

Dr Allison Stewart
Deputy CEO
Infrastructure Victoria

Dear Dr Stewart

Re: Infrastructure Victoria 30 Year Infrastructure Strategy

Thank you for the invitation to meet with the Infrastructure Review team as part of the first phase of public consultation for the Infrastructure Victoria 30 Year Infrastructure Strategy.

The VTA, on behalf of its members – the 12 standalone TAFE Institutes and the 4 dual sector universities – is keen to add their voice to this consultation process.¹

We are more than willing to assist Infrastructure Victoria to help set the objectives of the 2025 strategy, define the major infrastructure challenges for the TAFE sector in Victoria, and identify infrastructure options and policies to address them.

We note that education and training infrastructure such as schools, TAFE and kindergarten facilities is one of the Victorian Government's 8 identified infrastructure sectors, and we take this invitation to participate in the early consultation phase as a specific opportunity to influence the 2025 strategy and shape its direction from the perspective of the TAFE sector.

We are encouraged to see a focus on TAFE as part of the education and training infrastructure in this review.

TAFE is the sovereign training capability of the State and an integral part of the public education system, as such it should be fundamental to Infrastructure Victoria's 30-year planning process and given the same consideration in planning as are public schools.

The current Victorian 30 Year Infrastructure strategy 2021 – 2051 mentions TAFE only once in a recommendation to fund more Youth Foyers in regional Victoria. Specifically, to fund at least six new Youth Foyers in regional Victoria by 2026, to better use existing education infrastructure and support vulnerable young people.

Notwithstanding the importance of the Youth Foyers when taking a 30-year view we advocate a position that Infrastructure Victoria should be mapping infrastructure needs to current and future skill requirements identified by the Victorian Skills Plan, the government education and training priorities, other infrastructure projects, and the training capacity (physical and human) needed to meet these demands. The VTA advocates a much broader perspective on TAFE infrastructure including physical and digital assets, upgrading, rebuilding, repurposing of existing infrastructure, new building and facility needs, and equipment to set up the TAFE sector for the future.

¹ Use of the wording TAFE sector in this submission is taken to mean the standalone TAFEs and dual sector universities. It should be noted that there will be differences between the infrastructure needs of stand-alone TAFEs and dual sector universities due to the different governance and funding arrangements.

The consultation document identifies the impact on international education during the pandemic as the biggest problem for Victorian TAFEs. While this has been and continues to be a challenging issue as indicated at the consultation, we do not consider this to be our top priority. While important, international students make up a relatively small percentage of TAFE enrolments and are largely confined to five of the larger metropolitan TAFEs. The impact of the pandemic on international education has been predominantly in the University sector.

The more demanding pressure for TAFE from the impact of the pandemic for example was (and continues to be) access to the digital infrastructure to enable more on-line, blended and remote learning. As indicated at the consultation meeting, the pandemic amplified other major shifts impacting on the TAFE sector that should be considered in the development of the next 30-year plan. Specifically mentioned were current challenges including:

- Technology transformation – digital capacity and capability, digitisation of day-to-day operations, and more digitally demanding students and clients
- Workforce attraction, retention and capability
- Clean economy transformation
- Climate adaption and infrastructure sustainability
- Maintaining existing infrastructure (buildings, facilities, equipment)
- Planning for and investing in new infrastructure (physical and digital)
- Capital expenditure funding by government – lack of a capital infrastructure fund and transparency around decision making
- Long term planning horizons that provide stability for Institute planning.

We would like to take the opportunity offered to engage with you to discuss more detailed ideas on the broader development of the 2025 strategy with our TAFE and dual sector CEOs at one of their monthly CEO Council meetings. We would be happy to facilitate such an arrangement. Please contact Pam Jonas, Senior Adviser at enquiries@vta.vic.edu.au for any questions about this submission or to arrange further consultation with the VTA and members.

Regards,

Dugald Murray

Executive Director

A Principles Approach

Initial thinking indicates there are a range of issues related to TAFE infrastructure including better maintaining TAFE assets, upgrading them to modern accessibility and energy efficiency standards, and redesigning them for contemporary service needs.

The TAFE sector supports a planned approach to infrastructure investment with clear principles to guide infrastructure decisions.

Our intention, therefore, is not to present a ‘shopping list’ of infrastructure projects rather to propose some principles around infrastructure planning for the TAFE sector.

The review poses two central questions:

1. How do we get the best from existing infrastructure?
2. What new infrastructure is needed?

The following principles underpin our approach to how would/should the TAFE Network answer these two questions – collectively and individually – and reframe them as:

- Is TAFE getting the best from existing infrastructure?
- What TAFE sector training infrastructure is needed to underpin economic development, social equity, community connectedness, environmental sustainability?

For the TAFE sector we propose the following:

Principal 1

As Victoria’s sovereign training capability, the TAFE sector has an integral role in infrastructure planning. This requires that the TAFE sector should be built in not bolted on to infrastructure planning. The sector should be involved in co-creating ideas and policy for infrastructure development for the TAFE sector itself and the wider vocational education and training sector. TAFE as the sovereign training capability of the State and an integral part of the public education system, should be fundamental to Infrastructure Victoria’s 30-year planning process and given the same consideration in planning as are public schools.

There should be a TAFE capital infrastructure plan and a planning process for TAFE that aligns with the overall Victorian infrastructure plan.

The TAFE sector needs Investment in state-of-the-art public training infrastructure to support its role as the sovereign training capability of the state and its position as the centre of the VET system in Victoria. The TAFE network is central to delivering the Government’s priorities for skilling Victoria.

Principal 2

Infrastructure planning for the TAFE sector should be linked to State priorities.

Infrastructure Victoria should be mapping infrastructure needs to current and future skill requirements identified by the Victorian Skills Plan, government priorities, other infrastructure projects, and the training capacity (physical and human) needed to meet these demands.

Infrastructure planning should be anchored in the Victorian Skills Plan to meet the needs in underserved growth areas (metro and regional), existing and emerging growth areas, industry growth areas, and new and emerging industries particularly in the clean economy.

There are also inextricable links between Victoria’s population growth driven by migration, Victoria’s broad skills shortages across all industries, and the obstacles migrants meet in finding jobs that suit their qualifications. TAFE’s can play a critical role in releasing this untapped human capital to grow the Victorian economy through partnerships with employer groups to identify skill shortages and

provision of gap training for migrants who may have qualification but not the employability skills relevant in an Australian workplace. This is particularly the case for secondary visa holders and refugees where there exists a real underutilisation of qualifications.

Infrastructure planning should be about more than just assets and the better use of assets there needs to be a greater emphasis on how infrastructure investment relates to the State priorities of access, equity, and environmental sustainability and the role of the VET/TAFE sector in achieving these priorities.

For example: access to TAFE – includes transport, housing, accommodation, support services, digital capacity to support remote/dispersed learning delivery; equity – regional centres acting as regional capitals and given equal consideration in infrastructure planning and investment; environmental sustainability – ensuring TAFE assets are environmentally efficient with energy efficiency upgrades of assets (upgrading, retro fitting, new assets), and that the TAFE sector are the first choice for providing the training to current and emerging industries in the clean economy.

Principle 3

Physical infrastructure investment should be linked to skill needs, the student experience and ‘whole of life’ or ‘life cycle’ asset investment.

Within a 30-year view Infrastructure Victoria should be mapping current and future skill requirements against infrastructure projects and the training capacity (physical and human) need to meet these needs. For example, if a major piece of physical infrastructure is to be undertaken what facilities will be needed short term (the build), medium term (on-going maintenance), long term (redundant and adaptive capacity); and what training capacity will be needed to support this.

The pandemic has made the TAFE sector more aware of the well-being of students (and staff), the potential risks to their physical and mental health and the need to accommodate changing student demands.

Institutions spent months designing and developing new policies, procedures, and mechanisms to ensure a safe and secure campus experience for students. We can expect that health and safety will drive the student experience and campus design including efficient energy measures, ventilation, public safety, ‘way finding’ (navigating a campus safely) and cyber security measures.

‘Whole of life’ or lifecycle investment should underpin infrastructure investment. The existing challenges to the asset base of the TAFE sector have resulted from underinvestment in the capacity of TAFE to maintain all their facilities to high quality standards. On-going asset management (including funding) must be a part of infrastructure planning to ensure this situation is not duplicated or perpetuated.

The current TAFE funding model does not address the cost of maintaining existing infrastructure. A capital expenditure (or infrastructure) fund is required to support capital works upgrades and maintenance of existing and new assets. The fund should have an agreed set of principles and provide transparency around decision making. An annual allocation could be made through the fund to support infrastructure renewal and new projects.

The 30-year plan should be broad in its analysis of the State’s training infrastructure needs and prioritise investment on this analysis and identify additional infrastructure investment opportunities. Particular attention needs to be directed at regional TAFEs around the new and emerging clean energy industries that will be largely sited in the regions.

Principle 4.

The TAFE sector should have more autonomy over their infrastructure.

Adaptive and redundant capacity should be integrated into infrastructure planning. This would more easily enable decisions around renewal, repurposing, and redundant capacity in assets.

TAFEs need more autonomy over the way they use and maintain their infrastructure. For example, repurposing existing infrastructure for activities in TAFE and/or for other community infrastructure needs.

This should include the ability to sell redundant assets and to retain the right to reinvest the funding for new infrastructure needs. This could include investing in upgrading/retro fitting existing infrastructure to meet new environmentally sustainable standards and energy efficiency demands or investing in student accommodation.

The challenge around on campus developments is whether they are designed wholly for training purposes or whether they can flex to other possible uses over time.

Principle 5

Digital infrastructure – the ‘virtual campus’, organisational strategies and operations must be underpinned by state of the art, secure and stable digital infrastructure.

Digital transformation is changing TAFE operating models, student learning experiences, geographic flexibility and campus design.

Work is being done by OTCD on asset planning and management including analysis of current and future TAFE asset gaps – but this largely about physical assets.

Improved access to digital infrastructure to uplift on-line and remote learning, is essential for the TAFE sector in general² and more specifically in regional communities. The digital divide between regional and metropolitan centres must be addressed. More emphasis should be given to virtual learning environments and digital infrastructure that can improve access to vocational and training.

Priority should be given to leveraging digital technology to optimise student learning through new models of learning such as digitally connected classrooms, specialist centre hub and spoke models for the diffusion of specialist learning, addressing thin markets, and digital capacity to enable/enhance virtual delivery. This would also help support place-based VET delivery for secondary school students, particularly in regional areas, who access vocational programs delivered by TAFEs as part of the VCE study options.

TAFEs are also moving towards integrating and embedding digital capability into their overarching organisational strategies ensuring all current and future infrastructure is digitised. Hence the heightened need for stable, secure and scalable digital infrastructure.

Principle 6

TAFE infrastructure planning should be co-ordinated, and place based.

TAFE’s strong connection to its communities and industry provides broad and deep perspectives on occupations and skills in demand, and the infrastructure necessary to deliver them.

TAFES exist for their communities - new TAFE infrastructure and improvement of existing TAFE infrastructure promotes, encourages, and attracts economic activity, investment and job creation around the campuses.

Infrastructure Victoria sets the 30-year perspective for planning, OTCD is responsible for the TAFE Network Asset Strategy and asset planning from a whole of state view, and individual institutes provide local insights into community planning and infrastructure needs. To ensure that short,

² Care should be taken not to over emphasise the demand for digital transformation in dual sector universities as their connection to a university could mean their digital capability will be in advance of stand-alone TAFEs.

medium, and long term investment has long term value it requires these three players work closely and in concert. Place based decisions may mean that rather than an emphasis on big infrastructure projects instead there may be a more diverse range of projects which aim to resolve local skill, industry, energy and climate needs.

Locally driven education precincts with collocated schools, TAFEs, universities, other education providers and complementary industries such as health services provide good examples of co-ordinated planning.

Principle 7

TAFE infrastructure investment should support the Sustainable Development Goals (SDGs).

Infrastructure investment should support SDG 9 which is focussed on building resilience and sustainability into infrastructure planning and projects. This includes:

- 9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all; and
- 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater adoption of clean and environmentally sound technologies and processes.

The infrastructure lens should be on things/actions/activities that will contribute to the growth of the state with an eye to reinforcing sustainable development practices and building climate resilience.

The physical infrastructure for public vocational education and training should be upgraded to support adaptation and transition to the clean economy and clean energy – for institutes and industry training.

Principle 8

Understanding interdependencies with other infrastructure.

Understanding interdependencies with other infrastructure should be an essential element of TAFE infrastructure planning. Consideration must be given to the range of complementary services that are likely to impact TAFE infrastructure in the coming years. These include schools, transport, accommodation, health and wellbeing services, other education and training providers, demographic changes, and disability inclusion and access.

Recent media attention has been paid to the housing crisis which has a flow on effect to available and affordable student accommodation. There are pressures now for student accommodation at both metropolitan and regional levels and this is likely to worsen if new accommodation infrastructure is not well planned now. Unlike universities on campus student accommodation has not been a feature of TAFE campuses this may need to change in the future and should be factored into the infrastructure needs to support changing student populations and modes of delivery.

The post -Covid migration to the regions and government policies such as free TAFE have added pressure on the existing TAFE facilities in regional and metropolitan locations. Assuming these sorts of policies and trends will continue it will be important to factor them into TAFE infrastructure planning.

Demographic changes such as population growth will impact TAFE infrastructure. For example, as regional populations grow in response to employment growth so will the need for training infrastructure so that those living in regional communities can gain qualifications for new industries; and for those people moving to the regions there will be access to the education and training services that they will want and need.

Campus infrastructure needs to be planned, designed and built to be adaptable to meet the diverse needs of students.

Planning forward we will be rethinking student needs and therefore what the TAFE campus of the future is going to be. It will be different as education and training providers (not just TAFE) take on a more important role in terms of health and wellbeing in efforts to raise student completion rates and the student experience.

TAFEs, universities, and possibly schools will need to consider planning more co-located campuses, increasing student accommodation/student housing, access to travel and transport facilities, digital transformation to support new models of learning, and the availability health and well-being services.

Principle 9

The Infrastructure 30 Year Plan should encourage public and private partnerships for training infrastructure that create public and private benefit.

We understand that governments don't have the resources needed to fully finance their infrastructure needs, which make private/industry participation essential. We believe it is reasonable to expect industry to provide a level of support to infrastructure provision from which they derive a benefit. In the case of TAFE, they have access to a pipeline of skilled workers, training infrastructure, access to research and development capability, and opportunities for research and development leading to commercialisation.

The centrality of TAFE in the procurement of major infrastructure projects should be increased. Increasing the use of collaborative incentives and/or requirements in infrastructure contracts, for example, the percentage of apprentices on major projects, the percentage of TAFE training required in major projects, and allowing knowledge diffusion from major projects will improve the quality and productivity outcomes of public infrastructure projects.

Government priorities for the participation of women in non-traditional areas could also be enhanced through incentives and targets in contracts to promote diversity in apprenticeship numbers and increasing the number of women in large government construction and technology projects.

As new technologies and industries emerge so will the need for specialist training facilities. Capacity to attract investment will be boosted through the availability of high quality, up to date TAFE infrastructure. Infrastructure planning should closely follow industry planning and investment to identify where new industry and employer demand for skills will be located and the necessary skills and training infrastructure that will be required.