

## **Chapter 2**

### **Opposition Senators' Report**

2.1 The introduction of the Australian Technical Colleges Bill illustrates the incoherence of the Government's education and training policy. Its most obvious characteristic is a disregard for an open planning process.

2.2 The concept of Commonwealth funded year 11-12 technical schools appears to have been developed without any consideration of current initiatives or without consultation. The initiative has little connectedness with the activity that is already occurring in the designated regions where colleges are to be established, although in some cases the colleges may borrow from successful innovations already running in those regions, such as in Gladstone. The educational and training rationale represented in this policy has less to do with skills 'outcomes' and more to do with injecting confusion and uncertainty. This has been the rationale of other recent training legislation as well. It is as if the Government, in contemplating the broad operation of training, had tired of improving what currently exists and what currently works, and of funding it appropriately.

#### **Speculating on the new technical colleges**

2.3 Australian Technical Colleges first saw the light of day with an announcement made during the federal election campaign in October 2004. The Government announced that it would fund 24 Australian Technical Colleges (ATCs) in specified regions in every state and territory, except the ACT. Little detail was provided initially on how the colleges would operate, which is always to be expected when policy is being made 'on the run'. By the time the bill was introduced in March 2005, enough work had been done to allow press releases. Funding of \$343.6 million would be provided over five years. Each institution would run programs allowing for completion of a secondary school certificate as well as a School-Based New Apprenticeship leading to a nationally recognised training package qualification.

2.4 The technical colleges will be linked to local industries for the purposes of trades training; they will be run in association with local industries to ensure that they meet the local business priorities; and they will be 'flexibly' staffed by teachers remunerated according to performance

2.5 As this report is tabled, 12 applications for funding to run the new colleges have been approved by Minister Hardgrave. Consortium partners have been announced for a number of successful bids. The committee has had no time, and no terms of reference, to find out from these consortia how they will go about their tasks. Opposition members of the committee expect that there will be an opportunity to evaluate the progress or otherwise of the colleges at some appropriate time.

2.6 The earliest approved colleges are not expected to commence until the beginning of 2006, and those colleges will be hard-pressed to find principals and suitable staff in time for their commencement. In an answer to a question asked by this committee during Estimates, the Department of Education Science and Training admitted it expected only five of these Colleges will be ready to commence operations in 2006. Therefore, at best, the Australian Technical Colleges announced in October 2004 will only produce 750 qualified tradespeople by 2010. This is less than one per cent of the estimated 100,000 skilled tradespeople the Australian Industry Group says will be needed by that time.

### **Planning difficulties for states**

2.7 The Queensland Government's submission identified that around 60 000 students in Queensland public schools are participating in VET, and nearly half of the national total of school-based apprenticeships are run in Queensland. Although the submission states that there is a 'clear synergy' between aspects of the new technical colleges and Queensland's education reform agenda, there is criticism that more flexibility is needed whereby students from schools near to the colleges could maintain their enrolments at an existing school and attend the new college to access specialised trade training. It is argued that a dual enrolment arrangement would enable other local schools to develop a wider range of skills training programs. As the submission states, this model is particularly viable in regional areas of the state, such as Gladstone, where the introduction of an ATC has the potential to create a competitor in a relatively small market.<sup>1</sup>

2.8 The Queensland submission also expresses regret that the ATC model provides no scope for the Queensland Government's preferred model of ATC establishment in the state. The ATCs will need to be established under accreditation rules of the Non-State Schools Accreditation Board (NSSAB). Opposition members of the committee believe that had the Minister negotiated with his Queensland State counterpart, in recognition of the relative strength of school-based VET in that state, agreement may have been speedily achieved. However, this is to disregard the fact that the Government's policy is intended to confront the policies and practices of the states, rather than to accommodate them. It does this by setting up its own institutions in competition with state-run schools and colleges, regardless of whether the state is running quality vocational programs, including school based apprenticeships, with strong local industry backing, as is certainly the case in parts of Queensland and across Australia.

### **Management and staffing issues**

2.9 Establishing a new school 'from scratch' is a major challenge. It must be assumed that there is a receptive catchment area of potential students, and of suitably qualified teachers with an interest and background in trades teaching. Presumably,

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1 Queensland Government, *Submission 8*, p.3

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successful local businesses and industry will be identified as having potential to run schools, if necessary by having DEST officials broker deals to create local consortia. In many cases partnerships between schools and local industry are already successful and likely to resist competition from the new colleges. The absence of any Commonwealth guarantee of funding beyond five years appears not to have deterred applicants, but if success is to be achieved it will need to be realised through substantial enrolments from the beginning.

### ***Industry involvement in school management***

2.10 There is no argument that the involvement of local industry in the design of a skills training or VET in schools program is essential. Industry involvement is more effective when it forms a genuine partnership with all other stakeholders. Opposition senators note the observation of the Independent Education Union in relation to this matter:

Of concern also to the IEU is the rationale underpinning most of the Bill of an industry led initiative as opposed to the language of partnership. Industry partnerships have traditionally encompassed equal partnerships between schools, industry and other stakeholders such as employees and representative organisations. They have been successful because they recognise the experience and skills that each has to offer and because each partner has an equal role. In addition, partnerships between schools and industry need to be fostered and supported across the board. It is certainly not clear at this stage how much ownership of the ATC process will actually be afforded to each partner.<sup>2</sup>

2.11 The submission from the ACTU points out that the bill fails to clarify the governance arrangements for Australian Technical Colleges, or the accountabilities of their governing councils as employers. Some doubt must exist as to how the rights of teachers and other employees are to be protected.<sup>3</sup> Opposition members of the committee speculate that such elements in the governance discussions may have been omitted for the sake of securing firm commitments of industry support, with the fine details to be worked out later. If industry players are to be partners in the college councils they need to assume these responsibilities, and it remains to be seen how many of them will balk at the fine print.

### ***Industrial relations and remuneration***

2.12 On industrial relations, the Government's submission emphasises a concern for both 'flexibility' and 'quality' as important teacher attributes. These are terms which may mean different things according to context. The Government promotes Australian Workplace Agreements (AWAs) because of claims that they offer

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2 Independent Education Union, *Submission 5*, para.9

3 ACTU, *Submission 4*, paras. 13-14

flexibility. The Opposition does not support any suggestion that all staff in the new Technical Colleges must be offered AWAs.

2.13 It is far too simplistic to argue that the measure of achievement of a staff member is the success-rate of students in passing exams or reaching a particular level of competence. Every student is different, and performances vary regardless of the quality of teacher 'input'. The skill and effort to have a student reach a 'C' grade level may far exceed that of preparing an 'A' grade student. One teacher may coast along with talented students, and another perform heroically with failures. The current collegial arrangement of remuneration recognises such variations, and unless the school is poorly administered, ensures that all teachers share the variations of student aptitude and success, leading to overall professional satisfaction.

2.14 Performance measures can be blunt instruments when not used properly in determining rewards for teachers, and the practice is open to abuse in a school context, where it may not be in other professions or trades. It is a certain way to break down collegiality, without which an Australian Technical Colleges may not perform effectively.

2.15 In the absence of information about the planning arrangements for colleges that are expected to start operations next year, Opposition senators can only speculate on the availability of 'quality' teachers to staff the Colleges, or indeed their enrolment prospects.

### **Education and training programs in the new ATCs**

2.16 The Government has great expectations for its Australian Technical Colleges, notwithstanding that there are only 24 of them planned, and with the meagre first fruits of the harvest not expected until 2010. It is as though the Government has just discovered the link between quality training and filling vacancies in the technical skilled workforce. This is a problem which this Committee, in a number of reports, and many industry and professional bodies have been expounding for years.

2.17 It may be generally observed that since 1996 the Government has neglected to maintain the skills base for Australian industry, particularly the construction and fabricating trades. For example, there has long been an acute shortage of welders and skilled metal workers and mechanical trades people, and semi-professional engineering specialists generally. These are the hard and sharp end skills which require not only longer periods of training but more dedication, more expert tuition and work supervision, more expensive capital equipment and, most significantly, much more industry support through apprenticeships. The task of maintaining and building this reserve of skills has been far beyond the capacity of the Government.

2.18 Effective policy would have required far more investment in training than the Government was prepared to provide. Instead, it spent its training dollars on New Apprenticeships in areas without significant skill shortages,. This put impressive growth figures for so-called 'New Apprenticeships', but did not address the need for

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trade skills, and masks the real numbers of traditional apprenticeships, particularly the worsening completion rates.

2.19 The TAFE sector has been subjected to severe financial pressures during this period because of the Commonwealth funding neglect. It remains the backbone of Australia's vocational education and training system in what is high skill training endeavour. While TAFE is restricted by the absence of growth funding from the Commonwealth, the Government is able to find funds for its new technical colleges.

2.20 Australian Technical Colleges are each intended to enrol 300 students across years 11 and 12. The Australian Education Union observes that this enrolment is much lower than the normal senior secondary school enrolment, and necessitates a more restricted curriculum.<sup>4</sup> There will be few options for course changes in the event that students find that they are not suited to their initial choice. The committee can only assume that the colleges will be for students who have settled on a firm career choice at the end of year 10, although it is unusual for many to have made that decision by then. If course options are limited it is likely that there will be a considerable drop-out rate, and students will have to enrol at the school they would have attended if the college had not existed. This will result in some disruption to the programs of existing schools.

2.21 The concern about lack of choice in such a small school is compounded by the announcement that students are also expected to be able to find a pathway to matriculation if that is their desire. That suggests that the colleges will have to offer a full academic program as well as a VET stream. In some states, VET courses cannot be used for matriculation purposes.

### **Effects on local schools**

2.22 It is unlikely that the effect of the colleges on existing schools has been taken into account. After all, the ATCs have been set up as competitors to schools already there. For schools in areas where there is already close cooperation with local industry, and where well-developed partnerships exist, the question of whether these relationships will be supplanted by new arrangements between industry and the ATC has yet to be seen.

### **Imagining a conventional policy framework**

2.23 In 2000 the Employment, Workplace Relations and Education References Committee tabled its report on the quality of VET, which included a chapter on VET in schools. The committee saw a number of successful programs which followed the early skills acquisition model.<sup>5</sup> At the beginning of this report Opposition senators pointed to the absence of a proper policy rationale for the establishment of

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4 AEU, *Submission 2*, p.12

5 Senate EWRE References Committee, *Striving for Excellence*, November 2000, Chapter 10

Commonwealth funded technical colleges. It would have been more constructive for the Government to have identified collaborative models, based on variations of current good practice around the states.

2.24 As noted earlier, the submission from the Queensland Government stated that there would have been a welcome response from the state to a proposal to strengthen local education links with industry through a technical college that offered added value to what was happening currently in local schools. There is no room for competition in most areas, where there is a generally downward pressure on enrolments. The thin market for both students and teachers is likely to result in very slow growth in ATC enrolments and subsequent loss of interest by industry backers.

## **Conclusion**

2.25 Opposition senators will not oppose the passage of the Australian Technical Colleges Bill 2005 however there are a number of concerns. It unnecessarily duplicates current institutions and offers uncertain prospects of success in the long-term. The appropriations tagged for the ATCs would have been more effectively spent in the TAFE sector, used to promote more school-based apprenticeships in targeted trades which are experiencing skill shortages, or a range of other innovative vocational education programs already being developed in our schools.

## **Recommendation**

**That the Government expand support to current VET in Schools programs, school based apprenticeships as well as providing other schools undertaking similar innovation the level of additional support commensurate with the support given to the Australian Technical Colleges.**

**Senator Gavin Marshall  
Deputy Chair**

**Senator George Campbell**