



Australian Technical Colleges – Raising the Status of the Traditional Trades

During the 2004 Federal Election campaign, the Australian Government promised that if re-elected it would create 24 Australian Technical Colleges in targeted regions as part of its longer-term response to skills shortages and also to raise the status of vocational education and training in Australia. ACCI, the nation's leading employer organisation, has developed a model and a set of guiding principles for these colleges to ensure that the Government's objectives are met.

The Department of Employment and Workplace Relations (DEWR) has been monitoring and assessing skill shortages for over 25 years. While no trade has been in constant shortage, some trades have been in shortage for the majority of that time. Labour and skill shortages are exacerbated in times of economic growth and low unemployment.

Labour and skill shortages are complex labour market problems for which there is no quick fix. As unpopular as that notion is, industry has been active in working with governments to address shortages through a mix of initiatives and strategies including:

- Preparation of career information for students and parents on available occupations and opportunities in the range of industries affected by shortages.
- Promotion to employers of the benefits of New Apprenticeships and other Vocational Education and Training (VET) activity in schools.
- Working with the education sector to improve understanding of employer views and requirements of education and training, including employability skills.
- Encouraging governments to link all public funding to choice by the employer of their preferred provider (User Choice).
- Establishing new, innovative pathways to a qualification (which suit a broader number of individuals and businesses), including School Based New Apprenticeships (SBNAs).
- Industrial relations reform.
- Lifting the image of VET in the minds of young people and parents, and attracting a broader range of young Australians into areas with labour and skill shortages rather than other education and training options.

Australian Technical Colleges (ATCs) will address a number of these issues - in particular:

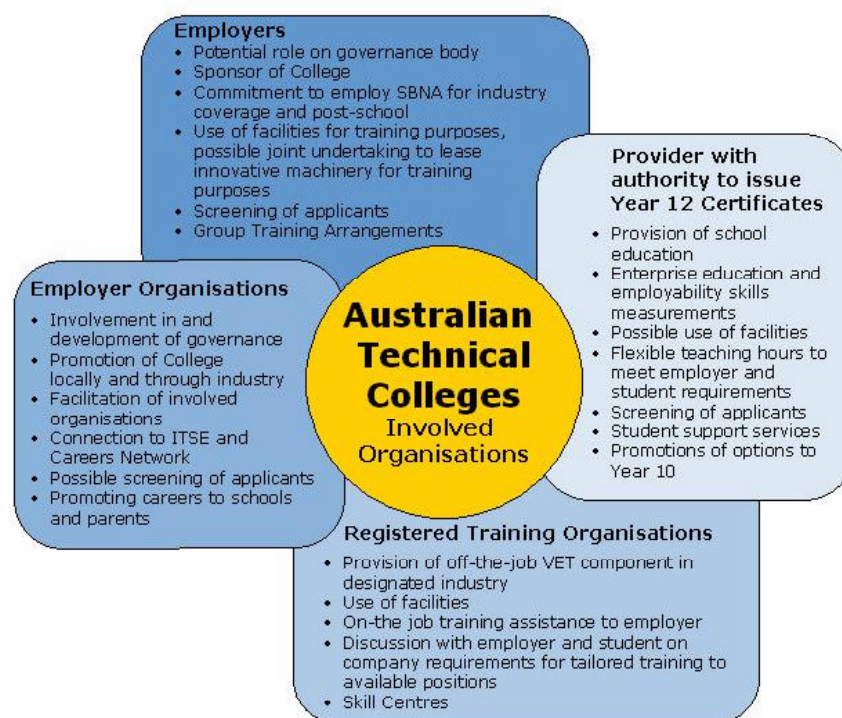
- Providing a boost to SBNA commencements in the traditional trades. In 2003, of the 12,300 SBNAs in Australia, only 13.4 per cent were in general construction, metals and engineering, automotive industry retail, service and repair and hairdressing.¹ Whilst retail, hospitality and other service industries are important to the economy and opportunities must be provided in those industries, growth in the traditional trades is necessary.
- Tackling the low awareness by some businesses of the wide range of options available under SBNAs including block release and job sharing through Group Training Organisations.

- Encouraging some students into this option who have settled on a career choice but wish to leave their options open for university.
- Addressing the desire of parents, students and employers to have business and employability skills as a clear strand of learning.
- Establishing an integrated, professional employment education and training option which has the credibility of business and entrance standards set by education providers and employers which enhance the status of the institutions.
- Encouraging young people to maintain their education, particularly in maths, English and science, to meet the higher level of literacy and numeracy requirements of employers.
- Recognising that other training pathways may be more appropriate for students who have not chosen their desired area by the end of Year 10, including unpaid VET in Schools, work experience and SBNA's later in Year 11 and 12.

ACCI'S PROPOSED ATC MODEL

Since the Federal Election, ACCI has had extensive discussions with its member organisations and the wider business community on how ATCs should operate, the level of employer involvement and the essential outcomes for students. ACCI has now developed a proposed model and set of key principles on their establishment (see Figure 1) and will assess any ATC proposal against these principles prior to endorsing them.

Figure 1
ACCI's Model for Australian Technical Colleges



Key Principles on Assessing ATC Proposals

- Each consortium should be business led taking into account the importance of the school-VET pathway.
- Additional Federal funding should not be used to duplicate existing infrastructure.
- Opportunities should be taken to introduce innovative responses, particularly the involvement and use of enterprises and their facilities, the use of technology by the school and Registered Training Organisation (RTO), and block release for students to undertake SBNA.
- Recognition that the approach is to specifically increase SBNA in traditional trades and raise the status of activity in the minds of parents. It is not expected that other important options like SBNA later in schooling, VET in Schools for Years 11 and 12, or vocational learning in Year 9 are to be replaced or lesser options for some students.
- The model needs flexibility in deciding what is appropriate for a given region, including the need to take account of the impact of ATCs on existing school enrolments. Sub-contracting by an ATC governing council for school and RTO services may be the best option.
- Industry must be involved in the governance arrangements.
- Total specialisation in one industry sector is not supported as it cannot reflect the diversity of the local labour market opportunities and limits the ongoing versatility and flexibility of *options in the future*.
- Tendered arrangements are not appropriate given the venture is not commercial and the disparate interests which may be involved in each region. One goal should be to connect all interested parties to maximise regional economic benefits of the initiative.
- Interested parties need to be mindful of the size and scope of industry coverage, availability of funds and the ability to effectively service a region.
- The Commonwealth and States and Territories and the relevant Boards of Study should develop protocols to ensure that the traditional trades training is included in the students' Tertiary Entrance Score or equivalent.
- Each ATC should be encouraged to demonstrate Best Practice and be used as models of employment and training practice at regional levels.
- The present high standards of VET must be maintained and be applied stringently to ATC operations.
- The four elements of the ACCI model must be in all successful ATC operations.

These four elements are:

1. Employers

As with RTOs, employers already engage in a range of partnership arrangements for the delivery of the range of existing VET options in schools. In addition to involvement in governance structures, the role of individual employers will be to provide employment and training options through a training contract with the student who will become an employee. This will involve employment from the commencement of Year 11.

As with other staffing arrangements some involvement in selection processes and use of provider bodies such as Group Training Organisations may be appropriate. Closer linkages with the ATC would be encouraged and where appropriate, the employer may offer the use of their facilities for education and training purposes.

Business leadership, knowledge and expertise in the thinking of community based governance structures is clearly an area where employers might contribute to the operation of ATCs. By

utilising their networks, they are also likely to have their finger on the pulse of industry needs at the regional level. This sort of intelligence will be critical to the success of the ATCs.

There will also be the need to instigate at a national level industrial relations reform which allows an Award-based process to remunerate SBNA in all traditional trades areas.

2. Employer Organisations

Employer organisations are often cast in the role of “honest broker” especially at the regional level and can bring interested parties to the table and facilitate their involvement.

The value of employer networks in providing assistance to ATCs cannot be underestimated. Individual employers, especially small business operators, may not have time for the complexities of governance in broader industry perspectives. Business thinking and a business approach rather than a bureaucratic approach are the domain of individual employers. The support and expertise of employer organisations plus utilisation of the networks they are involved in, adds value to this venture. They may also be in a position to provide assistance to individual employers in screening processes.

At the macro level connections can be provided to other government initiatives with employer leadership such as the Institute for Trade Skill Excellence and the Australian Network of Industry Careers Advisers. The delivery of accurate, up-to-date industry information to students and their parents will be critically important support mechanisms for the ATCs. Parents need to be aware of the opportunities and current financial benefits of participating in the traditional trades today. They also need to understand the role of technology and understand the way in which industry has changed if they are to give appropriate advice that is current.

3. Registered Training Organisations

While the ATC could be a school, partnership arrangements with RTOs will be an essential feature. The RTO may be an existing school, a TAFE provider or a privately run Skill Centre. Quality delivery will be assured through Australian Quality Training Framework processes. Partnerships/auspicing arrangements with RTOs already feature in school operations in other VET areas but this allows a fully integrated option at each designated region.

An essential ingredient in the ATC mix will be engagement with industry and responsiveness to industry needs. For RTOs this will most likely involve flexible delivery including some up front off the job training in areas such as occupational health and safety. Clear communication and operational arrangements will need to be developed, building on best practice which exists already in some regions. Flexible arrangements will be necessary to provide the framework for delivery of the VET component of an SBNA.

4. Provider with Authority to Issue Year 12 Certificate

ACCI expects that a school will operate as an ATC itself or act in partnership with a number of schools in a region. In some cases, TAFE has been delegated the authority to offer Year 11 and 12 courses.

The school will need to be flexible in delivery, particularly when students may need to be released in a block to undertake on-the-job training. This may require innovative IT based learning and delivery options.

There will be a requirement that teachers are suitably trained and have an understanding of employer and industry expectations. In some cases, this may involve ATCs purchasing specialist expertise.

Relevant courses at a tertiary level of study such as business studies already exist in all jurisdictions. Work has commenced to incorporate employability skills into curriculum frameworks and pilot work to record and recognise them. In addition, work needs to be undertaken to identify how the New Apprenticeship can contribute to university entrance.

New packaging to bring these elements together and completion of work on employability skills will provide the necessary architecture to issue students with the relevant certification to reflect the course of studies they have undertaken.

The Victorian Certificate of Applied Learning offers a good model in that it is possible to register tailored options rather than a one size fits all approach. The Victorian Qualifications Authority has shown initiative in ensuring quality outcomes with flexible delivery options.

ESSENTIAL STUDENT OUTCOMES

It is important that the ATCs capture the interest of parents and young Australians but also provide an exciting opportunity to learn in the classroom and at work and earn money.

ACCI believes there are three essential student outcomes from the ATCs:

- Partial completion of an SBNA which would be offered from the commencement of Year 11, with a commitment by an employer and the apprentice to complete the qualification after Year 12.
- A Tertiary Entrance Score.
- An outline of employability and business skills attained.

The ATC option is not suited to students who are still deciding in which industry they will work in the future. It is for students who, with their parents, have made a clear decision to seek an employment outcome while continuing their school studies. While the academic offerings won't mean students will be locked out of future study options and allow the flexibility to change one's mind, the candidate will be attracted to an ATC on the understanding they will have made a decision to enter a certain industry that is experiencing a skill shortage.

Preparation for the possibility of self-employment through specific focus on employability and business skills will further assist the student to continue in the industry once a training period is finished.

The emphasis of ATCs on ensuring all graduates meet university entrance requirements contributes to a well-rounded education and also keeps options open - an important consideration for parents and the student.

ATC graduates will be highly skilled individuals, gaining skills from industry experience and capable of running their own business in the future. They will be nurtured by their industry of choice and encouraged to stay there. Future study options will be available to them and they will provide role models to younger students.

Industry cannot afford to lag behind the times if it is to compete in the global market. A cultural shift is needed to make this possible and can be lead by well-prepared, skilled individuals.

Conclusion

Without doubt ATCs mark the beginning of a bold new approach by the Australian Government as part of a suite of strategies to address Australia's skill shortage problem.

This initiative complements other work in this area and attempts to tackle some of the attitudinal barriers to parent and student perceptions about the trades. Given the long-term nature of the skill shortage crisis in the traditional trades it is clear that all barriers need to be addressed where it is possible.

Notes:

¹ National Centre for Vocational Education and Research *VET in Schools* 2003.