

## **Media Release**

### **Contract Review Urged for Australian Technical Colleges**

Monday 16 July 2007

Contracts for the Federal Government's 28 flagship technical colleges should be reviewed with average costs now ballooning to \$175,000 per student, and new data revealing enrolments failing to meet targets.

New media revelations on enrolment data across four states showed enrolments failing to meet College business targets.

A National Audit Office review into Australian Technical Colleges was recently conducted, and is likely to be tabled when Parliament resumes. Enrolment data on ATCs has so far not been released by the Federal Government.

Martin Riordan, Chief Executive of TAFE Directors Australia, said the Government should re-open contracts for ATCs ahead of the Audit Report, given revelations on failed enrolments.

He said ATCs duplicated TAFE-based VET courses and colleges, and were poor integrated with skills industry and schools. Parents and students have responded with continued enrolments at TAFE colleges, but few at ATCs.

During the last election campaign the Government claimed that the colleges would "revolutionise vocational education and training" and help tackle the skills crisis.

Martin Riordan said: "Australian Technical Colleges were only ever designed to support the widening of skilling at the level of Years 11 and 12 students.

"The \$350M election pledge quickly ballooned to almost \$550M, yet the results show this was a hasty and unnecessary duplication at the expense of leveraging existing skilling facilities at TAFE colleges."

Martin Riordan said the misdirected funding ignored consecutive years of high satisfaction rates with TAFE – by both industry and students.

He added: "Today's media reports raise doubts about initial Government claims that 7200 year 11 and 12 students would be trained nationally each year."

Martin Riordan said similar schemes in Europe had shown that, to be successful, schools had to collaborate with skills institutes.

TAFE Directors Australia is the peak body representing Australia's 56 TAFE Institutes.

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## THE TAFE 10 POINT REFORM AGENDA

1. **Trade Diploma Qualification** – The Australian Trade Diploma would involve intensive front-end full time TAFE training to successfully engage and equip younger and older Australians Workforce Engagement with Trade Qualifications.
2. **Youth Engagement & FEE HELP** – A significant salary boost for apprentices is essential, with employers provided with substantive taxation incentives to deliver benefits to apprentices commensurate with a career choice in modern traditional trades. Fee Help is also an important foundation support for equity across higher education and vocational education.
3. **Youth Transition from School** – The Australian Government should commit to alternate Year 12 programs, and support technical colleges directly linked with TAFE institutes.
4. **Youth Guarantee** – A national technical college network should be established. The Colleges should be accompanied by the national adoption of the **Youth Guarantee**, currently a Victorian Government plan effective 2007.
5. **Indigenous Charter & Extending Youth Guarantee in rural and regional communities** – The TAFE Indigenous Charter, initiated by TAFE Directors Australia and the Australian Government in 2005-06, promoted wider community training. TDA advocates extension of the Youth Guarantee to indigenous Australians to 30 years-of-age in remote rural and regional areas.
6. **Skilling Migrants** -- Australia should motivate migrants to enrol in selected trades where there are skill shortages, and for this to be rewarded by recognition under the Migration Points System.
7. **Innovation Platform** – Widening access and engagement for TAFE with industry and community, Non Government Organisations and government research and development and innovation, and provide for application of Cooperative Research Centres (CRCs) and the Australian Research Council (ARC) research to TAFE and allied innovative industry. The Innovation Platform is a key essential to also deliver higher-level workforce capability through the TAFE sector.
8. **Quality Foundation to TAFE** -- TAFE Directors Australia supports the move to outcomes based, quality standards and audit arrangements across the sector. This should help develop a new international brand for marketing TAFE internationally.
9. **Governance in TAFE** – Following recommendations by the Review of VTE by the Queensland Government (May, 2006) and audited requirements for industry-led training quality processes, TDA proposes more flexibility to institute governance, and specifically a National Review under COAG to review TAFE governance, and seek consultation from educators, industry and key stakeholders to assist the review.
10. **People Development** – The Australian Government should support increased business investment in training, and support the public sector TAFE skilling institutes with wider funding mechanisms to flexibly meet new higher-skilling and R&DI market demands -- domestically and internationally.