

The **Coalition** Government

Election 2007 Policy



“GO FOR GROWTH”

BUILDING THE AUSTRALIAN TECHNICAL COLLEGES OF TOMORROW

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EXECUTIVE SUMMARY

At the last election, the Coalition committed to build a national network of Australian Technical Colleges providing quality senior schooling and trade training for young Australians.

Today, there are 21 Australian Technical Colleges in operation, with around 2,000 students. Another four Colleges will open for the school year in 2008 and plans are well advanced for three new Colleges in north eastern Perth, southern Brisbane and the greater Penrith region of Sydney.

When all 28 Australian Technical Colleges announced to date are open, around 10,000 students will be studying at the Colleges, spread across 50 campuses.

The Coalition believes the option of quality technical education is critical to ensuring Australians are equipped to help build our nation and our future prosperity.

A re-elected Coalition Government will establish a further 100 Australian Technical Colleges, 30 through direct funding and a further 70 existing state or independent secondary schools being funded to convert to Australian Technical Colleges.

Two of the new Colleges will be dedicated to skilling the Australian Defence Force.

These initiatives will invest a further \$2.1 billion over 10 years into skills training in Australia and will build on the Coalition's strong track record of supporting and encouraging technical trades training in Australia.

The Coalition believes State and Territory Governments made a mistake when they closed the technical school systems in the 1970s and 1980s. It was part of a flawed mind-set which saw skills training as a second class choice for young people.

Successive Labor Governments at the Federal, State and Territory level forced young Australians to think that a university degree was the only path to a prosperous future.

The Coalition has challenged the attitude that apprenticeships and skills education are "second best" to university and turned around the approach to vocational education across the nation.

Following the Coalition's lead in 2004, no fewer than six State and Territory Governments have reintroduced some form of school-based trade training in their state school systems.

The Coalition's trades initiatives, including Australian Technical Colleges, Commonwealth Trade Learning Scholarships and Australian Government Tool Kits for apprentices, have elevated the status of skills training and rewarded those students whose talents flourish in environments which bring together both academic and technical tasks.

More support for technical training is part of the Coalition's plan for achieving full employment by continuing to grow the Australian economy. The Coalition's goal is to cut unemployment to 3 per cent over the next three years.

The Coalition's Tax Reform Plan announced by the Prime Minister and Treasurer on 15 October 2007 provides the incentives to encourage an additional 65,000 people into the workforce over the medium term.

This comprehensive plan will particularly benefit working women with children, 65 per cent of whom will pay no more than 15 cents in the dollar in tax.

Tax cuts delivered by the Coalition have encouraged an additional 300,000 people into the workforce since the year 2000. This has helped contribute to our 33 year low in unemployment and a workforce participation rate which is at record highs.

To provide the opportunity for more Australians to improve their skills and move into the workforce or get the job they want, a re-elected Coalition Government will also make available a \$3,000 Work Skills Voucher to anyone who is eligible. Each year this will help at least 60,000 people over the age of 25 who have not completed year 12 improve their skills.

Work Skills Vouchers have already helped 45,000 people without a year 12 qualification to access the training they need to help them share in Australia's prosperity.

100 MORE AUSTRALIAN TECHNICAL COLLEGES

The Coalition believes the option of quality technical education is critical to ensuring Australians are equipped to help build our nation and future prosperity.

To build on the Coalition Government's \$2.9 billion annual investment in skills training, a re-elected Coalition Government will invest an additional \$2.1 billion over 10 years to create a further 100 Australian Technical Colleges.

This will be achieved through:

- Establishing 30 new Australian Technical Colleges, including two Australian Defence Technical Colleges; and
- Converting 70 existing state or independent secondary schools into Australian Technical Colleges.

This will ensure that in the decades ahead young Australians with strong technical skills will have the opportunity to develop their talents at a secondary school level and set themselves up for a challenging and successful career.

(i) 30 New Australian Technical Colleges

The Coalition's 30 new Australian Technical Colleges will offer students the opportunity to complete their senior secondary schooling at years 11 and 12 while undertaking a school-based apprenticeship in a critical skill shortage trade.

The new Colleges will consist of 28 further schools based on the original Australian Technical College model and two specialist Australian Defence Technical Colleges.

All students at the Colleges will:

- undertake years 11 and 12 curriculum in English, maths, science and information technology;
- undertake business education, including how to run a small business and tuition in business management;
- undertake practical education and training in addition to standard years 11 and 12 curricula;
- have the opportunity to sit for their year 12 certificate;

- gain essential skills for the workforce, such as working as part of a team, communication, problem solving, self-management, planning and organising and information technology;
- receive professional careers advice;
- undertake practical work-related experience in a range of industries in areas of the students' interest; and
- build relationships with local industry through their school-based apprenticeships, leading to employment after school.

The Colleges will be established on both greenfields and existing sites.

Tenders to establish the Australian Technical Colleges will be based on partnerships of:

- small, medium and large businesses in the local region;
- private and public registered training organisations, including TAFE;
- government and non-government schools; and
- universities and other education providers.

All tenderers will be expected to demonstrate partnerships with local businesses that would enable the College to draw on existing industry and education infrastructure. The Colleges will be chaired by industry and will include education and community representatives on their boards.

Teaching staff in the colleges will be drawn from industry, as well as from the government and non-government school system and the private and public training system.

All the colleges will be run autonomously by their principals, who will also be able to engage teaching staff on a performance pay basis, attracting those with sought-after and up-to-date industry skills and experience.

The Colleges will be based in regions experiencing serious skills shortages and high rates of youth unemployment, which are supported by a significant or rapidly growing industry base.

Two Australian Defence Technical Colleges

Of the 30 new Australian Technical Colleges, two will be designated as specialist Australian Defence Technical Colleges.

These Colleges will provide high quality schooling and trade education to students who want to work towards a career in the Australian Defence Force (ADF) or related defence industries.

These Defence Technical Colleges will be located in the Adelaide area and in South East Queensland. They will be defence-focused senior high schools emphasising technical skills excellence, familiarising students with the defence environment and promoting physical fitness.

On leaving the Defence Technical Colleges, each graduate will have gained:

- A skills-oriented senior secondary qualification;
- A thorough understanding of Defence and Australia's military history;
- Experience of leadership roles, and of activities such as cadets, through the ADF; and
- Fitness, through a robust physical education programme.

In addition to the acquisition of new skills, and a solid senior school education, graduates of the Colleges will be given preferential consideration for entry into:

- The Australian Defence Force;
- The Coalition Government's new ADF Gap Year programme;
- The Australian Centre for Defence Skills; and
- The Defence Skills Scholarships programme.

(ii) Converting 70 secondary schools to specialist Australian Technical Colleges

Funding of more than \$1 billion will be made available for 70 independent and/or government schools to convert into Australian Technical Colleges offering their students a year 12 qualification and a school-based apprenticeship.

Around Australia there are many schools that would like to provide a high-quality technical education if only they had the facilities. Many of these schools were Technical High Schools until they were closed by State and Territory Governments.

Schools whose applications to convert to an Australian Technical College are successful will be eligible for a capital grant of up to \$10 million.

To be eligible for funding, schools will have to:

- demonstrate governance arrangements which allow for local industry participation and offer courses that respond to local area skills needs;
- offer classes and apprenticeships at Certificate III level;
- offer a year 12 certificate;
- invest in state-of-the-art equipment and facilities, with the prevailing focus of the school to be on technical training; and
- offer Australian School-based Apprenticeships.

In line with the existing Australian Technical Colleges, new Colleges established by the Australian Government or converted state and independent schools will receive recurrent funding consistent with the existing funding formula for both government and non-government schools.

HIGHLIGHTS OF THE GOVERNMENT'S ACHIEVEMENTS

Since 1996 the Coalition Government has invested \$24 billion in skills and training. This compares with the \$1 billion spent by Labor in 1995-96.

Specific initiatives include the \$837 million *Skills for the Future* package which included mature apprentice wage subsidies, \$3,000 Work Skills Vouchers, \$500 Business Skills Vouchers and more engineering places at Australian universities.

Over the last four years 544,000 apprentices have completed an apprenticeship, compared with just 30,900 completions in 1996.

The number of Australian apprentices in training has almost trebled, increasing from 154,830 in 1996 to 415,000 today.

The number of Australian apprentices in training aged under 25 years has increased 70 per cent since 1996, from 138,820 to 236,340.

The Coalition Government has established 28 Australian Technical Colleges since 2004, at a cost of \$530.9 million. Around 2,000 students are already participating at 21 Colleges and it is expected that around 10,000 students will attend Australian Technical Colleges by 2009. Seven more Colleges are in the pipeline. Each College is led by industry.

Australian School-based Apprenticeships have increased from 4,410 in 2001 to 16,760 in December 2006 – a 280 per cent increase. The Coalition Government removed industrial relations barriers to School-based Apprenticeships and funded incentives such as the Tools for your Trade, Commonwealth Trade Learning Scholarships, Apprentice Wage Top-Up, Training (Fee) Vouchers, Living Away From Home Allowance and employer incentives.

Enrolments in vocational education and training in schools have increased by 207 per cent since 1996, to 182,919 in 2005. In 2005 approximately 37 per cent of all senior secondary students were enrolled in vocational education and training in schools.

Since January 2007, under the *Skills for the Future* package, we have distributed over 45,000 Work Skills Vouchers at \$3,000 per voucher, up-skilling and re-skilling Australians aged 25 and over who do not have year 12 or equivalent or Certificate II or higher qualifications.

These vouchers have been so successful that a re-elected Coalition will expand this programme to provide a Work Skills Voucher to any eligible person without a year 12 qualification who wants to improve their skills to move into the workforce or get a better job.

LABOR'S RECORD

Labor's idea of technical training, is one dimensional.

"I'm not confident that that currently represents the best allocation of the taxpayer's dollar," he (Rudd) said of the differing funding programs for TAFEs, apprenticeships, technical colleges and vocational education in schools." (AFR, 2/10/07, page 5)

If Labor wins the next Federal election, the push to reintroduce a large number of dedicated technical schools will be lost. It will be actively and ideologically opposed by Labor.

Labor's proposal to assist with a modest up-grading of existing technical facilities and equipment in all of Australia's 2,650 secondary schools will perpetuate Labor's one-size-fits-all approach to secondary education. Labor's bias towards university education *at the expense of* trades training would continue.

Labor's approach would fail to seriously prepare students with strong technical and vocational talents for a career in the trades.

At the same time, Labor remains beholden to the unions and we know that education unions are fundamentally opposed to the Coalition Government's new technical colleges because they don't control them.

The new Technical Colleges are governed and led by local industry and local educators – a far cry from the stranglehold exercised by the education unions over public secondary education in Australia.

And, of course, the unions see an education system which promotes specialisation, quality which can be measured and reported, diversity and competition as elitist and abhorrent – to be opposed at all costs.

Education union ideology drove the closure of specialised technical schools over the last quarter century, and their replacement with one-size-fits-all secondary schools. Australia is still paying a heavy price for that mistake.

But Labor still hasn't learnt from that error.

Labor's policy approach is to try to patch up a 20th century mistake in technical education, rather than strike out and help to create a 21st century solution.

Labor will cut funding to skills training

In an interview with the Australian Financial Review, Mr Rudd was asked. "What will be the scope of the razor gang?" In reply he said, "No 2 of course goes to, I think, quite murky area of, let's call it post—secondary vocational education and training and the complex interrelationship between TAFEs, training beyond TAFEs, the apprenticeships and training scheme, Voc Ed in schools – and I'm not confident that that currently represents the best allocation of the taxpayers dollar." (AFR, 2/10/07, page 58)

At a time of a skills and labour shortage, Kevin Rudd has admitted that a future Labor government would cut funding in the vital area of trades training – but he won't say how much, when or where.

Mr Rudd has said that a six month razor gang enquiry will look into what he described as the "murky" area of vocational funding.

The only thing murky about this area is where Mr Rudd will make major cuts.

Cuts to any one of the Government's current programmes will severely undermine efforts to cope with the labour shortage.

Where will Labor cut programmes?

- Which Australian Technical Colleges will he shut and what will happen to the thousands of students studying at them?
- Which Australian Apprenticeship centres will he close and which of the thousands of apprentices currently undertaking their qualification will be cut part way through?
- What apprenticeship incentives will he scrap to make it that much harder for Australians to pursue the career of their choice in the trades?
- What employer incentives will he abolish so that employers cannot afford to take on apprentices and give them vital training?
- Where will he cut TAFE funding?

COSTINGS SUMMARY

BUILDING THE AUSTRALIAN TECHNICAL COLLEGES OF TOMORROW					
Policy Measure	2007-08 \$m	2008-09 \$m	2009-10 \$m	2010-11 \$m	TOTAL \$m
New Australian Technical Colleges, including two Defence Technical Colleges*	-	17.7	40.1	56.6	114.4
Conversion of secondary schools into Australian Technical Colleges	-	37.7	52.1	67.0	156.8
TOTAL	-	55.4	92.2	123.6	271.2

* Note – funding for the Australian Defence Technical Colleges was announced on 24 October 2007 as part of the Coalition’s Skills for Australia’s Future Defence plan.