



Government of
South Australia



Annual Report 2012-13

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Government of
South Australia



The Hon Grace Portolesi MP
Minister for Employment, Higher Education and Skills
Level 4, 11 Waymouth Street
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Dear Minister

I am pleased to present you with the Annual Report for TAFE SA for the period 1 November 2012 to 30 June 2013. The reporting period is a reflection of TAFE SA's commencement as a Statutory Corporation on 1 November 2012. Prior to this, TAFE SA reported as part of the Department of Further Education, Employment, Science and Technology.

The report has been prepared in accordance with the requirements of the *Public Corporations Act 1993* and the *Public Sector Act 2009*.

The report provides TAFE SA's financial statement for the reporting period and provides an overview of activities and achievements during this time. The report also outlines progress made towards achieving the objectives of South Australia's Strategic Plan.

Yours sincerely

Peter Vaughan
Chair, TAFE SA Board



TAFE SA Board

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Chair's Message



On behalf of the TAFE SA Board, I am delighted to introduce TAFE SA's Annual Report for the period 1 November 2012 to 30 June 2013.

The past eight months have been a time of immense and unprecedented change for TAFE SA. The South Australian Government has introduced a contestable training market and TAFE SA has embarked on a journey of transformational change to compete in this space.

The Board's emphasis for the year was on working with TAFE SA management to respond to these challenges with the aim of strengthening our ability to meet future demands and adapt to the changing environment.

TAFE SA's commencement on 1 November 2012 as a Statutory Corporation and the appointment of the inaugural governing Board was an important milestone in this process. Collectively, the directors of the TAFE SA Board represent a wealth of leadership, management and governance experience. I would like to express my gratitude to my fellow Board members, for their commitment to TAFE SA and their support to me as Chair throughout the year. In particular, I sincerely thank the Chairs of the Board's four committees for their leadership. These committees were instrumental in discharging our corporate governance responsibilities and charting a new course for TAFE SA. I would also like to acknowledge the contribution of Mr Adrian Marron, who resigned from the Board at the end of the financial year. Mr Marron's experience in the vocational education and training sector was a huge asset to the Board in its first year.

The Board was pleased to announce the appointment of Mr Jeff Gunningham as Chief Executive Officer, following an exhaustive executive recruitment process. I am confident that Jeff, along with his executive team, will successfully lead TAFE SA through the opportunities and challenges ahead.

I would also like to extend my thanks to each and every staff member for their individual and collective contributions over the past year. Their commitment to excellence, particularly through the difficult period of transition within new market conditions, has made a real difference to our journey and to the educational experience of our students.

I believe in the transformative power of education, and the case studies and stories found throughout this report reflect the outstanding efforts of our workforce and the difference that learning can make to individuals and communities.

Looking ahead, the Government's investment in the \$120 million Sustainable Industries Education Centre at Tonsley and the \$38.3 million Mining Education Centre at Regency Park will become centres of training excellence to support growth in some of the state's key and emerging industries.

I would also like to take this opportunity to thank all our industry partners, community stakeholders and students for their continued support. We will need to continue to attract students to ensure our financial sustainability and make sure that TAFE SA is the first choice for students in the vocational education and training sector in South Australia.

Peter Vaughan
Chair

Chief Executive's Foreword



I was very happy to take up the role of Chief Executive Officer with TAFE SA earlier this year, and I am honoured to be leading a team that has such a long and proud history of leading the sector in student and employer satisfaction.

It has been another year of dynamic change and transformation for TAFE SA as we became firstly a Statutory Corporation, then a single organisation, forged from the previous three institutes. As well, we've moved well into the implementation of the South Australian Government's policy of full contestability for the vocational education and training sector – *Skills for All*.

There are significant challenges ahead not least in terms of adequacy of funding as we move further into a more competitive vocational education and training market. Nevertheless, we are more than capable of rising to these challenges given our obvious competitive advantages with respect to staff expertise and capability, as well as our infrastructure and geographic coverage across the state. My role as the Chief Executive Officer is focused on growing a single and cohesive TAFE SA around a shared vision for the future.

To this end, I felt it was imperative to involve all of our staff in shaping this new vision and direction for TAFE SA through a collaborative strategic planning process. To achieve this, a number of Executive Information Sessions and Chief Executive Officer Engagement and Strategic Planning workshops were held across the state, with the intent of giving our staff the ability to have direct input into capturing and shaping the key building blocks of our new Strategic Plan – our vision, mission, values and customer service standards.

Following these workshops, the Strategic Plan was developed and staff were given a further opportunity to comment on it, via an online survey. In addition, monthly video conferences were instituted for all staff across TAFE SA, headed by myself and members of the Executive, providing an open forum through which they are able to canvass and share their ideas and concerns collegially.

TAFE SA is not just another vocational education and training provider, but a pivotal part of the community it serves. I will use my energy, enthusiasm and experience to grow this sense of community around an agreed vision for TAFE SA and do my best to provide staff with a positive sense of future.

We need to continue to push forward as we are facing even greater financial challenges in the next few years due to the continuing impact of *Skills for All* and other financial pressures. I'd like to compliment and thank our staff collectively, for their continuing commitment to the cause of public vocational education and training, while dealing with further major organisational and structural changes and challenges with our systems and processes.

Jeff Gunningham
Chief Executive Officer



1. About TAFE SA

1. About TAFE SA

TAFE SA is a Statutory Corporation of the Government of South Australia. Our delivery network of 56 campuses and learning centres (including six located in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands and three in the Aboriginal Home Lands), provides the physical and intellectual backbone of the VET sector in South Australia.

Our core business is the design and facilitation of high quality teaching and learning programs and services to a diverse customer base - locally, nationally and internationally.

Each year we enrol over 80 000 students in qualifications ranging from Certificate I through to Degrees and Vocational Graduate Diplomas. We also deliver a myriad of skill sets and customised short courses. These enrolments translate into 606 743 individual subject enrolments and over 21 180 204 hours of training delivery.

Currently we have over 1 200 individual qualifications on scope across the following portfolio areas:

- > Building and Construction
- > Tourism, Hospitality and Creative Arts
- > Mining, Engineering and Transport
- > Primary Industries, Animal and Laboratory Sciences
- > Community Services, Health and Lifestyle
- > Business, Justice and IT
- > Foundation Skills
- > Aboriginal Education.

We are very proud of our long and distinguished history of providing high quality teaching and learning programs and services to a very culturally and demographically diverse customer base.

We believe strongly in our aspirational vision to become leaders in the provision of world-class vocational education and training and assist individuals, enterprises, organisations and communities (urban, rural and remote) to build futures which are economically, environmentally and socially sustainable.

As the public provider, we honour our role as an instrument of public policy and our obligations to the communities and industries we serve, while at the same time understanding the urgent need to become financially sustainable within an increasingly competitive VET marketplace.

Our Vision

A world-class vocational education and training provider.

Our Mission

Lifelong learning that sustains communities and builds workforce capability and individual capacity.

Core Values

We place a high priority on the following core values:

Integrity	We act ethically and honestly, and maintain the highest of academic standards.
Responsiveness	We provide timely and enterprising learning solutions, which meet customer needs and surpass expectations.
Professionalism	We interact professionally with all of our key stakeholders.
Creativity and Innovation	We foster an organisational culture that values inquisitiveness, experimentation, fresh perspectives and the sharing of new ideas.
Excellence	We strive to excel in all of our educational and business pursuits.
Accountability	We ensure that all parts of the organisation are accountable for the achievement of strategic objectives and performance targets.
Sustainability	We accept and act upon our environmental, economic and social sustainability responsibilities.



2. Corporate Governance

2. Corporate Governance

2.1 Enabling legislation

TAFE SA was established as a Statutory Corporation on 1 November 2012 under Section 4 of the *TAFE SA Act 2012*.

2.2 Responsible Minister

TAFE SA falls within the portfolio of The Hon Grace Portolesi MP, Minister for Employment, Higher Education and Skills. The Minister is accountable to the South Australian public for the delivery of efficient and effective services that responds to training, employment and workforce needs.

2.3 Ministerial directives

No Ministerial directives were received during the reporting period.

2.4 The Board

The inaugural TAFE SA Board was announced by the Minister for Employment, Higher Education and Skills on 4 October 2012.

Under the *TAFE SA Act 2012*, the independent board of directors governs TAFE SA on behalf of the State Government and reports on its performance to the Minister for Employment, Higher Education and Skills.

As stipulated in the *TAFE SA Act 2012*, members of the board include people who together have the abilities and experience required for the effective performance of TAFE SA's functions and the proper discharge of its business and management obligations.

The following TAFE SA board members were appointed by the Governor of South Australia:

- > Mr Peter Vaughan (Chair)
- > Mr John Branson
- > Ms Noelene Buddle
- > Mr Rob Chapman
- > Ms Joanne Denley
- > Ms Annette Hurley
- > Mr Adrian Marron
- > Ms Miriam Silva.

Operational management of TAFE SA is delegated by the Board through the Chief Executive Officer to the executive team.

Pursuant to the *Public Corporations Act 1993 Section 12*, a Charter was prepared by the Minister and the Treasurer after consultation with the Board. It clarifies the relationship between TAFE SA, the Minister and the Treasurer by defining and limiting the functions, powers and operations of TAFE SA, all of which are outlined broadly in the legislation. A copy of the Charter is provided at the end of this Annual Report.

TAFE SA Board Attendance Summary

Director	2012		2013				
	Nov	Dec	Feb	Mar	Apr	May	Jun
Peter Vaughan	X	X	X	X	X	X	X
John Branson	X	Apology	X	X	X	X	Apology
Noelene Buddle	X	X	X	X	X	X	X
Rob Chapman	Apology	X	X	X	X	X	X
Joanne Denley	X	X	X	X	X	X	X
Annette Hurley	X	X	X	X	X	X	X
Adrian Marron	X	Apology	X	Apology*	Apology*	Apology*	Apology*
Miriam Silva	X	X	X	X	X	X	Apology

* Notice of sick leave was officially tabled with the Board.

2.5 Committees

The Board established an active committee structure that capitalises on the skills and experiences of individual members.

The committees assist the Board in meeting its corporate governance responsibilities. The committees of the Board are:

Audit and Risk Management Committee

The Audit and Risk Management Committee assists the Board in relation to financial reporting, risk management, the internal control framework and audit processes.

Finance Committee

The Finance Committee assists the Board in relation to the sound financial management of TAFE SA by recommending financial strategies, policies, goals and budgets that support the strategic goals of TAFE SA. The Committee also reviews TAFE SA's financial performance against its goals.

Human Resources Committee

The Human Resources Committee assists the Board in relation to human resource management. In particular:

- > Organisational culture and values
- > Workforce planning and succession planning
- > Attraction, retention, recruitment, motivation and placement
- > Workforce diversity and flexible work arrangements
- > Training and development performance management
- > HR policies including WHS.

Transformation and Strategy Committee

The TAFE SA Board is committed to meeting the challenges of a contestable environment and the State Government's *Skills for All* initiative. In order for TAFE SA to operate in a competitive market, it needs to transform the way it operates in all key business areas. The Transformation and Strategy Committee assists the Board in relation to the sound management of TAFE SA by overseeing the TAFE SA transformation process to assist TAFE SA in becoming a financially viable publicly-owned training business.

Other reporting lines

- > The Higher Education Academic Board reports on a quarterly basis to the TAFE SA Board.

Summary of Committee membership

Director	Audit and Risk	Finance	Human Resources	Transformation and Strategy
Peter Vaughan			X	Chair
John Branson	Chair	X		
Noelene Buddle	X	Chair		
Rob Chapman			X	X
Joanne Denley			Chair	X
Annette Hurley	X		X	
Adrian Marron		X		X
Miriam Silva	X	X		



2.6 Board achievements

The TAFE SA Board met on a monthly basis during the reporting period and achievements included:

- > Appointment of a Chief Executive Officer
- > Oversight of a significant business transformation of the three TAFE SA institutes to one TAFE SA
- > Review of the end of year financial statements
- > Oversight of the development of a TAFE SA strategic plan
- > Approval of various Instruments of Delegation
- > Approval of TAFE SA by-laws and rules
- > Providing comment on the Ministerial Charter and Performance Statement
- > Approval of an Internal Audit function
- > Regular reporting on TAFE SA's finances and operations
- > Approved the establishment of TAFE SA's own Corporate Services.

2.7 TAFE SA transformation

On 1 July 2012, the State Government commenced the operation of *Skills for All*. This policy drove the establishment of a fully competitive and demand-driven training market.

In readiness for the move to an open training market, TAFE SA was established as an independent Statutory Corporation, at arm's length from the funding body, the Department of Further Education, Employment, Science and Technology (DFEEST).

In order for us to operate as a financially viable publicly-owned training business, TAFE SA undertook a major transformation process. As a *Skills for All* provider with greatly reduced recurrent funding, TAFE SA now relies on attracting, retaining and resulting students while in competition with over 200 other approved *Skills for All* providers.

Stronger as One

To be commercially viable, TAFE SA needed to address systemic issues that have limited competitiveness and cost effectiveness.

To be in the strongest position possible, the TAFE SA Board determined that TAFE SA would become one organisation, rather than three institutes. This will come into effect on 1 July 2013.

By having one TAFE SA we can plan and market our services across the state, develop one set of teaching materials for our courses, have one senior management team, be more flexible in our use of staff across campuses, have one approach to administration and reduce our overheads leading to a lower cost of service delivery.

Outcomes for students will be enhanced by having staff across TAFE SA work even more collaboratively, sharing resources and ideas for improved methodologies.

Critical to the success of the new approach will be staff working across the business, supporting each other and thinking what is in the best interest of TAFE SA.

A survey of staff in March 2013 showed that a huge 96% of respondents endorsed the change to a single organisation, with four key divisions:

- > Business Development and Regions
- > Education Delivery
- > Operations
- > Finance.

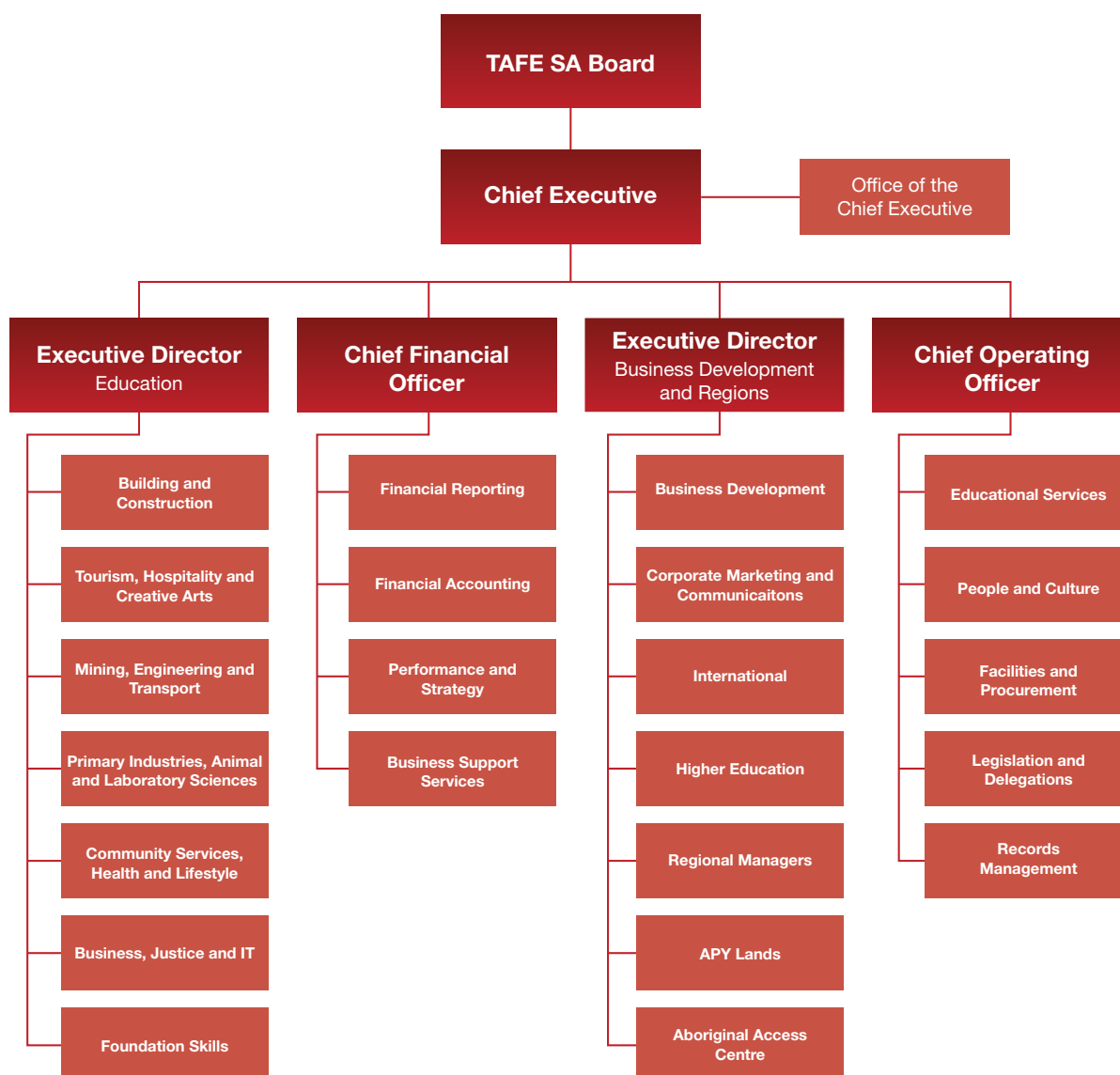


Figure 1: TAFE SA Organisational Structure

Training is organised by broad related areas of educational delivery:

- > Building and Construction
- > Tourism, Hospitality and Creative Arts
- > Mining, Engineering and Transport
- > Primary Industries, Animal and Laboratory Sciences
- > Community Services, Health and Lifestyle
- > Business, Justice and IT
- > Foundation Skills.

As part of the change process, TAFE SA participated in and advocated for public sector change by being selected for two 90 day projects, as part of the Premier's Public Sector Renewal Project.

Change@SouthAustralia projects are aligned to the Government's seven strategic priorities and have clear objectives, benefits and deliverable outcomes. The 90 day timeframe acts as a catalyst to keep things moving fast, challenges (and if necessary, dismantles) cultural assumptions, and projects are achieved within accelerated time frames.



3. The Year in Review

3. The Year in Review

3.1 Highlights



AC Arts visual arts graduate chosen for national exhibition

TAFE SA Adelaide College of the Arts (AC Arts) visual arts graduate Jesse Price was one of 36 emerging artists chosen for the prestigious, nation-wide exhibition *Hatched* at the Perth Institute of Contemporary Arts from 21 April to 10 June. Graduating from the Bachelor of Visual Arts and Design, in 2011 Ms Price majored in photography and her 'kaleidoscope-like' work is inspired by the urban environment, architecture and design.



New mobile unit for confined space training

TAFE SA acquired a new mobile training unit built with the support of local business, to provide Confined Space and Working Safely at Heights courses throughout regional South Australia.

A modified shipping container, which has the benefit of being easily transportable, has been adapted to incorporate ducting tunnels, ventilation, a side hatch and a roof hatch.

Safety standard essential equipment to the value of \$25,000, including safety harnesses, have been installed to complement this training experience.

Worldskills Australia

The Try a Trade exhibition at the National Careers and Employment Expo, in May 2013, gave many school students the opportunity to look at a range of trade-related career options. With the support of TAFE SA staff who assisted by representing their program areas, many hundreds of school students tried their hand at trade-related career options such as Hair and Beauty, Building and Construction, and Furnishing.



Language, Literacy and Numeracy Program graduates

Thirty TAFE SA Language, Literacy and Numeracy Program (LLNP) students celebrated their success at a graduation ceremony held at Calvary Central Districts Hospital in the Healing Garden. Almost eighty per cent of graduates achieved the full Certificate II qualification in Civil Construction and Construction pathways, with 11 gaining employment. The training model integrated language, literacy and numeracy (LLN) with industry training. It aimed to increase LLN and employment outcomes for targeted young people and Aboriginal groups through partnering with industry and the community, and involved working on a community garden within the hospital.



Powerful Pathways for Women

Nineteen women graduated with certified training through the Powerful Pathways for Women program (PPW) and nine went on to further training and are on their way to an electrical trades apprenticeship. The women graduated with certificates in Electro Communications, Information Technology, and Women's Education. Practical training was delivered at TAFE SA workshops at Elizabeth and Regency, SA Power Networks Davenport Training Centre at Port Augusta and the PEER Education and Training Centre. PPW integrated LLN into vocational training for the electrical trades.

Flinders University Dual Offers

TAFE SA and Flinders University combined to make it easier for students to gain both a vocational qualification and a degree with the launch of a Dual Offer program for 2013.

The flexible new study option particularly benefits regional students where access to a TAFE SA campus may be more readily available than a university or for those students not yet eligible for direct entry to a university degree. Students can apply for a Dual Offer with a single application either through TAFE SA or the South Australian Tertiary Admissions Centre (SATAC) for entry into both a TAFE SA course linked to a Flinders University degree. Entry to Flinders University is guaranteed on successful completion of the TAFE SA course and students will not need to complete a further application. University results show that graduates who come through a TAFE SA pathway perform better in degree studies than many of those that come directly, because they are better prepared for their university studies. Dual Offer courses are available from 21 TAFE SA campuses, 11 of which are in regional South Australia.



AC Arts brings Broadway to Adelaide with Little Shop of Horrors

Over ten big nights TAFE SA Adelaide College of the Arts (AC Arts) brought Broadway to Adelaide staging its largest production for 2012, the comedy horror rock musical Little Shop of Horrors. With 50 production and 14 acting students, the production – which was six months in the making, brought to life the hapless florist Seymour who raises a plant that feeds on human flesh and blood. Second and final year students from set and prop construction, theatre design, stage management, lighting and sound, costume construction and acting were all assessed for their part in this one big production. From creating costumes and making triffids to designing the set and managing the show on the night, students from across six disciplines at AC Arts worked hard to collaborate and learn ‘on the job’ in an environment that replicates an industry production of Little Shop of Horrors.

3.2 Awards

Skilled Futures Program

Four TAFE SA-trained building students joined 16 of Australia’s elite trade and skill technicians on a two-week trip of a lifetime to the United Kingdom, after being selected to be part of the BBM Skilled Futures Program. These highly skilled young professionals participated in a leadership and development program facilitated by Mission Performance. This will be followed by an extensive international work experience placement, enabling them to develop and advance further in their trade and industry. The South Australian 2013 BBM Skilled Futures Program recipients are:



- > Stephen Beelitz from Waikerie trained at TAFE SA Regency campus – Fitting
- > Jarred Denning from Surrey Downs trained at TAFE SA Gilles Plains campus – Plastering
- > Justin Halliday from Morphett Vale trained at TAFE SA Noarlunga campus – Painting and Decorating
- > Angus Sweet from Mt Gambier trained at TAFE SA Mt Gambier campus – Electrical Control

Children’s Services Graduate named Childcare Worker of the Year

Jessica Bleaney was awarded the National Rising Star award at the Australian Family Early Education and Care gala dinner in Sydney. Jessica rose above seven other state winners to take the prize, including more than \$10,000 in education grants. She was named the winner after she impressed judges with her calm manner, focused approach to care for children with special needs and her commitment to reaching her goals. Jessica completed the Diploma in Children’s Services at the Elizabeth campus in 2011 and says the study and development grants will assist her go to the University of South Australia where she wants to complete an early childhood education degree and teach children with learning difficulties.

Hospitality lecturer recognised

TAFE SA Advanced Skills Lecturer Mondy Karoussis was recognised as a ‘legend’ of the Tourism and Hospitality Industry at the Tourism Training Australia National Skills Conference in Sydney. The prestigious award recognises the outstanding leadership role of Mr Karoussis and TAFE SA at a national level.

Building and Construction students awarded

The inaugural TAFE SA Building and Construction Award Ceremony honoured 37 of the best students from all metropolitan campuses in the building and construction field. The top students from Elizabeth, Gilles Plains, Marlestone, Noarlunga and Regency campuses were awarded prizes that included tools, cash, subscriptions and vouchers sponsored by industry to help build their future careers. This leading group of building and construction students will make up the first intake at the new Tonsley TAFE campus at the Sustainable Industries Education Centre when it opens in 2014.



Adelaide critics honour AC Arts graduate

TAFE SA Adelaide College of the Arts (AC Arts) graduate Kate Cheel won the 2012 Adelaide Critics Emerging Artist Award for her performance in the State Theatre Company's production of *The Glass Menagerie*. AC Arts has a strong relationship with the State Theatre Company; they come and see student productions and then track the progress of the students for casting opportunities. Funded by Arts SA, the Adelaide Critics Circle awards are South Australia's leading awards for achievement in the performing and visual arts. AC Arts graduates featured twice in the nominations, with 2008 acting graduate Tim Overton nominated for his role in *The Call by Junglebean Theatre Company*, which was shown at Bakehouse Theatre during October.



TAFE SA graduate wins Best Italian Restaurant in Australia

At the National 2012 Restaurant and Catering Awards for Excellence, TAFE SA graduate Camillo Crugnale was awarded the prestigious title of the Best Italian Restaurant in Australia for his restaurant Assaggio Ristorante. TAFE SA's Regency International Centre maintains a long-term association with Camillo Crugnale, chef and part-owner of Assaggio Restaurant, who is a past student, guest lecturer, mentor and employer of TAFE SA students.

TAFE SA trains Adult Educator of the Year (Volunteer)

TAFE SA Women's Education student Tanya Moralee was named 2012 Adult Educator of the Year (Volunteer) at the Adult Learners Week Awards. Tanya graduated in the Certificate IV in Women's Education at Port Adelaide campus in 2010. TAFE SA Women's Education Co-ordinator Janette Riggs said that Tanya's first role after completing her Certificate in Women's Education was volunteering at a local Port Adelaide Community Centre where she assisted as a mentor and delivered computing classes for beginners. Tanya went on to attend the Bedford Industries Training Abilities for All program where she demonstrated strong leadership, helping other trainees with learning disabilities to succeed in the program. Tanya returned to TAFE SA in 2012 to update her skills in the Women's Education Program whilst completing her Certificate IV in Training and Assessment to become a qualified instructor.

TAFE SA Bakery students win at National Bakeskills Teams Competition

Two TAFE SA Bakery students won most of the categories at the National Bakeskills Teams Competition held at the Australian Fine Foods Expo in Melbourne during September.

Bakeskills Australia is Australia's premier baking industry competition, pitting the finest young apprentices and newly-qualified baker pastry chefs (under 25) from each state against each other over five days, making everything from sourdough, croissants and gourmet chicken pies to petits fours and chocolate centerpieces.

Olivia Lutze and Matthew Thorpe, who both previously studied a Certificate III in Retail Baking, represented South Australia. The competition, judged by Celebrity Patisserie Adriano Zumbo, achieved a 96% score for petits fours and 94% score for macarons.



Photography award

Nathan Waddell, a final year student in the Advanced Diploma of Creative Product Development (Photo Imaging) at Tea Tree Gully campus, was awarded the Student of the Year Award by the Australian Institute of Professional Photography (AIPP) (SA Division). The AIPP is a national photographic body that concerns itself with maintaining high standards of photographic practice and business ethics. It does this by offering its members educational seminars and an opportunity to have their photographic work critiqued and assessed through a peer review system. The mechanism for this is the National Print Awards. Each state division in turn runs its own Print Competition as a precursor to the National Awards.



Lecturer wins state training award

TAFE SA electrical lecturer Paul Johnson was named South Australia's Teacher/Trainer of the Year at the South Australian Training Awards gala dinner at the Adelaide Convention Centre, in September 2012.

Paul's training is highly respected by industry and valued by his students.



TAFE SA student wins state award

TAFE SA student Becara Hands was named Aboriginal and Torres Strait Islander Student of the Year, at the 2012 South Australian Training Awards. Becara has completed a Diploma of Nursing at TAFE SA and is employed by Port Pirie Regional Health Service. Becara also recently received a NAIDOC Award as Aboriginal Cadet of the Year.



TAFE SA among WorldSkills medals

Eleven young tradespeople trained by TAFE SA were awarded medals for skills in their chosen trades in the national 2012 WorldSkills Australia competition held in Sydney.

The WorldSkills Australia winners from TAFE SA were:

Gold: Justin Halliday – Painting and Decorating
Jarred Denning – Plastering
Stephen Beelitz – Fitting
Angus Sweet – Electrical Control
Harvey Candyce Dunford – Business Services

Silver: Craig Shepley – Automotive Mechanics
Courtney Proud – Printing and Graphic Arts

Bronze: Jonathon Cross – Refrigeration
Felicina Franco – Retail baking – Pastry
Matthew Hensel – Welding
Jay Ingley – Construction Steel Work

Limestone Coast rises to Carbon Challenge

Staff and students at the TAFE SA Mt Gambier campus celebrated a state-wide win in the TAFE SA Great Carbon Challenge. Mount Gambier's Keen to be Green team beat 11 other teams by developing numerous initiatives to help reduce the campus carbon footprint.

The Keen to be Green team won points by gaining staff pledges to reduce electricity, water and resource use and to increase recycling rates. Keen to be Green organised an e-waste collection, gathered compostable waste from around the campus to produce mulch for the gardens, and produced a video to publicise the composting process.

Aboriginal Access Centre Director named as business award finalist

A nineteen year career in Aboriginal training was recognised, as Aboriginal Access Centre Director Marg Mibus was named a state finalist in the 2012 Telstra Business Women's Awards. Born and raised in Port Augusta, Marg is an Arrrente woman from the Tilmouth family of Alice Springs. Her late father was known by his people as a leader who advocated for greater recognition for Aboriginal people and greater access to education and employment. Her father's leadership laid the foundation for Marg to develop her career.

3.3 Contributing to the South Australian economy

TAFE SA contributes to the development of the South Australian economy, industry and local communities by fostering productivity, prosperity and social inclusion through quality training and skills development, and by engaging individuals and employers in regional and remote areas, where the Corporation is the only local provider of training.

In 2012-13, TAFE SA had 87 740 students aged between 15 and 64 participate in training. This represents an increase of 14% from the previous year. We delivered around 1 200 accredited qualifications over 56 campuses, and 697 640 module/unit of competency enrolments.

The key challenges in the implementation and continual improvement of our training programs lie in providing high quality programs, while reducing the cost of delivery in an increasingly contestable environment.

Over the past three years, however, we have increased the output of hours delivered by approximately 33% (Figure 2) and reduced the cost of delivery per curriculum hour from \$15.14 in 2011 to \$13.06 in 2013 (Figure 3) while maintaining our customer satisfaction rating.

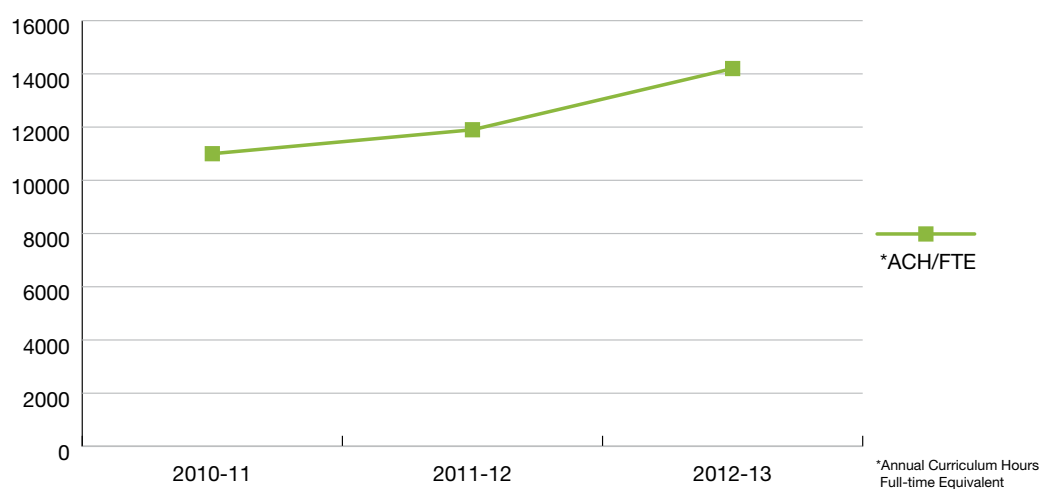
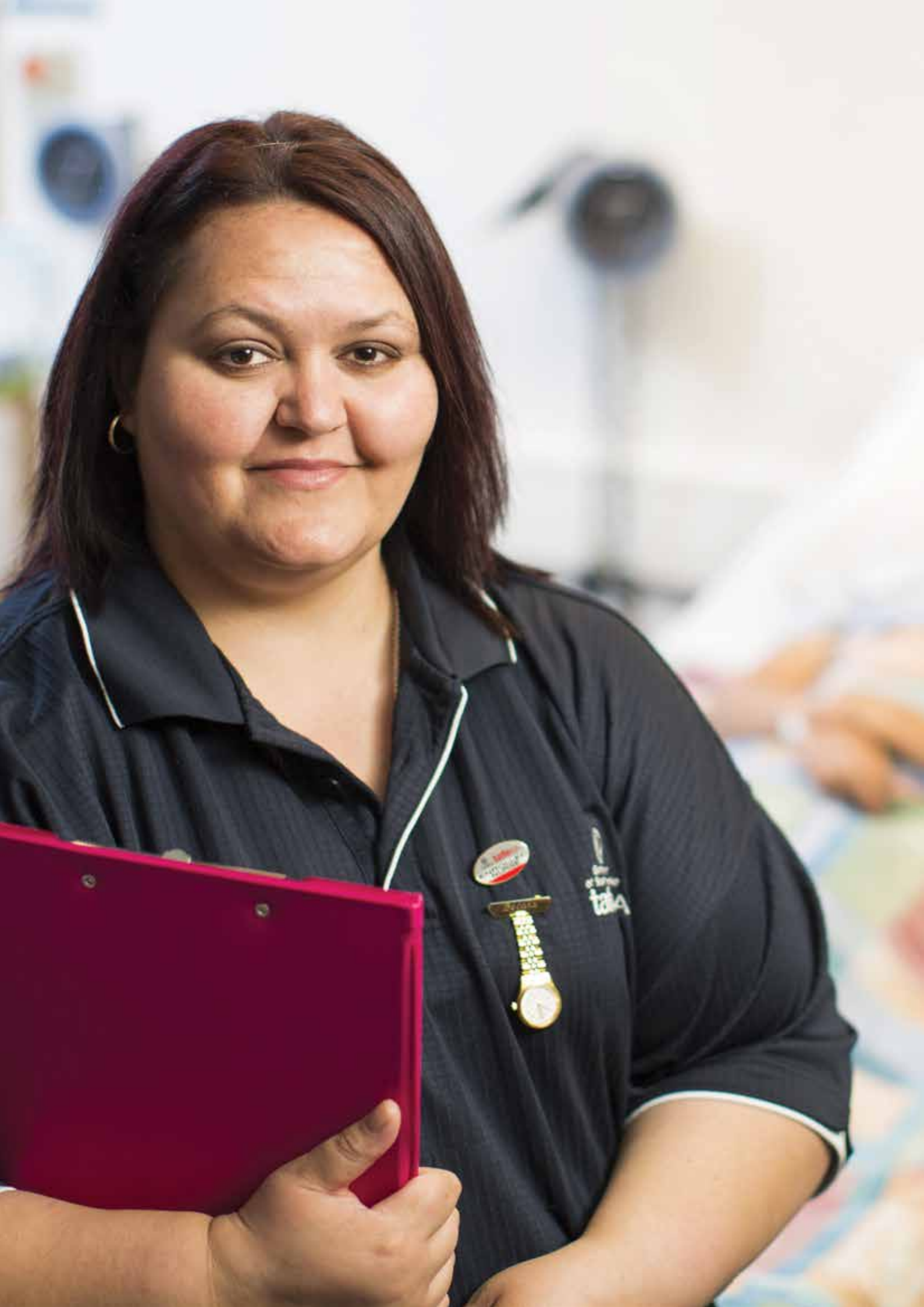


Figure 2: Productivity 2010-11 - 2012-13



Figure 3: Cost per hour 2011-13



WELL program

In support of apprentice completions in regional areas, TAFE SA was successful in securing Commonwealth Workplace English, Language and Literacy (WELL) funding to assist 80 apprentices in Mount Gambier, Berri, the Barossa Valley and Whyalla to boost their workplace numeracy and literacy skills and assist them towards completion. This project is ongoing.

SEE Program

TAFE SA renewed its funding arrangement with the Commonwealth Government's Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education for delivery of the Skills for Education and Employment (SEE) Program. The SEE program seeks to improve eligible job seekers' language, literacy and numeracy (LLN) skills by delivering training nationally within local communities to enable job seekers to participate more effectively in training or in the labour force.

Aboriginal Training

Aboriginal Access Centre

The TAFE SA Aboriginal Access Centre (AAC) was established as a 'transitional centre' where Aboriginal participants from age 16+ are able to engage in learning in a safe and culturally respectful environment. Students are then – if appropriate – transitioned into wider TAFE SA or employment. Overall, TAFE SA engages approximately 4 500 Aboriginal students per year across all certificate levels. Where possible, the AAC works with industry to provide training to direct employment outcomes. One of the most successful programs has been the pre-employment program in Certificate II in Mining for OZ Minerals.

The AAC, in partnership with mining company OZ Minerals (Prominent Hill), successfully developed and delivered numerous customised Aboriginal training programs. These programs have, to date, produced 51 mining graduates, 40 of whom are now employed locally by OZ Minerals. In recognition of these achievements, OZ Minerals was presented with the 2011 South Australian Premier's Social Inclusion in Mining and Energy Award for Excellence in Community Programs. In 2012, following the fourth program delivered in a partnership model with Oz Minerals and Complete Personnel, a further ten young men and women were employed at Prominent Hill.

Another example of improving access and equity outcomes for Aboriginal Australians is the program to train Aboriginal nurses on Eyre Peninsula. This innovative project is a partnership between TAFE SA, State and Commonwealth Governments, the Regional Health Service and job service providers Complete Personnel and Career Employment Group. This program resulted in nine Aboriginal women graduating as Enrolled Nurses in 18 months, and is seen as a best-practice model.

The AAC collaborated with the Port Lincoln Aboriginal Community in the highly successful Young Guns project, which saw young men from the Aboriginal community in Port Lincoln engaged in education and employment. The 13 Young Guns completed units of competence in drivers' licence learners' permits, White Card (workplace health and safety), first aid, forklift licence, front-end loader licence, responsible service of alcohol accreditation, boat licence, cooking and nutrition skills, fitness, chain saw use and all-terrain vehicle training. In addition to formal training, there were visits to workplaces including Australian Bight Abalone, Eyre Iron and Iron Duke (Arrium), so a variety of occupations could be observed. The Young Guns program also emphasised life

skills and acceptable behaviours. South Australia Police (SAPOL) also participated, providing advice on driving behaviour, the law, and dealing with police matters.

TAFE SA and the University of Adelaide established an agreement for Certificate IV in Legal Services Aboriginal and Torres Strait Islander graduates to have guaranteed entry to the University of Adelaide Bachelor of Laws. The agreement in relation to guaranteed entry came into effect in 2012.

A SAPOL Indigenous Youth Traineeship commenced in 2012. Under the traineeship arrangements, Aboriginal employees of SAPOL completed the Certificate III in Police Studies with Justice and Policing Studies. On completion of the Certificate III trainees were able to apply for selection as police recruits. The SAPOL Indigenous Youth Traineeship is an initiative developed by SAPOL in collaboration with TAFE SA Justice and Policing Studies. A further Traineeship program is planned for 2014.



Anangu Pitjantjatjara Yankunytjatjara Lands (APY) Lands: Trade Training Centre

Schools across the APY Lands have embraced the opportunity to access and incorporate VET in their curriculum offerings. VET is offered in a range of ways on the APY Lands including: being delivered by schools under VET in Schools Arrangements (VISA) with TAFE SA, being offered under VISA in partnership with industry and schools purchasing directly from TAFE SA.

In November 2012 the Department for Education and Child Development (DECD) APY Trade Training Centre officially opened at Umuwa. TAFE SA contributed to the initial planning, application and progress for the building of the Centre and has a Memorandum of Understanding with DECD for the delivery of training at this purpose-built facility. Delivery began in early 2013, providing opportunity to deliver training in industry areas where facilities were not previously available, for example in Automotive. This partnership between TAFE SA and DECD will improve opportunities for young people to transition from school to work and to further education and training.

The pre-employment Partnerships for Participation project 'Get that Job! Anangu Speak Up!' was a catalyst for engaging job seekers in the APY Lands. The pilot project, in partnership with Complete Personnel, enabled participants to explore employment options using the online Jobs Board while increasing their digital and functional literacy and confidence. A number of participants undertook a work visit to the Ayers Rock Resort and a few followed this with a week-long work experience placement at the Resort.

TAFE SA lecturers engaged with Aboriginal school students in the APY Lands to help them develop food production skills. This joint project, between TAFE SA and the DECD, supported students across three schools.

Students gained skills in irrigation, planting strategies, plant nutrition, paving, communication, hand tool use and safety. They designed and constructed the garden and planted fruit and vegetables, including tomatoes, carrots, lettuce, onions and silver beet. These products were then supplied to the schools' kitchens, enabling nutritious food to be provided for the students. The vision for this initiative was a success with the students committed to upholding the gardens and continuing to produce edible, nutritious foods for the schools.

3.4 Ensuring quality training

The TAFE SA Regulation Unit manages audit, compliance and continuous improvement processes for domestic and international quality training standards and transnational programs.

This is managed through TAFE SA Delegated Powers and aligns to the Standards for NVR Registered Training Organisations (SNRs). The unit undertakes audits, administers surveys and self-assessments to identify areas of improvement and reduce areas and levels of risk, in conjunction with program managers.

The unit manages the Quality Indicator survey processes which are designed to assist Registered Training Organisations (RTOs) enhance continuous improvement to strengthen training and business performance.

The three quality indicators are:

Learner engagement

This indicator focuses on the extent to which learners are engaging in activities likely to promote high quality skill outcomes and includes learner perceptions of the quality of their competency development and the support they receive or have received from TAFE SA.

Learner responses for this annual process indicated:

- > 95% agreed they developed the skills expected from this training
- > 95% agreed the training focused on relevant skills
- > 94% agreed trainers had an excellent knowledge of the subject content
- > 93% agreed they developed the knowledge expected from this training
- > 93% agreed assessments were based on realistic activities.

Employer satisfaction

This indicator focuses on employer evaluation of learner competency development and the relevance of learner competencies for work and further training, as well as employer evaluation of the overall quality of the training and assessment services provided by TAFE SA.

Employer responses for this annual process indicated:

- > 92% agreed the training provided focused on relevant skills
- > 90% agreed training resources and equipment were in good condition
- > 90% agreed trainers were effective in their teaching
- > 90% agreed trainers had good knowledge and experience of the industry
- > 90% agreed trainers were able to relate material to the workplace.

Competency completion

This indicator shows the number of enrolments and qualifications completed and units of competency awarded in the previous calendar year by TAFE SA.

For the 2012 academic year the unit of competency completion rate was 87%.

TAFE SA Delegated Powers

On 26 March 2012, the Australian Skills Quality Authority (ASQA) commenced regulating training providers in South Australia under the *National Vocational Education and Training Regulator Act 2011*. TAFE SA is recognised as a low risk, high quality training organisation in the national VET system and ASQA has delegated certain authority under the Act to TAFE SA as a Statutory Corporation. The ASQA Instrument of Delegation has two components of delegated powers and functions for TAFE SA:

- > Part 1 - Amending the scope of registration – meaning powers to extend own scope of registration for the qualifications TAFE SA offers
- > Part 2 - Accrediting a course.

TAFE SA Delegated Powers are managed by the Regulation Unit and are supported by a quality system that includes procedures, a risk framework, standard templates, fact sheets, flow-charts and a workflow record system.

Australian Qualifications Framework (AQF) qualifications completed in the three years 2010-12 increased by 47% from around 15 000 in 2010 to approximately 22 100 in 2012. For the same period, the number of completions by our students in higher level qualifications (Diploma, Advanced Diploma, Graduate Certificate and Graduate Diploma) increased by more than 125%, from 2 145 in 2010 to around 4 840 in 2012 (Source: NCVER VET provider collection 2012).

According to the 2012 NCVER Student Outcomes Survey, 90% of students are satisfied with the overall quality of training provided by TAFE SA. A total of 91 per cent of employers are satisfied with the quality of training delivered by TAFE SA to apprentices and trainees, and 94 per cent are satisfied with the quality of nationally recognised training delivered by TAFE SA.



3.5 Flexible delivery

TAFE SA operates in a dynamic, ever-changing political and economic environment, so it is imperative that we maintain our ability to respond in a flexible and contemporary manner.

Our TAFE SA trainers have industry experience and maintain their links within the relevant sectors, ensuring that they keep their skills and knowledge up-to-date and keep informed of the latest technology techniques and advances in their field.

TAFE SA is closely aligned to the needs of business and industry through key alliances and partnership arrangements with: businesses, industry, professional associations, industry advisory boards, universities and schools. These relationships enable us to identify and respond to emerging trends with timely, appropriate and quality courses.

We deliver a variety of skill sets and non-accredited training programs, customised to meet the specific needs of students, enterprises and communities. Our combination of classroom, e-learning, work-based, distance and self-paced learning methodologies also makes us a leader in flexible delivery on both a state and national level.

Between 2010 and 2013, classroom-based delivery has decreased by around 26%, with e-learning and self-paced learning increasing by around 172% and 78% respectively.

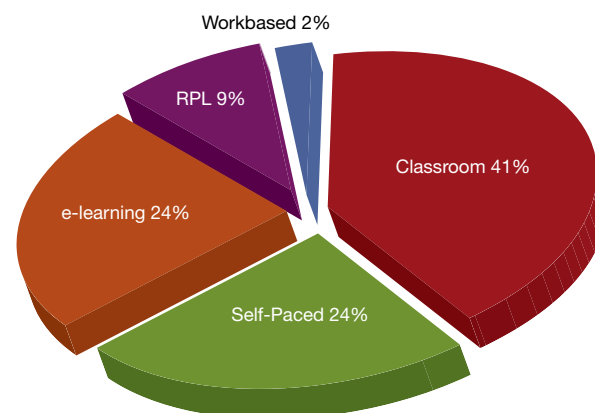


Figure 4: Delivery Methods 2012-13

Where possible we deliver training using technologies such as video-conferencing; social networking tools (Facebook, Second Life, Wikis, Blogs and Flickr), Point-of-View video cameras; MOVI; Skype; See and Share; Centra; and Moodle.

Some examples of innovative and flexible delivery include:

Second Life

The Second Life virtual world is used in the delivery of training to Aboriginal art workers at various art centres in the APY Lands. This training has resulted in excellent outcomes including high completion rates, traineeship and employment outcomes, as well as students going onto further training.

TAFE@Your PC

Facilitates student access to a classroom from their personal computer anywhere in the world. Classes (delivered via video-conference) can be accessed through a log-in system, making the student a fully functional, interactive member of the class. Classes that are missed can be reviewed at any time using the recording and storage system on the website.

Other online training

Centra, Moodle and Point-of-View video cameras to deliver customised face-to-face and online training in areas ranging from mechanical engineering, through to apprenticeship training and community services in the APY Lands.

Classroom and block release

The TAFE SA Centre for Fitness, Sport, Recreation and Tourism is delivering the Certificate III in Sport and Recreation under the Training Guarantee for SACE Students (TGSS) to the South Australian Aboriginal Sports Training Academy (SAASTA) students. The program commenced in April 2013 with over 120 Aboriginal students from all over South Australia participating. The SAASTA program uses a dynamic mode of delivery with students undertaking both in-class and out-of-school block release training. The out-of-school block release training consists of one week block releases delivered by our lecturers at Regency campus with three blocks held each year. As one of the few sporting pathways through the SACE, this program equips students with the skills and qualifications to enter into further studies and/or assists in gaining employment in the sport industry concomitant with potential to further enhance elite sporting careers.

Online competency record

The Mining, Engineering and Transport program at Port Augusta provided the lead in The Engineering Excellence Project. Inherent in the project was the redesign of the mechanical and metal fabrication/metal trades apprentices' on-job competency record-book to a fully online version. The record book was also customised to ensure that it is better understood by apprentices and employers. All evidence is now uploaded into the apprentice's logbook, allowing auditors to view evidence on line.

Workplace delivery

The Applied Food Studies program – Food and Beverage Processing and Meat Studies – has close links with industry associations and enterprises in South Australia. Much of TAFE SA's Applied Food training is conducted in individual enterprises, working side-by-side with trainees, apprentices and employers. Where applicable, the Applied Food Studies trainers are able to deliver through the TAFE SA Moodle site as well as through face-to-face contact. A range of assessment tools are used including work based projects, on-the-job practical assessments and simulated work-place environments. Other students are keen to complete their studies using the state-of-the art facilities at the Regency campus.

Recognition of Prior Learning

The Mining, Engineering and Transport, and Building and Construction Programs participated in the Recognition of Prior Learning (RPL) offered through the National Apprenticeship Program. This program assists mature workers to fast track through an apprenticeship program, subject to the candidates meeting specific criteria. TAFE SA granted RPL to 48 candidates across a range of program areas such as Electrical, Mechanical Engineering, Fabrication, Building, Construction and Furnishing and Diesel Fitting. In doing so we developed 'Easy RPL' tools in each of the program areas. The tools will be available commercially and TAFE SA will receive royalties from their sale.

iBooks

The TAFE SA Hairdressing iBooks are a result of the 2010 federally-funded Emerging Technology Trials which provided a framework to produce iBooks for the hairdressing program. Senior lecturing staff combined the well-written print-based learning materials produced by the program and the TAFE SA Learning Materials Unit, with new designs, images, video, 3D renders and rotatable examples of hair styles in an e-learning resource for students and staff.

By choosing to produce the resources in an iBook format, the Hair and Beauty program ensured that the content and interactive material can be maintained in-house, without the need to outsource production. The software to distribute and develop the iBook is free to use and distribute. It also provided the program with the opportunity to gain new markets and promote other resources to a larger community. We are currently exploring marketing iBooks to external training providers worldwide as there is a recognised gap in the market.

Currently the Hair and Beauty program has three iBooks in use and a number of new iBooks in production.

3.6 Customer-focused and responsive to the needs of students and industry

Over the past three years, the number of individuals participating in vocational education and training with TAFE SA has increased by almost 14%, from around 77 250 in 2010-11 to 87 740 in 2012-13.

Our strong working relationships with business and industry means that our courses are designed to provide students real-world skills that employers want. Our curriculum is constructed in close consultation with industry, and all programs have practical components to engage the learner with the real demands of jobs. Programs are quality benchmarked and continually updated to meet changing needs in the workplace.

We are proactive in identifying, advocating for and delivering education and training which is grounded in what rural people, industry and communities want and need.

We service a diverse range of customers based locally, nationally and internationally. These include: disengaged learners; school leavers; students undertaking foundation studies; apprentices and trainees; the unemployed; retrenched workers requiring up-skilling or a career change; current employees; small business owners; international students; VET in Schools students; university students; and businesses requiring customised training solutions.

Some examples of our strong customer relationships in action include:

TAFE SA Shearing and Wool Program

The TAFE SA Shearing and Wool Program is led and maintained by a respected training manager who has significant relationships with the industry developed over 40 years. This program annually conducts 22 training courses in working shearing sheds across the state. Over 250 novice shearers participate in this program each year. A number of improver shearers are paid for the sheep they shear and our staff employed as Hourly Paid Instructors (HPIs) are world class shearing champions. The majority of our HPIs have won numerous state, national and international shearing competitions, while two of them are former world champions. This program is recognised throughout the Agribusiness industry as elite industry responsive training.

Business, Justice and IT

There are numerous examples of courses being developed and improved as a result of student or industry feedback or need. Examples include the Justice of the Peace course and Aboriginal Law Studies Program both developed as a result of a request from the Law Society of South Australia.

Another example of collaboration is with the Board of Taxation which accredits a number of short courses from the Finance program as a national requirement for tax accountants.

SA Power Networks

Working together with SA Power Networks, TAFE SA recognised the work experience of Filipino line workers and facilitated special classes to support their transition into the Australian workforce.

Bricklaying

Digital devices have come to the bricklaying workshop giving students an interactive learning environment. Facebook 'classes' are being used to generate ongoing discussions by students back in the workplace. Current and past students also maintain communications with the lecturers using social media.

Nursing

TAFE SA has a partnership project with the Pika Wiya Learning Centre at Port Augusta to provide Diploma of Nursing training to Aboriginal students. The Pika Wiya Learning Centre provides a range of practical, social, cultural and emotional supports for tertiary students to increase the number of Aboriginal health professionals, especially registered nurses, in the region. The program offers culturally appropriate training to ensure that Aboriginal people are skilled to work within their communities.

The Mental Health, Alcohol and Other Drugs, Workforce Development & Counselling Program

The Community Services, Health and Lifestyle Program is working with Aboriginal Family Support Services, a non-government, non-profit organisation, in response to their identified need to up-skill their staff in crisis family management strategies. We are providing training by delivering an initial skills set with an eventual qualification outcome of the Certificate IV in Child Youth and Family Intervention.

Children's Services

The Children's Services program developed play groups and baby groups as complements to either a classroom-based program or a flexible program where students can access a campus. Working with children is modelled and practised in the safety of a simulated environment where the children's carers/parents attend. This is particularly useful where baby work placements are very limited.

TAFE SA APY Lands Children's Services engages with 46 high school students and 24 Aboriginal Education Workers to achieve units from the Certificate III in Children's Services. This specialised area has generated much interest in outcomes for students, and innovative resourcing for the learning and assessment of students.



Tourism, Hospitality and Creative Arts

The Hospitality Division's Enterprise Development Consultant (EDC) Team is able to assist businesses by working in partnership to identify the commercial development needs of individual businesses, identify individuals within the enterprise who would benefit the most from up-skilling, design customised training strategies that meet the specific needs of the enterprise and determine the potential efficiency and effectiveness gains to be made by the enterprise as a result of their employee participation in VET. Each participant is case managed individually and training and assessment is tailored to their, and the business' requirements. The EDC team consults widely with industry, Skills Councils and other relevant bodies in order to remain aware of the current requirements and challenges for the Hospitality Businesses. Many of the team voluntarily judge for the Restaurant and Catering Association on an annual basis and attend industry days representing the Business Unit and networking.

Hair and Beauty

Tea Tree Gully campus developed enterprise-based training models with Hair Machine and Gauci to contextualise training to the needs of a franchise. A case management approach is used to deliver training to apprentices in salons whose focus is staff training and fast-tracks apprentices through their course.

The beauty industry validates the delivery and assessment to ensure the graduates are trained to a level that reflects current relevant industry practice and shapes our delivery and assessment strategy annually.

Redarc

TAFE SA continues our long-term collaboration with local award-winning technology-based manufacturing company, Redarc, delivering for a third year its Workplace English Language and Literacy (WELL) programs. This collaboration supports Redarc's identified needs to address the numeracy requirements of its apprentices and more broadly, workplace communication due to the high number of employees from non-English speaking backgrounds. We provided WELL programs to 75 employees in 2012. WELL programs are funded through the Department of Industry, Science, Research and Tertiary Education (DIISRTE).

Wine Industry

The South Australian wine industry is a major contributor to the state's economy in export and tourism earnings. The TAFE SA Wine, Viticulture and Food Program has worked in close partnership with the industry over many years, developing a noteworthy client list including: Yalumba; Accolade Wines; Pernod Ricard; Treasury Wine Estates; Peter Lehmann Wines; VINPAC; and Angove Family Winemakers.

Of TAFE SA's program students in 2012, 95 per cent enrolled in Certificate III or higher are working in the industry. A further 1 400 students were enrolled in an industry endorsed skill set, 90 per cent of which were for compliance in industry licensing or regulatory requirements.

Further information on TAFE SA's industry collaborations contributing to the economy are detailed in Section 3.8.



3.7 Promoting equality of opportunity in undertaking technical and further education and valuing and recognising the diversity of learners

TAFE SA embraces the diverse nature of the communities we work within, and we are committed to providing life-long learning opportunities and improving employment outcomes for all community members in a fair and equitable manner and in accordance with legislative provisions.

We demonstrate a written commitment to equal opportunity in education and employment through our Access and Equity Policy.

Additionally, we promote and facilitate equal educational and employment opportunities for people who have disabilities and will endeavour to remove any barriers which may prevent people who have disabilities from benefiting from this equal opportunity.



Learner support

We provide our students with a network of student counsellors whose role is to facilitate and encourage access to courses and training pathways appropriate to an individual's aspirations and capabilities. The counsellors assist students with career and course planning and provide advice regarding fee assistance and personal counselling. Similarly, we provide a network of learning support lecturers whose role is to provide primarily one-to-one tutorial support, particularly around developing literacy and numeracy standards, and problem-solving relating to specific hurdles faced by students in course work. These lecturers also provide guidance and support to students and staff with assistive technology.

The implementation of a pilot program in Learner Support Services meant significant extra supports available for students with complex needs, including disabilities. This project has been especially significant for students with mental health issues, providing case management support functions to aid student retention, through to the completion and/or progression of their study.

Disability support and Access Plans

TAFE SA has developed Disability Action Plans and registered them with the Australian Human Rights Commission since 2005. The current plan will be reviewed and redeveloped in line with the new requirements/template for Disability Access and Inclusion Plans with all vocational programs adopting the principles and processes to ensure the application of the appropriate disability management for students.

We recently released the TAFE SA Employee Access and Inclusion Plan 2013-15 and in 2013 also developed a Social Sustainability Policy which superseded the Access and Equity Policy.

Under the TAFE SA Disability Support Program, during 2012-13, 60 students and ten program areas were supported in learning acquisition with provision of Auslan interpreting. An additional 27 students were supported through provision of disability-specific tutor support.

In 2012, 392 new students enrolled in TAFE SA courses had access plans lodged to accommodate disability, mental health, learning difficulties or chronic health conditions, while in the first half of 2013, 408 new individual student Access Plans were developed with students being supported through provision of software, equipment, disability-specific tutor support and adjustments to teaching and assessment procedures.

In addition, the work of the Disability Support Program contributed significantly to ensuring compliance with the building code of Australia's Disability Standards in-campus works at Adelaide City campus as well as plans for Regency campus and the new Sustainable Industries Education Centre (SIEC).

TAFE SA Business Management Studies program won funding from the National VET e-learning Strategy to deliver the Certificate IV in Training and Assessment to a group of deaf learners who share the aim of gaining the qualification necessary to teach the nationally endorsed Auslan curriculum in Registered Training Organisations such as TAFE SA.

We've teamed up with a number of industry and community organisations, with the aim of improving both educational and employment outcomes for deaf learners.

Disability awareness training

We have an extensive program of disability awareness training for our staff. This includes training in mental health first aid, training to manage challenging behaviours and training to develop an awareness of specific disabilities. Online disability awareness training is available for all staff, as well as online advice regarding accessible events, disability legislation and inclusive resources. Staff have made presentations at major career and disability and aging expos across the metropolitan and regional areas.

Culturally and Linguistically Diverse (CALD) Students

The ability of all TAFE SA programs to incorporate learning support, language and literacy support and extra tuition, enables students from culturally and linguistically diverse backgrounds to pursue pathways from Language, Literacy and Numeracy Programs (LLNP) and foundation programs through to entry level qualifications which have employment outcomes.

The TAFE SA Refugee Working Party organises forums, professional development and joins with community networks with the aim of supporting individual students and helping to break down barriers with continuing study. Workshops are held for lecturing staff, administrative staff and student services staff focussing on emotional and mental health of refugees and organisations like Survivors of Torture and Trauma Assistance and Rehabilitation Service (STTARS) and Migrant Health Service to which individuals may be referred.

Aboriginal training

Information on some of our Aboriginal training programs is provided in Section 3.3.

3.8 Developing and strengthening industry links

TAFE SA continues to strengthen industry engagement through Industry Reference Groups, industry events on campuses, increasing the flexibility of delivery to incorporate workplace delivery and assessment, and working closely with individual enterprises, Industry Skills Councils and Boards and Regional Development Australia.

Industry Reference Groups were established to provide direct advice on industry skill needs (current and emerging) with a focus on the relevance and currency of training and assessment processes. These groups comprise representatives from industry peak bodies, private RTOs, Job Services Australia Providers, not-for-profit organisations and small-to-medium sized enterprises. Advice from these groups provides valuable business intelligence that enhances existing quality assurance strategies and ensures informed decision making processes.

Some examples include:



Community and Health

We are a member of the Aged Care Reform - Workforce Development Project, which is part of the Commonwealth Government reforms to the aged care sector with additional funding for workforce development programs. The two-year project which commenced in August 2012 is led by the Australian Nursing Federation (ANF) and managed through the Community Services and Health Industry Skills Council. The Nursing pathways project is mapping the current and proposed pathways for career progression within the nursing profession commencing at Certificate III to Bachelor of Nursing.

TAFE SA is the preferred provider for several Residential Aged Care organisations. We are participating in two Training and Research in Aged Care projects (TRAC - under the auspices of the Commonwealth Department of Health and Ageing and in collaboration with the University of South Australia), which are focussing on increasing student participation in the aged care environment; this includes developing staff skills in managing students in this environment. The participating organisations are Resthaven and Helping Hand. The objective of the TRAC projects are to improve clinical care and service delivery, create career pathways in aged care, support industry recruitment and retention, and develop the capacity of the aged care sector to operate as a learning environment.

In addition, we have changed delivery models for the Certificate III in Aged Care, to enable students to increase vocational placement to 120 hours. We are also able to offer extra language and literacy support through TAFE Start. This has increased the opportunity for organisations to recruit for personal carer positions from the students on placement.

We are currently the only South Australian *Skills for All* provider for Certificates III and IV in Pathology. Currently, pathology collection services are not regulated, and there is no required industry standard for a qualification, however we have strong relationships with all pathology companies in South Australia, and they provide industry placement and employment outcomes for students.

TAFE SA provides the Certificate III Health Services Assisting (including electives required for Theatre Technician Work) for SA Health, the state government health department. We also work in partnership with Adelaide Health Service (also a state government organisation, responsible for the operation of all South Australian public hospitals) to deliver the Certificate III and IV in Sterilising Services, neither of which is offered by any other provider in South Australia. We were chosen as the preferred provider as we are able to provide the training across the state, have staff with skills in the areas required, and were able to adapt a Recognition of Prior Learning (RPL) model for existing workers, with supporting gap training.

Hospitality and Food

The TAFE SA Hospitality Industry Reference Group was formed to assist with the validation of resources, learning and assessment strategies and methodologies, and to advise on current trends and issues within the industry. Membership is drawn from representatives across the industry including:

- > The InterContinental Hotel
- > Adelaide Casino
- > Windy Point Restaurant
- > The Entertainment Centre
- > Hilton International
- > Small business owners.

Bakery

In collaboration with Flinders Ranges Premium Grains Pty Ltd for their Indian client 'Bakers Circle', the TAFE SA Bakery Studies program conducted Product Research and Development Workshops in frozen dough systems in 2012 with two specific wheat varieties grown by the company. The research produced optimum results and significant cost savings for the client including an increase import quota of 40% for Finders Ranges Premium Grains Pty Ltd.

Artisan Cheesemaking Academy

We established a Course Advisory Panel (CAP) to identify the specific needs of the artisan cheese industry in South Australia. Members included representatives from TAFE SA, the Food Tourism and Hospitality Skills Council, Woodside Cheesewrights and Barossa Artisan Cheese. The CAP found that training needs in the artisan cheese industry centred on technical, operational and business skills and recommended the formation of a centre to enable the identified training program to be marketed both nationally and internationally. Accordingly, the Artisan Cheesemaking Academy Australia was founded in 2012, at TAFE SA Regency campus.

International College of Hotel Management

The International College of Hotel Management renewed their contractual agreement with TAFE SA in August 2012 for the delivery of two new degree programs: the Bachelor of Business (Hospitality Management) and the Bachelor of International Hotel Management. This is the first degree to be endorsed by the Swiss Hotel Association anywhere in the world.

Hair and Beauty

The Hair and Beauty program has strong links with Hair and Beauty SA and the Educational Manager is a sitting member of the board. The board consists of private training providers in the field of hairdressing, make-up and beauty therapy. Sharing of industry information allows for closer collaboration with all key stakeholders in the hair and beauty industry.

Hair and Beauty lecturers sit as judges and scrutineers at hair and beauty competitions.

Business development

We have a team of business development staff and consultants who are given clear customer relationship and account management roles. In general, business development managers build relationships with large state or national enterprises, while enterprise development consultants provide targeted services to industries and enterprises at a local level.

The focus of this consultancy team, comprising trainers and managers with significant industry experience, is to act as a one-stop-shop for enterprises and industry representatives who wish to engage in vocational education and training.

Consultants assist enterprises with all their workforce development needs including: leadership and executive development; up-skilling of existing workers; workforce retention strategies; management and fast-tracking of apprentices and trainees; skills audits; gap training; and applications for government funding.

The customer service benefits of this structure is evidenced daily, with business development managers and consultants working closely with enterprises such as One Steel, SA Power Networks, SA Water, BHP Billiton, Viterra, The InterContinental Hotel, Hilton International and the Botanic Gardens of Adelaide to deliver customised training programs.

Horticulture

In 2012, TAFE SA signed a Memorandum of Understanding (MOU) with the Botanic Gardens of Adelaide. This MOU provides the platform for the establishment of an Australian Horticulture Centre of Excellence enabling our students to use the magnificent gardens as their training venue. Excellent partnerships have also been formed with Natural Resource Management Boards and national parks across the state.





Engineering and Transport

The Pre-Employment Program (PET) Program

Partnerships have developed between Regional Development Australia Whyalla and Eyre Peninsula, TAFE SA, and industry including Arrium/Onesteel, HWE Mining, Patrick's Stevedoring, Martelco, Transpacific Industries and Skilled Engineering to provide long-term unemployed people with targeted training, mentoring and work placements.

This training will best position participants to take advantage of the increasing number of opportunities in the heavy industry sector in Whyalla.

We delivered a Certificate II in Engineering demanding a full-time commitment from the participants over the duration of the program.

The collaboration between TAFE SA and the Onesteel Safety Training Centre complemented the program with a number of licences and credentials pertinent across a range of local industry positions.

The training, conducted in an industry standard environment, ensures participants become accustomed to the demands and expectations of real and sustained employment conditions.

From working in confined spaces and working at heights to isolation red-lock, forklift licences and first-aid training, this big picture approach not only enables the stakeholders to actively engage with the participants to address their workforce needs but also plays a role to transform unemployed locals into skilled employees and contribute to wider and on-going regional economic growth.

Managed by Regional Development Australia Whyalla and Eyre Peninsula, this collaboration presented a holistic approach to employment and training needs.

In close partnership with industry, a multi-pronged training program using both accredited training through *Skills for All* and non-accredited training and mentoring supported by State and Federal Governments, gave the opportunity for Whyalla job seekers and local industry to address unemployment and workforce planning in an efficient and sustainable way.

It has been characterised by a high level of transparent and cooperative engagement; a commitment to satisfying local employment needs and skills; and the transformative personal development of the participants.

Air Warfare Destroyer (AWD) project

Industry collaboration on workforce development and up-skilling has been particularly successful in respect of the Air Warfare Destroyer (AWD) project with TAFE SA, the Maritime Skills Centre (MSC), DFEEST and the Australian Submarine Corporation (ASC) facilitating various Australian AWD training programs that align with workforce development training needs.

A major project was undertaken by TAFE SA, in partnership with ASC, mapping their current award structures to the Australian Qualifications Framework. This will enable their 2000-plus staff to be able to have a defined pathway to qualification and skill development training.

In November 2013, TAFE SA and the ASC will travel to Germany through sponsorship from the Pullman Learning Group. The visit will enable the partnership to identify technologies and associated approaches to learning which will assist ASC to prepare an adaptive workforce in preparation for the technologies required in the building of the new submarine fleet.

Clipsal

TAFE SA collaborated with Clipsal to produce a progressive electrical engineering program, teaching its apprentices to use the latest C-Bus Technology. C-Bus is Australia's market-leading energy management system for industrial projects and residential homes. The TAFE SA School of Electrical Engineering Certificate III curriculum included a C-Bus course for the first time, with the program completed by 56 apprentices as an elective unit of competency as part of the students' off-the-job training.



3.9 Alliances with other service providers

We have a strong connection with a range of service providers and will continue to maximise and explore opportunities under the *Skills for All* training environment for collaborative/dual delivery arrangements. We support and assist individuals to make informed choices about education, training and work and facilitate planned pathways which promote successful transitions from learning to work.

Secondary school students

High school students continue to choose us as the preferred provider of vocational education and training. We facilitate this by maintaining and building partnerships with schools and universities and collaborating to provide direction and to maximise opportunities for those students.

In 2012 the Training Guarantee for SACE Students (TGSS) initiative funded 1 378 high school students to undertake vocational training while completing their SACE with a guaranteed ongoing training place on completion.

School Based Apprenticeship numbers have almost doubled since 2011 with 832 students choosing to begin their vocational trades while still at school with the ultimate result – a smoother transition from school and school-based apprenticeship to full apprenticeship.

Over 150 government and non-government schools continued to embrace the opportunity to auspice with us and deliver under a VET in Schools Agreement arrangement, enabling teachers to deliver and assess the training to industry standards, while other schools chose to purchase VET directly from TAFE SA.

In 2013, a more concentrated focus on learner pathway resources and high-quality career and training information will provide students with consolidated information and options on the transition from school to TAFE SA to university and/or to employment.

Pathways to University

In response to the Council of Australian Government (COAG) agenda and national and state skills priorities, we are continually developing more productive partnerships with higher education institutions - partnerships focused upon creating training pathways, ensuring our training resources and methodologies are best-practice and our clients are achieving higher level qualifications. Over the years, we have developed formal partnerships and comprehensive credit transfer arrangements with all of the South Australian universities.

During 2012 TAFE SA registered 261 new specific articulation/credit transfer agreements across the following organisations; the University of Adelaide, Flinders University and the University of South Australia.

At the end of 2012 47% of Diploma and Advanced Diploma qualifications offered by TAFE SA had at least one specific articulation/credit transfer agreement to a university degree.

The 714 agreements promoted on the TAFE SA website, as at December 2012, cover both qualifications currently available for enrolment and previous versions of qualifications where credit is still awarded by the university.

Specific examples of collaborative arrangements include:

University of Adelaide

The TAFE SA Applied Food Studies Program, in collaboration with the TAFE SA Veterinary and Applied Science Program, implemented a highly successful program in 2012 for the University of Adelaide's Veterinary Science students which included animal stunning, the slaughter process and post mortem meat inspection and animal pathology.

Another successful partnership of ten years with the University of Adelaide is in the delivery of the Bachelor of Food and Nutrition Science. The program is jointly delivered by TAFE SA and the university and there has been a steady increase in student numbers over the last three years.

Flinders University

During 2012, we established a significant dual enrolment program with Flinders University for the Bachelor of Creative Arts (Dance). Under the agreement, dance students can enrol in both TAFE SA and Flinders University concurrently and receive a parchment from both institutions after three years. Students will obtain a rounded education experience as they will gain studio-based physical training through the VET portion as well as academic rigour through the higher education portion delivered through Flinders University. Further opportunities are being explored with Flinders University for the joint delivery of a Bachelor of Creative Arts (Visual Arts).

As well, in partnership with Yunggoendi First Nations Centre (Aboriginal Education) at Flinders University, the Aboriginal Digital Filmmaking (ADF) program offers entry-level training delivered as a Certificate II in Creative Industries (Media) at AC Arts. The objective of the program is to provide educational and training opportunities to enable Aboriginal South Australians to achieve employment in the creative industries media sector and/or to pathway to further study. Ten students enrolled in September 2012, with the course running for ten weeks covering basic film and television production skills, life skills, team work and personal development. Eight students graduated the course.

From March 2013 TAFE SA jointly delivered, in partnership and on behalf of Flinders University, the university's Foundation Studies program as a pilot to inmates of Mobilong Prison. The program is an enabling program that prepares students for university entrance and targets those who have been out of education for some time or whose ATAR is too low to get into their chosen course.

The pilot program was essentially the same as the Flinders University and TAFE SA Foundation Studies program, but was run over an extended timeframe to fit with the prison's timetable and to give the pilot cohort time to research and prepare written material for assessment. Some modifications were made in order to adapt to the prison environment. For example, Internet links were taken out of the topic handbooks due to the limited access students had to the Internet. For the same reason and also to compensate for limited access to the principal teacher and the Mobilong Education Co-ordinator, students were given more time than usual to submit their essays.

Based on students' and peer feedback, students' performance and the level of interest from the media, the State Government and the community at large, Flinders University has recommended that the program be run again in 2014 and beyond and, where possible, be extended into other prisons in South Australia. We remain committed to partnering with Flinders University to deliver this program.



Workplace Language, Literacy and Numeracy Training

TAFE SA Workplace Education Services was successful in responding to a tender during 2012 to deliver the Vocational Graduate Certificate in Adult Language, Literacy and Numeracy for Transport Logistics Industry Skills Council (TLISC). This project, funded through the Commonwealth Government's National Workforce Development Funds is aimed to address LLN practitioners' skills shortage as one of its key priorities. Thirteen Transport and Logistics vocational trainers were selected by TLISC to undertake this training. Feedback from participants completing this program was very positive and further training opportunities are being explored such as Australian Core Skills Framework training for Industry Skills Council staff.

Daw House Hospice

TAFE SA Marlestone campus students participated in a building and refurbishment project in partnership with Daw House Hospice Foundation Inc. Diploma of Interior Design and Decoration students undertook a redesign of interior décor and furnishing for both private rooms and common areas, the Advanced Building students were involved in the construction of the refurbishment for the hospice reception area while the Glass and Glazing students produced glass panels and doors.

Supervised closely by lecturing staff, the success of the project provides an excellent testimony to the dedicated and practical training available at TAFE SA, developing skills and abilities while creating positive and professional outcomes for our students. It is a great example of community engagement which has encouraged ongoing, positive relationships.

St Patrick's Technical College

TAFE SA established an auspice agreement with the Catholic Church Endowment Society Incorporated (operating as St Patrick's Technical College) to deliver training to Year 11 and 12 students enrolled at St Patrick's Technical College at Elizabeth West who are eligible for funding under the Training Guarantee for SACE Students (TGSS) model and incorporates the following courses:

- > Certificate II in Automotive Vehicle Servicing (Light Vehicle)
- > Certificate II in Automotive Vehicle Servicing (Heavy Vehicle)
- > Certificate II in Construction Pathways
- > Certificate II in Engineering
- > Certificate II in Hospitality (Kitchen Ops)
- > Certificate II in Metal Roofing and Cladding.

The arrangement enables St Patrick's Technical College to deliver and assess specific units of competence embedded into these qualifications. Some qualifications will be delivered in their entirety by St Patrick's Technical College at their campus, while the delivery of other qualifications will be shared at a unit of competence level between St Patrick's and TAFE SA. We will provide all associated learning and assessment materials and maintain control over the enrolment and quality assurance processes.

The South Australian State Theatre Company

The Company has moved the delivery of their Education Program from the Festival Centre to AC Arts, where a full week of student workshops and teacher intensives were hosted. Students received tours of the building and information about how to audition.





3.10 Strengthening the Corporation's position through the provision of fee-for-service activities

TAFE SA offers international students a broad range of university pathways and high quality vocational education and training courses combined with industry skills and knowledge for successful career outcomes.

We are implementing a new marketing strategy in response to new market conditions. Key features of this strategy include a focus on sales and marketing effectiveness, enquiry and offer management, changing the mix of course offerings and optimising the digital channel mix to better target countries and student audiences.

The marketing communication strategy will continue to capitalise on its strong TAFE SA government brand both onshore and off shore, as well as leveraging off the new South Australia state branding.

We recognise the importance of personally and academically supporting overseas students. Our international student support services are designed to help overseas students to succeed, and are available to assist students from the time of arrival until graduation.

Regency Gastronomic Adventures

Gastronomic Adventures is an exciting new food program showcasing TAFE SA's finest food lecturers and South Australia's culinary talents offering gourmet short courses. Included in the mix are hands-on classes for beginners and professionals, interactive 'master' cooking and patisserie demonstrations, kids' kitchen sessions, mash brewing classes and multiple smallgoods sessions, including artisan cheese and bread making. Classes are run at TAFE SA's Regency International Centre, a world-class facility that delivers training in cookery, hospitality management, patisserie, bakery, butchery, tourism and food processing. The Centre has a state-of-the-art brewery, an Artisan Cheese Making facility, coffee academy and a winery.

Fab Lab

A Fab Lab (fabrication laboratory) is a fully kitted fabrication workshop which gives everyone in the community, from small children through to entrepreneurs and businesses, the capability to turn their ideas and concepts into reality. Fab Lab Adelaide is located at TAFE SA AC Arts and is a community inventors' workshop offering digital fabrication on a personal scale, in which new products and creative works can be made. The lab is equipped with an array of flexible computer-controlled tools including 3D printers, a laser cutter and a milling machine. Fab Lab Adelaide is managed by the Australian Network for Art and Technology (ANAT) and funded by DFEEST. The Fab Lab concept was originated by Massachusetts Institute of Technology (MIT), and there are now over 100 around the world. Fab Lab Adelaide is the first Australian-based participant in the international MIT Fab Lab network. The lab offers classes, themed workshops, drop-in sessions, one-to-one tuition, a regional outreach program and family-friendly 'maker sessions'.





4. Management of Human Resources

Workforce Data

The following data is based on records from the Human Resource Information System, Empower, for persons identified as being employed on 30 June 2013.

All data has been sourced from employer records. Unless otherwise stated, data relate to 30 June 2013.

Hourly Paid Instructors (HPIs) are excluded from most data tables as they are employed under different conditions and reported accordingly. To combine hourly paid instructors data with regular staff information would result in data distortion.

The following tables depict the total number of employees including person and Full-Time Equivalent (FTE) employees.

Data collated as at 30 June 2013 is fundamentally TAFE SA data; however, when considering data collated throughout the 2012-13 financial year, it is important to remember TAFE SA and DFEEST were one agency from 1 July 2012 until 31 October 2012, with TAFE SA becoming a separate entity from DFEEST under the *TAFE SA Act 2012* on 1 November 2012.

4.1 Employee numbers, gender and status

Table 1: Total number of employees

Persons	2578
Full-Time Equivalents	2298.6

As at 30 June 2013 excluding HPIs and casuals.

Table 2: Employees by gender

Gender	Persons	% Persons	FTEs	% FTEs
Male	912	35.38	871.45	37.91
Female	1666	64.62	1427.23	62.09
Totals	2578	100	2298.68	100

As at 30 June 2013 excluding HPIs and casuals.

Table 3: Number of persons who were recruited to and separated from TAFE SA

Separated from TAFE SA	289
Recruited to TAFE SA	278

Over Financial Year 2012-13 excluding HPIs and casuals.

Table 4: Number of persons on leave without pay

On Leave Without Pay	226
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As at 30 June 2013 excluding HPIs and casuals.

Table 5: Number of employees by age bracket and gender

Age Bracket	Male	Female	Total	% of Total	Workforce Benchmark (%)
15 - 19 years	1	1	2	0.07	5.97
20 - 24 years	4	24	28	1.09	9.79
25 - 29 years	17	64	81	3.14	10.30
30 - 34 years	36	122	158	6.13	10.34
35 - 39 years	54	164	218	8.46	10.02
40 - 44 years	101	246	347	13.46	11.68
45 - 49 years	126	230	356	13.81	11.25
50 - 54 years	181	280	461	17.88	11.57
55 - 59 years	192	296	488	18.93	9.16
60 - 64 years	143	182	325	12.61	6.29
Over 65 years	57	57	114	4.42	3.63
Total	912	1666	2578	100	100

As at 30 June 2013 excluding HPIs and casuals.

Workforce Benchmark Source: Australian Bureau of Statistics Australian Demographic Statistics, 6291.0.55.001 Labour Force Status (ST LM8) total from Supertable, SA at as May 2013.

Figure 5: Age distribution of employees by gender

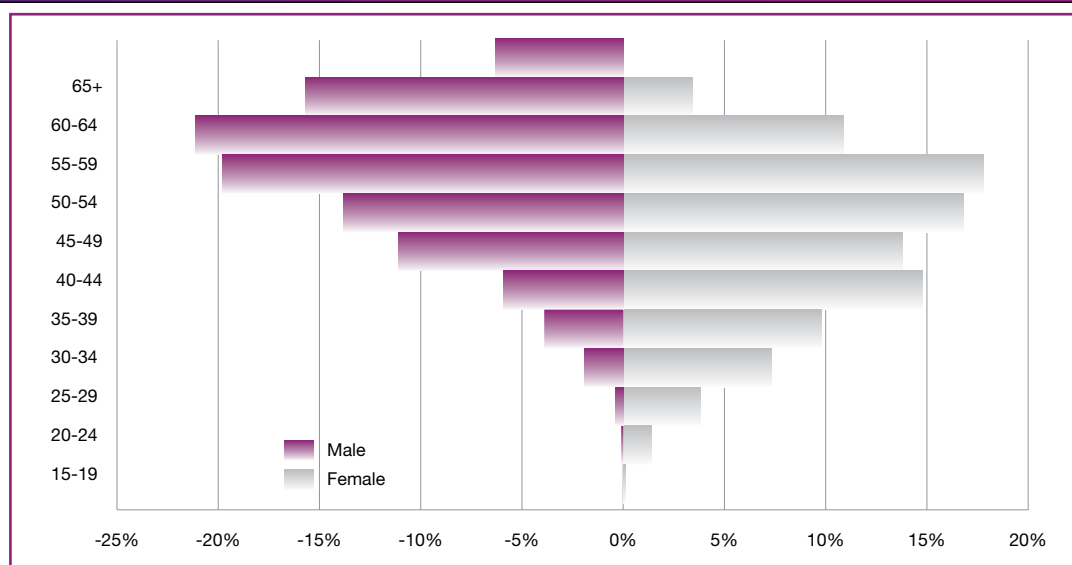


Table 6: Number of employees by salary bracket

Salary Bracket	Male	Female	Total
\$1 - \$51 599	86	525	611
\$51 600 - \$65 699	42	208	250
\$65 700 - \$84 099	400	521	921
\$84 100 - \$106 199	360	377	737
\$106 200 +	24	35	59
Total			2578

Figure 6: Employees by salary bracket

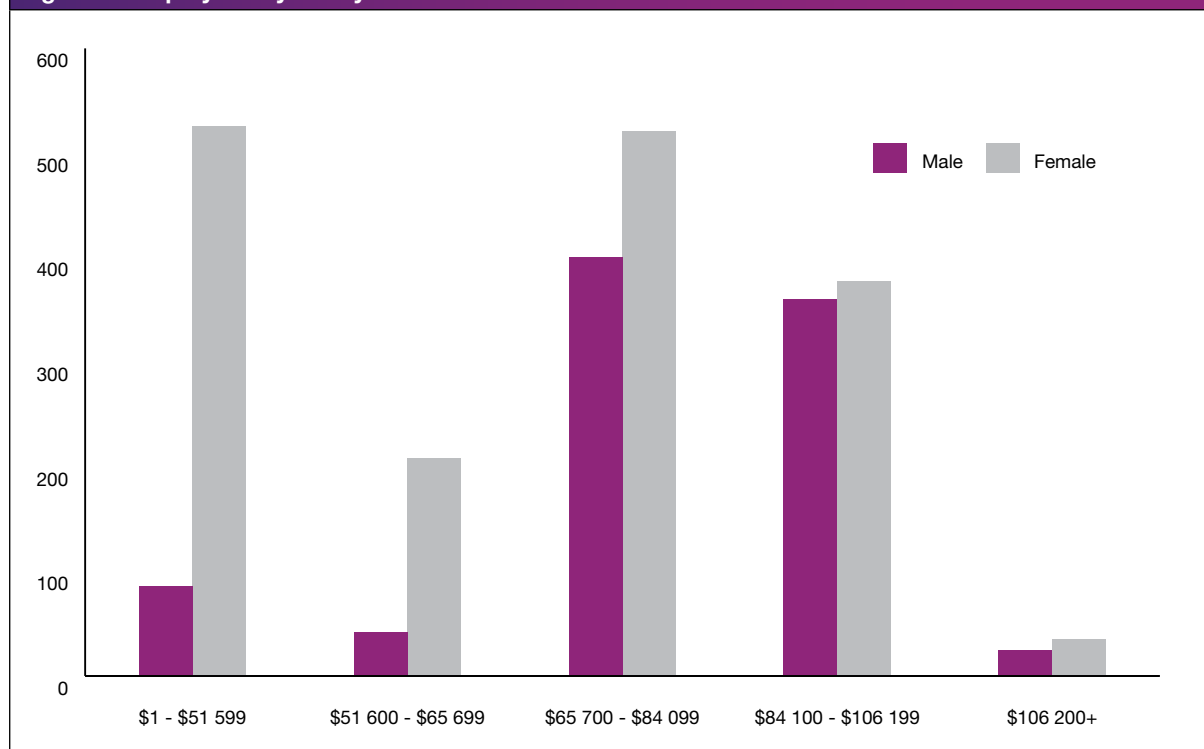


Table 7: Status of employees in current position					
Persons	Ongoing	Short-Term Contract ¹	Long-Term Contract	Other (Casuals & HPis)	Total
Male	764	141	7	277	1189
Female	1278	373	15	576	2242
Total	2042	514	22	853	3431*

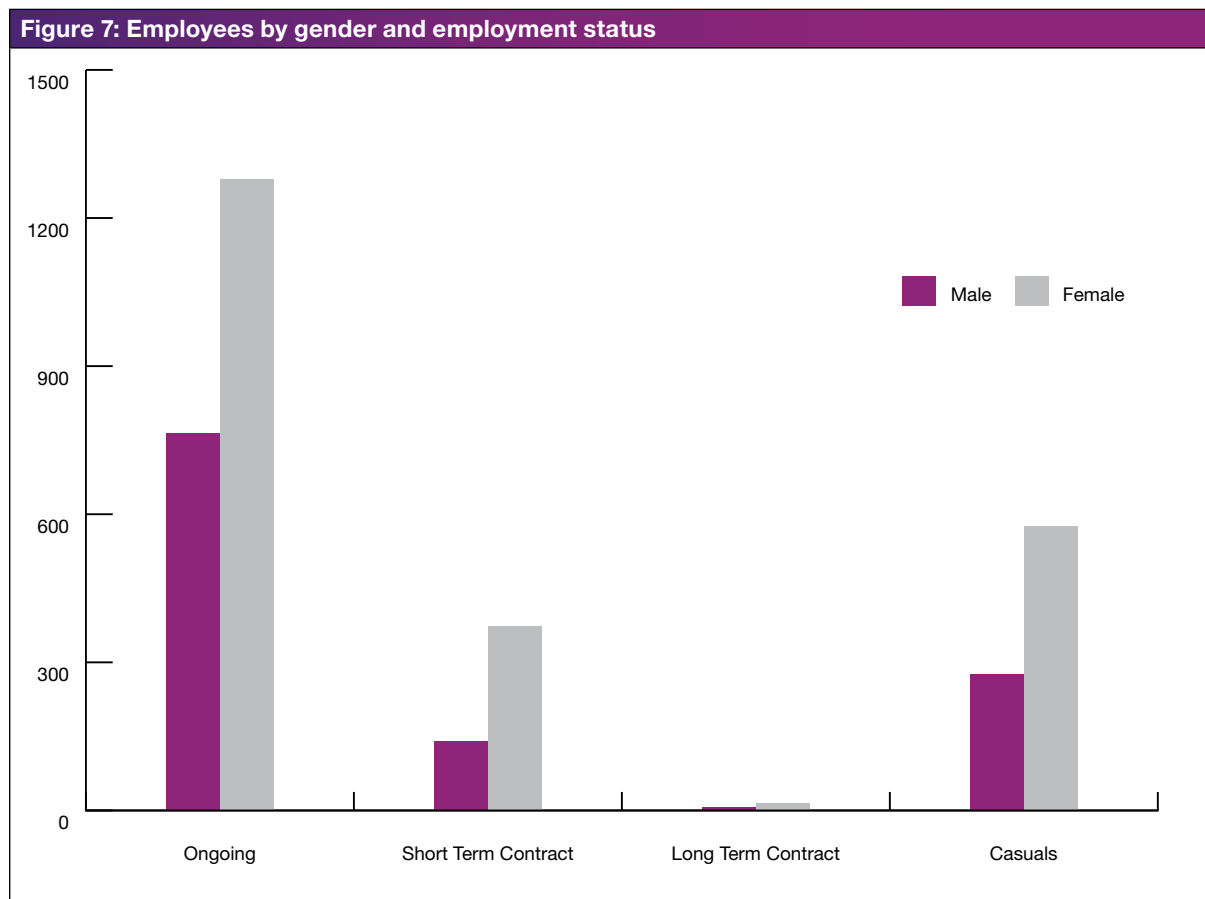
As at 30 June 2013.

¹ A short term contract is for a period up to and including one year.

* The higher numbers than overall TAFE SA employees in this table reflect workers who are employed under more than one condition. For example an ongoing employee can also work on a contract or casual basis, in such a scenario the employee would be counted twice (once for ongoing and once for contract or casual). However actual FTE remains the same at 2298.69 (excluding HPis and casual employees).

Table 8: Status of employees in current position (FTEs)					
FTEs	Ongoing	Short-Term Contract	Long-Term Contract	Other (Casuals)	Total
Male	737.01	127.44	7.00	111.45	982.91
Female	1099.63	313.20	14.40	228.30	1655.53
Total	1836.64	440.64	21.40	339.75	2638.43

As at 30 June 2013.



As at 30 June 2013.

Hourly paid instructors
In total 1 752 hourly paid instructors (as 240.04 full-time equivalent) provided 230 439 teaching hours at a cost of \$15.247 million.

4.2 Executives

Table 9: Number of executives by gender and classification			
Classification	Tenure	Male	Female
EXEC ULE	N	1	0
SAES-1	N	2	5
SAES-2	N	1	4
EM-C	Y	1	6
Total			20

As at 30 June 2013 excluding HPIs and casuals.

4.3 Leave management

The following table depicts the average leave days taken per FTE (excluding hourly paid instructors and casuals) over the 2012-13 financial year. Family Carer's Leave has been separated from sick leave. For the 2012-13 financial year, TAFE SA employees are recorded as taking 51.97 days as Family Carer's Leave.

The types of leave contained within Special Leave With Pay include Paid Maternity Leave, Adoption Leave, Miscellaneous Special Leave and Workers Compensation related leave.

Table 10: Leave management						
Average Leave Days ¹	07-08	08-09	09-10	10-11	11-12	12-13 ²
Sick Leave	7.59	8.21	8.20	8.36	8.18	7.78
Special Leave with Pay	2.29	2.46	3.19	3.22	2.28	2.72

¹ Average Leave Days taken per FTE over each financial year.

² In previous financial years TAFE SA was combined with DFEEST. Data for 2012-13 is not fully clean as some staff were assigned to an incorrect division during the financial year.

4.4 Workforce diversity

Table 11: Aboriginal and/or Torres Strait Islander employees				
Male	Female	Total	% of Agency	% of Public Sector*
7	23	30	1.16	2.00

*Target set by South Australia's Strategic Plan (% Public Sector).

As at 30 June 2013 excluding HPIs and casuals

Table 12: Cultural and linguistic diversity					
	Male	Female	Total	% of Agency	% of SA Community *
Number of employees born overseas	62	113	175	6.79	20.32
Number of employees who speak language(s) other than English at home	40	53	93	3.61	16.61

Table 13: Number of employees identified as having a disability			
Male	Female	Total	% of Agency
10	11	21	0.81

As at 30 June 2013 excluding HPIs and casuals

Table 14: Number of employees with disabilities requiring workplace adaptation			
Male	Female	Total	% of Agency
1	3	4	0.15

As at 30 June 2013 excluding HPIs and casuals

Only employees who have chosen to disclose they have a disability are recorded as having a disability in TAFE SA systems.

The total number of employees who identified having a disability (according to the *Commonwealth Disability Discrimination Act 1992* definition) was 21, 10 males and 11 females. This equates to 0.81% of our workforce. Of this group four people required workplace adaptation.

We are committed to actively engaging employees with a disability and becoming a Disability Employer of Choice. The *TAFE SA Access and Inclusion Plan 2013-15* provides an overarching framework and strategies to achieve increased participation for people with disabilities into the TAFE SA workforce, and remove practices and barriers which discriminate or adversely affect people with disabilities.

4.5 Performance coaching

The Performance Coaching Framework encourages two-way conversations and aligns employees' understanding of their duties and responsibilities to South Australia's Strategic Plan, the TAFE SA Strategic Plan and Agency Business Plans.

To further enhance the Performance Coaching Framework, a compulsory performance coaching training program was developed, endorsed by the DFEEST Corporate Executive and implemented across both DFEEST and TAFE SA, who were one agency at the time.

The Performance Coaching Framework and the Performance Coaching Training Program assist TAFE SA in achieving a culture of ongoing and continued performance coaching, planned performance development to meet organisational needs, and career planning with employees participating in performance coaching meetings with their managers.

Performance Coaching Online

Performance Coaching Online was launched in October 2012 as an online application designed to enhance the performance coaching process, assist managers in coordinating performance coaching more effectively, and support both managers and employees to get the most out of their meetings together.

Table 15: Documented review of individual performance management		
Employees with...	Number	% Total Workforce
A review within the past 12 months	1204	46.7%
No review	1374	53.3%

Includes Corporate Services employees for both DFEEST and TAFE SA as at 30 June 2013.

Data obtained from the Performance Coaching System which was implemented from November 2012.

Excludes HPIs and casuals.

Graduate Program**

The DFEEST and TAFE SA Graduate Employment Strategy 2010-15 is an innovative program which provides skilled graduates with career pathways to the South Australian public sector. Twelve graduates were centrally funded, while a further two graduates were funded by the business unit hosting the graduate.

Graduates worked across both TAFE SA and DFEEST and participated in a structured program that included rotational placements across business units and completion of a Graduate Development Program. The program was designed to prepare graduates to be successful in securing further employment within the public sector at the end of their 12 month graduate employment experience.

Table 16: Graduates by gender		
	Male	Female
Graduates	4	10

*** This information is also contained in the DFEEST annual report.*

Leadership and Management Training Expenditure

Leadership and management training is funded across the Department by DFEEST Corporate Services and individual divisions. Funds are allocated to capacity building and programs of activity are negotiated annually, based on the business needs and future directions of the agency.

DFEEST has a strong Leadership and Management Development Program that has specific programs for management, leadership and executive development.

The Leadership and Management Training expenditure*** includes both TAFE SA and DFEEST under a service level agreement up to 30 June 2014.

Table 17: Leadership and management training expenditure		
Training and Development	Total Cost	% of Total Salary Expenditure
Total training and development expenditure	\$1 277 134	1.17%
Total leadership and management development expenditure	\$706 137	0.65%

**** These details are also contained in the DFEEST annual report.*

Total training and development expenditure include expenditure for both TAFE SA and DFEEST, and HECS costs.

4.6 Accredited training packages

Table 18: Accredited training packages by classification	
Classification	Number of accredited training packages
ASO-1	0
ASO-2	3
ASO-3	1
ASO-4	1
CCC-2	1
EM-A	1
Lecturer	19
Total	26

Excludes HPIs and casuals.

4.7 Employment opportunity programs

Up until November 2012, TAFE SA was included with DFEEST Equal Employment Opportunity Programs, which is shown below.

Table 19: Employment opportunity programs by gender			
	Male	Female	Total
Apprentices, Trainees* and Cadets	3	5	8
Aboriginal Recruitment Programs – includes Aboriginal Traineeship Programs	3	8	11
Disability Employment Registers Recruitment	1	0	1
	Total		20

These details are also contained in the DFEEST annual report.

As at 30 June 2013, TAFE SA employed 1 trainee.

Table 20: Apprentices and trainees employed by TAFE SA by gender		
	Male	Female
Apprentices	0	0
Trainees	0	1

As at 30 June 2013.

TAFE SA Aboriginal Traineeship Program

The DFEEST and TAFE SA Aboriginal Traineeship Program was launched in January 2009 as part of a planned approach towards recruitment and development of Aboriginal trainees within TAFE SA and DFEEST. Since inception, the program has employed 47 Aboriginal trainees across DFEEST and TAFE SA.

The program was developed to assist DFEEST and TAFE SA to achieve outcomes under the DFEEST Aboriginal Employment Strategy (2010-15) which aimed to achieve 3% Aboriginal employment across its workforce at all classification levels and also aligns to South Australia's Strategic Plan (SASP) Target 53: Aboriginal Employees: Increase the participation of Aboriginal people in the South Australian public sector, spread across all classifications and agencies to 2% by 2014 and maintain or better those levels through to 2020.

In February 2012, DFEEST and TAFE SA implemented its fourth Aboriginal Traineeship Program and recruited eight Aboriginal trainees to work across DFEEST and TAFE SA. Six trainees graduated in February 2013.

4.8 Voluntary Flexible Working Arrangements

Voluntary Flexible Working Arrangements (VFWA) available in the public sector are outlined in the Commissioners Standard 3.1. These arrangements are designed to assist employees to better manage their work and other responsibilities and interests.

Staff employed under the TAFE SA Act and various Weekly Paid Awards are not entitled to utilise the full suite of VFWA available to Public Sector Act employees.

VFWA Type	Male	Female	Total
Purchased leave	0	1	1
Flexitime	105	661	766
Compressed weeks	3	9	12
Part-time	127	726	853
Job share	0	1	1
Working from home	6	31	37
Total			1670

As at 30 June 2013 excluding HPIs and casuals.

4.9 Leadership and management development

Program	# of participants	Development workshops	Mentoring/ Coaching	Project
Management Development program	3	17.5	Yes	Yes
Leadership Development program	9	15.5	Yes	Yes
Leadership Action Learning Teams program	2	8	Yes	Yes
Total	14			

***These figures are TAFE SA staff only.*

Management Development Program

The Management Development Program is a capacity-building program, inclusive of a Nationally Accredited Qualification, designed for the next generation managers. The aim of the program is to equip employees with operational management skills, such as delivering and improving effective client services, strategically manage resources, manage risk and change, increase their understanding of the machinery of government and communicate effectively at a senior level.

Leadership Development Program

The Leadership Development Program is a capacity-building program inclusive of a Nationally Accredited Qualification targeting both high-potential and current leaders. The aim of the program is to engage participants with strategic thinking skills, develop business planning skills, enable them to facilitate change, increase their self-awareness and leadership behaviours, undertake performance management, communicate with and inspire people, and manage financial and resource planning in the broader South Australian Government.

Leadership Action Learning Teams Program

The Leadership Action Learning Teams Program is aimed at developing employees who have been identified as high-potential future executives. It is aligned to the South Australian Executive Services (SAES) competency framework. This program is based on implementing behavioural change within participants through group and individual coaching. It also provides each participant with the opportunity and support to implement a strategic project in their work area. The program is most suitable for those who already have a management qualification, or those who are seeking coaching on their leadership style, as it is not aligned to a qualification.



4.10 Workforce relations

Workforce Relations worked as a single team and provided timely and efficient high level industrial and employee relations service to DFEEST and TAFE SA. Services in this area include the provision of advice and support to management and human resource staff throughout the reporting period.

The Workforce Relations team was involved in the successful negotiation and approval of the *South Australian Public Sector Wages Parity Enterprise Agreement: Salaried 2012* and the TAFE SA Educational Staff Enterprise Agreement 2012. This team was also involved in the negotiation and ballot of the *South Australian Public Sector Wages Parity Enterprise Agreement: Weekly Paid 2013* which was approved by the Industrial Relations Commission of South Australia on 23 July 2013.

Significant advice was provided for the legislative requirements of the proclaimed *TAFE SA Act 2012* that gave effect to TAFE SA as a Statutory Corporation from 1 November 2012. The *TAFE SA Act 2012* established, in part, the legislative framework that resulted in the transfer of our staff from a number of service delivery areas of DFEEST to the newly established TAFE SA Statutory Corporation.

For the period 1 July 2012 to 1 November 2012 Workforce Relations investigated a total of five staff disciplinary matters and five grievance matters. Since 1 November 2012 when we separated from DFEEST, to 30 June 2013 there have been six staff disciplinary matters and four grievance matters in TAFE SA.

4.11 Workplace Health and Safety (and Injury Management)

DFEEST and TAFE SA formally separated on 31 October 2012. Since this time we have critically reviewed all operations relating to WHS and IM to establish a new WHS&IM management system.

During the 2012-13 financial year, we have continued to build upon previous workplace health and safety performance during times of significant change and challenges including the establishment of TAFE SA as a Statutory Corporation; the relocation of discrete TAFE SA businesses in preparation for the Sustainable Industries Education Centre, and the Mining Engineering Centre, and re-establishing corporate services back into TAFE SA from DFEEST.

The *TAFE SA Strategic Plan 2013-15* Building Prosperity, Key Result Area 1 – Business Transformation and Sustainability includes strategies to focus on empowering staff, to create staff ownership of TAFE SA vision, mission, principles and values, further establish workforce development, and to continue focus on wellbeing. These are aligned to: SASP Target 21 Greater safety at work ‘achieve a 40% reduction in injury by 2012 and a further 50% reduction by 2022’; Target 13 Work-life balance ‘improve the quality of life of all South Australians through maintenance of a healthy work-life balance’, and Target 86 Psychological wellbeing ‘Equal or lower than the Australian average for psychological distress by 2014 and maintain thereafter’.

Our financial performance during the year has continued to improve with a reduction of \$65 641 in injury expenditure from 2011-12 (TAFE SA-only data). This has been due to improved injury management practices and improved engagement processes between injured workers, managers and medical providers.

A decrease in the number of new psychological injuries occurred this financial year 17, compared with 24 in 2011-12, this is a positive outcome considering the significant changes and challenges.

An injury sustained by a student in 2009, saw SafeWork SA bringing proceedings against DFEEST in the Industrial Court of SA. We took the opportunity to develop a cultural change initiative which was implemented across the organisation in the last quarter of 2012 and is seeing positive results with staff engaging in workplace health and safety.

We developed online training to prepare for the commencement of the new *Work Health Act (SA) 2102*, which commenced 1 January 2013. This training ensures our employees understand the changes and the organisation’s commitment to the safety and wellbeing of staff and students.

Work commenced during 2012 for the 2013 WorkCover Evaluation which commences on 8 August 2013. We expect the previous successful outcome of ‘Level 2’ (now called ‘Performing’ under the revised Natural Consequences Model) will be maintained.

We have continued a significant focus on ensuring plant and equipment safety. The previous Machine Guarding Program was reviewed and finalised and a new holistic Plant Safety Management Program and Plant Safety Action plan has been developed collaboratively between educationalist and corporate services.

We are well positioned to meet future challenges of 2013 in workplace health and safety.

Table 23: Workplace Health and Safety**Note 1: the first column (shaded) indicates TAFE SA (only) achievements for the 2012-13 financial year.****Note 2: TAFE SA was part of DFEEST until 1 November 2012. Columns two to four includes the combined data to allow comparison against the previous two financial years.**

	2012-13	2012-13	2011-12	2010-11
1. WHS (previously OHS) legislative requirements (includes incidents involving students, contractors and visitors)				
Number of notifiable incidents (previously occurrences or injuries) pursuant to WHS Act Part 3-Incident notification	13	13 (4 from students, 1 from public)	8 (4 from students, 1 from contractor)	14 (3 from students, 6 from contractors)
Number of notices served pursuant to WHS Act Part 10 Division 1 to 3 (previous OHS&W Act s35, s39 and s40)	3	3	4	3 (1 from contractor)
2. Injury management legislative requirements				
Total number of new claimants who participated in the rehabilitation program	30	31	43	24
Total number of employees rehabilitated and reassigned to alternative duties	0	0	1	0
Total number of employees rehabilitated back to their original work	8	8	17	7
3. WorkCover action limits				
Number of open claims as at 30 June 2013	104	116	108	123
Percentage of workers compensation expenditure over gross annual remuneration	0.0087	0.0126	0.0106	0.0109
4. Number of injuries				
Number of new workers compensation claims in the financial year	68	72	75	55
Number of fatalities (F), lost time injuries (LTI), medical treatment only (MTO)				
(F)	0	0	0	0
(LTI)	32	33	31	25
(MTO)	36	39	44	30
Total number of whole working days lost	3 711	4 303	5 945	6 397
5. Cost of workers compensation				
Cost of new claims for the financial year	\$322 625.42	\$333 220.75	\$539 762.75	\$439 273.17
Cost of all claims excluding lump sum payments	\$1 511 880	\$1 682 940	\$1 833 498	\$2 011 885
Amount paid for lump sum payments (s42, s43, s44)	\$1 341 439	\$1 371 170	\$636 685	\$691 886
Total claims expenditure	\$2 853 319	\$3 054 110	\$2 470 183	\$2 703 771
Total amount recovered from external sources (s54)	\$52 081	\$52 081	\$2 105	\$180 000
Budget allocation for workers compensation	\$2 930 000	\$3 250 000	\$2 750 000	\$3 000 000
6. Trends				
Injury frequency rate for new lost-time injury/disease for each million hours worked	5.71	6.68	5.78	4.60
Most frequent cause (mechanism) of injury	Body stressing	Body stressing	Mental stress	Body stressing
Most expensive cause (mechanism) of injury	Mental stress	Mental stress	Mental stress	Mental stress

Reporting is based on financial year as determined by the Australian Standard.

* Based on Lost Time Flag (ie ≥ 1day or shift).

4.12 Ensuring a safe work and learning environment for staff, students and the community

TAFE SA has a dedicated Workplace Health and Safety unit which provides a consultancy service to all staff and aims to achieve the highest practical standard of workplace health and safety.

We also have a Strategic Workplace Health and Safety Committee. This committee provides leadership throughout the organisation on all work, health and safety issues with a focus on injury prevention and injury management. Membership consists of management, worker representatives and representatives of the principal unions.

We also maintain a Workplace Health and Safety helpdesk where any general questions can be raised and direction provided in response.

The TAFE SA intranet is available to all staff and provides information relating to Workplace Health and Safety on:

- > Contacts and Services
- > OHS Forms
- > Emergencies
- > Incident/ Injury
- > Hazard Alerts
- > Health and Wellness
- > Legislation and Policies
- > Roles and Responsibilities
- > Training
- > Workplace Safety.

With the new *Work Health and Safety Act 2013 (SA)* coming into effect in South Australia on 1 January 2013, we have focused on updating its WHS policies and procedures to reflect the changes as a result of the new WHS Act and to also reflect TAFE SA's move to a statutory authority.

Some of the policies/procedures currently being updated cover issues such as:

- > Accident, Injury and Incident Management Preparedness
- > Driving and Heavy Vehicle Compliance
- > Emergency and Bushfire Prevention
- > Environmental Hazards
- > Hazardous Substance Management and Dangerous Goods
- > High Risk Activities
- > Wellbeing, Bullying and Harassment.

When due for review, procedures are released for consultation and staff members are encouraged to provide feedback during the consultation period.

To ensure employees and management are familiar with changes in the workplace health and safety legislation, we are in the process of developing mandatory WHS legislation training via online ePace learning modules for all staff to undertake. The course will assist in employees understanding and obligations of the new laws.

We are committed to improving employment conditions and opportunities for persons with a disability with TAFE SA. The TAFE SA Employee Access and Inclusion Plan 2013-15 has been developed and will assist us in meeting this objective.

We are also in the process of establishing a Disability Advisory Group.

We are committed in ensuring the safety of our students and the general community. Subsequently the TAFE SA website provides students and the general community with information relating to health and safety, such as accidents; ambulance cover; children on campus; disclosure of medical conditions; emergency numbers; emergency procedure and evacuation; health and hygiene; insurance; reporting hazards; smoking; and student alcohol and other drug policy.

Training is an important aspect of any successful business and workplace health and safety system. To this end we ensure regular WHS training is available to employees to ensure staff knowledge and skills are current with required practices and processes.

4.13 Reconciliation

DFEEST has consistently worked closely with Reconciliation SA and other South Australian Government agencies to achieve the Government's commitment to reconciliation, and has committed considerable funds to build an environment promoting decision-making that is culturally inclusive and involves Aboriginal people. The DFEEST Reconciliation Action Plan was implemented across DFEEST and included TAFE SA.

As a separate entity to DFEEST, we are committed to the development and implementation of a TAFE SA Aboriginal Employment Strategy to employ, and engage with the Aboriginal community. An interim strategy has been approved by TAFE SA Executive as a plan for the development of a longer-term strategy.

Reconciliation Week

TAFE SA facilitated a variety of cultural activities and events enriched by both Aboriginal and non-Aboriginal employee participation for a variety of cultural family activities to celebrate Aboriginal culture during 2012-13.

Hosting the Constitutional Recognition workshop and attracting two prominent guest speakers was a signature event for TAFE SA during Reconciliation Week 2013. This workshop series was jointly promoted by Reconciliation SA, DFEEST and TAFE SA. The event was promoted to all government employees and some Aboriginal communities. The session was well attended by a number of key community representatives from both Aboriginal and non-Aboriginal backgrounds and government employees.

NAIDOC Week

Employees were encouraged to attend NAIDOC Week activities and events. Both TAFE SA and DFEEST were one department at the time of NAIDOC Week. Activities included employees voting for selected paintings by Aboriginal artists for purchasing by DFEEST, attending a hand painting ceremony and holding displays for NAIDOC week at various campuses.



5. Financial Performance

5. Financial Performance

Table 24: Statement of Comprehensive Income for the Period 1 November 2012 - 30 June 2013

	Note	2013 \$'000
EXPENSES		
Employee Benefits	5	158,970
Supplies and Services	6	90,949
Depreciation and Amortisation	7	3,188
Net Loss from the Disposal of Non-Current Assets	15	132
Other Expenses	8	935
Total EXPENSES		254,174
INCOME		
VET Funding from DFEEST	10	165,832
Commonwealth Grants	11	7,598
Student and Other Fees and Charges	12	48,264
Other Grants and Contributions	13	42,672
Investment Income	14	4
Other Income	16	9,059
Total INCOME		273,429
NET REVENUE OF PROVIDING SERVICES		19,255
NET RESULT		19,255
OTHER COMPREHENSIVE INCOME		-
Total COMPREHENSIVE RESULT		19,255

The net result and total comprehensive result are attributable to the SA Government as owner.

Table 25: Statement of Financial Position as at 30 June 2013

	Note	2013 \$'000
CURRENT ASSETS		
Cash and Cash Equivalents	17	41,222
Receivables	18	78,912
Inventories	21	932
Total CURRENT ASSETS		121,066
NON-CURRENT ASSETS		
Receivables	18	204
Property, Plant and Equipment	19	14,858
Intangibles	20	11,338
Total NON-CURRENT ASSETS		26,400
TOTAL ASSETS		147,466
CURRENT LIABILITIES		
Payables	22	23,721
Employee benefits	23	24,559
Provisions	24	1,576
Unearned Revenue	25	5,483
Other Current Liabilities	26	6
Total CURRENT LIABILITIES		55,345
NON-CURRENT LIABILITIES		
Payables	22	1,918
Employee benefits	23	44,366
Provisions	24	6,130
Total NON-CURRENT LIABILITIES		52,414
TOTAL LIABILITIES		107,759
NET ASSETS		39,707
EQUITY		
Retained Earnings	27	19,255
Contributed Capital	27	20,452
Total EQUITY		39,707
The Total Equity is attributable to the SA Government as owner.		
UNRECOGNISED CONTRACTUAL COMMITMENTS	28	
CONTINGENT ASSETS AND LIABILITIES	29	

Table 26: Statement of Changes in Equity for the Period 1 November 2012 - 30 June 2013

	Note	Revaluation Surplus \$'000	Retained Earnings \$'000	Contributed Capital \$'000	Total \$'000
Contributed Capital	27	-	-	20,452	20,452
Net Result for 2012-13	27	-	19,255	-	19,255
Total comprehensive result 2012-13		-	19,255	20,452	39,707
Balance as at 30 June 2013		-	19,255	20,452	39,707

All changes in equity are attributable to the SA Government as owner.

Table 27: Statement of Cash Flows for the Period 1 November 2012 - 30 June 2013

	Note	2013 \$'000 Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH OUTFLOWS		
Employee benefit payments		(154,213)
Payments for supplies and services		(85,724)
GST paid to the ATO		(2,583)
Payments for paid parental leave scheme		(62)
Other payments		(264)
Cash used in operations		(242,846)
CASH INFLOWS		
Commonwealth grants		7,598
VET Funding from DFEEST		135,543
Student and other fees and charges		52,069
Other grants and contributions		14,289
Interest received		4
GST recovered from the ATO		5,768
Receipts for paid parental leave scheme		117
Other receipts		9,630
Cash generated from operations		225,018
Net Cash provided by Operating Activities	33	(17,828)
CASH FLOWS FROM INVESTING ACTIVITIES		
CASH OUTFLOWS		
Purchase of property, plant and equipment		(640)
Purchase of intangibles		(419)
Cash used in investing activities		(1,059)
Net Cash used in Investing Activities		(1,059)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash Inflows		
Cash transferred as a result of restructuring activities		60,109
Cash generated from investing activities		60,109
Net Cash used in Financing Activities		60,109
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		41,222
CASH AND CASH EQUIVALENTS AT 30 JUNE 2013	17	41,222

Table 28: Disaggregated Disclosure - Expenses and Income for the Period Ended 30 June 2013

	Employment and Skills Formation		
	Vocational Education and Training \$'000	International and Higher Education \$'000	Total \$'000
Expenses			
Employee benefits	158,048	922	158,970
Supplies and services	90,368	581	90,949
Depreciation	3,188	-	3,188
Net Loss on disposal of assets	132	-	132
Other	935	-	935
Total Operating Expenses	252,671	1,503	254,174
Revenues			
VET Funding from DFEEST	165,832	-	165,832
Commonwealth grants	7,598	-	7,598
Student and other fees and charges	48,228	36	48,264
Other grants and contributions	42,672	-	42,672
Investment income	4	-	4
Other	7,405	1,654	9,059
Total Operating Revenues	271,739	1,690	273,429
Surplus for the year	19,068	187	19,255

Table 29: Disaggregated Disclosure - Assets and Liabilities as at 30 June 2013

	Employment and Skills Formation		
	Vocational Education and Training \$'000	International and Higher Education \$'000	Total \$'000
Assets			
Cash and Cash Equivalents	41,222	-	41,222
Receivables	79,116	-	79,116
Inventories	932	-	932
Property, Plant and Equipment	14,858	-	14,858
Intangibles	11,338	-	11,338
Total Assets	147,466	-	147,466
Liabilities			
Payables	25,639	-	25,639
Employee Benefits	68,925	-	68,925
Provisions	7,706	-	7,706
Unearned Revenue	5,483	-	5,483
Other Liabilities	6	-	6
Total Liabilities	107,759	-	107,759

Notes to and forming part of the Financial Statements

1. Agency Objectives and Funding

(a) Objectives

TAFE SA was established as a Statutory Corporation on 1 November 2012 by the *TAFE SA Act 2012*.

The Act provided TAFE SA with modernised governance arrangements that have enabled it to operate in the more commercial and competitive environment introduced through *Skills for All*.

The objectives of TAFE SA are:

- to provide technical and further education in a manner that is efficient, effective and responsive to the needs of industry, students and the general community; and
- to undertake or facilitate research that relates to technical and further education; and
- to provide consultancy or other services, for a fee or otherwise, in any area in which staff of TAFE SA have particular expertise developed (whether wholly or partly) in the course of, or incidentally to, the provision of technical and further education; and
- to undertake or provide for the development or use, for commercial, community or other purposes, of any intellectual property, product or process created or developed (whether wholly or partly) in the course of, or incidentally to, the provision of technical and further education; and
- to perform any other function assigned to it by the Minister.

In fulfilling its statutory functions as set out in section 6 of the *TAFE SA Act 2012*, TAFE SA shall aspire to be a leading Government-owned provider of Technical and Further Education and assist the Government in meeting its strategic objectives for Technical and Further Education by the Corporation actively:

- Aiming to increase participation in Further Education and Training and the attainment of higher level qualifications meeting the skills needs of South Australia;
- Ensuring a flexible approach to delivery by using contemporary practices, such as workplace delivery, e-learning and recognition of prior learning;
- Ensuring the maintenance of quality training, including by meeting and exceeding where practicable, all relevant regulatory compliance requirements;
- Being customer-focused and responsive to the needs of students and industry;
- Contributing to the development of the South Australian economy, industry and local communities across South Australia through the delivery of Technical and Further Education, particularly engaging individuals and employers in regional and remote areas, and where the Corporation is the only local provider of training;
- Developing and strengthening links with industry to ensure that programs and services meet the needs of industry, students and the community;
- Valuing and recognising the diversity of learners to improve their participation in Technical and Further Education including by attracting and retaining learners from disadvantaged groups including Aboriginal people and others who may experience disadvantage through age, gender, race, ethnicity, lack of community support, health, physical isolation; and
- Promoting equality of opportunity in undertaking Technical and Further Education.
- Undertaking such further or other activities as are determined by the Board of the Corporation as fulfilling those statutory functions in accordance with the TAFE SA Ministerial Charter.

The Corporation, as a public provider, shall operate effectively and efficiently in a competitive market for vocational education and training to:

- Deliver Technical and Further Education efficiently and cost effectively at high standards of quality, while at all times ensuring the financial viability of the Corporation;
- Build the TAFE SA brand and grow the Corporation's reputation for quality, including strategic relationships with both the school and higher education sectors through rigorous attention to stakeholder demands and innovative delivery;
- Where and when appropriate, build alliances and cooperation with other service providers to ensure quality and relevant course availability and delivery in the most efficient manner;

- Further strengthen the Corporation's position in Technical and Further Education through the provision of fee for service activities, including quality training for overseas students and targeted international activity; and
- Ensure a safe work and learning environment for staff, students and the community.

(b) Funding

The Corporation is predominantly funded by the Department of Further Education, Employment, Science and Technology (DFEEST) through the *Skills for All* Program.

In addition income is generated from sales and fee for service. These include:

- Student fees and charges;
- Training for various organisations;
- Sale of curriculum material;
- Hire of facilities and equipment.

The financial activities of the Corporation are primarily conducted through a Special Deposit Account with the Department of Treasury and Finance pursuant to Section 8 of the *Public Finance and Audit Act 1987*. The Special Deposit Account is used for funds provided by *Skills for All* from DFEEST, Commonwealth grants and revenues from fees and charges.

2. Summary of Significant Accounting Policies

(a) Statement of Compliance

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

The Corporation has applied Australian Accounting Standards that are applicable to not-for-profit entities as the Corporation is a not-for-profit entity.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Corporation for the reporting period ending 30 June 2013. Refer note 3.

(b) Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the Corporation's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported;
- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the Accounting Policy Statements require the following note disclosures, that have been included in these financial statements:
 - i) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the South Australian Government as at reporting date, classified according to their nature. A threshold of \$100 000 for separate identification of these items applies;
 - ii) expenses incurred as a result of engaging consultants (as reported in the Statement of Comprehensive Income);
 - iii) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10 000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the entity to those employees; and

- iv) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement;
- v) employee targeted voluntary separation package information.

The Corporation's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that have been valued in accordance with the valuation policy applicable.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on the period 1 November 2012 to 30 June 2013 and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the period ended 30 June 2013.

(c) Reporting Entity

The Corporation is a Statutory Corporation of the State of South Australia, established pursuant to the *TAFE SA Act 2012*.

The financial statements and accompanying notes reflect the use of assets, liabilities, revenues and expenses controlled or incurred by the Corporation in its own right.

(d) Comparative Information

TAFE SA was established as a Statutory Corporation effective 1 November 2012. The period from 1 November 2012 to 30 June 2013 represents the first year of operation for TAFE SA. Comparative information for prior years is therefore not applicable.

(e) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

(f) Income and Expenses

Income and expenses have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the Corporation will occur and can be reliably measured.

The following are specific recognition criteria:

- Income from fees and charges is derived from the provision of goods and services to other SA government agencies and to other clients and is recognised when invoices are raised.
- Income from disposal of non-current assets is recognised when control of the asset has passed to the buyer and determined by comparing proceeds with carrying amount.
- Income from grants is recognised upon receipt of funding.
- Interest income is recognised as it accrues.
- Dividend income is recognised only when it is declared.
- Contribution income is recognised when control of the contribution or the right to receive the contribution and the income recognition criteria are met.

Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Corporation will occur and can be reliably measured.

The following are specific recognition criteria:

Employee benefits expense

Employee benefits expense includes all costs related to employment including wages and salaries, non-monetary benefits and leave entitlements. These are recognised when incurred.

In regards to superannuation expenses, the amount charged to the Statement of Comprehensive Income represents the contributions made by the Corporation to the superannuation plan in respect of current services of current Corporation staff. The Department of Treasury and Finance centrally recognises the superannuation liability in the whole of government financial statements.

(g) Current and Non-Current Classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current

Where asset and liability line items combine amounts expected to be realised within twelve months and more than twelve months, the Corporation has separately disclosed the amounts expected to be recovered or settled after more than twelve months.

(h) Events after the end of the reporting period

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years (refer to Note 31).

(i) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position include cash at bank and on hand.

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash at bank and cash on hand.

Cash is measured at nominal value.

(j) Receivables

Receivables include amounts receivable from trade, prepayments and other accruals.

Receivables arise in the normal course of providing goods and services to other government agencies and to the public. Receivables are generally receivable within 30 days after the issue of an invoice or the goods/ services have been provided under a contractual arrangement.

The recoverability of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Corporation will not be able to collect the debt.

(k) Inventory

Inventories include goods and other property held either for sale or distribution at no or nominal cost in the ordinary course of business.

Inventories held for distribution at no or nominal consideration, are measured at cost and adjusted when applicable for any loss of service potential. Inventories held for sale are measured at the lower of cost or their net realisable value.

Cost is assigned to low volume inventory items on a specific identification of cost basis.

Inventories comprise of learning modules, food and wine, wine making equipment, books, stationery, hair and beauty products and timber supplies.

The amount of any inventory write-down to net realisable value/replacement cost or inventory losses is recognised as an expense in the period the write-down or loss occurred. Any write-down reversals are recognised as an expense reduction.

Bases used in assessing loss of service potential for inventory held for distribution at no or minimal cost include current replacement cost and technological or functional obsolescence.

(l) **Property, Plant and Equipment**

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value less accumulated depreciation. Where assets are acquired for no consideration, or minimal value, they are recorded at their fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements then the assets are recognised at book value, ie the amount recorded by the transferor public authority immediately prior to the restructure.

Revaluation of non-current assets

All non-current assets are valued at either market value or written down current cost (a proxy for fair value); and revaluation of non-current assets or group of assets is only performed when its fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than three years.

Every three years, the Corporation revalues its library collection. However, if at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Non-current assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair value.

Any revaluation increment is credited to the revaluation surplus, except to the extent that it reverses a revaluation decrement of the same asset class previously recognised as an expense, in which case the increase is recognised as income in the Statement of Comprehensive Income.

Any revaluation decrement is recognised in the Statement of Comprehensive Income as an expense, except to the extent that it offsets a previous revaluation increment for the same asset class, in which case the decrease is debited directly to the revaluation surplus to the extent of the credit balance existing in the revaluation surplus for that asset class.

The valuation methodology applied to specific classes of non-current assets under revaluations is as follows:

- **Library Collection**

The library collection is recorded at replacement value. The most recent valuation was carried out as at 30 June 2011 in the DFEEST accounts by the Australian Valuation Office, an independent valuer, on the basis of depreciated replacement cost (a proxy for fair value).

- **Plant and Equipment**

Items of plant and equipment are recorded at fair value less accumulated depreciation.

All Plant and Equipment assets with a value of \$10,000 or greater are capitalised.

Items under \$10,000 are recorded in the Statement of Comprehensive Income as an expense in the accounting period in which they are acquired.

- **Intangibles**

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. The Corporation only has intangible assets with finite lives. The amortisation period for the intangible assets is reviewed on an annual basis.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition criteria (identifiability, control and the existence of future economic benefits) and recognition criteria (probability of future economic benefits and cost can be reliably measured) and when the amount of expenditure is greater than or equal to \$10,000.

All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 are expensed.

(m) **Impairment**

All non-current assets are tested for indications of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

For revalued assets an impairment loss is offset against the revaluation surplus.

(n) Depreciation and amortisation of Non-Current Assets

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential. Amortisation is used in relation to intangible assets such as software, while depreciation is applied to tangible assets such as library collections and plant and equipment.

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, on an annual basis.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

Depreciation/amortisation is calculated on a straight line basis over the estimated useful life of the following classes of assets as follows:

Table 30:

Class of Asset	Depreciation / Amortisation Method	Useful Life (Years)
Other Plant and Equipment	Straight Line	1 – 45
Library Collection	Straight Line	5 – 15
Intangibles	Straight Line	10

(o) Payables

Payables include creditors, accrued expenses and employment on-costs and Paid Parental Leave Scheme Payable.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Corporation.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

The paid parental leave scheme payable represents amounts which the Corporation has received from the Commonwealth Government to forward onto eligible employees via the Corporation's standard payroll processes. That is, the Corporation is acting as a conduit through which the payment to eligible employees is made on behalf of the Family Assistance Office.

All payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Employee benefits on-costs include superannuation contributions, workers compensation and payroll tax with respect to outstanding liabilities for salaries and wages, long service leave and annual leave, non-attendance days, and skills and experience retention leave.

The Corporation makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at balance date relates to any contributions due but not yet paid to the South Australian Superannuation Board and externally managed schemes.

(p) Employee Benefits and Employment Related Liabilities

Liabilities have been established for various employee benefits arising from services rendered by employees to balance date. Employee benefits include entitlements to wages and salaries, long service leave, annual leave and non-attendance days. Long-term benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Employment related expenses include on-costs such as employer superannuation and payroll tax on employee entitlements together with the workers' compensation insurance premium. These are reported under Payables as on-costs on employee benefits (refer Note 22).

Salaries, wages, annual leave, skills and experience retention leave, non-attendance days and sick leave

The liability for salaries and wages are measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the skills and experience retention leave liability is expected to be payable within twelve months and is measured at the undiscounted amount expected to be paid. In the unusual event where salary and wages, annual leave and skills and experience retention leave liability are payable later than 12 months, the liability will be measured at present value.

Non-attendance days are accrued annually for employees engaged under the *TAFE SA Act 2012* but are non-cumulative.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The estimated liability for long service leave is based on actuarial assumptions over expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over the education sector across government. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with durations that match, as closely as possible, the estimated future cash outflows.

(q) Provisions

A liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment performed by the Public Sector Workforce Relations Division of the Department of the Premier and Cabinet. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

Provisions are recognised when the Corporation has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Corporation expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the Statement of Financial Position date. If the effect of the time value of money is material, provisions are discounted for the time value of money and the risks specific to the liability.

(r) Leases

The Corporation has entered into a number of operating lease agreements, as lessee, for buildings and other facilities where the lessors effectively retain all risks and benefits incidental to ownership of the items held under the operating leases.

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. The straight-line basis is representative of the pattern of benefits derived from the leased assets.

Details of commitments of current non-cancellable operating leases are disclosed at Note 28.

(s) Accounting for Taxation

The Corporation is liable for payroll tax, fringe benefits tax, goods and services tax (GST), emergency services levy and local government rate equivalents.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and

- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

Unrecognised Contractual Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

(t) Unrecognised contractual commitments and contingent assets and liabilities

Commitments include those operating, capital and outsourcing commitments arising from contractual or statutory sources and are disclosed at their nominal value.

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

3. Changes in Accounting Policies

The Corporation did not voluntarily change any of its accounting policies during 2012-13.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Corporation for the period ending 30 June 2013. The Corporation has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Corporation.

4. Activities and sub-activities

Activities - Employment and Skills Formation

Description/Objective: To strengthen the economic prosperity and social wellbeing of South Australians through strategic employment, skills formation and workforce development.

Sub-activities - Vocational Education and Training

Provide post-secondary vocational education and training (VET) including:

- the investment of public funds to support individuals and employers to develop workforce skills;
- funding apprenticeships and traineeships;
- supporting post-secondary training and education; and
- providing state and national policy advice.

Sub-activities - International and Higher Education

Support the development of Adelaide as a centre for education, international education and South Australian education exports including providing marketing services, analysis and student and community support.

Provide high level strategic policy advice to the Minister on higher education policy and planning.

5.

Table 31: Employee Benefits

	2013
	\$'000
Salaries and Wages (including Annual Leave)	124,251
Superannuation	12,381
Payroll Tax	7,286
Long Service Leave	5,186
Skills and Experience Retention Leave	347
Workers' Compensation	1,626
Targeted Voluntary Separation Payments	7,116
Other Employee Related Costs	777
	158,970

Table 32: Targeted Voluntary Separation Packages (TVSPs)

	2013
	\$'000
Amount paid to these employees:	
TVSPs	7,116
Annual Leave and Long Service Leave Accrued paid during the Period	1,885
	9,001
Funding from the Department of Treasury and Finance (through Department of Further Education, Employment, Science and Technology)	7,490
Net cost to TAFE SA	1,511
The number of employees who were paid TVSPs during the reporting period	61

Table 33: Remuneration of Employees - 1 November 2012 to 30 June 2013

The number of employees whose remuneration received or receivable is \$138,000 or more from the date of TAFE SA incorporation falls within the following bands:

	2013
	Number of Employees (including TVSP)
\$138,000 to \$147,999	1
\$148,000 to \$157,999	1
\$168,000 to \$177,999	1
\$298,000 to \$307,999	1
\$318,000 to \$327,999 ^Δ	1
\$408,000 to \$417,999 ^Δ	1
Total number of employees	6

^Δ This bandwidth includes employees that have received TVSP's during 2012-13.

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the period.

Remuneration of employees reflects all costs of employment including salaries and wages, superannuation contributions, separation packages, fringe benefits tax and any other salary sacrifice benefits. The total remuneration received by these employees for the year was \$1.5 million.

For 2012-13, the above figures include 2 non-executive employees who took Targeted Voluntary Separation Packages (TVSP's) during the year. The total remuneration received by these employees for the year was \$0.7 million.

For 2012-13, there were no non-executive employees who received leave paid on termination payments during the year and were not paid TVSP's.

Table 34: Remuneration of Employees - 1 July 2012 to 30 June 2013

The remuneration of employees who transferred to TAFE SA under the transition arrangements are disclosed for the full 12 months as they are government employees. Their remuneration falls within the following bands for the 12 month period:

	2013
	Number of Employees (including TVSP)
\$138,000 to \$147,999	9
\$148,000 to \$157,999	3
\$158,000 to \$167,999	3
\$168,000 to \$177,999	2
\$178,000 to \$187,999	3
\$188,000 to \$197,999	2
\$218,000 to \$227,999	1
\$238,000 to \$247,999	1
\$268,000 to \$277,999	1
\$298,000 to \$307,999 ^Δ	1
\$328,000 to \$337,999 ^Δ	1
\$338,000 to \$347,999 ^Δ	1
\$358,000 to \$367,999 ^Δ	1
\$368,000 to \$377,999 ^Δ	1
\$388,000 to \$397,999	1
\$418,000 to \$427,999 ^Δ	1
\$438,000 to \$447,999 ^Δ	1
\$468,000 to \$477,999 ^Δ	1
Total number of employees	34

^Δ This bandwidth includes employees that have received TVSP's during 2012-13.

6. Table 35: Supplies and Services

	2013
	\$'000
Corporate Services recharges to DFEEST	19,945
Infrastructure recharges to DFEEST	12,100
Funding to External Vocational Education and Training Providers	70
Printing and Consumables	5,607
Minor Works, Maintenance and Equipment	9,671
Information Technology Infrastructure and Communication	3,250
Fees - Contracted Services (Including Consultants)	14,805
Utilities	5,917
Cleaning	6,652
Vehicle and Travelling Expenses	2,949
Rentals and Leases	1,302
Books, Materials and Copyright	8,681
Total Supplies and Services	90,949

Supplies and Services Provided by Entities Within the SA Government

Corporate Services recharges to DFEEST	19,945
Infrastructure recharges to DFEEST	12,100
Funding to External Vocational Education and Training Providers	13
Minor Works, Maintenance and Equipment	7,130
Information Technology Infrastructure and Communication	870
Fees - Contracted Services (Including Consultants)	8,307
Utilities	1,066
Cleaning	5,768
Vehicle and Travelling Expenses	911
Total Supplies and Services from SA Government Entities	56,110

The total supplies and services amount disclosed includes GST amounts not-recoverable from the ATO due to TAFE SA not holding a valid tax invoice or payments relating to third party arrangements.

Consultancy

The number and dollar amount of Consultancies paid/payable (included in supplies and services) fell within the following bands:

	No.	2013 \$'000
Below \$10,000	1	1
Between \$10,000 and \$50,000	2	25
Above \$50,000	2	846
Total paid/payable to the consultants engaged (GST exclusive)		872

7. Table 36: Depreciation and Amortisation

	2013 \$'000
Depreciation	
Plant and Equipment	918
Library Collection	1,351
Total Depreciation	2,269
Amortisation	
Intangibles	919
Total Amortisation	919
Total Depreciation and Amortisation	3,188

8. Table 37: Other expenses

	2013 \$'000
Audit Fees (refer note 9)	261
Allowance for Doubtful Debts and Debt Write-offs	672
Other	2
Total Other Expenses	935

9. Table 38: Auditor's Remuneration

	2013 \$'000
Audit Fees Paid/Payable to the Auditor-General's Department	261
Total Auditor's Remuneration Paid/Payable	261
No other services were provided by the Auditor-General's Department.	

10. Table 39: VET Funding from DFEEST

	2013 \$'000
VET Funding from DFEEST	165,832
Total VET Funding from DFEEST	165,832

11. Table 40: Commonwealth Grants

	2013 \$'000
Skills for Education and Employment (SEE)	4,591
Aged Care Workforce	877
Community Development Employment Projects (CDEP) program	1,712
Other Specific Commonwealth Revenue	418
Total Commonwealth Grants	7,598

2012-13 Commitments

\$4.6 million in Commonwealth revenue was received for the Language Literacy & Numeracy Delivery Statewide Program in 2012-13 with all commitments being met.

\$0.8 million in Commonwealth revenue was received for the Aged Care Workforce Program in 2012-13, of which \$0.1 million is committed to be spent in 2013-14 as part of providing personal care workers opportunities to upgrade their qualifications.

\$1.7 million in Commonwealth revenue was received for the Community Development Employment Projects (CDEP) program in 2012-13 with all commitments being met.

12. Table 41: Student and Other Fees and Charges

	2013
	\$'000
Sales/Fee for Service Revenue	29,032
Student Enrolment Fees and Charges	16,470
Other User Fees and Charges	2,762
Total Student and Other Fees and Charges Received/Receivable	48,264
Fees and Charges Received/Receivable from Entities Within the SA Government	
Sales/Fee for Service Revenue	1,535
Student Enrolment Fees and Charges	494
Other User Fees and Charges	77
Total Student and Other Fees and Charges from SA Government Entities	2,106

13. Table 42: Other Grands and Contributions

	2013
	\$'000
Grants from DFEEST	41,236
Grants and Subsidies Revenue	1,296
Grants from Entities Within the SA Government	133
Miscellaneous Contributions	6
Donations	1
Total Other Grands and Contributions	42,672

14. Table 43: Investment Income

	2013
	\$'000
Interest from Entities External to the SA Government	4
Total Investment Income	4

15. Table 44: Net Gain/(Loss) on Disposal of Non-Current Assets

	2013
	\$'000
Plant and Equipment	
Proceeds from Disposal	-
Less: Net Book Value of Assets Disposed	(132)
Total Net Gain/(Loss) on disposal of Non-Current Assets	(132)

16.

Table 45: Other Income

	2013
	\$'000
TVSP recovery from DFEEST	7,490
Recoup of Salaries	236
Sundry Income	1,333
Total Other Income	9,059

17.

Table 46: Cash and Cash Equivalents

	2013
	\$'000
Special Deposit Account with the Department of Treasury and Finance	41,176
Cash on Hand	46
Total Cash and Cash Equivalents	41,222

Special Deposit Account with the Department of Treasury and Finance

Includes funds received from DFEEST for Skills for All and other program funding.

Interest rate risk

Cash on hand is non-interest bearing. The carrying amount of cash and cash equivalents represents fair value.

18.

Table 47: Receivables

	2013
	\$'000
Current	
Skills for All Receivable from DFEEST	30,030
Student and other Fees and Charges Receivable	40,664
Less: Allowance for Doubtful Debts	(1,612)
Prepayments	820
GST Recoverable from ATO	2,616
Other Receivables	6,394
Total Current Receivables	78,912
Non-Current	
Workers compensation receivable	204
Total Non-current Receivables	204
Total Receivables	79,116
Receivables from SA Government Entities	
Skills for All Receivable from DFEEST	30,030
Student and other Fees and Charges Receivable	22,620
Prepayments	4
Other Receivables	6,287
Total Receivables from SA Government Entities	58,941

Movement in the allowance for doubtful debts

The allowance for doubtful debts (allowance for impairment loss) is recognised when there is objective evidence (ie calculated on past experience and current and expected changes in client credit rating) that a receivable is impaired.

An allowance for impairment loss has been recognised in 'other expenses' in the Statement of Comprehensive Income for specific debtors and debtors assessed on a collective basis for which such evidence exists.

	2013
	\$'000
Carrying amount on transfer to TAFE SA	1,304
Increase in the allowance	400
Amounts written off	(92)
Carrying amount at the end of the period	1,612

Interest rate risk

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Trade receivables and accrued revenues are non-interest bearing.

Other than as recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

- a) **Maturity analysis of receivables** - Please refer to table Table 67: Categorisation of financial instruments in Note 34.
- b) **Categorisation of financial instruments and risk exposure information** - Please refer to note 34.

19. Table 48: Property, Plant and Equipment

	2013
	\$'000
Plant and Equipment	
Plant and Equipment at Cost (Deemed Fair Value)	24,533
Accumulated Depreciation	(13,415)
	11,118
Library Collection	
Library Collection at Valuation	22,570
Accumulated Depreciation	(18,830)
	3,740
 Total Property, Plant and Equipment	 47,103
Total Accumulated Depreciation at the end of the period	(32,245)
Total Property, Plant and Equipment	14,858

Valuation of property

Plant and equipment was transferred at the fair value as determined by the transferor. The library collection was transferred at the fair value as determined by the transferor.

Impairment

There were no indications of impairment of property and plant and equipment assets at 30 June 2013.

19a. Table 49: Reconciliations

	Assets transferred 1 Nov 2012	Additions	Disposals	Depreciation	Carrying Amount 30 Jun 2013
	\$'000	\$'000	\$'000	\$'000	\$'000
2013					
Plant & Equipment	11,754	414	(132)	(918)	11,118
Library Collection at valuation	4,839	252	-	(1,351)	3,740
Sub Total	16,593	666	(132)	(2,269)	14,858

20.

Table 50: Intangibles

	2013
	\$'000
Computer Software	14,128
Accumulated amortisation	(2,790)
Total Computer software	11,338

The computer software predominantly relates to TAFE SA's Student Information System (SIS).

TAFE SA has no contractual commitments for the acquisition of intangibles assets.

Impairment

There were no indications of impairment of intangible assets at 30 June 2013.

20a.

Table 51: Reconciliations

	Assets transferred 1 Nov 2012	Additions	Other Movements	Amortisation	Carrying Amount 30 Jun 2013
	\$'000	\$'000	\$'000	\$'000	\$'000
2013					
Intangibles	11,234	-	1,023	(919)	11,338
Intangibles work in progress	604	419	(1,023)	-	-
Total	11,838	419	-	(919)	11,338

21.

Table 52: Inventories

	2013
	\$'000
Current	
Inventories Held for Sale	370
Inventories Held for Distribution	562
Total Inventories	932

22.

Table 53: Payables

	2013
	\$'000
Current	
Creditors	10,224
Accrued Expenses	9,730
Employment On-Costs	3,687
Paid Parental Leave Scheme	56
Other	24
Total Current Payables	23,721
Non-Current	
Creditors	64
Employment on-costs	1,854
Total Non-current Payables	1,918
Total Payables	25,639
Payables to SA Government Entities	
Creditors	6,367
Accrued Expenses	2,912
Employment On-costs	5,541
Total Payables to SA Government Entities	14,820

An actuarial assessment performed by the Department of Treasury and Finance determines that the percentage of the proportion of long service leave taken as leave is 26%. The average factor used in the calculation of employer superannuation cost on-cost is 10.2%. These rates are used in the employment oncost calculation.

Interest rate and credit risk

Creditors are raised for all amounts billed but unpaid and accruals are raised where goods and services are received but an invoice has not yet been received. Sundry Creditors are normally settled within 30 days. Employment on-costs are settled when the respective employee benefit that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

- a) **Maturity analysis of payables** - Please refer to table Table 67: Categorisation of financial instruments in Note 34.
- b) **Categorisation of financial instruments and risk exposure information** - Please refer to Note 34.

23.

Table 54: Employee Benefits

	2013 \$'000
Current	
Annual Leave	5,625
Long Service Leave	7,734
Skills and experience retention leave	1,003
Accrued Salaries and Wages	5,059
Non-Attendance Days	5,138
Total Current Employee Benefits	24,559
Non-Current Employee Benefits	
Long Service Leave	44,366
Total Non-Current Employee Benefits	44,366
Total Employee Benefits	68,925

AASB 119 contains the calculation methodology for long service leave liability. This year the actuarial assessment performed by the Department of Treasury and Finance has provided a set level of liability rather than a benchmark for the measurement of long service leave.

AASB 119 requires the use of the yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds is 3.5% at 30 June 2013.

The net financial effect of the changes in methodology and actuarial assumptions in the current financial year is immaterial. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions - a key assumption is the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance has been calculated based upon a salary inflation rate of 4.0%.

Leave entitlements for Hourly Paid Instructors (HPIs) have been excluded from these statements due to the complexities and impracticability of retrieving accurate information in a timely manner from the TAFE SA Empower payroll system. Leave entitlement data for HPIs is only updated in Empower once actual leave requests have been manually verified against Human Resource records on a case by case basis.

The total current and non-current employee benefits (ie aggregate employee benefit plus related on-costs) for 2013 is \$27.4 million and \$46.2 million respectively.

24.

Table 55: Provisions

	2013
	\$'000
Current	
Workers Compensation	1,576
	1,576
Non-Current	
Workers Compensation	6,130
	6,130
Total Provisions	7,706
Carrying amount on transfer to TAFE SA	8,074
Reduction in provisions recognised	(368)
Carrying amount at 30 June	7,706

A liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment performed by the Public Sector Workforce Relations Branch of the Department of the Premier and Cabinet.

25.

Table 56: Unearned Revenue

	2013
	\$'000
Unearned Revenue SA Government Entities	260
Unearned Revenue Non-SA Government Entities	5,223
Total Unearned Revenue	5,483

26.

Table 57: Other Liabilities

	2013
	\$'000
Current	
Other Liabilities	6
Total Other Liabilities	6

27.

Table 58: Equity

	2013
	\$'000
Retained earnings	19,255
Contributed Capital	20,452
Total Equity	39,707

28. Unrecognised Contractual Commitments

Table 59: Remuneration Commitments

Commitments for the payment of salaries and other remuneration under fixed-term employment contracts in existence at the reporting date but not recognised as liabilities are payable as follows:

	2013
	\$'000
Within one year	8,531
Later than one year and not later than five years	4,556
Total Remuneration Commitments	13,087

Amounts disclosed include commitments arising from executive contracts and hourly paid instructors. TAFE SA does not offer remuneration contracts greater than five years.

Table 60: Other Commitments

	2013
	\$'000
Within one year	9,572
Later than one year and not later than five years	11,367
Total Other Commitments	20,939

TAFE SA's other commitments relate to agreements for Productivity Places Programs contracts, cleaning contracts, and other procurement commitments.

Table 61: Operating Leases Commitments

Commitments in relation to operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows:

	2013
	\$'000
Within one year	26,080
Later than one year and not later than five years	74,543
Total Operating Lease Commitments	100,623

TAFE SA's operating leases are for office accommodation, campuses, equipment and motor vehicles. Office accommodation is leased from the Department for Planning, Transport and Infrastructure, but paid through an infrastructure recharge with DFEEST under a Memorandum of Administrative Arrangement (MAA). The leases are non-cancellable with some leases having the right of renewal. TAFE SA campuses are leased from DFEEST under the MAA. Rent is payable in arrears. Motor Vehicles are leased from South Australian Financing Authority (SAFA) through their agent Lease Plan Australia.

29. Contingent Assets and Liabilities

TAFE SA is not aware of any contingent assets.

There are a number of outstanding personal injury and common law claims not settled as at 30 June 2013 with an estimated settlement value of \$42,350.

30. Transferred functions

Transferred In

Under the *Public Sector (Reorganisation of Public Sector Operations) Notice 2012*, from 1 November 2012 TAFE SA has been proclaimed as a Statutory Corporation, and all assets and liabilities relating to TAFE SA within the Department for Further Education, Employment, Science and Technology were transferred to the new entity.

On transfer, TAFE SA recognised the following net assets and liabilities:

Table 62:

	2013
	\$'000
Cash	60,109
Receivables	19,418
Inventories	905
Property, Plant & Equipment	16,593
Intangible assets	11,838
Total Assets	108,863
Payables	11,424
Employee Benefits Liability	65,413
Provisions	8,074
Other Liabilities	3,500
Total Liabilities	88,411
Total net assets transferred	20,452

Net assets transferred to the Corporation as a result of the administrative restructure were at the carrying amount recorded in the transferor's Statement of Financial Position immediately prior to transfer. The net assets have been charged directly to Equity.

Total income and expenses attributable to TAFE SA for 2012-13 were:

Table 63:

	DFEEST	TAFE SA	
	1 Jul 2012 -	1 Nov 2012 -	
	31 Oct 2012	30 Jun 2013	Total
	\$'000	\$'000	\$'000
VET Funding from DFEEST	-	165,832	165,832
Commonwealth Grants	3,125	7,598	10,723
Student and Other Fees and Charges	28,013	48,264	76,277
Other Grants and Contributions	1,096	42,672	43,768
Other Income	32,920	9,063	41,983
Total income	65,154	273,429	338,583
Employee Benefits	74,830	158,970	233,800
Supplies and Services	22,348	90,949	113,297
Depreciation and Amortisation	1,561	3,188	4,749
Other Expenses	128	1,067	1,195
Total expenses	98,867	254,174	353,041
Net result	(33,713)	19,255	(14,458)

31 After Balance Day Events

The South Australian Government Gazette dated 27 June 2013 contains an Administrative Arrangement (Transfer of Assets, Rights and Liabilities to TAFE SA) Proclamation 2013 which comes into operation on 1 July 2013.

Under this arrangement the assets, rights and liabilities of the Minister for Employment, Higher Education and Skills attribute to any contract or other instrument listed in Schedule 1 of the Proclamation are transferred to TAFE SA.

In June 2013, the Chief Executives of DFEEST and TAFE SA authorised the transfer of approximately 100 staff from DFEEST to TAFE SA pursuant to Section 9 of the *Public Sector Act 2009*. These transfers were in accordance with a decision taken by the TAFE SA Board to establish autonomous corporate services within TAFE SA. The financial effect of this machinery of government change has not been reflected in the financial statements due to the transfer becoming effective from 1 July 2013.

32 Remuneration of Board and Committee Members

Members that were entitled to receive remuneration during the 2012-13 financial year were:

TAFE SA Board

P Vaughan (Chair)
J Branson
N Buddle
R Chapman
J Denley
A Hurley
A Marron
M Silva

Adelaide College of the Arts Advisory Board

R Archer (Chair)
S Bowers
J Covernton
A Ford
S Grieve^
A Hann
M Hill-Smith^
J MacDonnell^

^ Indicates a member who is entitled to receive remuneration but did not receive remuneration during the period 1 November 2102 to 30 June 2013.

The number of members whose remuneration from the entity falls within the following bands is:

Table 64:

	2013
	No. of Members
\$1 - \$9 999	5
\$30,000 - \$39,999	5
\$40,000 - \$49,999	2
\$70,000 - \$79,999	1
	13

Remuneration of board members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, fringe benefits tax and any other salary sacrifice arrangements. The total remuneration received or receivable by members was \$0.3 million.

Amounts paid to a superannuation plan for board/committee members was \$30,900.

33.

Table 65: Reconciliation of cash and cash equivalents - cash at year end as per:

	2013
	\$'000
Cash and cash equivalents disclosed in the Statement of Financial Position	41,222
Balance as per the Cash Flow Statement	41,222

Table 66: Reconciliation of Net Cash Provided by Operating Activities to Net Cost of Providing Services

	2013
	\$'000
Net Cash Provided by Operating Activities	(17,828)
Depreciation and amortisation	(3,188)
Gain/Loss on Sale of Assets	(132)
Increase in Employee Benefits	(3,512)
Increase in Receivables	59,698
Increase in Inventories	27
Increase in Payables	(14,189)
Increase in Unearned Revenue	(5,483)
Increase in Other Liabilities	3,494
Decrease in Provisions	368
Net Cost of Providing Services	19,255

34. Financial Instruments

Table 67: Categorisation of financial instruments

Details of significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 2 Summary of Significant Accounting Policies

Category of Financial Assets and Financial Liabilities	Statement of Financial Position line item	Note	2013 Carrying amount \$'000
Financial Assets			
Cash and Cash Equivalents	Cash and cash equivalents	17	41,222
Receivables	Receivables ^{(1) (2)}	18	75,400
Financial Liabilities			
Financial Liabilities at cost	Payables ⁽¹⁾	22	19,758
Total Net Financial Assets at cost			96,864

⁽¹⁾ Receivables and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights and obligations have their source legislation such as levy/receivables, tax equivalents, commonwealth tax etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

⁽²⁾ Receivables amounts disclosed here excludes prepayments. Prepayments are presented in Note 19 as trade and other receivables in accordance with paragraph 78(b) of AASB 101. However, prepayments are not financial assets as defined in AASB 132 as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

All amounts recorded are carried at cost (not materially different from amortised cost).

Credit Risk

Credit risk arises when there is the possibility of TAFE SA's debtors defaulting on their contractual obligations resulting in financial loss to TAFE SA. TAFE SA measures credit risk on a fair value basis and monitors risk on a regular basis.

The carrying amount of financial assets as detailed in table 67 represents the Corporation's maximum exposure to credit risk.

TAFE SA has minimal concentration of credit risk. TAFE SA has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. TAFE SA does not engage in high risk hedging for its financial assets.

Allowances for impairment of financial assets is calculated on past experience and current and expected changes in client credit rating. Currently TAFE SA does not hold any collateral as security to any of its financial assets. Other than receivables, there is no evidence to indicate that the financial assets are impaired. Refer to Note 18 for information on the allowance for impairment in relation to receivables.

The following table discloses the ageing of financial assets, past due, including impaired assets past due.

Table 68: Ageing analysis of financial assets

	Past due by			
	Overdue for <30 days \$'000	Overdue for 30 – 60 days \$'000	Overdue for >60 days \$'000	Total \$'000
2013				
Not impaired				
Receivables	2,632	1,995	4,754	9,381

The following table discloses the maturity analysis of financial assets and financial liabilities.

Table 69: Maturity analysis of financial assets and liabilities

	Contractual Maturities			
	Carrying amount (\$'000)	< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
2013				
Financial assets				
Cash & cash equivalents	41,222	41,222	-	-
Receivables	75,400	75,400	-	-
Total financial assets	116,622	116,622	-	-
Financial liabilities				
Payables	19,758	19,758	-	-
Total financial liabilities	19,758	19,758	-	-

Liquidity risk

Liquidity risk arises where TAFE SA is unable to meet its financial obligations as they fall due. TAFE SA is funded principally from Skills for All funding provided by the Department of Further Education, Employment, Science and Technology.

TAFE SA settles undisputed accounts within 30 days from the date of the invoice or date the invoice is first received. In the event of a dispute, payment is made 30 days from resolution.

TAFE SA's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

The carrying amount of financial liabilities recorded in Table 67 represents TAFE SA's maximum exposure to financial liabilities.

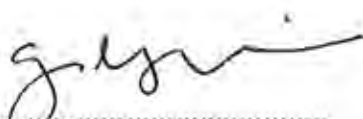


CERTIFICATION BY CORPORATION EXECUTIVE

We certify that the attached General Purpose Financial statements for TAFE SA:

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the Corporation; and
- present a true and fair view of the financial position of TAFE SA as at 30 June 2013 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by TAFE SA for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.


.....
Jeff Gunningham
Chief Executive


.....
John O'Dea
Chief Financial Officer

Date: 20/9/13

Date: 20/9/13


.....
Peter Vaughan
Chair of TAFE SA Board

Date: 20/9/13



Our ref: A13/465

23 September 2013

Mr P Vaughan
Chair
TAFE SA Board
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Dear Mr Vaughan

The audit of TAFE SA for the year ended 30 June 2013

The audit of the accounts of TAFE SA for the year ended 30 June 2013 is complete.

The audit covered the principal areas of the financial operations of TAFE SA and included the test review of systems and processes and internal controls and financial transactions.

The audit program covered major financial systems to obtain sufficient evidence to form an opinion on the financial report and internal controls.

The notable areas of audit coverage included:

- expenditure and payables
- payroll and employee entitlements
- revenue, including VET funding from DFEEST and student fees and charges.

The audit coverage and its conduct is directed to meeting statutory audit responsibilities under the *Public Finance and Audit Act 1987* and also the requirements of Australian Auditing Standards.

In essence, two important outcomes result from the annual audit process, notably:

- The issue of the Independent Auditor's Report (IAR) on the integrity of TAFE SA's financial statements.
- The issue during the year or at the time of financial statement preparation and audit or close thereto, of audit management letters advising of system, process and control matters and recommendation for improvement.

Returned herewith are the financial statements of TAFE SA together with the IAR, which is unmodified.

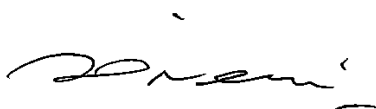
My Annual Report to Parliament indicates that an unmodified IAR has been issued on the TAFE SA's financial statements.

In addition, during the year audit management letters were forwarded to TAFE SA, detailing findings and recommendations from the audits of the areas reviewed. The findings and recommendations relate to weaknesses noted in financial systems and processes and associated internal controls, and/or improvements needed in these areas. Responses to the letters and matters raised were received and will be followed up in the 2013-14 annual audit.

My Annual Report to Parliament includes summary commentary for TAFE SA on the matters raised and responses received, and specifically indicates those matters that were assessed as not meeting a sufficient standard of financial management, accounting and control.

Finally, I would like to express my appreciation to the management and staff of TAFE SA in providing assistance during the year to my officers in the conduct of the annual audit.

Yours sincerely



S O'Neill
AUDITOR-GENERAL

enc



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**To the Chair
TAFE SA Board**

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 32 of the *Public Corporations Act 1993*, I have audited the accompanying financial report of TAFE SA for the financial year ended 30 June 2013. The financial report comprises:

- a Statement of Comprehensive Income for the period 1 November 2012 to 30 June 2013
- a Statement of Financial Position as at 30 June 2013
- a Statement of Changes in Equity for the period 1 November 2012 to 30 June 2013
- a Statement of Cash Flows for the period 1 November 2012 to 30 June 2013
- Disaggregated Disclosures - Expenses and Income for the period 1 November 2012 to 30 June 2013
- Disaggregated Disclosures - Assets and Liabilities as at 30 June 2013
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Chair of TAFE SA Board and the Chief Executive and the Chief Financial Officer.

The TAFE SA Board's Responsibility for the Financial Report

The Directors of the TAFE SA Board are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the Directors of the TAFE SA Board determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

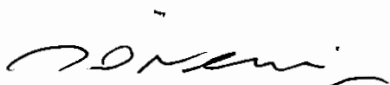
My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Directors of the TAFE SA Board, as well as the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of TAFE SA as at 30 June 2013, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.



S O'Neill
AUDITOR-GENERAL
23 September 2013

5.3 Contractual arrangements

DFEEST entered into a contract with SunGard Pty Ltd in June 2009 for the supply and installation of a new Student Information System. The system manages all aspects in relation to the administration of TAFE SA students including online enrolment, billing, issuing of parchments and maintenance of student records. The contract expires in 2019 and is presently being novated from DFEEST to TAFE SA. This contract provides access to a student information system that is compliant with state and federal laws for the life of the contract.

5.4 Account payments performance report

The data in this report is provided by Shared Services South Australia. TAFE SA has complied with the TI11 requirement and continues to exceed the 90% benchmark each month.

Table 70: Annual Account Payment Performance Report as at 30 June 2013

Particulars	Number of accounts paid	Percentage of accounts paid (by number)	Value in \$A of accounts paid	Percentage of accounts paid (by value)
Paid by due date* ie Within 30 days	26,725	95.35	57,275,158	65.04
Paid late, but paid within 30 days of due date ie 30 to 60 days	894	3.19	20,226,729	22.97
Paid more than 30 days from the due date ie greater than 60 days	409	1.46	10,552,784	11.98

5.5 Fraud

As part of its risk management framework, TAFE SA has implemented processes for identifying and responding to the risks of fraud. A number of reviews are currently underway and are detailed below. It is not currently expected, regardless of the outcome of these reviews/investigations, that these matters will have a material impact on the accuracy of the Financial Statements.

Table 71: Instances of fraud (or potential fraud) identified in the reporting period

Nature of Fraud	Number of Instances	Strategies to Control and Prevent
An officer was suspected of misconduct in relation to a contractual relationship	One	This matter is the subject of ongoing disciplinary proceedings
Involves a discrepancy in a cash balance	One	Has been referred to the Crown Solicitors Office. The officer involved in this matter resigned.
An officer was suspected of misconduct in relation to a misuse of assets	One	The officer's employment was terminated

5.6 Consultants¹

Consultant	Purpose of Consultancy	Number	Total \$
Value below \$10,000	TAFE SA/DFEEST governance	1	1,300
Value \$10,000 - \$50,000	TAFE SA marketing plans and recruitment	2	24,725
Value Above \$50,000	TAFE SA Transformation	2	846,409
Total		5	872,434 GST excl.

¹ Due to an account misclassification, \$231 660 (GST exclusive) in consultancy services, provided by Colmar Brunton Pty Ltd for TAFE SA Transformation, has been excluded from this table. The cost of these services are, however, incorporated in the 'Books, Materials and Copyright' figure in Note 6, Table 35, 'Supplies and Services', page 73.

5.7 Employees overseas travel

TAFE SA staff undertook overseas travel during the year for the following purposes:

- > Officially representing the State Government via ministerial delegations
- > Attending and presenting at conferences / seminars
- > Undertaking quality assurance audits of 'Transnational' (offshore licensed and delivered TAFE SA courses)
- > Conducting commercial promotion of TAFE SA programs
- > Undertaking marketing and recruitment to attract full fee-paying overseas students.

In 2012, staff travelled overseas at a cost of \$169,007.

Destination	Reason for travel	Number of staff*	Cost to TAFE SA** \$
China/Hong Kong	> Official member of the Premier's trip to China	1	5,257
	> Signing of Agreement for Program Delivery in Certificate IV in TAA – witnessed by the Premier during his visit	1	6,600
	> China Australian Entrepreneurs Association Inc. invitation to provide a shearing demonstration	1	0
	> TAFE Directors Australia China Green Skills Conference	1	7,310
Kiribati	> Participation in Kiribati TVT Strengthening Support Program STA Activity	12	24,945
	> AusAID funded Kiribati TVETSSP contracted to Austraining International		
	> Travel to complete RPL of students in Kiribati for Certificate II in Construction ready for transfer to APTC		
	> Kiribati project entering Phase II which is a four year project with TAFE SA providing continued Short Term Advisor services to the Kiribati Department of Labour, Human Resource Development		
	> Ausaid funded Kiribati TVETSSP contracted to Austraining International – Training Delivery Diploma of Management		
	> Management of the Kiribati TVETSSP project		
	> AusAid funded Kiribati TVETSSP contracted to Austraining International - Training Delivery for Certificate IV in TAA		
Germany	> Research for simulation equipment for Tonsley Park on invitation from Lucas Nulle	2	1,798
Hong Kong	> Annual audit of YMCA College of Careers and HKUE – Asia Management Education Centre and Advanced Contemporary Centre in Hong Kong as per contractual agreement.	1	3,016
Italy	> Participation in study tour	3	6,790
	> Outcome of the 'Thinker in Residence' program with Carla Rinaldi and the TAFE SA partnership		
India	> International Student recruitment and agent visits	1	22,495
Indonesia	> International Student recruitment and agent visits	2	16,869
Latin America	> Latino Australia Education Expo	1	10,732
Malaysia	> International Student recruitment and agent visits	2	9,362
New Zealand	> Train and assess students to meet the performance criteria (including all international and learning connections) within the SIT07 Training Package	2	3,602
	> Delivery of training for Federal Police development tender	1	882
	> Annual trip with students to study farming techniques in different environments and apply skills learnt during course	2	5,360

Destination	Reason for travel	Number of staff*	Cost to TAFE SA** \$
Papua New Guinea	> Delivery of training for Federal Police development tender	1	882
Singapore	> International Student recruitment and agent visits	1	2,157
	> Attending final completion ceremony for Workforce Development Agency / Singapore Tourism Institute of Management / TAFE SA Enterprise Development Project	2	4,916
South Africa	> Annual maintenance of Standards Audit conducted on behalf of ICHM	1	0
South Korea	> International Student recruitment and agent visits	1	4,851
Sri Lanka	> Scoping and inspection of facilities to inform parameters of tender bid in response to RFT by Sri Lankan Government	1	3,125
	> Audit of standards visit for the Certificate in Health (Pathway to Nursing) being conducted by the International Institute for Health Sciences (IIHS)	1	2,505
Thailand	> International Student recruitment and agent visits	2	7,598
Vietnam	> International student recruitment and agent visits	2	13,985
	> Attended graduations at Ho Chi Min University of Industry, Hanoi University of Industry and conduct scoping of facilities for new advanced Diploma of IT program	1	3,970

*The number of staff exceeds the total number of staff who travelled overseas as ten staff participated in multiple overseas visits.

**Figures are total costs paid by TAFE SA that consist of travel expenses and do not include salaries paid to staff during their time of travel. They also do not include expenses such as airfares and accommodation that were paid direct by the client.

The figures include instances where travel is either:

- > An actual cost to TAFE SA; or
- > The cost is paid by TAFE and then recouped from the client via the invoicing system. Where this occurs there is an agreement (formal or informal) for service delivery in place. These occasions are shown where figures are provided in *italics*.



6. Other reporting items

6. Other reporting items

6.1 Energy efficiency

Energy Efficiency

Note: DFEEST coordinated these reporting items on TAFE SA's behalf under the Corporate Service Level Agreement (SLA) until 30 June 2013. Not all data were available at the time this report was prepared and 2011-12 data were used to augment the available data set.

The 2012-13 energy usage result was positive with TAFE SA achieving an overall average reduction in energy use compared to 2011-12.

All three previous TAFE SA institutes decreased their energy use:

- > TAFE SA South by seven per cent
- > TAFE SA Regional by nine per cent
- > TAFE SA North by ten per cent.

The sustainability reporting is aligned to the whole of government Energy Efficiency Action Plan and the Greening of Government Operations plans, which are all linked to various targets in South Australia's Strategic Plan, of which the following objectives, goals and aims are reported:

Table 72: Energy Usage

	Energy Use (GJ) ¹	\$ (ex GST)	Business Measure ³ MJ/m2
Base year 2000-01 ⁴	156 222	\$4 419 137	376
Year being reported	139549	\$7247149	314
Target for year being reported (2012-13) ³	311 MJ/m2		
Final Target (for 2015)	293 MJ/m2		
Business Measure m2	444 668		

Disclaimer: The department has endeavored to provide the most accurate information from all possible sources available to it and any unintentional inconsistencies are beyond the department's control.

Notes:

¹ Energy use is expressed in gigajoules (GJ) and is the sum of all fuel types used in our facilities (electricity, natural and bottled gas) for that period.

² The key performance indicator for energy efficiency is energy intensity; the amount of energy consumed per unit of a given business measure. DFEEST uses the net size of all of our facilities in m2. This is a common measure used across many agencies.

³ It is acknowledged that portfolio structures change over time. Therefore the Portfolio baseline will represent the structure of the portfolio in the given reporting period.

Significant energy management achievements

- > The use of 20% renewable electricity
- > The introduction of low energy lighting when replacing lighting
- > The introduction of solar onto sites at Berri, Murray Bridge, and Mount Gambier.

Initiatives planned for beyond 2013-14

The commissioning of the new campus at Tonsley and the MEC at Regency campus will achieve reduced energy consumption due to the reduced footprint of TAFE SA and the planned decommissioning of four old, inefficient TAFE SA metropolitan campuses.

Fleet management

During 2012-13, TAFE SA progressively migrated its fleet from six cylinders to four cylinder vehicles where possible, and increased use of alternatively fuelled vehicles, particularly diesel fuel, during this time.

Prior to the separation, the combined DFEEST and TAFE SA fleet kilometres travelled per vehicle increased by 28 per cent to an average of 6449 kilometres per vehicle per quarter, with a total of 1 728 511 kilometres across the fleet for this period.

The combined fleet used a total of 72 646 litres of diesel fuel, 36 099 litres of LPG and 67 457 litres of unleaded fuel, which represents a 27 per cent increase in the total amount of diesel, LPG and unleaded fuels compared with the same period for the previous financial year. This is consistent with the increased number of kilometres travelled by fleet vehicles. The department's use of LPG in dual fuel vehicles is 74 per cent as compared with a whole of government fleet average of 77 per cent.

Waste Management

DFEEST underwent an extensive review of waste management across all sites to consolidate waste management under one contract. The new waste management contract commenced in January 2012 with Veolia and this is assisting the department to track progress while aiming to achieve South Australia's Strategic Plan Target 67: Zero Waste – reduce waste to landfill by 35% by 2020 (baseline; 2002-03). There is a milestone of 25 per cent by 2014.

2012-13 is the first full financial year in which this process has been undertaken. In this period, DFEEST and TAFE SA produced 27 358 m3 of waste, of which 14 355 m3 or approximately 52 per cent was general waste going to land fill.

Water Usage

Please note that data for the April – July quarter were not available for many of the sites at the time of developing this report. 2012 data was substituted to enable a report to be developed.

Water conservation measures have continued to produce positive results. Extensive use of native vegetation replacing lawn areas throughout TAFE SA campuses across the state was instrumental in achieving these results. Ongoing replacement of water furniture in kitchens, toilets and general wet areas to water efficient taps, showerheads and toilet ware (supporting the Water for Good Action 37 and SASP Target 75) across TAFE SA also contributed towards this result.

Table 73: Water usage

Total water consumption 2012-13		
Year being reported	Water consumption (Kilolitres = 1 KL = 1000 litres)	Expenditure \$
2012-13		
TAFE SA		
Total	175 790	1 265 448
Based year 2002-03		
TAFE SA		
Total	271 501	829 426
DFEEST and TAFE SA target for year being reported	251 139	
DFEEST and TAFE SA target for year 2014	244 351	

6.2 Greening of government operations

Whyalla Renewable/Sustainable Energy Training Centre

The Whyalla Renewable/Sustainable Energy Training Centre was designed to achieve the TAFE SA Regional Green Print for Workplace Education for Environmental Sustainability 2010-12 plan, through providing leadership, education and training for industry and community capacity building. Training delivery at the centre includes a range of full certificate courses in sustainable and renewable energy, as well as short courses and skills sets to meet industry demand.

CALD students learn to 'recycle right'

In 2012 TAFE SA students from culturally and linguistically diverse backgrounds learnt how to 'recycle right' using real-world activities based on South Australia's popular three-bin system. Our students were involved in piloting resources developed by Zero Waste SA with the assistance from KESAB and the Port Adelaide Enfield Council. The teaching resources recognise that many newly-arrived migrants had come from countries where recycling and waste bin collection did not exist. They help to improve vocabulary and English language skills while assisting newly-arrived students (either international or migrants) in learning how to recycle. The initiative was launched by the Minister for Sustainability, Environment and Conservation at TAFE SA Adelaide campus on 16 February 2012.

Carbon Accounting

TAFE SA developed a three day Carbon Accounting short-course specifically developed to improve the general community and businesses with literacy and numeracy skills in relation to the challenges of sustainability and climate change. During 2012, 35 students participated in this training.

Green Gown Award

TAFE SA Regional was a shortlisted finalist for the TAFE and Smaller Institutions category of the 2012 Australasian Green Gown Award for second year in a row in September 2012. Shortlisting was based on the institute's Great Carbon Challenge initiative. The Green Gown Awards recognise sustainability best practice in the tertiary education sector in Australia and New Zealand.

The aim of the 11-week Great Carbon Challenge was to instil behavioural change to help reduce the carbon footprint of TAFE SA campuses across regional South Australia by reducing water, energy and resource consumption. Eleven teams from ten campuses competed and earned points by taking pledges to change behaviour, including switching off lights and computers and reducing paper, water and fuel consumption. Great Carbon Challenge occurred in May/June/July 2012.

DEEWR Scholarships

Five of our staff won DEEWR scholarships to complete the Vocational Graduate Certificate in Education and Training for Sustainability. Their projects will increase the professionalism and reach of sustainability delivery across the institute.

Green Skills Conference

TAFE SA staff in the regions were invited to present papers on campus carbon management to the 2012 NCVER Conference and to the 2012 China-Australia Green Skills Conference held in October 2012 (Part of the 2012 China Annual Conference for International Education).

6.3 Carers Recognition Act 2005

We support and encourage staff with carer responsibilities to discuss their circumstances and working arrangements needs with their manager. As well, TAFE SA promotes the Carers Charter and the *Carers Recognition Act 2005* on its website to help raise awareness of carers' needs, across the organisation.

6.4 Whistleblowers Protection Act 1993

Pursuant to section 7 of the *Public Sector Act 2009*, the Chief Executive, TAFE SA has appointed Responsible Officers for the purposes of the *Whistleblowers Protection Act 1993*. DFEEST coordinated whistleblower matters on TAFE SA's behalf under the Corporate Service SLA until 30 June 2013 and any matters referred during the 2012-13 financial year will be referenced in the forthcoming DFEEST Annual Report.



Glossary

Glossary

AAC	Aboriginal Access Centre
ABS	Australian Bureau of Statistics
AC Arts	Adelaide College of the Arts
ADF	Aboriginal Digital Filmmaking
AIPP	Australian Institute of Professional Photography
ANAT	Australian Network for Art and Technology
ANF	Australian Nursing Federation
APTC	Australia-Pacific Technical College
APY	Anangu Pitjantjatjara Yankunytjatjara Lands
AQF	Australian Qualifications Framework
ASC	Australian Submarine Corporation
ASQA	Australian Skills Quality Authority
ATAR	Australian Tertiary Admission Rank
AWD	Air Warfare Destroyer
CALD	Culturally and Linguistically Diverse
CAP	Course Advisory Panel
CDEP	Community Development Employment Projects
COAG	Council of Australian Governments
DECD	Department for Education and Child Development
DEEWR	Department of Education, Employment and Workplace Relations
DFEEST	Department of Further Education, Employment, Science and Technology
DIISRTE	Department of Industry, Innovation, Science, Research and Tertiary Education
DPTI	Department of Planning, Transport and Infrastructure
EDC	Enterprise Development Consultant
FOI	Freedom of Information

FTE	Full Time Employee	SAES	South Australian Executive Services
HECS	Higher Education Contribution Scheme	SAFA	South Australian Financing Authority
HKUE	Hong Kong Universal Education	SAPOL	South Australia Police
ICHM	International College of Hotel Management	SASP	South Australia's Strategic Plan
ICT	Information and Communications Technology	SATAC	South Australian Tertiary Admissions Centre
IIHS	International Institute for Health Services	SEE	Skills for Education and Employment
IM	Injury Management	SIEC	Sustainable Industries Education Centre
ISB	Industry Skills Board	SIS	Student Information System
KIT	Kiribati Institute of Technology	SLA	Service Level Agreement
LLN	Language, literacy and numeracy	SME	Small to Medium Enterprise
LLNP	Language, Literacy and Numeracy Program	SNRS	Standards for NVR Registered Training Organisations
LSS	Learner Support Service	STA	Short Term Advisor
MMA	Memorandum of Administrative Arrangement	STEM	Science, Technology, Engineering and Mathematics
MEC	Mining and Engineering Centre	STTARS	Survivors of Torture and Trauma Assistance and Rehabilitation
MIT	Massachusetts Institute of Technology	TAA	Training and Assessment
MOU	Memorandum of Understanding	TaSC	Training and Skills Commission
MSC	Maritime Skills Centre	TEQSA	Tertiary Education Quality and Standards Agency
NAIDOC	National Aboriginies and Islanders Day Observance Committee	TGSS	Training Guarantee for SACE Students
NCVER	National Centre for Vocational Education Research	TLISC	Transport and Logistics Industry Skills Council
PET	Pre-Employment Program	TRAC	Training and Research in Aged Care
PPP	Productivity Places Program	TVETSSP	Technical Vocational Education and Training Sector Strengthening Program
PPW	Powerful Pathways for Women	VET	Vocational Education and Training
RFT	Request for Tender	VFWA	Voluntary Flexible Working Arrangements
RPL	Recognition of Prior Learning	VISA	VET in Schools Agreements
RTO	Registered Training Organisation	WELL	Workplace English Language and Literacy
SAASTA	South Australian Aboriginal Sports Training Academy	WHS	Workplace Health and Safety
SACE	South Australian Certificate of Education		



Appendix

The TAFE SA Ministerial Charter

Part 1: Preliminary

1. PURPOSE

- 1.1 This Charter sets out the Government's strategic objectives, priorities and requirements for the Corporation.

2. PREPARATION

- 2.1 This Charter has been prepared by the Minister and the Treasurer, following consultation with the Board of the Corporation in accordance with section 12 of the Public Corporations Act 1993.

3. STATUTORY CONTEXT

- 3.1 TAFE SA was established under the TAFE SA Act 2012.
- 3.1.1 This Charter is a requirement under section 12 of the *Public Corporations Act 1993*. It should be read in conjunction with:
 - 3.1.2 The Public Corporations Act 1993
 - 3.1.3 The TAFE Act 1993
 - 3.1.4 The Public Finance and Audit Act 1987
 - 3.1.5 The Public Sector Act 2009
 - 3.1.6 The Public Sector (Honesty and Accountability) Act 1995
 - 3.1.7 Treasurer's Instructions

4. DEFINITIONS

- 4.1 In this Charter, unless the context indicates otherwise, references to:

"Annual Report" means the annual report required to be delivered to the Minister under section 33 of the *Public Corporations Act 1993*

"Board" means the Board of Directors of the Corporation established as its governing body under section 6 of the *TAFE Act 2012*

"Business Plan" means a one-year plan that sets out the actions of the Corporation to achieve the strategies set by the Strategic Plan

"Capital Projects" means major capital works to the Premises

"Corporation" is TAFE SA established by the *TAFE SA Act 2012*

"Customer Service Standards" means the customer service standards referred to in section 14 of this Charter

"Department" means the Department of Further Education, Employment, Science and Technology or any successor

"Facilities Management" in relation to the Premises includes break down and preventative maintenance, cleaning, air-conditioning, security and minor works

"Minister" means the Minister for Employment, Higher Education and Skills of the South Australian Government

“Performance Statement” means the statement of performance targets and other matters that the Corporation must pursue in accordance with section 13 of the *Public Corporations Act 1993*

“Prescribed Employees” means an employee of the chief executive of TAFE SA employed on an ongoing or term basis (but not on a weekly, daily or hourly basis) as an employee of any of the classifications: Lecturer, Lecturer’s Assistant or Education Manager

“Premises” means land and or buildings which are owned by the Minister and which are occupied by, or under the care, control or management of the Corporation from time to time.

“Publicly Subsidised Training” includes State (*Skills for All*) and Commonwealth funding programs

“Strategic Plan” means a three-year plan that determines the key strategies of the Corporation

“Technical and Further Education” is education and training as defined in section 2 of the *TAFE SA Act 2012*

Part 2: Strategic Directions of the Corporation

5. STRATEGIC DIRECTIONS

- 5.1 In fulfilling its statutory functions as set out in section 6 of the TAFE SA Act 2012, the Corporation shall aspire to be a leading Government-owned provider of Technical and Further Education and assist the Government in meeting its strategic objectives for Technical and Further Education by the Corporation actively:
- 5.1.1 Aiming to increase participation in Further Education and Training and the attainment of higher level qualifications meeting the skills needs of South Australia;
 - 5.1.2 Ensuring a flexible approach to delivery by using contemporary practices, such as workplace delivery, e-learning and recognition of prior learning;
 - 5.1.3 Ensuring the maintenance of quality training, including by meeting and exceeding where practicable, all relevant regulatory compliance requirements;
 - 5.1.4 Being customer-focused and responsive to the needs of students and industry;
 - 5.1.5 Contributing to the development of the South Australian economy, industry and local communities across South Australia through the delivery of Technical and Further Education, particularly engaging individuals and employers in regional and remote areas, and where the Corporation is the only local provider of training;
 - 5.1.6 Developing and strengthening links with industry to ensure that programs and services meet the needs of industry, students and the community;
 - 5.1.7 Valuing and recognizing the diversity of learners to improve their participation in Technical and Further Education including by attracting and retaining learners from disadvantaged groups including Aboriginal people and others who may experience disadvantage through age, gender, race, ethnicity, lack of community support, health, physical location;
 - 5.1.8 Promoting equality of opportunity in undertaking Technical and Further Education; and
 - 5.1.9 Undertaking such further or other activities as are determined by the Board of the Corporation as fulfilling those statutory functions in accordance with this Charter.
- 5.2 The Corporation, as a public provider, shall operate effectively and efficiently in a competitive market for vocational education and training and aim to:
- 5.2.1 Deliver Technical and Further Education efficiently and cost effectively at high standards of quality, while at all times ensuring the financial viability of the Corporation;
 - 5.2.2 Build the TAFE SA brand and grow the Corporation’s reputation for quality, including

- strategic relationships with both the school and higher education sectors through rigorous attention to stakeholder demands and innovative delivery;
- 5.2.3 Where and when appropriate, build alliances and cooperation with other service providers to ensure quality and relevant course availability and delivery in the most efficient manner;
- 5.2.4 Further strengthen the Corporation's position in Technical and Further Education through the provision of fee for service activities, including quality training for overseas students and targeted international activity; and
- 5.2.5 Ensure a safe work and learning environment for staff, students and the community.

6. GOVERNMENT POLICY CONSIDERATIONS

- 6.1 In pursuing the strategic directions and undertaking its functions and exercising its powers under the TAFE SA Act 2012, the Corporation shall:
 - 6.1.1 Contribute to the achievement of State Government policy and service priorities consistent with TAFE SA's role as a public provider and as advised by the Minister;
 - 6.1.2 Be guided by the Government's vision and strategic directions for the ongoing development of the South Australian workforce, economy and vocational education and training sector;
 - 6.1.3 Act in accordance with any legislative and regulatory instruments relevant to the Corporation's operations, activities and services; and
 - 6.1.4 Aim to link its strategic planning process with the South Australian Strategic Plan targets and other relevant Government strategic directions.

7. INTERACTION BETWEEN THE DEPARTMENT AND THE CORPORATION

- 7.1 The Corporation and the Department will implement and act in accordance with the Asset Management Framework including in relation to dealings with Capital Projects and Facilities Management.
- 7.2 The Corporation shall:
 - 7.2.1 Negotiate for the provision of corporate services from the Department or through other agreed arrangements.
 - 7.2.2 Co-operate with the Department in any investigation carried out by the Department or the Minister and provide any information required as requested by the Minister; and
 - 7.2.3 Play an active role to manage the relationship between the Government and TAFE SA By meeting with the Department on a monthly basis to discuss financial and non-financial performance.

8. FUNCTIONS OF THE BOARD

- 8.1 In accordance with the TAFE SA Act 2012 and the Public Corporations Act 1993, the Board is accountable to the Minister for the activities of the Corporation in relation to:
 - 8.1.1 Providing Technical and Further Education in accordance with requirements of the Minister in this Charter, or as otherwise directed;
 - 8.1.2 The stewardship and sound financial and risk management of the Corporation;
 - 8.1.3 The attainment of targets and outcomes specified in the Performance Statement.
 - 8.1.4
 - 8.1.5 The Board will ensure that its Strategic and Business Plans are established in accordance with the Public Corporations Act 1993 and submit these for the Minister's approval;
 - 8.1.6 Within one month of becoming a Statutory Corporation within the meaning of the Public Corporations Act 1993; and
 - 8.1.7 Not later than two months before the commencement of each financial year.

9. REPORTING

- 9.1 The Board shall keep the Minister informed of the operations and financial performance of the Corporation and any of its subsidiaries.
- 9.2 The Board shall provide to the Minister:
 - 9.2.1 Any reports and information requested in relation to the operations of the Corporation;
 - 9.2.2 Monthly reports on the operations of the Corporation covering both training activities and financials, within one month after month end;
 - 9.2.3 Detailed quarterly reports one month after the end of each quarter covering performance against the Performance Statement; and
 - 9.2.4 Annual Reports which include reports on the Corporation's performance against targets specified in the Performance Statement and Customer Service Standards.
 - 9.2.5 The Board shall provide:
 - 9.2.6 To the Treasurer, any reports and information as requested by the Department of Treasury and Finance; and
 - 9.2.7 To the Minister, copies of any reports and information requested by the Department of Treasury and Finance.

10. POWERS OF DIRECTION

- 10.1 The Board shall comply with any direction issued by the Minister in accordance with section 6 of the Public Corporations Act 1993.
- 10.2 Before a direction is formalized, upon being given notice in writing of the proposed direction, the Board must advise the Minister whether, in its opinion, carrying out the proposed direction might detrimentally affect the Corporation's commercial interests or that the direction should not be published for any reason set out in Section 6(6) of the Public Corporations Act 1993.

Part 3: The Corporation's Operations

11. SCOPE OF COMMERCIAL OPERATIONS

- 11.1 For the purposes of the Public Corporations Act 1993, all operations of the Corporation carried out in fulfilment of its statutory functions are commercial operations, except for those operations referenced as "Non-commercial Operations" in section 13 of this Charter.
- 11.2 The Corporation may undertake the following commercial activities in fulfilling its statutory functions in accordance with this Charter:
 - 11.2.1 The provision of Technical and Further Education products and services within South Australia in accordance with any Publicly Subsidised Training service agreements with a purchasing Minister or on a fee for service basis;
 - 11.2.2 The provision of Technical and Further Education products and services within Australia in accordance with prudent commercial practices and risk management policies;
 - 11.2.3 The provision of Technical and Further Education products and services outside of Australia in accordance with the Business Plan unless otherwise approved by the Minister;
 - 11.2.4 Entering into such alliances and partnerships as considered necessary and appropriate in accordance with the Business Plan unless otherwise approved by the Minister.
 - 11.2.5 The retainment of the residual cash balance from annual operations and expenditure of this cash balance with approval of the Treasurer and the Minister;
 - 11.2.6 Protection and where appropriate, exploitation, of its intellectual and other property; and
 - 11.2.7 Undertaking such further or other activities as are determined by the Board as fulfilling the functions set out in section 6 of the *TAFE Act 2012* and in accordance with this Charter.

12. SUBSIDIARIES, JOINT VENTURES AND OTHER ARRANGEMENTS

- 12.1 The Corporation may not pursue or commit to the formation of a subsidiary within the meaning of the *Public Corporations Act 1993* or any other arrangement under which the Corporation participates as a joint venturer without the written approval of the Treasurer and the Minister.
- 12.2 The Corporation may not pursue, or commit to, the acquisition of an equity interest in another education or training provider or other legal entity, without the written approval of the Treasurer and the Minister.

13. NON-COMMERCIAL OPERATIONS

- 13.1 The Corporation's non-commercial operations are those operations that are the subject of an agreement and funded through a purchasing arrangement with the Minister or the Treasurer.

Part 4: Financial and Commercial Management

14. CUSTOMER SERVICE STANDARDS

- 14.1 The Corporation shall develop and regularly review, in consultation with industry, students and the community, Customer Service Standards that shall be provided to the Minister.

15. FORM AND CONTENT OF THE ACCOUNTS AND FINANCIAL STATEMENTS

- 15.1 The Corporation must cause proper accounts to be kept of its financial affairs and prepare financial statements based on generally accepted accounting principles and practices under Australian accounting standards in accordance with the *Public Corporations Act 1993*.

16. ASSET MANAGEMENT

- 16.1 The Corporation shall enter into contractual arrangements with the Minister for use of the Minister's assets in accordance with the Asset Management Framework.
- 16.2 To this end, the Corporation shall:
 - 16.2.1 Identify underutilised and/or severable land and buildings and may enter into sub-leases with other parties for purposes related or ancillary to the provision of Technical and Further Education in the State or as consistent with the land title;
 - 16.2.2 Establish processes through the Department to identify surplus land and buildings for the purposes of disposal or alternative use with the prior consent of the Minister'
 - 16.2.3 Maintain an appropriate register of tangible assets.
- 16.3 The Corporation may only acquire real property with the approval of the Minister.

17. INTANGIBLE ASSETS

- 17.1 The Corporation shall maintain an appropriate register of intangible assets, including protection of all branding.

18. MANAGEMENT OF THE CORPORATION

- 18.1 The Corporation shall determine its own organisational structures and registrations for the provision of Technical and Further Education.
- 18.2 The Minister shall be consulted on any significant proposed changes to organizational structures, registrations and governance arrangements.
- 18.3 The Corporation shall direct and control all of its employees within existing legislation, industrial awards and Enterprise Bargaining agreements.

- 18.4 The Corporation shall lead its own enterprise bargaining negotiations for prescribed employees subject to the Industrial Claims Coordinating Committee processes and general Public Sector Workforce Relations oversight.

19. PRICING

- 19.1 The Corporation shall comply with any requirements for course fees under a Publicly Subsidised Training agreement.
- 19.2 The Corporation shall otherwise determine the appropriate commercial rates and charges for all fees. Where proposed fees and charges are not in line with existing Government policies then the Board is required to consult with the Minister prior to finalisation.

20. BORROWING

- 20.1 The Corporation may borrow funds with the approval of the Treasurer.

21. DATE OF CHARTER

- 21.1 This Charter comes into operation upon the signature of the Minister and the Treasurer, and is binding on the Corporation.
- 21.2 The Charter shall be reviewed on an annual basis and may be amended at any time as agreed by the parties.



Hon Grace Portolesi MP

Minister for Employment, Higher Education and Skills

April 2013



Hon Jay Weatherill MP

Treasurer

29 Aug. 2013