



Carol Robertson
Australia-India FTA Feasibility Study
Department of Foreign Affairs and Trade
R G Casey Building
John McEwen Crescent
BARTON ACT 0221
india.ftastudy@dfat.gov.au

Dear Ms Robertson

Submission on Australia India Free Trade Agreement

TAFE Directors Australia is the national peak association for Australia's 57 TAFE and technology institutes. International engagement is a key platform of Australian TAFE institutes in their development of skilled workers for a global economy.

With the increasing importance of India as a trading partner TAFE Directors Australia is pleased to submit a submission to the Australian Government (Department of Foreign Affairs and Trade) on the merits of a Free Trade Agreement (FTA) between India and Australia.

TAFE Directors Australia supports any initiative that will enable increased access and transparency for Australian industry, students and providers to work with and operate in India.

TAFE Directors Australia member's institutes engage with India on range of levels:

1. Inbound students – over 43% of Indian students are in the VET sector. In 2007 the sector recorded over 27,000 enrolments, over taking enrolments in the higher education sector for the first time.
2. Transnational programs - in country delivery has been growing in significance over the past 3 years with a number of agreements and programs in place for transnational delivery
3. Offshore industry development – emerging model where TAFE partners with leading Indian firms or multinationals (ie Leighton's and TAFE WA) to meet training and skilling needs
4. Systems development opportunities - including Australian VET mission to India (September 2007) to explore opportunities from World Bank VET sector loan

The Australian VET sector, and in particular, the public TAFE providers, are well placed to work collaboratively with the Government of India, its training providers, and industry in meeting skills needs. It is anticipated that an FTA would assist the sector in navigating some of the restrictions on operating in the market and in ensuring a long term partnership for skills development.

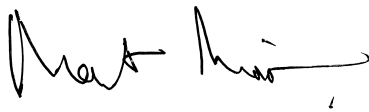
In considering the feasibility of an Australia-India FTA the following specific market challenges and trade barriers have been identified Australian TAFE institutes:

- Levels of corruption in student and agent advice in the market place. With the increasing numbers of Indian students seeking training opportunities in Australia the quality of agents and advice in market is paramount to ensuring that students are expertly counselled on the expectations of studying with an Australian TAFE institute;
- Significant regulatory bottlenecks that impact Australian business wanting to establish in the market. This has a flow-on effect to training provided by the Australian TAFE sector with key Australian firms (ie mining sector, hospitality, engineering);
- Layers of Indian bureaucracy and complicated decision-making processes in India. Bureaucratic processes at the local, state and national level impact on the decision-making process and make it difficult for both the education and training sector, and other Australian businesses to effectively establish in market;
- Lack of transparency in India's legal and policy framework and in the awarding of contracts. It is not always clear which levels of government in India have responsibility for laws relating to trade and investment;
- Lack of recognition of foreign training qualifications (including Australian) by Indian authorities. For example, the Directorate-General of Civil Aviation does not recognise pilot training qualifications other than those from India;
- Australian visa issues. VET courses are still at Level 4. Whilst we acknowledge the process that takes place in identifying these levels, however in cases where a student is sponsored by his or her company they are not able to meet requirements.



TAFE Directors Australia believe that the development of strong education and training links will lead to greater economic and trade connections in the longer term and therefore offers its support to the FTA study. We welcome further opportunities to input and discuss specific issues over the coming months.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Martin Riordan'.

Martin Riordan
Chief Executive Officer
TAFE Directors Australia

10 April 2008