



DIRECTORS REPORT TO MEMBERS 2017

2017 Directors Report to Members

The Directors of Tec-NQ are proud to report to the members of the company on the strategies and successes of 2017.

(The Board of Tec-NQ Ltd)



VISION & MISSION



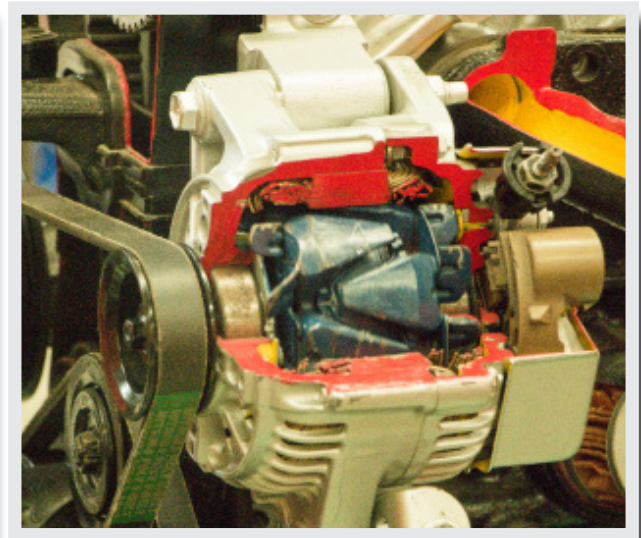
OUR VISION

Creating employability and success through industry skills, experience and support



OUR MISSION

Tec-NQ is a North Queensland-based vocational education facility that partners with industry and community to deliver trade-based career opportunities through training and education.





DIRECTOR'S REPORT

The highlight for 2017 for Tec-NQ has been welcoming international students and watching them become part of the Tec-NQ community.

Our results for 2017 reflect a business that is making a strong recovery from continued economic weakness. As the local, regional and international student enrolments continue to grow, we put in place the building blocks for our future sustainability and growth.

Over the last 10 years Tec-NQ has become a flagship training and education provider to local, regional and international students. Stretching our services to students from as far west as the Northern Territory to extend past our own borders into Papua New Guinea (PNG), allowing more students to experience the quality training and education delivered by Tec-NQ.



We have a clear vision of “creating employability and success through industry skills, experience and support”. To deliver our vision we have a plan built on three key components:

- positioning the business for growth;
- increasing our current market reach; and
- investigating new beginnings and developing new innovative methods that support market needs.



This plan focusses Tec-NQ on continuing to develop its strong foundations by ensuring good governance, compliance and systems that support the efficient running of our business. As well as finding strategies to continue to grow our market reach so that more students get to enjoy the benefits of Tec-NQ, whilst continuing to develop our future state by investigating new opportunities for the business.

The success of this plan is evident in the growth that Tec-NQ has enjoyed in 2017 and the development of new programs to continue this growth into 2018. Our success includes:

- School growth;
- Boarding growth;
- RTO growth;
- International growth;
- Indigenous participation; and
- New programs.



School Growth

Tec-NQ has out-performed the senior school sector and matched apprenticeship declines in the Townsville region in the same period.

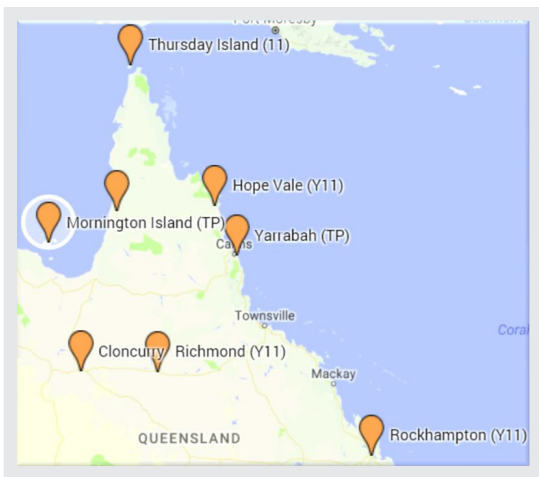
Senior school students		Apprentices	
Tec-NQ			
Year 11	+2.3%	ASBA Sign-ups	-30.4%
Year 12	+3.1%	Transitions	-27.3%
Tec-Prep	+32.2%	Total	-29.0%
Total	+9.9%		
Townsville			
Year 11	-1.1%	In school	-4.1%
Year 12	+2.6%	Full-time	-31.7%
Total	+0.6%	Total	-29.7%



Boarding Growth

Tec-NQ House operations commenced in 2015 with a market reach in 8 regional communities, securing 11 enrolments within these communities.

In 2017 Tec-NQ House achieved in excess of a 100% increase. Reaching 17 communities and securing 31 enrolments.



2015 Tec-NQ House Market Reach

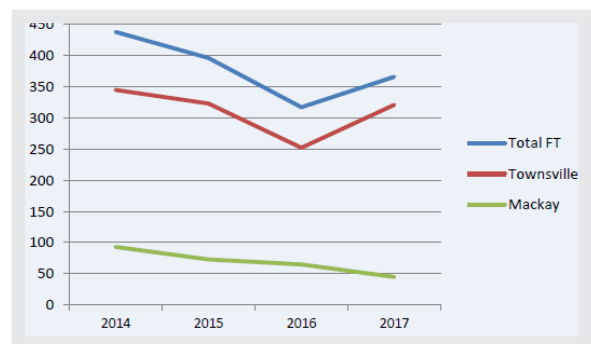


2017 Tec-NQ House Market Reach

RTO Growth

Tec-NQ in Townsville achieved a strong recovery in 2017 after falls in prior years, however Mackay performance continues to decline.

The strong performance in 2017 was driven by growth in electrical enrolments while most other areas are yet to fully recover.



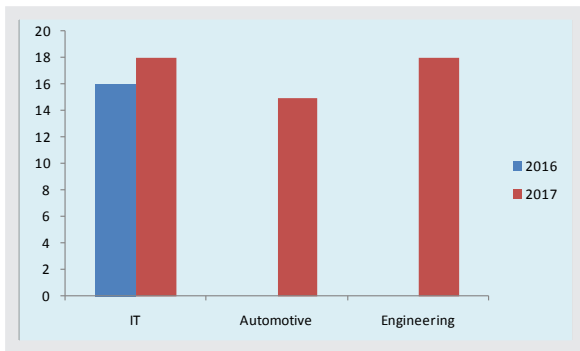
Full-time Enrolments by Location



International Growth

The Papua New Guinea (PNG) Trade-up Program was introduced in 2016, initially just in IT.

It has since expanded to include automotive and engineering, achieving 51 enrolments in its second year in 2017, with roughly equal enrolments across the three areas.



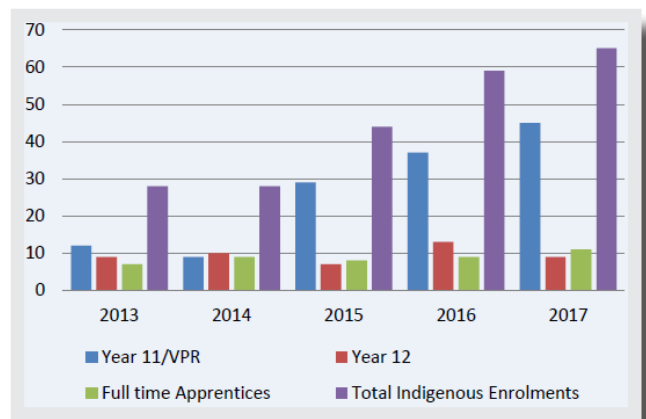
PNG Trade-up Program Enrolments

Indigenous Participation

Tec-NQ has achieved significant increase in Indigenous school enrolment with 157% increase over the last five (5) years.

A significant contributor to the increase in indigenous enrolments has been Tec-Prep and the inclusion of Tec-NQ House.

Significant declines are evident from Year 11 to Year 12 suggesting the greater focus needs to be given to retention strategies for indigenous students.



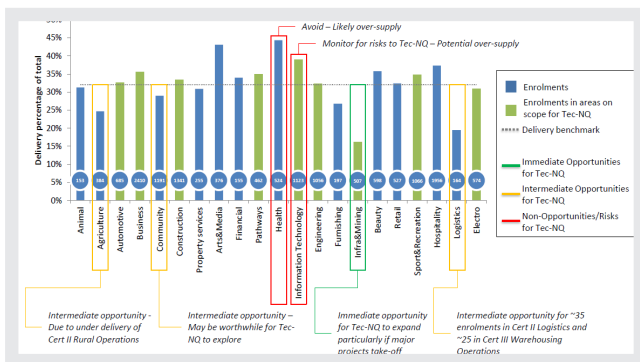
Indigenous Enrolments



New Programs

There are no areas of excessive unmet demand in Townsville. However, planning and development has been completed in 2017 enabling delivery to commence in 2018 for the following new programs:

- P-Tech;
- Career Ready;
- Employability Skills Training; and
- Year 10 (Tec-Prep).



Relative delivery of relevant training packages in Townsville

P-Tech

At its core, the P-Tech model is about collaboration, a partnership between education, industry and community. It is a partnership with a clear purpose - to provide an industry supported pathway for young people to achieve a qualification that strengthens their employment prospects.

Career Ready

Career Ready is a senior school pathway designed to provide students with an alternative model of education that focuses on career exploration and transferrable skills across a range of industries. Career Ready aligns with Tec-NQ's core vision to create employability and success through industry skills, experience and support.

Employability Skills Training

Employability Skills Training (EST) gives young people the opportunity to enhance their employability through 2 different blocks of targeted training. Participating in training will help young people understand the expectations of employers in both the recruitment process and as a new employee in the workplace.

Year 10 (Tec-Prep)

Tec-NQ will introduce a stand-a-lone Year 10 program that will meet all ACARA and QCAA requirements whilst embedding the current Tec-Prep program into Semester 2. This will not only give students an exposure to the trades but also introduce them to the STEM disciplines associated with their trade.

We make
delivering
quality trade
training
possible

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