

# Chapter 1

## Committee Majority Report

### Conduct of the inquiry

1.1 The provisions of the *Australian Technical Colleges (Flexibility in Achieving Australia's Skills Needs) Amendment Bill (No. 2) 2007* were referred to the committee by the Senate on 21 June 2007, for report by 7 August 2007.

1.2 Notice of the inquiry was posted on the committee's website and advertised nationally in *The Australian*, along with other bills referred at the same time. The committee received one submission from the Department of Education, Science and Training. No public hearing was conducted for this inquiry.

### Background

1.3 Australian Technical Colleges (ATCs) are a partnership between education, training, industry and community organisations that cater for student in years 11 and 12. Each ATC is a registered school offering an integrated learning program so students can complete senior secondary schooling while also undertaking a Certificate III level apprenticeship.

1.4 The *Australian Technical Colleges (Flexibility in Achieving Australia's Skills Needs) Act 2005* was originally referred to the committee in June 2005. In the report the committee concluded that:

the Government's main objective...is to maintain and further strengthen the vocational education and training sector by building an industry-led system that delivers what Australian businesses, communities and individuals need. The establishment of technical colleges...will promote a career path in trade occupations in key industries as a valuable and rewarding option for young people...colleges will be able to play a pivotal role in raising the profile and status of vocational educational and training.<sup>1</sup>

1.5 Currently, 21 of the 25 proposed ATCs are operating in 20 out of the 24 identified regions with a combined enrolment of over 1800 students. By 2009, the government anticipates that 28 ATCs will be operational with approximately 8,400 students enrolled.<sup>2</sup>

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1 Chapter One, in Senate Employment, Workplace Relations and Education Committee, Inquiry into the provisions of the *Australian Technical Colleges (Flexibility in Achieving Australia's Skills Needs) Bill 2005*, August 2005, p. 7.

2 *Submission 1*, p. 5.

## Previous inquiries

1.6 Since the act was given assent in October 2005, two further amendment bills have been referred. The previous bills have sought to alter funding for the ATCs either through bringing forward expenditure or appropriating additional funding. The first bill, referred in May 2006, sought to re-allocate existing funding between calendar years and the second bill, referred in December 2006, sought to appropriate additional funding. There was virtually no interest in the two inquiries, each receiving one submission from the Department of Education, Science and Training.

1.7 The committee believes that there is little point in referring appropriation bills to committees when the policies they fund have been established and supported by this parliament for some time. The committee may consider the possibility of reviewing policy on ATCs once the program has advanced beyond 2009.

## Provisions of the bill

1.8 The bill seeks to amend the financial assistance table under subsection 18(4) of the act to provide an additional \$74.7 million over the period 2008 to 2011 for the establishment and operation of an additional three colleges. DEST advised in their submission that the calculation of the additional amount was based on experience gained in the negotiation of the twenty-one current funding agreements, which cover a variety of college models across Australia.<sup>3</sup>

1.9 The bill specifies that the three new ATCs will be established in southern Brisbane, northern Perth and the greater Penrith region of New South Wales. This will take the number of ATCs to 28, with 19 in regional areas. DEST's submission noted that these three locations were selected as they met the 'original criteria for establishing an Australian Technical College, with all regions having high youth populations, a strong industry base and local skill needs in skilled occupations.'<sup>4</sup>

1.10 The total appropriation for the period 2005 to 2011 will increase from \$456.2 million to \$530.9 million. The new funds will be distributed over the next four calendar years as follows:

	2008 \$m	2009 \$m	2010 \$m	2011 \$m
Current Appropriations	101.275	71.802	0	0
Proposed Appropriations	118.400	96.604	15.823	16.951

3 *Submission 1*, p. 5.

4 *Ibid*, p. 1.

**Recommendation**

**The committee recommends that the bill be passed.**

**Senator the Hon. Judith Troeth  
Chairman**

