is prepared on a cash basis using the "direct" method.

The financial report is prepared in accordance with the historical cost convention. All amounts are rounded to

the nearest one thousand dollars and are expressed in Australian currency. The accounting policies adopted are consistent with those of the previous year.

(a) Employee Related Expenses

The cost of employee entitlements to annual leave and superannuation are included in employee related expenses. The Board's liability for superannuation is assumed by the State.

The Board accounts for the superannuation liability as having been extinguished resulting in non-monetary revenue included in State Contributions.

The amounts expected to be paid to employees for their pro-rata entitlement to recreation leave are accrued annually at current pay rates.

As sick leave is non-vesting and as the sick leave taken is less than the sick leave accruing in any reporting period, no liability is recognised by the Board in accordance with AAS30.

(b) Government Allocations

Monetary and non-monetary resources which are allocated to the Board by the government and which are controlled by the Board are recognised as revenues in the financial period in which they are received. Non-monetary allocations are recognised at fair value.

(c) Acquisition of Assets

The cost method of accounting is used for all acquisitions of assets regardless of whether resources are acquired separately or as part of an interest in another entity. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition. Assets are determined to be any item with a useful life exceeding twelve months and with a cost in excess of \$5,000. Assets have been valued at cost less depreciation. It is considered that this value is not materially different to estimated market valuations.

(d) Cash

For the purposes of the statement of cashflows, cash includes cash at bank as at 30 June 2002, net of any amounts that are held in trust on behalf of a third party, over which the Board does not have a right of control.

(e) Comparatives

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(f) Revenue Recognition

All revenue is recognised when it is received. Project funds represent income received from the Commonwealth. The Commonwealth funds are allocated by the Minister for Education and Training to the Board for Vocational Education and Training Projects. Prior to 2000-2001 this funding was only recognised to the extent that it has been spent. Commencing in the previous financial year all prior year unspent balances and current year income has been reported in the Board's accounts.

(g) Administration Charge

Historically, administrative and operational support is provided to the Board of Vocational Education and Training (BVET) by the Department of Education and Training, free of charge. From the 2001 financial year, a charge for this support equal to 9% of forecasted recurrent expenditure (exclusive of property management) has been brought to account. This charge is an estimate based on studies of corporate services made by the Council on the Cost of Government. The estimate is meant to cover the costs associated with normal operations and does not include unique items whose costs are difficult to quantify.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. EXPENDITURE

Classification of Expense by Nature

	2002	2001
	\$'000	\$'000
(a) Employee related expenses	414	335
Fees and charges	1,032	543
Administration Charge	66	71
Accommodation	27	22
Audit Fees	13	13
Travel and Motor Vehicles	47	22
Printing, Postage and Freight	143	47
Stores	34	130
Telephones	--	1
	1,776	1,184

(b) Employee related expenses comprise the following specific items:

Salaries and Wages including recreation leave	371	300
Workers Compensation Insurance	6	6
Superannuation Entitlements	8	10
Payroll Tax	29	19
	414	335

(c) Fees and charges include:

Board Members' fees	228	200
Fees for services	804	343
	1,032	543

4. CASH AND CASH EQUIVALENTS

For the purposes of the Cash Flow Statement cash includes cash at bank and on hand. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the Statement of Financial Position as follows:

	2002	2001
	\$'000	\$'000
Cash at Bank		
Operating account balance	45	20
Project funds	1,532	1,776
Closing cash and cash equivalents (as per Statement of Cash Flows)	1,577	1,796

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5. CURRENT LIABILITIES - PROVISIONS

Provision for employee recreation leave and oncosts

	2002	2001
	\$'000	\$'000
Balance 1 July	12	21
Increase/(Decrease) in Provision	5	(9)
Balance 30 June	17	12

6. EQUITY

	2002	2001
	\$'000	\$'000
Total Equity at the beginning of the reporting period	1,776	—
Total changes in equity recognised in the statement of financial performance	(244)	1,776
Total equity at the reporting date	1,532	1,776

7. AUDIT FEES

An audit fee of \$13,000 has been charged to the Board for the 2002 financial year (\$13,000 in 2001). The auditors received no other benefits.

8. NOTE TO CASH FLOW STATEMENT

Reconciliation of Net Cash used in Operating Activities to Result from Ordinary Activities

	2002	2001
	\$'000	\$'000
Result from ordinary activities	(244)	1,776
Increase/ (Decrease) in Provisions	5	(9)
Increase/ (Decrease) in Payables	22	(19)
(Increase)/ Decrease in Receivables	(2)	(6)
Net cash inflows/(outflows) from operating activities	(219)	1,742

9. CONTINGENT LIABILITIES

The Board is not aware of any contingent liabilities in existence at 30 June 2002.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

10. FINANCIAL INSTRUMENTS

Financial instruments give rise to positions that are a financial asset of the Board and a financial liability to another party. For the Board these include cash, receivables and accounts payable. All financial instruments are shown at net fair value unless stated otherwise.

Significant terms and conditions of financial instruments are as follows:

(1) Cash

Cash comprises the bank balance within the Treasury banking system. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to Treasury.

(2) Receivables

Receivables represent Goods and Services Tax due from the Australian Tax Office. These amounts are generally received in the following month and do not accrue interest.

(3) Payables

These amounts represent liabilities for goods and services provided prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within the terms of credit. Generally these amounts do not incur interest.

Interest rate risk

Interest rate risk is the risk that the value of the financial instruments will fluctuate due to changes in market interest rates. The Board's exposure to interest rate risk and the effective interest rates of financial assets is as follows:

	Floating interest rate		Non-interest bearing		Total carrying amount as per Balance Sheet	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Financial Assets						
Cash	1,577	1,796	—	—	1,577	1,796
Receivables	—	—	8	6	8	6
Total Financial Assets	1,577	1,796	8	6	1,585	1,802
Financial Liabilities						
Payables	—	—	36	14	36	14
Total Financial Liabilities	—	—	36	14	36	14
Net Financial Asset/ (Liability)	1,577	1,796	(28)	(8)	1,549	1,788

Credit risk

The amounts shown as receivables are GST receivables from the Australian Taxation Office (ATO). There is no credit risk (risk of financial loss arising from the failure of another party to discharge a financial obligation) to the Board as the ATO will discharge this obligation.

End of Financial Statements

APPENDICES 1 & 2

APPENDIX 1: AIMS AND OBJECTIVES OF THE BOARD

APPENDIX 2: ETHNIC AFFAIRS PRIORITY STATEMENT

APPENDIX 1: AIMS AND OBJECTIVES OF THE BOARD

The NSW Board of Vocational Education and Training aims to increase public recognition of the value of vocational education. The Board's objectives, as specified in section 6 of the *NSW Board of Vocational Education and Training Act 1994*, are to:

- (a) advise the Minister on State vocational education and training policies in the context of State and national priorities and objectives
- (b) promote and develop, in collaboration with other agencies, a State vocational education and training system delivering high quality and nationally recognised programs
- (c) prepare, in collaboration with industry and vocational education and training providers, State Training Profiles based on the National Strategic Plan and agreed planning parameters, for approval by the Minister
- (d) recommend to the Minister the allocation of resources, including funding, to achieve optimal effectiveness and efficiency in the State's vocational education and training system
- (e) co-ordinate the provision of data on the performance of the State vocational education and training system to the Minister as required
- (f) prepare such plans and reports as may be required by the Minister
- (g) liaise with the Australian National Training Authority and with the State Training Agencies of other States and Territories
- (h) commission and conduct inquiries and foster research in vocational education and training
- (i) promote and develop, in consultation with the Vocational Education and Training Accreditation Board, a coordinated and effective State system for the accreditation of courses and registration of education and training providers

(j) encourage the development of innovative programs and best practices, and the creation of new partnerships between the consumers of vocational education and training and public and private providers

(k) collaborate with other agencies, to develop effective communication mechanisms for the dissemination of information about State and national developments in vocational education and training, and

(l) advise and make recommendations on any matter referred to the Board by the Minister.

APPENDIX 2: ETHNIC AFFAIRS PRIORITY STATEMENT

Introduction

As the principal source of advice to the Minister for Education and Training on the ongoing development of the vocational education and training sector, the Board of Vocational Education and Training plays a central role in the strategic directions, resource allocations and program initiatives developed in the NSW training sector.

In fulfilling this role, the Board is committed to developing a training system that is responsive and accountable to industry needs and to changing economic and labour market realities.

An equally important priority for the Board is that of inclusiveness, ensuring that the benefits of training are made available to all members of our community.

The Board is strongly committed to ensuring an improvement in participation rates and in training and employment outcomes, for individuals and groups who have had limited access to vocational education and training.

A key group in this category are people from a language background other than English. In 2001 the number of people enrolling in TAFE from targeted equity groups increased. Enrolments by people from a language background other than English increased by more than 10 per cent, a total of 24,000 individuals.

Strategic policy context

The major equity framework under which the Board operates is the *NSW Charter for Equity in Education and Training*. The charter is a commitment to building a high quality and fair education and training system and includes specific principles governing equitable resource allocation and program development, conduct and evaluation.

The Board also operates according to the NSW Department of Education and Training's strategic directions, which are outlined in the *Education and Training 2000-2002 Plan*. The plan covers all clients and employees of the Department and contains objectives relating specifically to people of culturally and linguistically diverse backgrounds. Initiatives in this area are outlined in the Department of Education and Training's *Ethnic Affairs Priorities Statement* for 2001. Details of both can be found in the Department's *Annual Report 2001-2002*.

Annual NSW VET plans

Commonwealth funding contributions to the states are provided annually and are contingent on the preparation of annual state training plans. These plans outline state achievements and future state plans to meet specific national priorities which are agreed on annually.

NSW's annual training plan, which is prepared by the Board, reflects the Board's strong equity focus and explicitly refers to people from a language background other than English.

Strategic VET planning

In addition to meeting annual national reporting requirements, the Board has developed a new, three-year *NSW Strategic VET Plan 2002-2004* which focuses on State priorities. The strategic plan provides a longer-term vision for future training directions and priorities in the State.

Development of the strategic plan is supported by five-year projections of industry, economic and occupational

APPENDIX 2

APPENDIX 2: ETHNIC AFFAIRS PRIORITY STATEMENT

trends commissioned by the Board and by regional statistical profiles and public consultations.

Equity principles and specific reference to the needs of people from a language background other than English were used to develop the strategic plan, and have been integrated into the plan's strategies and priorities.

INITIATIVES 2001-2002

NSW VET Plan 2002

The *NSW VET Plan 2002* reported on a number of training initiatives for people from a language background other than English which were implemented during 2001. These initiatives included:

- Funding agreements with 27 group training companies to provide apprenticeship and traineeship opportunities for people with special needs. At the end of 2001, there were 789 participants from a language background other than English in publicly-supported group training
- Development of strategies to improve the participation and retention rates of students from language backgrounds other than English
- *English for Specific Purposes* courses offered in a range of industry and professional training areas.
- Hosting information seminars for Job Network members about how TAFE NSW can assist in the provision of training for people from a language background other than English
- Continuation of professional development for adult English language, literacy and numeracy teachers working in vocational and community contexts
- Tracking of outcomes and satisfaction with vocational education and training of students from language backgrounds other than English.

NSW Strategic VET Plan 2002-2004

The five-year projections of industry, economic and occupational trends commissioned by the Board to inform the plan's development included an analysis of

the employment outlook for workers from a language background other than English for 2000-2005.

One of the plan's three broad strategic directions is developing Skills for Participation which targets people with differing needs and aspirations in NSW's diverse community. Among those groups identified in the plan as requiring a new or special focus are:

- older workers in particularly vulnerable occupations and industries, many of whom are from language backgrounds other than English
- young people, particularly those at risk, in regional and outer metropolitan areas, which include communities with a high proportion of people from language backgrounds other than English

Initiatives flagged under *Skills for Participation* include:

- extending training outcomes for mature age workers in particularly vulnerable occupations such as construction and mining, agriculture and horticulture, and production and engineering
- training providers to develop their capacity for English as a Second Language training and develop their links with employers willing to engage older workers in retraining and work experience.

Board Inquiries and Projects

The Board ensures that research it commissions supports its commitment to equipping individuals and communities with skills for the new economy.

The Changing Nature of Work, the Board's major project, included an exploration of the relationship between public policy and equity. The project also considered how the changing nature of work is affecting the concept of disadvantage in society and different population groups.

The Current Trends in Apprenticeships and Traineeships project includes an examination of commencements and completions by people from a language background other than English and pre-course readiness (eg. language, literacy and numeracy needs) on non-completions.

The briefing for Board-funded demonstration projects under *The Role of Vocational Education and Training in Regional Development* expressed the Board's concerns around multiple disadvantage. The briefing recommended that future projects include strategies to address the needs of people whose labour market disadvantage arises from membership of particular social groups, including people from a language background other than English.

FUTURE PLANS

NSW VET Plan 2002

Initiatives planned for 2002-2003 in relation to people from a language background other than English include:

- Information technology skills for all which will develop programs targeting specific groups such as people from a language background other than English
- Regional and rural initiatives delivering training for farmers, which includes provision for English language and literacy training
- Continuation of language, literacy and numeracy support for students in vocational and general education courses to increase their chances of successful completion
- Production of promotional resources and advertising regarding training opportunities in 21 languages other than English, including Arabic, Bosnian, Chinese, Croatian, Farsi, French, Greek, Indonesian, Italian, Japanese, Khmer, Korean, Polish, Portuguese, Russian, Serbian, Slovak, Tagalog, Thai, Turkish, and Vietnamese.

2002 NSW Innovation Strategy

Under new arrangements for Commonwealth funding contributions to state training systems, each state must prepare an annual innovation strategy.

Under NSW's *2002 Innovation Strategy*, one of three key activities is Information Technology skills for all and includes references to programs targeting specific groups

APPENDIX 3

APPENDIX 3: CODE OF CONDUCT

such as people from a language background other than English.

Foundation IT Skills Program

The *Basic Information Technology Skills Development Program* is a good example of how specific Board initiatives target and assist equity groups, particularly people from language backgrounds other than English.

The \$9 million program will provide free tuition in basic computer skills to more than 14,000 people across the State in 2001 and 2002. Key groups targeted for participation are mature age workers, people from traditionally disadvantaged groups including people from a language background other than English, and people in regional and remote areas.

TAFE NSW is the largest provider of training places under the program, and at the end of 2001, 19 per cent of 3,750 enrolments were people from a language background other than English. Where there were sufficient numbers, specific classes were established for groups including Coptic and Arabic-speaking students.

Private registered training providers recorded a participation rate of 11 per cent by people from a language background other than English. Providers who had developed appropriate strategies to assist equity groups in 2001 were contracted to deliver the program again in 2002.

The Board demonstrated its commitment to meeting the needs of learners by increasing training hours under the IT Skills program from 76 to 95 for equity target groups. TAFE NSW and the Adult and Community Education sector also adjusted test limit times to cater for special needs and rewrote the tests in more user-friendly language.

Skilled Migration Research Project

Briefings for research and demonstration projects commissioned by the Board generally include a requirement to assess a project's implications for equity groups. One major project commissioned by the Board

during the period under review looked specifically at skill migration and its relationship to the training sector.

The final report of *Impact of Skill Migration on Skill Formation and the Labour Market* was published in early 2002.

The Board has referred the report to the Department of Education and Training's Migrant Skills and Qualifications Committee for their advice on the implications of the report's findings for the NSW training system.

APPENDIX 3: CODE OF CONDUCT

The code of conduct applying to Board members is specified in Schedule 1 of the *NSW Board of Vocational Education and Training Act 1994*, and states that -

(1) If:

(a) member of the Board has an interest in a matter being considered or about to be considered at a meeting of the Board; and

(b) the interest appears to raise a conflict with the proper performance of the member's duties in relation to the consideration of the matter,

the member must as soon as possible after the relevant facts have come to the member's knowledge, disclose the nature of the interest at a meeting of the Board.

(2) A disclosure by a member at a meeting of the Board that the member:

(a) is a member, or is in the employment, of a specified company or other body; or

(b) is a partner, or is in the employment of a specified person; or

(c) has some other specified interest relating to a specified company or other body or to a specified person,

is a sufficient disclosure of the nature of the interest in any matter relating to that company or other body or to that person which may arise after the date of the disclosure and which is required to be disclosed under subclause (1).

(3) Particulars of any disclosure made under this clause must be recorded by the Board in a book kept for the purpose and that book must be open at all reasonable hours to inspection by any person.

(4) After a member of the Board has disclosed the nature of an interest in any matter, the member must not, unless the Board otherwise determines:

(a) be present during any deliberation of the Board with respect to the matter, or

(b) take any part in the decision of the Board with respect to the matter.

(5) For the purpose of the making of a determination by the Board under subclause (4), a member of the Board who has an interest in the matter to which the disclosure relates must not:

(a) be present during any deliberation of the Board for the purpose of making the determination; or

(b) take part in the making by the Board of the determination.

(6) A contravention of this clause does not invalidate any decision of the Board.

The Department of Education and Training's Code of Conduct applies to staff providing assistance to the Board, and is referred to in the Department's Annual Report.

APPENDIX 4

APPENDIX 4: REPORT OF OPERATIONS

APPENDIX 4: REPORT OF OPERATIONS

Equal Employment Opportunity

The Board adheres to the Department of Education and Training's EEO policies and practices. EEO initiatives are highlighted as part of the Department's Annual Report.

Guarantee of Service

The Board is covered by the Department of Education and Training's Guarantee of Service. Service performance is highlighted with the Department's Annual Report.

Payment of Accounts

The Board's accounts are paid centrally by the Department of Education and Training.

Risk Management and Insurance

Risk management and insurance policies covering Board members and clients are the responsibility of the Department of Education and Training's corporate services division and are reported in the Department's Annual Report.

NSW Government Action Plan for Women

The Board is covered by the Department of Education and Training's Action Plan for Women. Implementation of initiatives to improve outcomes for women are reported in the Department's Annual Report.

Occupational Health and Safety

The occupational health and safety of Board members and staff is the responsibility of the Department of Education and Training's corporate services division. Occupational Health and Safety initiatives are reported in the Department's Annual Report.

Human Resources

The Board's personnel and industrial relations practices are in accordance with the Department of Education and Training's policies and Public Employment Office guidelines.

Consultant	Project Title	Amount Paid
Centre for Regional Research and Innovation, University of Western Sydney	The Knowledge Based Economy - Implications for VET of the Demands of the Emerging Knowledge Based Economy	\$60,000
Australian Centre for Industrial Relations Research, University of Sydney	The Changing Nature of Work - VET to Enable Individuals and Communities to Meet the Challenges of the Changing Nature of Work	\$80,000
Invest Northern Rivers	The Regional Development Project: Bringing Vocational Education and Training to Cellulose Valley	\$100,000
Regional Extended Family Services	Pathways for Indigenous People in Vocational Education, Training, Employment and Business	\$110,454
Total		\$350,454

Waste Reduction

Implementation of the Government's Waste Reduction Purchasing Policy is the responsibility of the Department of Education and Training's corporate services division. Waste reduction is reported on through the Department's Annual Report.

Cost of the Annual Report

A total of 1,500 copies of the Annual Report were printed at a cost of \$8.23 (including GST) each.

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