

24 June 2026

Committee Secretariat

Senate Standing Committees on Environment and Communications

Submitted via the Parliament of Australia website

Dear Committee Members,

RE: VTA Submission – The role of TAFE in supporting artificial intelligence and data centres

The Victorian TAFE Association (VTA) welcomes the opportunity to contribute to the Senate inquiry into artificial intelligence (AI) and data centres.

The VTA is the peak body representing Victoria's public TAFE network, comprising 11 standalone TAFE Institutes, four dual sector universities and AMES Australia. We champion public Vocational Education and Training (VET) with a focus on sustainability, quality, and outcomes for industry, community and learners.

While our perspective is grounded in Victoria, the issues we identify are national in nature and highly relevant to the Committee's Terms of Reference.

TAFE and public vocational education are largely absent from current policy and debate on AI and data centres, despite being essential to delivering the trained workforce these developments depend on.

This is a significant gap.

AI and cloud computing relies significantly on physical infrastructure that is located near major population centres connected to energy grids and water infrastructure. TAFE builds, powers and maintains the physical foundation of the digital economy, including advanced electrotechnology, HVAC cooling systems and water. Furthermore, TAFE increasingly trains workers in practical, applied digital and AI skills across almost every industry.

For AI to deliver on the projections of significant productivity improvements for industry requires workers to be trained in how to effectively and productively use those tools. TAFE is critical to providing that training.

1. TAFE is critical to building data centre infrastructure.

The development of AI and data centre infrastructure has the potential to change communities. The Victorian Government estimates that advancements in AI have the potential to generate up to \$30 billion in Gross State Product for Victoria over the next 10 years¹ and the development of this infrastructure, including data centres, will require thousands of skilled workers. These include electricians and electrotechnology specialists, data cablers and technicians, construction trades, plumbers, security, and facilities and maintenance roles.

¹ [Victoria: AI-Driven, Business Ready., The Victorian Government's AI Mission Statement, 2026.](#)

These occupations are primarily trained through TAFE. Without a strong domestic training pipeline, workforce shortages will constrain development for data centres and other parts of the economy, costs and delays will increase and economic benefits will not be fully realised locally. For example, there are already significant skills demands for trained electrotechnology workers; without significant additional investment in training, there is a risk that large-scale data centre developments would impact on the commercial and civil construction workforces.

Current policy discussions focus on investment, energy and regulation, but do not systematically integrate workforce planning and the central role of TAFE in training, reskilling and upskilling workers. TAFE is Australia's sovereign training capability, and current Victorian and Commonwealth policy has TAFE at the centre of workforce development. This should be reflected in the Commonwealth's AI and data centre strategy.

Without significant investment from both industry and the Commonwealth into public vocational education, there will be a significant disconnect between approving and attracting projects and having the workforce to deliver and sustain them.

Recommendation: The Commonwealth Government should develop an AI and data centres workforce training strategy with TAFE at the centre.

2. TAFE enables community benefit and social licence

While technological developments bring economic opportunity, they also raise concerns around energy use, environmental impacts, and the equitable distribution of benefits.

By investing in and leveraging TAFE, governments and industry can ensure that a significant share of the economic value generated by data centre investment is retained locally. Public support for these projects is strengthened when communities can clearly see the benefits, particularly in regional areas through the creation of jobs and economic activity.

Partnership with TAFE provides a practical and credible pathway to achieving shared benefit and improving social license for the development of data centre infrastructure. The AI and data centre industry can build social license for its operations and infrastructure through a significant contribution to TAFE training opportunities within communities, especially apprenticeships. These partnerships will help build trust, demonstrate tangible value, and support the social licence required for large-scale infrastructure development.

Recommendation: The Commonwealth Government should consider setting a minimum target of 10 percent of the data centre workforce to be invested in apprenticeships and encourage industry to partner with local TAFEs to fund training and apprenticeships.

Recommendation: Workforce training strategies and incentives should harness specialised TAFE training centres of excellence, such as the National Clean Energy Centre of Excellence at TAFE Gippsland and the Digital, AI and Technology Centre of Excellence at Chisholm TAFE.

3. TAFE education and training give learners skills that AI cannot easily replace

TAFE education and training is increasingly the smart choice for career security. TAFE qualifications offer a secure, "AI-proof" pathway focused on hands-on, human-centered and practical skills that technology cannot easily replicate like construction. Furthermore, TAFE is the provider of applied digital literacy, bridging the skills gap between digital and physical infrastructure, and enabling workers to get practical digital and AI skills.

Data from the Victorian Skills Authority shows that by 2028 Victoria will have 373,000 new workers. 80 percent of these future jobs are attainable via a TAFE education² including jobs as aged and disability cares, general clerks, carpenters, engineers, cyber security, and construction managers; and 91 percent of TAFE learners achieve their employment goals.³

Recommendation: The Commonwealth Government should consider mandatory workforce training co-investment requirements with local TAFEs, especially if there is any subsidised energy access, tax incentives or fast-tracked planning approvals.

4. Next steps

Please contact Maeva Fried, Head of Policy Reform (mfried@vta.vic.edu.au) if you would like to discuss this submission further.

Yours sincerely,



Alex White
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Victorian TAFE Association

² Source: McCrindle, *The TAFE value and perception challenge*, 2024 ([The TAFE Value and Perception Challenge – Victorian TAFE Association](#))

³ Source: Nous, *Employment outcomes for Victorian TAFE learners*, 2026 ([TAFE Employment Outcomes Report – Victorian TAFE Association](#)).