

Chapter 11

Australia's assistance—education and training

11.1 The committee has identified some of the daunting challenges that Pacific island countries face in developing their economies. As noted earlier, some of these constraining factors, such as small populations and land mass, remoteness and susceptibility to natural disasters, cannot be changed. Such disadvantages can be minimised, however, and education is one such weapon to help counter adverse effects. In this chapter, the committee touches briefly on some of the regional initiatives in education and training before looking in greater depth at Australia's contribution to assisting Pacific island countries improve education and training opportunities for their people.

Regional initiatives

11.2 There are many regional frameworks and initiatives that address education in Pacific island countries. The committee has already mentioned the educational Millennium Development Goals (MDGs) as central policy drivers in setting objectives for Pacific island countries and donor countries and organisations. Some of the other initiatives and their objectives or functions include:

- *Pacific Plan*—expands and standardises training programmes and technical qualifications through:
 - a *National Qualifications Register*;¹ and
 - a *Regional Qualifications Register (RQR)*²
- *Regional benchmarks for literacy, numeracy and life skills*.³
- *Pacific Education Development Framework (PEDF)*—coordinates regional activities and provides advocacy and leadership in policy dialogue.
- *Pacific Regional Initiative for the Delivery of Basic Education (PRIDE)*—improves the quality of basic education by strengthening education planning and implementation processes.

1 Pacific Islands Forum Secretariat, *Six-monthly Pacific Plan Progress Report*, 2008, p. 57; Pacific Islands Forum Secretariat, *2008 Pacific Plan Annual Progress Report*, pp. 84–85.

2 The Register is AusAID-funded and in the implementation stage, with 'agreement in principle' to fund further development of the register. Pacific Islands Forum Secretariat, *Review of Implementation of the Forum Basic Education Action Plan*, Education Ministers' Meeting, Auckland, 26–28 November 2007, p. 7.

3 South Pacific Board for Educational Assessment, <http://www.spbea.org.fj/index.html> (accessed 24 February 2009).

- *Pacific Islands Regional Information and Communications Technologies Policy and Strategic Plan*—aims at reducing professional isolation 'at all educational levels and especially in rural and remote communities'.⁴
- *Pacific eLearning Observatory*—monitors the development of ICT in education.⁵
- *One Laptop per Child*—an initiative of a US non-profit organisation which donates laptop computers for school children in rural and remote communities.⁶ The first trials are underway in Solomon Islands and another ten pilot trials will follow in other Pacific island countries.⁷

11.3 Work in special technical and professional areas is also being done in the region, for example in nursing and seafaring.⁸

Australia's engagement in Pacific education and training

11.4 Australian funding for the education sector in the Pacific and PNG reached a peak as a percentage of Australia's overall ODA for the region in the late 1990s–2000 at around 23 per cent. Over time, it declined to 10 per cent in 2006–07 but has again started to rise and in 2007–08 stood at \$102.5 million or 12 per cent of ODA for the region.⁹ The Australian Government acknowledged the growing importance of education in its 2009–10 Budget Statement:

Education is a flagship sector of Australia's increased aid program and will become the program's largest sector with support extending from basic education to technical and vocational skills training and improving tertiary level qualifications.¹⁰

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- 4 Pacific Islands Forum Secretariat, *Pacific Islands Regional Information and Communications Technologies Policy and Strategic Plan*, April 2002, p. 5.
 - 5 Robert Whelan, *eLearning in the South Pacific: Current Status, Challenges and Trends Survey Findings from the Pacific eLearning Observatory*, Draft, 21 September 2007, p. 6, http://www.usp.ac.fj/fileadmin/files/schools/df/pdsu/pdfs/pelo_survey_full.pdf (accessed 26 February 2009). Project internet address is <http://www.usp.ac.fj/pelo/>.
 - 6 For more information on the One Laptop per Child initiative, see: <http://laptop.org/en/vision/index.shtml> (accessed 24 April 2009).
 - 7 Pacific Islands Forum Secretariat, *Six-monthly Pacific Plan Progress Report*, 2008, p. 40.
 - 8 Department of Infrastructure, Transport, Regional Development and Local Government, *Submission 43*, p. 11. Cooperation with a number of organisations ensures that the curriculum is relevant to the industry and the courses are accredited by the International Maritime Organization. AusAID, *Pacific Economic Survey 2008: Connecting the region*, 2008, pp. 78–79.
 - 9 AusAID, Answer to a written question on notice 1, 12 March 2009.
 - 10 The Hon Stephen Smith MP, Minister for Foreign Affairs, and the Hon Bob McMullan MP, Parliamentary Secretary for International Development Assistance, *Budget Statement 2009-10: Australia's International Development Assistance Program*, p. 4.

11.5 In the Pacific, Australia's assistance programs support the achievement of the MDGs for example through improving the governance of education systems and strengthening service delivery.¹¹ Mr Robert Tranter, AusAID, explained:

The big issue in the education program we are supporting is around quality of teaching and the quality of the curriculum and addressing costs in the system. We do not want the cost of education to become an obstacle for families. They should not start making choices about taking their kids out of school.¹²

Pacific Partnerships for Development

11.6 Education and capacity building have been given priority in the Pacific Partnerships for Development (PPDs) and Australia's overall Pacific engagement strategy, 'in addition to the programs that already go on in relation to bilateral assistance in the education sphere'.¹³

11.7 The focus of the PPDs differs from country to country. For example, in the PPDs with Kiribati and Vanuatu education receives close attention. The main objective in Kiribati is to improve literacy and numeracy skills of school-aged children by ensuring that its public schools 'have the necessary resources and support to deliver quality education services'.¹⁴ In Vanuatu, the focus is on achieving the goal of universal primary education and increasing training and employment opportunities. The Samoa–Australia agreement seeks to increase school enrolment, reduce drop-out rates and improve teacher retention.¹⁵

11.8 Interestingly, education is not given a high priority in the partnership with Solomon Islands, although this country together with PNG is one of the countries in the region that is not performing well in school attendance or literacy.¹⁶ Australia's

11 AusAID, *Submission 65*, p. 18 and AusAID, *Better Education: A Policy for Australian Development Assistance in Education*, Summary, May 2007, p. 7; see also AusAID, <http://www.aid.gov.au/keyaid/education.cfm> (accessed 28 April 2009). Ms Corinne Tomkinson, Director, Pacific Projects, DFAT, explained that the 'single most important thing' that Australia could do in the Pacific would be to assist in providing education and training. *Committee Hansard*, 21 November 2008, p. 22.

12 *Committee Hansard*, 12 March 2009, p. 26.

13 Mr Richard Rowe, *Committee Hansard*, 21 November 2008, pp. 19 and 22.

14 Australia–Kiribati Partnership for Development, attachment A, http://www.aid.gov.au/hottopics/pdf/Australia_Kiribati_Partnership_for_Development.pdf (accessed 16 February 2009).

15 Samoa–Australia Partnership for Development, attachment A, http://www.aid.gov.au/hottopics/pdf/Australia_Samoa_Partnership_for_Development.pdf (accessed 16 February 2009).

16 Australia–Solomon Islands Partnership for Development, p. 3, http://www.aid.gov.au/hottopics/pdf/Australia_Solomon_Islands_Partnership_for_Development.pdf (accessed 11 May 2009).

partnership with PNG has progressed to the stage where an implementation schedule for each priority outcome (education is priority 2) has been developed. Thus, there is much more detail on the education programs under this partnership.

11.9 The Australian Government allocated \$377 million in aid funding to PNG for 2009–10.¹⁷ Approximately 10 per cent of this aid is for education, funding teachers, school buildings and other education infrastructure.¹⁸ As part of the PPD, the Australian Government and PNG negotiated the funding of the education sector until 2015, taking into consideration the estimated cost of 'school buildings, teacher training, teacher institutions, curriculum materials, overheads, payroll' as well as the funding from both countries. Australia's contribution is anticipated to grow significantly, 'from around \$38 million this year to \$100 million by 2015'. According to the schedule, Australia commits to providing a minimum of 65 per cent of its total funding for the education sector to support progress towards universal basic education. For example, the aim is to raise the net enrolment rate from 53 per cent to 70 per cent, in order to get some of the hundreds of thousands of children who currently do not go to school to enrol in schools.¹⁹

This will include support for safe and functional school buildings, grants to schools, support for teacher training, textbooks and curriculum materials and support for education administration at national and sub-national levels. The remainder of the funding will be available for technical and financial support for post-basic education and institutional capacity building at all levels of administration, including support to the Department of Education's HIV/AIDS and gender strategic plans.²⁰

11.10 The funding gap between what is required and the contributions from Australia and PNG are 'the subject of further discussion within PNG in terms of their own budget appropriation processes and with other donors such as New Zealand, the World Bank and the EU'.²¹

11.11 Australia will also provide technical assistance to PNG to strengthen education administration in planning financial and project management and procurement.²²

17 The Hon Stephen Smith MP, Minister for Foreign Affairs, and the Hon Bob McMullan MP, Parliamentary Secretary for International Development Assistance, *Budget Statement 2009–10: Australia's International Development Assistance Program*, p. 45.

18 Schedule to the Papua New Guinea–Australia Partnership for Development, Priority Outcome 2: Basic Education, 10 June 2009, p. 6.

19 Ms Margaret Callan, *Committee Hansard*, 19 June 2009, p. 53.

20 Schedule to the Papua New Guinea–Australia Partnership for Development, Priority Outcome 2: Basic Education, 10 June 2009, p. 6.

21 Ms Margaret Callan, *Committee Hansard*, 19 June 2009, p. 53.

22 Schedule to the Papua New Guinea–Australia Partnership for Development, Priority Outcome 2: Basic Education, 10 June 2009.

11.12 The 2009–10 budget indicated that Australia would provide assistance to:

- Fiji to support education systems;
- Tonga to improve technical and vocational skills in areas of industry in demand domestically and abroad;
- Tuvalu to improve access to and quality of education and vocational skills; and
- Nauru to improve education services, including technical and vocational education training.

11.13 Australia also contributes to a number of regional programs, including the Australia–Pacific Technical College.

Australia–Pacific Technical College

11.14 The Australian Government established and funds the Australia–Pacific Technical College (APTC) to improve the job readiness of young people in the region. It is administered by AusAID.²³ The APTC's objective is to increase 'the pool of skilled workers in targeted industry sectors'. It:

...assists Pacific Islands Forum member countries to build human capital and thus improve their long-term economic sustainability. The APTC will improve the capacity of these countries to adapt to climate change by training skilled workers in several industry sectors, including tourism and hospitality, trades, and health and community services.²⁴

11.15 Pacific Islands Forum Leaders supported the proposal to establish the college and expected it would 'make a significant contribution to developing a skilled and competitive Pacific workforce'.²⁵

11.16 The APTC has its headquarters in Suva, Fiji, and training centres and country offices in Fiji, Papua New Guinea, Samoa and Vanuatu.²⁶ The current goal for the college is to train 3,000 students over four years to Australian qualification standards 'to enable them to compete for job opportunities locally, regionally and internationally'.²⁷ According to the 2009–10 Budget Statement, the college is on track

23 APTC, <http://www.aptc.edu.au/support/index.html> (accessed 26 November 2008).

24 DEEWR, *Submission 42*, p. 19, Senate Standing Committee on Education, Employment and Workplace Relations, *Inquiry into Effects of Climate Change on Training and Employment Needs*.

25 Thirty-seventh Pacific Islands Forum, *Forum Communiqué*, 24–25 October 2006, Fiji, p. 3.

26 AusAID, *Submission 65*, p. 11; DEEWR, *Submission 64*, p. 15.

27 AusAID, *Submission 65*, p. 11.

to deliver the 3,000 students by June 2011.²⁸ There are expectations that the APTC could bridge the gap between national and international standards which currently exists in the Pacific islands.²⁹ Australia has provided \$149.5 million in funding for the college over four years.³⁰

11.17 According to DEEWR, the APTC's role is to 'enhance rather than compete with existing training at local institutions and partner with other Pacific training and education providers to build on existing strengths within the region'.³¹ The APTC uses two Australian registered training organisations (RTOs) contracted to AusAID—Box Hill Institute and Sunshine Coast Institute of TAFE—to deliver training.³²

Courses

11.18 The APTC provides training in tourism and hospitality, automotive, manufacturing, construction, electrical and health and community services.³³ People who complete a course receive an accredited Australian qualification.³⁴ As of July 2008, hospitality and tourism had been the most popular choice of study among the applicants, with one in three wishing to undertake training in that field. Nonetheless, most of the 584 students enrolled at the APTC study in the School of Automotive, Construction, Electrical and Manufacturing (57 per cent).³⁵

11.19 AusAID noted that the APTC 'has been struggling with the quality of the entrants' due to the gap between the standard of local technical training and that provided at the APTC. According to AusAID, the presence of the APTC, however, has lifted the quality of local training because of the competition. Students are also realising that 'they need to get to a particular standard'.³⁶

28 The Hon Stephen Smith MP, Minister for Foreign Affairs, and the Hon Bob McMullan MP, Parliamentary Secretary for International Development Assistance, *Budget Statement 2009–10: Australia's International Development Assistance Program*, p. 25.

29 Asian Development Bank, *Skilling the Pacific: Technical and Vocational Education and Training*, Executive Summary, 2008, p. 15.

30 DFAT, *Submission 68*, p. 30. 'Options for a longer term arrangement will be considered' after 2011, DEEWR, *Submission 64*, p. 14, footnote 19.

31 DEEWR, *Submission 64*, p. 14.

32 APTC, <http://www.aptc.edu.au/aboutus/assurance.html> (accessed 26 November 2008). These two institutes have been appointed through a competitive public process; DEEWR, *Submission 64*, p. 14, footnote 21.

33 APTC, <http://www.aptc.edu.au/aboutus/> (accessed 11 August 2009).

34 DEEWR, *Submission 42*, p. 19; Senate Standing Committee on Education, Employment and Workplace Relations, *Inquiry into Effects of Climate Change on Training and Employment Needs*.

35 DEEWR, *Submission 64*, p. 15.

36 Dr Jane Lake, *Committee Hansard*, 19 June 2009, p. 53.

11.20 To ensure equity of access for students from all Pacific island countries, the Australian Government established a scholarship scheme of \$10 million.³⁷ The APTC offered 509 scholarships in 2007–08. Up until July 2008, 67 students had graduated from the college, most of them from the School of Hospitality and Tourism.³⁸

Alignment with local needs

11.21 In the previous chapter, the committee noted the strong criticism levelled at TVET in the region, including training systems that tended 'to operate in isolation of labour market demand' or 'in the dark both on skills demand and supply'.³⁹ This criticism has direct relevance for Australian assistance. DEEWR informed the committee that it provided policy advice on the development of the APTC and is a member of the college's Technical Advisory Group (TAG). TAG provides:

...strategic advice to AusAID on a range of technical and industry issues to ensure training would lead to employment and improved productivity, and that the APTC has close links to industry. A key role of the TAG is to assist AusAID to evaluate the performance of the APTC in meeting the training needs for key industries essential to the economy of the region.⁴⁰

11.22 According to DEEWR, the college is intended to address the region's skills needs and increase workforce competitiveness as well as to assist mobility of skilled workers within the Pacific island countries and developed countries. DEEWR explained that training corresponds to the 'labour and skill demands of employers' and not to reported skills shortages in Australia.⁴¹ There are Campus–Country Industry Advisory Groups to facilitate contact between the college and respective governments and industries and to ensure the relevance of the courses to the host nations.⁴²

11.23 Even so, Fiji's Acting High Commissioner to Australia proposed that 'Australia could consult more effectively with the island governments regarding their manpower needs allowing the island Governments to identify the areas of study in line with their respective priority needs'.⁴³ Dr Max Quanchi told the committee that Australian assistance programs should acknowledge the needs of the Pacific. He explained:

...training Pacific Islanders to be motor mechanics might be good for the Australian motor industry later on, but surely marine, sanitation and water supply engineers, aircraft maintenance, radio/TV/internet technicians, and

37 DEEWR, *Submission 64*, pp. 14–15.

38 DEEWR, *Submission 64*, p. 15.

39 See paragraphs 10.57–10.60.

40 DEEWR, *Submission 64*, p. 15.

41 DEEWR, *Submission 64*, p. 14.

42 DEEWR, *Submission 64*, p. 14.

43 *Submission 28*, pp. 15–17.

wind/wave/solar energy expertise are the types of training needed in societies where basic utilities are non-existent or break down regularly, roads are rare and air and sea communication the norm. Training Pacific Islanders to construct, for example, a local deep-water port facility, is a high priority.⁴⁴

11.24 Mr Steven Noakes, Pacific Asia Tourism, told the committee of a sense within the region that 'the big guys are bringing in their ideas and their resources, and what happened to our investment in our place and our need for vocational education and training?'⁴⁵ Pacific Asia Tourism called for the Australian Government to:

Review the purpose, function and performance of the Australian Vocational and Technical Colleges in the Pacific with a view to applying those resources to build the capacity of existing post-secondary institutions to undertake those functions.⁴⁶



The Australia–Pacific Technical College offers a number of courses for Pacific island students, including one in hospitality (image courtesy of AusAID).

11.25 AusAID explained that Australia is currently conducting a mid-term review of the APTC. It is to examine how the APTC model can evolve into 'something that

44 *Submission 24*, p. 5.

45 *Committee Hansard*, 26 March 2009, p. 55.

46 *Submission 31*, p. 6. See also Mr Steven Noakes, *Committee Hansard*, 26 March 2009, p. 55.

provides a broader and a more demand-driven range of technical training that meets the long-term needs of the region, rather than just being a couple of specific areas'.⁴⁷

Committee view

11.26 The committee notes the weight of evidence suggesting that there is a serious disconnection between the courses offered by training institutions in the region and the requirements of local businesses and industries.

Recommendation 7

11.27 The committee recommends that the mid-term review of the APTC give careful and explicit attention to the criticisms raised by international institutions and by witnesses to this inquiry that regional training institutions are not meeting or anticipating the needs of local business or industries.

Range of activities

11.28 The committee has also referred to other training and capacity building activities conducted by various Australian government agencies, including ACIAR and DAFF. Nurses training is another scheme of particular relevance to the assistance Australia provides in education and training.

11.29 The Australian Government funds the Kiribati–Australia Nurses Initiative (KANI) that is run by the Griffith University for 2007–2013 and has been allocated \$6 million in funding. The program:

...will enable I-Kiribati youth to attain Australian nursing qualifications and industry experience. In Australia, I-Kiribati nurse educators attain further education and skills development to Australian standards to strengthen Kiribati nursing education outcomes and health care services.⁴⁸

11.30 In 2008, there were 21 nursing students enrolled in the Diploma of Nursing and a further four students in the Diploma of Community Welfare, and an i-Kiribati Nurse Educator in the post registration degree program.⁴⁹

47 Dr Jane Lake, *Committee Hansard*, 19 June 2009, p. 55.

48 AusAID,
http://www.ausaid.gov.au/country/cbrief.cfm?DCon=2926_3342_8174_197_5140andCountryID=20andRegion=SouthPacific (accessed 16 February 2009).

49 Griffith University, *Vice Chancellor's Report to Council*, 6 May 2008, p. 11,
<http://www.griffith.edu.au/office-vice-chancellor/pdf/report-to-council-may-08.pdf> (accessed 16 February 2009).



The Kiribati–Australia Nursing Initiative and Australian Scholarships provide an opportunity for i-Kiribati nurses to obtain a qualification and nurse educators to attain further skills development (image courtesy of AusAID).

11.31 A number of witnesses proposed that Australia should consider additional training initiatives.⁵⁰ The Maritime Union of Australia (MUA) suggested Australia's assistance could build linkages between training institutions to share skills development and to provide relevant work experience for Pacific island nationals in key industry sectors.⁵¹ According to the MUA, Australia is 'well positioned to provide regional leadership in building the maritime skills base in the region' with its 'world class maritime training and education system'. It continued:

This will enhance the growth of a maritime capability in Australia; while at the same time contribute to a resolution to the global shortage of maritime skills. Such a strategy is also directly relevant to the shipping policies of respective countries in the region.⁵²

11.32 Mr Peter Graham, Managing Director, Esso Highlands Ltd, explained that in relation to its gas project in PNG, the company provides training in technical skills and supplier capabilities in order to have skilled workers at their disposal. The company is planning to develop training facilities in Port Moresby and in the Southern Highlands, with the aim that the Port Moresby technical college turn out 750 and the Southern Highlands college approximately 100 graduates a year. Esso proposed that

50 Mr Ian Clarke, *Committee Hansard*, 25 March 2009, p. 61.

51 *Submission 52*, pp. 4–5.

52 *Submission 52*, paragraphs 5.12 and 5.13.

the Australian Government educate and train the local people in the technical and professional skills needed for the project and any future operations (see paragraphs 8.24–8.29).⁵³

11.33 World Vision Australia recommended that the Australian Government 'Encourage and support PIC governments to establish or reinvigorate networks of well resourced and staffed Rural Training Centres to provide relevant vocational and socially relevant training to people in their local area'.⁵⁴

Committee view

11.34 The committee notes the worthwhile suggestions for increasing Australian engagement in education and training in areas most likely to create jobs for local people. It also notes, however, the concerns raised in the previous chapter about the important but neglected informal economy and the critical role of the non-formal education sector. Without detracting from the effectiveness of the formal education system, the committee would like to see recognition given to the non-formal sector in Australia's assistance.

Recommendation 8

11.35 The committee notes the important role of the non-formal education sector, particularly in PNG, and recommends that AusAID give attention to the role of informal education in formulating and implementing its education assistance policy.

Scholarships

11.36 A significant share of Australia's assistance for education is delivered through scholarships. The OECD peer review of Australia's development aid noted that in the 2006/07 budget, \$1.4 billion over five years was allocated to the *Australian Scholarships* initiative.⁵⁵ This initiative consists of three scholarship schemes of which AusAID administers two. The *Australian Development Scholarships* (ADS) provides for up to 1,000 students a year across 31 countries to undertake undergraduate or postgraduate study in Australia.⁵⁶ In 2007, 978 students commenced study under this scheme but only 189 or just over 19 per cent of the total were from PNG and the Pacific region.⁵⁷ The *Australian Leaderships Awards* (ALA) are offered to high achievers from the Asia–Pacific region to undertake postgraduate study and a leadership development program in Australia.

53 *Committee Hansard*, 26 March 2009, pp. 39–42.

54 *Submission 47*, p. 5.

55 OECD Development Assistance Committee, *2008 Peer Review of Australia*, p. 71.

56 AusAID, <http://www.ausaid.gov.au/scholar/> (accessed 28 April 2009).

57 AusAID, <http://www.ausaid.gov.au/publications/pdf/studentstats.pdf> (accessed 14 July 2009).

11.37 Administered by DEEWR, the *Endeavour Awards* provide opportunities for citizens of the Asia–Pacific region to undertake study, research and professional development in any field of study in Australia, or for Australians to go overseas.⁵⁸ Up to 1,100 students study in Australia and under Australian Government-funded scholarship programs annually.⁵⁹ Over 370 international students were granted Endeavour Awards in 2008 but of that number less than 20 came from PNG and the southwest Pacific.⁶⁰ A 2009–10 budget initiative, the *Prime Minister's Pacific–Australia Awards*, will provide an additional \$3 million over four years 'to supplement existing scholarships for high achieving postgraduate students in the Pacific region'. Approximately 30 scholarships will be awarded per year. The scholarships comprise a short-term work placement in Australia.⁶¹

11.38 The Australian scholarships program is set to double in size over five years to 19,000 scholarships for the Asia–Pacific region.⁶²

Scope for improvement

11.39 A number of witnesses could see scope to expand the scholarship program, for example to the aviation industry. Qantas concluded:

Wider provision of technical training through scholarships for local aircraft engineers and pilot training would help in preparing local people for future employment in areas currently taken up by expatriate personnel. In saying this, we are conscious that retention problems arise when trained local personnel are attracted to wider opportunities available in Australia, New Zealand and beyond.⁶³

11.40 The Lowy Institute proposed that Australia could grant visas and create work opportunities for the scholarship graduates in the public and private sectors. They could then apply the newly acquired skills at home and thus contribute to a more professional working environment. The Institute also proposed that the scholarship

58 DEEWR, *Submission 42*, p. 19, Senate Standing Committee on Education, Employment and Workplace Relations, *Inquiry into Effects of Climate Change on Training and Employment Needs*.

59 AusAID, *Submission 65*, p. 11. The yearly cost of the scholarships is over \$55 million.

60 Australian Government 2008 Endeavour Award Holders, http://www.endeavour.deewr.gov.au/endeavour_alumni/2008_award_holders.htm (accessed 30 August 2009).

61 The Hon Stephen Smith MP, Minister for Foreign Affairs, and the Hon Bob McMullan MP, Parliamentary Secretary for International Development Assistance, *Budget Statement 2009-10: Australia's International Development Assistance Program*, p. 26.

62 The Lowy Institute, *Submission 14*, p. 4.

63 *Submission 41*, p. 11; see also Pacific Island Forum Secretariat, *Submission 69*, pp. 15–16.

program be extended to high school students, facilitating their access to higher quality education or employment opportunities.⁶⁴

11.41 Fiji's Acting High Commissioner informed the committee of his country's appreciation of Australia's support for, and funding of, education for Fijians.⁶⁵ He proposed that Australia review its scholarships to Fiji nationals and, instead of sponsoring Fijians at local institutions, it should increase the number of scholarships allowing study in Australia. The High Commissioner also suggested that as an alternative to scholarships (which is still the preferred option), Australia and other donors could fund the expansion of local institutions as this would address workforce shortages and staff retention challenges.⁶⁶

11.42 The OECD noted that there is room to improve the targeting of scholarships by linking them more closely with support for capacity development.⁶⁷ It used Australia's aid in Vanuatu to demonstrate this need:

Scholarships represent 11 per cent to 12 per cent of the aid budget...Despite their importance, scholarships are not closely connected with the aid programme and their impact is not documented. While being responsive to government needs, Australia could promote a more systematic approach linking scholarships and capacity development. It could build on the increased integration of AusAID's support within the scholarship unit of the ministry of education to do so.⁶⁸

Graduate associations

11.43 The Australian Government has a longstanding scholarship program in PNG. As a result, there is an Australia–Papua New Guinea alumni association with hundreds of alumni. His Excellency Chris Moraitis, Australia's High Commissioner to PNG, noted that 'It is actually a good body of civil society who have good connections with Australia. There are lawyers, doctors, engineers—a whole variety of areas. That is something that AusAID continues to provide'.⁶⁹

Committee view

11.44 The committee supports the Australian Government's extensive scholarship program and draws attention to the various suggestions on how Australia could enhance this program. It notes in particular the observation made by the OECD peer review that 'scholarships are not closely connected with the aid programme and their

64 *Submission 14*, p. 4.

65 *Submission 28*, p. 7.

66 *Submission 28*, pp. 16–17.

67 OECD Development Assistance Committee, *2008 Peer Review of Australia*, p. 70.

68 OECD Development Assistance Committee, *2008 Peer Review of Australia*, p. 110.

69 *Committee Hansard*, 19 March 2009, p. 8.

impact is not documented'. Further, that Australia could 'promote a more systematic approach linking scholarships and capacity development'. These observations are similar in nature to the criticism levelled at regional training institutions not meeting local needs.

Recommendation 9

11.45 The committee recommends that the Australian Government ensure that its scholarship scheme for Pacific islanders complements the education and training priorities as determined by Pacific island countries.

11.46 With regard to building on the linkages established while studying in Australia, the committee notes with interest His Excellency Moraitis' remark about the Australia–PNG alumni association. It believes that initiatives of this kind provide an excellent opportunity for the government to build stronger ties and relationships with its neighbours. The committee refers to its report on *Australia's public diplomacy* (2007) where it discussed at length the benefits and size of the alumni networks. It pointed out that many of the students who study in Australia eventually occupy key positions in their communities and acknowledged the potential for these students to be goodwill ambassadors for Australia. The committee concluded that while the benefits of these networks are acknowledged at different levels of government and the education sector, more could be done to maintain and deepen links well after study in Australia finishes. The committee reiterates its recommendation:

...that the government take a more active role in working with Australian educational institutions to develop stronger and more effective alumni programs for overseas students who have studied in Australia.

Brain drain

11.47 The committee touched on the problem of brain drain in its consideration of training air safety personnel. Unfortunately, the allure of overseas employment for trained Pacific islanders cuts across all areas of employment. The Australia Pacific Islands Business Council noted that the flight of intellectual capital:

...is a significant impediment to the long term economic, political and social development of these economies. Australia is a willing partner in this flight, and it is our view that steps need to be taken to staunch the flow.⁷⁰

11.48 For example, it argued that scholarships are often seen by Pacific island nationals 'as a means of positioning themselves to qualify for migration to Australia'. The council suggested that the period in which the scholarship recipient is precluded from applying for a migration visa be extended in order for their home country to gain

70 Australia Pacific Islands Business Council, *Submission 15*, pp. 11–12, to the Foreign Affairs, Defence and Trade Committee's inquiry on *Australia's Relationship with Papua New Guinea and the Island States of the South-West Pacific*, 12 August 2003.

the benefit of their skills and knowledge.⁷¹ The Australia Fiji Business Council would like the Australian Government to continue studying brain drain or conduct a study of AusAID scholarship recipients over the last ten years to establish 'how many of them are still contributing to the economic development of their country of origin'. In its view, there is a need to have a more accurate picture of the loss of intellectual capital from the region.⁷²

Recommendation 10

11.49 The committee recognises the problem of brain drain in the Pacific region and recommends that the Australian Government fund a study of both its scholarship recipients from the region and graduates from the APTC to obtain a greater understanding of the nature and extent of brain drain and of the incentives required to retain knowledge and experience in the region.

Statistics

11.50 In the previous chapter, the committee discussed the poor quality of statistics on school enrolment and retention rates and literacy and numeracy levels in Pacific island countries. Various submitters pointed out how important accurate data is for the improvement of education. The Australian Government has acknowledged the need to improve Pacific islands' statistical information and increased its funding for this purpose in the 2009–10 Budget.⁷³ The committee supports the work of the Australian Bureau of Statistics and the Australian Government in this field and urges them to continue their cooperation with the island nations to improve the collection and accuracy of data on literacy, numeracy and school enrolment and retention in the Pacific island countries.

Governance

11.51 The committee identified the lack of capacity in the administrations of Pacific island countries to deliver education services as a major impediment to improving overall education performance. In this regard, AusAID assists Pacific island countries and PNG to develop budgets for the education sector. In addition to setting wider objectives such as enrolment rates, the government establishes detailed costings for the delivery of education services.⁷⁴ AusAID noted, however, that this assistance had not generated desired outcomes:

...work on policy advice and budget management has generally not improved service delivery, but attempts to supply services directly often

71 Australia Pacific Islands Business Council, *Submission 15*, p. 12 to the Foreign Affairs, Defence and Trade Committee's inquiry on *Australia's Relationship with Papua New Guinea and the Island States of the South-West Pacific*, 12 August 2003.

72 Australia Fiji Business Council, *Submission 58*, attachment, pp. 7–8.

73 AusAID, *Tracking Development and Governance in the Pacific*, 2009, p. 80.

74 Mrs Margaret Callan, *Committee Hansard*, 12 March 2009, p. 31.

achieve good results that fall away once projects are complete. Assistance therefore needs to be informed by a more complete understanding of the entire service delivery system—setting policy, managing at central and decentralised levels, delivering at point of service, and achieving of outcomes.⁷⁵

11.52 This observation about the limited lifespan of donor assistance when it comes to technical assistance has much broader application to the provision of aid in general and is discussed in Part III of this report.

11.53 Governments in Pacific island countries not only have to manage the internal administrative challenges affecting the delivery of educational services but they must also deal with the numerous donors that provide assistance.

Donors

11.54 Most of the education assistance to Pacific island countries is bilateral.⁷⁶ There are many external parties active in the Pacific education sector, including close neighbours Australia and New Zealand; other countries such as Japan and the United States; and non-state actors and international organisations—the United Nations, ADB and the European Union. Australia is the largest donor.⁷⁷ A report on Pacific education noted that Pacific island countries:

...are generally sourcing their technical support for education from approximately five to seven agencies, often two to three bilateral donors and the equivalent number of regional and international development partners. Provided the support is delivered in a harmonised manner the so-called donor fatigue should not be a major issue for Pacific countries in education.⁷⁸

11.55 Evidence suggested, however, that donor requirements place a strain on the already limited human resources of Pacific island countries. Donors have their own strategic objectives that guide their education assistance to the region.⁷⁹ Education officials are said to be 'often overwhelmed' by donor and NGO reporting requirements. This situation is exacerbated by 'considerable overlap' among donors and duplication of aid delivery and the 'Weak consultative processes, inadequate

75 AusAID, *Tracking Development and Governance in the Pacific*, 2008, p. 18.

76 Mr Edward Vrkic, *Committee Hansard*, 19 June 2009, p. 12.

77 The United States provides funding mainly to its associate countries in the region. Asian Development Bank, *Skilling the Pacific: Technical and Vocational Education and Training*, Executive Summary, 2008, pp. 38–39.

78 Pacific Islands Forum Secretariat, *Report on the Review of the Forum Basic Education Action Plan and Associated Regional Processes*, Forum Education Ministers' Meeting, Tonga, 24–26 March 2009, pp. xxiii–xxiv.

79 Asian Development Bank, *Skilling the Pacific: Technical and Vocational Education and Training*, Executive Summary, 2008, pp. 38–39.

needs analysis and the failure to include appropriate resource allocations'. Some Pacific island countries also have difficulty absorbing and building upon donor assistance: funding cannot be adequately allocated because Pacific island countries have not clearly articulated their needs; 'nor are they ready to say "no" when they perceive offers of support to be inappropriate'.⁸⁰

11.56 The challenge is for the different actors to ensure that their priorities and those of the Pacific Islands Forum education ministers align and form a strong basis for the Pacific islands education policy. Clearly, there is a need to coordinate the assistance more effectively. A report by the Pacific Islands Forum Secretariat found that:

...countries are seeking improved coordination and harmonisation of such technical assistance. While significant harmonisation efforts are already underway among a number of development partners and regional agencies...more is desired.⁸¹

11.57 According to the Secretariat, harmonising donor practices 'will go a long way to assist small island countries who struggle with multiple formats and requirements for the same procedures'. Accountability guidelines and requirements mandated by donors should be simplified and standardised 'as much as possible'.⁸² Further, the Pacific Islands Forum Secretariat indicated that assistance needs to be:

- 'long term, predictable and transparent to allow for recipient countries to make medium and long term plans';
- 'supportive to, and aligned and integrated with, national educational plans and priorities'; and
- focussed on national priorities rather than 'primarily on advancing the agenda of donors or development partners'.⁸³

Committee view

11.58 Evidence to this inquiry shows that Pacific island governments require training to build their capacity to deliver and manage their education services, as well as deal with donor requirements. The committee urges the Australian Government to continue its support for building capacity in the administration of education and to

80 Pacific Islands Forum Secretariat, *Pacific Regional Initiatives for the Delivery of Basic Education, Draft Financing Proposal*, 9th EDF.

81 Pacific Islands Forum Secretariat, *Report on the Review of the Forum Basic Education Action Plan and Associated Regional Processes*, Forum Education Ministers' Meeting, Tonga, 24–26 March 2009, p. xxiii.

82 Pacific Islands Forum Secretariat, *Report on the Review of the Forum Basic Education Action Plan and Associated Regional Processes*, Forum Education Ministers' Meeting, Tonga, 24–26 March 2009, p. 58.

83 Pacific Islands Forum Secretariat, *Report on the Review of the Forum Basic Education Action Plan and Associated Regional Processes*, Forum Education Ministers' Meeting, Tonga, 24–26 March 2009, p. xxiv.

strive for improved cooperation and coordination with the activities of other donors to reduce the burden on the recipient countries.

Gender equality

11.59 The committee also raised the issue of gender equality in the education systems of some Pacific island countries. In this regard, Dr Jane Lake, Assistant Director General, Pacific Branch, AusAID, explained that all Australia's programs 'focus on improving gender equity in education' and work at the school level.⁸⁴

Review of Australia's assistance to education and training in the region

11.60 Mr John Davidson, AusAID, informed the committee that the government is reviewing the effectiveness of Australia's approach to education and its funding. AusAID has engaged a number of international experts to examine Australia's education aid. The review is likely to be finalised in October–November 2009.⁸⁵

11.61 The committee has drawn attention to a number of its concerns relating to Australia's assistance to the region that are already the subject of recommendations. The committee suggests that the review consider these matters—the extent to which Australia's education and training assistance aligns with the needs and priorities of Pacific island countries and the problem of brain drain. In addition, the committee suggests that the review look closely at the non-formal education sector and whether Australian assistance in this area could be of benefit. The committee also notes that the *Prime Minister's Pacific–Australia Awards* comprise a short-term work placement in Australia and suggests that the review consider closely the effectiveness of this arrangement.⁸⁶

84 *Committee Hansard*, 19 June 2009, p. 49.

85 *Committee Hansard*, 19 June 2009, p. 49.

86 The Hon Stephen Smith MP, Minister for Foreign Affairs, and the Hon Bob McMullan MP, Parliamentary Secretary for International Development Assistance, *Budget Statement 2009–10: Australia's International Development Assistance Program*, p. 26.