

Submission

to

Senate Employment, Workplace Relations and Education
Legislation Committee

Inquiry into the provisions of the Australian Technical Colleges (Flexibility in Achieving Australia's Skills Needs) Amendment Bill (No.2) 2007

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Australian Government

**Department of Education,
Science and Training**

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Australian Technical Colleges
(Flexibility in Achieving
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**Department of Education, Science and Training submission to the Senate
Employment, Workplace Relations and Education Legislation Committee's
Inquiry into the *Australian Technical Colleges (Flexibility in Achieving
Australia's Skills Needs) Amendment Bill (No.2) 2007***

1. INTRODUCTION

The Department of Education, Science and Training welcomes the opportunity to provide this submission to the Senate Employment, Workplace Relations and Education Legislation Committee Inquiry into the provisions of the *Australian Technical Colleges (Flexibility in Achieving Australia's Skills Needs) Amendment Bill (No.2) 2007*.

The Australian Technical Colleges initiative was announced in October 2004 as part of the Australian Government's broader strategy to address skills needs in the trades in regional and metropolitan areas. The initiative provides for the establishment of 25 Colleges in 24 identified regions of Australia. Each College is, or will be, a registered school for Year 11 and 12 students offering an integrated academic and trade training programme that allows students to complete their senior secondary certificate while enabling progress part way towards an apprenticeship in a traditional trade at the Certificate III level.

Since the enactment of the *Australian Technical Colleges (Flexibility in Achieving Australia's Skills Needs) Act 2005* (the Act) in October 2005 significant progress has been made towards the establishment of a College in the majority of the regions that were identified. In 2007, 21 Colleges are operating in 20 of the identified regions. Colleges in the remaining regions will commence in 2008. The Colleges have been embraced by the communities in which they have been established with local industry leadership ensuring that the Colleges are able to deliver an education and trade training programme that will assist the region in meeting its longer term skills needs.

The purpose of the *Australian Technical Colleges (Flexibility in Achieving Australia's Skills Needs) Amendment Bill (No.2) 2007* is to build on the success of the programme to date by providing additional funding to support the establishment and operation of a further three Australian Technical Colleges. In particular, these Colleges will encourage more young Australians into rewarding careers within the traditional trades. Communities and employers in the identified regions will benefit from engaging apprentices who are work-ready and well supported, and will be contributing to the growth of local economies. The Bill provides for an additional \$74.7 million for the programme over the period 2008 to 2011. The total funding appropriated under the Act increases from \$456.2 million to \$530.9 over the period 2005 to 2011.

2. PRINCIPAL ISSUES FOR THE COMMITTEE'S CONSIDERATION

The *Australian Technical Colleges (Flexibility in Achieving Australia's Skills Needs) Amendment Bill (No.2) 2007* seeks an amendment to subsection 18(4) of the Act by increasing the appropriation amounts for the 2005 to 2011 calendar years as follows:

	2005 \$m	2006 \$m	2007 \$m	2008 \$m	2009 \$m	2010 \$m	2011 \$m	Total \$m
Current Appropriations	15.810	118.357	148.982	101.275	71.802	0	0	456.220
Proposed Appropriations	15.810	118.357	148.982	118.400	96.604	15.823	16.951	530.927

The effect of the amendment is to increase funding for the Australian Technical College programme by \$74.7 million over the period 2008 to 2011. The Department has determined that this level of funding is necessary to support the establishment and operation of the three additional Colleges. This quantum of funding has been based on the experience gained by the Department through the negotiation of 21 Funding Agreements covering a variety of College models across Australia.

The three new Colleges will be established in southern Brisbane, northern Perth and the greater Penrith region of New South Wales. These three locations meet 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. The location of Colleges in these regions will also provide the five major capital cities with two Australian Technical Colleges each, as Adelaide and Melbourne already have two established Colleges. In each of these regions, expressions of interest have been lodged by industry and community groups to establish a College.

The Colleges have been embraced by the communities in which they have been established with local industry, educational and community representatives playing a key role in their development and being actively involved in their operations through representation on Governing Boards and Committees. 21 Colleges are operating in 2007 with over 1800 enrolled students. By 2009 it is anticipated that there will be 28 Colleges across approximately 45 Campuses, teaching approximately 8,400 students.

While the Bill provides an additional \$74.7 million over four years for the three new Colleges, the amount of funding provided for each College will be based on its proposed delivery model and will be determined through negotiations between the Department and the successful proponents based on detailed business plans and budgets.

The Australian Technical Colleges programme has been a key driver in reform in school-based training. A number of States and Territories have taken action to remove regulatory and industrial barriers that previously prevented the offering of school-based apprenticeships. In addition, several States and Territories have made decisions to establish their own State-based trade schools.

Attracting young people to the trades is vital for Australia's future, and Australian Technical Colleges offer an innovative training pathway to a trade career which enables students to earn while they learn. The three new Colleges will provide students with an integrated education and training option that is currently not widely available. They will ensure there is choice available at the school level that provides a pathway to the traditional trades. Australian Technical Colleges are already raising the status of a trade career, rightfully restoring the value of a high quality technical education.