



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

**STANDING COMMITTEE ON EDUCATION, TRAINING AND
YOUNG PEOPLE**

(Reference: Vocational education and training and skills shortages)

Members:

**MS M PORTER (The Chair)
MR M GENTLEMAN (The Deputy Chair)
MR S PRATT**

TRANSCRIPT OF EVIDENCE

CANBERRA

TUESDAY, 8 JULY 2008

**Secretary to the committee:
Dr S Lilburn (Ph: 6205 0490)**

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents relevant to this inquiry that have been authorised for publication by the committee may be obtained from the committee office of the Legislative Assembly (Ph: 6205 0127).

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The committee met at 9.00 am.

BARR, MR ANDREW, Minister for Education and Training

GUY, MR GARY, Chief Executive Officer, ACT Building and Construction Industry Training Fund Authority

SERVICE, MR JAMES, Chairman, ACT Building and Construction Industry Training Fund Authority

THE CHAIR: Good morning. Thank you very much for coming to this hearing on skills shortages. Have you all read the yellow card and are you familiar with its contents?

Mr Barr: Yes.

THE CHAIR: You are aware of the privileges implications that are contained within it. For the record, I move:

That the privilege statement be incorporated in *Hansard*.

The statement read as follows—

The committee has authorised the recording, broadcasting and rebroadcasting of these proceedings in accordance with the rules contained in the Resolution agreed by the Assembly on 7 March 2002 concerning the broadcasting of Assembly and committee proceedings. Before the committee commences taking evidence, let me place on record that all witnesses are protected by parliamentary privilege with respect to submissions made to the committee in evidence given before it.

Parliamentary privilege means special rights and immunities attach to parliament, its members and others, necessary to the discharge of functions of the Assembly without obstruction and without fear of prosecution.

While the committee prefers to hear all evidence in public, if the committee accedes to such a request, the committee will take evidence in camera and record that evidence. Should the committee take evidence in this manner, I remind the committee and those present that it is within the power of the committee at a later date to publish or present all or part of that evidence to the Assembly. I should add that any decision regarding publication of in camera evidence or confidential submissions will not be taken by the committee without prior reference to the person whose evidence the committee may consider publishing.

THE CHAIR: Minister, would you like to make some opening remarks?

Mr Barr: I am conscious of time constraints, chair, so I look forward to appearing before the committee with these outstanding training organisations who will join me over the course of the next two hours. As we have only 20 minutes with the authority, I thought it might be worth while to get a little bit of introduction about the work of the authority and then we can go from there. I will now hand over to Mr Service.

Mr Service: The authority's role is to fund training to registered training organisations. It produces annually for the government, the Assembly and

stakeholders a training plan which the minister tables in the Assembly for approval. The purpose of some comments we will make today will be to talk about what we are doing in terms of funding skills shortages. I will refer to a couple of programs we are running and Mr Guy, the chief executive, might elaborate in some detail on the work of the authority's executive and things it is doing.

In order to give the committee an idea of where we are up to at the moment, from 2003 to 2008, the authority has funded nine different skill trade shortages: bricklaying, cabinet making, painting and decorating, plastering, sign writing, wall and floor tiling, glazing, air conditioning and refrigeration, and horticulture. The reason those particular trades are being funded is not because the authority itself has a view about those being areas of skill shortage; they are the areas the industry itself tell us they need.

The authority itself does not make decisions in its own right about what skills area should be funded. It has a very wide consultation process. It engages the construction industry training council to canvass all the stakeholders, and we take that on board and look at where we can fund, and the quantum of funding that we provide within those trades. The highest amount of money we provided in that period was for bricklaying, which was about \$238,700 and we funded 64 apprentices, and it goes down to sign writing, where we funded \$18,304. The total number of apprentices that we funded over those five years was 231 and total funding was just under \$800,000.

From our point of view, the ACT faces exactly the same challenges that every jurisdiction faces. There are skill shortages, but there are not the bodies to fill those skill shortages at the moment. I have just been in Darwin for three days, and Darwin, given the size of its jurisdiction, faces exactly the same challenge that we face in the ACT in building and construction. There are not enough skilled tradesmen, there are not enough apprentices and there is not enough understanding, particularly in the family sector, about opportunities in the building and construction industry.

A lot of people see the first and greatest opportunities being in IT, law, arts and those sorts of degree subjects, because they see in many cases that they are an entree into greater fiscal opportunity over their working life. The authority has done a huge amount of work since its inception in the vocational training side. Mr Guy will talk about the number of field officers we fund and the number of in-school programs we fund. We have seen that being quite successful in terms of getting the message, particularly in years 10 and 11, to families about the opportunities that building and construction provides. There is still, and there will be, I suspect, for some years to come, an issue about the wage difference in the early stages of apprenticeships as opposed to what you can earn in a McDonald's. I am not picking McDonald's for any particular reason but there are greater opportunities in the early income area than you get in your first couple of years of an apprenticeship.

I think the authority has done very well in a relatively short period of time as a statutory training authority. In other states and territories the authorities have been established for much longer. I think we have made very great inroads. If I were asked what was the one single thing I think we still have not yet been able to succeed in, and this is a territory-wide issue, it is the fact that we do not have enough people in the territory yet. So we need very much to continue the approach which the government

and Assembly have had for many years in creating programs which attract people to move to Canberra. That is probably one of the obvious ways that we can continue to seek to redress that. I am very much a supporter of a long-term regional population goal, and an ACT population goal in the 500,000 mark, because I see that as being one of the ways in which my children and other people's children will see the success of the programs that we and other educational institutions like CIT run.

Those are my opening remarks. Mr Guy is much more of an expert in the detail of this than I am. He can perhaps elaborate on some of the school programs we are running and some of the things that we are hearing from industry.

Mr Guy: With respect to some of the programs that we are running at the moment, as James pointed out, we are trying to get young people into the industry. At this point in time we are funding, or partially funding with CIT, a "TAFE through a trade" pilot, which will go over three years. Dr Adrian will probably elaborate on it later on. It is a program where the CIT construction school goes out to years 7 and 8 classes in schools in Canberra, in the Tuggeranong area and also in the Belconnen area. They take a team of vocational trainers out there and teach the students for one day. The year 9 students in those schools will then come to CIT at a later stage and do additional training. Later on, the year 10 students will come into CIT for a week and do training. We are partially funding that pilot, along with CIT. I think it is an excellent way of getting some younger people interested in the construction industry at an early age. We are probably finding that we have to do that now—drop back down to year 10, year 7 or year 8 and tell them about the construction industry in order to get them involved in that area.

With respect to other things that we are funding to try and get people into the industry, we also fund a field officer at CIT at Fyshwick, Nicole Stenlake. That person's job is to promote apprenticeship systems in the electrical area and in the areas in her school, the trades centre. With respect to the group training organisations, we fund six field officers there. Each of the group training companies has a field officer funded by the training fund authority. Their job is to monitor and provide pastoral care to the apprentices and make sure they are working well.

The major thing that we have to do within the construction industry, or any industry, is to get the completion rates up. We would like to see the apprentices complete. The training fund authority believes that, by providing these field officers to the group training companies, it gives them the opportunity to provide the pastoral care and the mentoring and monitoring of the apprentices to get them through their apprenticeship term. It is no use training them for three years or two years and then to have them dropping out. So we get them through. Our completion rates in the ACT are pretty high compared to other areas.

We also fund a field officer at the construction industry training council. Any apprentice or employer who is having a problem that is not group training company related can approach that particular person and they may be able to solve the problem that they have. It may be a problem they have at CIT or with their off-the-job provider or with their employer. So that is another role in mentoring and providing pastoral care.

They are the programs that we fund in that sense. With respect to skills shortage funding, as James has pointed out, we pick a number of trades each year and we provide \$4,000 to \$5,000 for an employer who takes on an apprentice in those particular areas—the trades that we have selected. This year it is painting and plastering, and we are doing quite well at this particular point. I think the plastering one has stepped up a little bit. The numbers are starting to increase. But it is a trade that very few people want to enter, for some unknown reason.

MR GENTLEMAN: How have you determined that these are the two key areas to look at this year?

Mr Guy: Through consultation with the industry stakeholders—CIT, the industry training council and TAFE. So we go to all the stakeholders involved and ask them which areas need some help from us. We do not just select them ourselves; we go through all our stakeholders and the people who are involved with us.

Mr Service: In some senses, it is the only way you can determine these trades, because the employers and the various industry and other bodies are the ones that are out there. They know what the pricing is, they know what the shortages are. If you are having anything done to your house, you know which trades take the longest. At the moment, the worst thing is to get plasterers. There are always a couple of other trades where there are smaller calls, but our approach has always been to say: “Where is the majority view coming from? Where are the highest number of skill shortages, particularly in trades that affect finishing a project?” As soon as you finish a project, at least the employers and builders can move people on to the next project. Those things that allow them to finish more quickly are the things that we found to be important.

The other great difficulty that industry faces is that it is a very cyclical industry. On another occasion when I appeared before this committee, another committee member asked why we were funding particular trades. The great difficulty is, of course, that if there are too many people doing particular trades—and we are starting to see some lessening of activity, or we will certainly see that in coming years—we run the risk that if we go too far, and we have too many people in particular trades, they run out of work. So there is always this careful balance from our point of view, and we take very careful note of industry views about where those balances should be.

THE CHAIR: It always interests me that if you train up people for a shortage, if you somehow get too many workers, by the time they are all trained, do you then not have a shortage, and do you have too many? That sort of delicate balance that you are talking about always interests me. The other issue I wanted to explore is that, if we have not got enough bricklayers and we are trying to encourage people to come and live here, it is a bit of a problem, because we cannot actually build the houses to put them in.

Mr Barr: Come and build your own house, Madam Chair!

THE CHAIR: That is an interesting thought. You mentioned the amount of money that we are expending in this area. Do you think we are getting value for money? You were talking about completion rates and things like that, so I am wondering whether

we are getting value for money.

Mr Service: Generally, in the industry, we are getting value for money. I see, from my own professional business, that one of the things that the creation of the authority has done—and I would argue this strongly to all of the stakeholders—is that it has improved the quality of the product that we are building, both at a residential and at a commercial level. It is seeing higher retention rates in the industry—not as high as probably anyone would like, but they are certainly on the improve.

The other thing we are seeing is that, with the amount of activity and the range of opportunities in some of the work we do, and that some of the stakeholders have created, particularly through the group training companies, we have had some success in attracting more people to the industry. There are still some issues in some of the trades about apprentices finishing, but that is as much about competition for the individual person as it is about any particular attraction. It does not matter what business you are in at the moment; there is competition for your staff, no matter how little or how completely they are trained. People are simply looking for people to fill positions. So that is something that you cannot avoid in construction, or in any other trade or industry at the moment. I think Gary would agree with that. I think we have seen quite a deal of success in the nine years since our inception.

MR GENTLEMAN: You indicated earlier that you are concerned about completion for some of the apprentices. I think we have talked previously about bricklayers. Do you see them leaving the industry or are they moving on to other jobs within the industry for better remuneration?

Mr Service: I do not think we are seeing a great number of people leaving the industry. I do not know the exact per thousand rate that a bricklayer is getting at the moment, but certainly the wages are very high. Those that decide to get into bricklaying have a desire to be working outside; they quite enjoy the camaraderie of building sites and things like that. So we are not seeing lots of people finishing their trade and then rushing off and doing IT or something like that.

One of the things that we like to talk about, particularly when we are talking to the group training companies, the RTOs, is that we like to think that one of the things the apprentices get is a desire to own the business they are working for. That is quite a big push from our point of view. It is an inspiration in terms of saying, “Well, not only do you get the training, but if you’re good enough and you stick at it long enough, there is a chance you will either be in your own business, or in fact own the business you work for.” Gary might have a different view, but I think we are seeing better retention rates. It also depends on the quality of employer.

MR GENTLEMAN: Do they see that model already occurring in the industry—perhaps a brickie who started his apprenticeship six or seven years ago and is now leading his own business?

Mr Service: I do not have any statistics, Mr Gentleman, but I think that is occurring. I think that has occurred because of the volume of work. Provided we maintain a reasonable volume of work, and those businesses operate sensibly and in the right sort of environment and manage their own accounts and affairs well, they can be quite

successful. We are seeing a greater supply of land, which means we will continue to see a pretty good residential building sector. It might not be quite so good in the commercial building sector in the next couple of years, but I think in residential we still have quite a lot of slack to pick up there. So a lot of the funding we have done for things like bricklaying is very much in the residential sector. That is where we are seeing those trades continue to grow.

Mr Guy: Just on what James has pointed out, in the bricklaying area, when we first started to fund the skills shortage funding for bricklaying, there were three apprentice bricklayers in the ACT. When we finished our funding after four years, they had about 29, I think. So it had increased. We thought then that there was enough funding, but we will have to look at it again in the next couple of years because numbers are starting to drop off again, or maybe it is because more building is taking place. So we will have to look at it again. Maybe it will be a trade that will be selected again in the next couple of years.

THE CHAIR: You talked about the influence of parents in particular, regarding the direction in which young people go. We saw an interesting program at Latham primary.

Mr Barr: This is Vince Ball's "Bob the Builder" initiative?

THE CHAIR: That is right.

Mr Barr: It is when he gets to preschools that—

THE CHAIR: It was very interesting, and those young people are involved all year round.

Mr Barr: He is talking to me about it.

THE CHAIR: That program seems to be engaging the parents a lot. I note you said it was just one day a year that you go into the high schools?

Mr Guy: Dr Adrian will probably elaborate.

THE CHAIR: We might explore that a little later. They said the engagement of the parents increased once the young people were doing something in the school and they went home and engaged their parents in actually preparing their projects for school.

Mr Guy: This is the feedback that CIT are getting. They have only run a couple of the programs now in the Tuggeranong area, at Lanyon high school, I think, and one of the other high schools. The feedback from parents out there is that students in years 7 and 8 are talking to their parents about what they did that day. It is practical work that they are doing—how to work out the rise and fall in a piece of ground, how many bricks are required or how much paint is required to do a particular job. It is the practical side of it plus the theory side of it that they are learning, and it has been very successful at this point. There has been some excellent feedback.

THE CHAIR: We talked with other people about how sometimes it is difficult to get

apprentices to be able to have people to mentor them and work with them because of the difficulty with subcontracting now. One side of the thing is to get the apprentice and keep them but the other side is to have someone for them to work with. Is that a problem that you have experienced?

Mr Guy: I was on a major construction site in Civic the other day and there were between 12 and 16 plasterers on that particular job, and not one apprentice in that particular area. They were interstate employees; an interstate company was doing the job. It happens in Tasmania. For any job over a certain amount of dollars in Tasmania, the Tasmanian government states that the job must have a ratio of apprentices to tradesmen working on the particular site.

If you took that site that I visited in Civic the other day, where they had 12 to 16 plasterers, and you had a ratio of three to one—three tradesmen for every one apprentice that had to be working on the site—there would be four or five apprentices working on that site in the plastering area. You would not expect them to bring their apprentices up from Sydney or employ an apprentice here of their own in the ACT. But with the group training companies that are available in the ACT, there would be a golden opportunity for them to employ three or four apprentices from a group training company for the duration of the job. It may be three months or it may be an eight-month job. I think that is something that possibly could be looked at, so that government contracts have it written into them that they must have a ratio of apprentices to tradesmen working on a particular job worth over a certain amount of dollars.

THE CHAIR: Thanks; that is a thought.

Mr Service: The other thing to add is that we also fund, through a couple of group training companies, field officers. They are specifically there to be available to assist apprentices where they need mentoring—not necessarily professional mentoring but workplace mentoring. How many have we got, Gary?

Mr Guy: Six.

Mr Service: Six field officers, which we fund on a three-year basis. I think that is just another level that assists the group training companies to be out in the field more. Rather than just making sure the apprentices are placed, they are going out and seeing what they are doing, where they are working and how their relationship with their employer is going. I think that will also assist completion rates, going forward.

Mr Guy: Chair, on what you said before about apprentices coming through the system staying in the system and going into their own business, the role I had prior to being here was at CITEA; I was executive director there. With funding the existing worker training that we put through now, I am finding a lot of the names of the apprentices that I had trained back at CITEA, or who were with me at CITEA; they are now contractors in their own right in the ACT. It is the same with the MBA group training, and I would imagine it is the same thing now with CITEA. A lot of their apprentices who were with them 10 or eight years ago are now contracting in their own right. You will find that they are then going back to the group training companies and employing apprentices through the group training companies.

MR GENTLEMAN: You must feel proud to see that circle occur?

Mr Guy: It is excellent to see. I spoke to a young boy the other day who said he is going to England to work and he will be on £120,000 a year—an ex-CITEA apprentice carpenter.

MR PRATT: If government was required to enter into contracts which saw a better ratio of apprentices, how do we stand with availability of workforce in that regard? Would that be a limitation to some companies being able to take on contracts?

Mr Guy: I do not think so. I think the group training companies would employ more apprentices because they know there would be more opportunity out there for employment to take place.

MR PRATT: And are there kids coming forward who are willing to sign up?

Mr Guy: That is our major problem—finding the resources.

Mr Service: I think the concept of government pursuing an outcome which creates more apprenticeship opportunities is very helpful. I do not, however, think that making it a mandatory requirement would necessarily assist the pricing of contracts or the pricing of projects. I think there has to be a favourable approach to that, but I think the risk you run if you make it absolutely mandatory in all government contracts is that you do find there are skill shortages, and you do then run some risk that you do not necessarily get the best competitive outcome for the taxpayer.

I am certainly in favour of a process that encourages more apprentices through the expenditure of taxpayers' funds. I think that the issue of mandating would require some careful discussion with the industry and from a procurement issue point of view in terms of the government's own position.

I think there is a strong desire for companies that have a long history in Canberra to employ apprentices. The issue of the number of plasterers on a particular site and having a large number of interstate workers is more a factor of the volume of work and the lack of actual trades that live in Canberra, rather than any particular lack of commitment by local employers to the employment of apprentices. So I think that the point Mr Guy makes about whether you can get more is very good, but I think it is with some caution that you would say you would mandate it. I think the process of education is one that we have been very successful at.

THE CHAIR: We can certainly explore that. Thank you very much.

BARR, MR ANDREW, Minister for Education and Training
ADRIAN, DR COLIN, Chief Executive, Canberra Institute of Technology
O'HARA, MS KAYE, Deputy Chief Executive, Academic, Canberra Institute of Technology

THE CHAIR: Welcome, Dr Adrian and Ms O'Hara. Do either of you want to make some brief opening remarks before we go to questions?

Mr Barr: Madam Chair, it might be useful to update the committee on the latest data from NCVER. I can advise that the data that was released yesterday has identified a 51 per cent increase in the numbers in training, from the period 31 December 2002 to 31 December 2006, here in the ACT. In the 2007 year, we achieved an increase of 1.7 per cent in total VET student numbers from 2006, and that compares with a decrease at a national level of 0.7 of one per cent.

I can advise that people aged 15 to 19 represented 23 per cent of all VET students in the ACT, and that is up seven per cent on the 2006 figures. That compares with a 1.3 per cent increase nationally for that same age group. 68.5 per cent of all VET students in the ACT were studying at a certificate III level or above in 2007 and that compares with 49.9 per cent nationally. It may be of interest to the committee to note that there are approximately 1,400 students with a disability engaged in a VET course in the ACT, and that is up 2.7 per cent on the 2006 data.

THE CHAIR: Thank you very much. They are really interesting statistics.

Dr Adrian: Perhaps if I made a few comments but then obviously we would be happy to take any questions. I think the committee is well aware of the role of CIT as a publicly funded training organisation in Canberra. We see ourselves very much as a broad-based training organisation offering a wide variety of courses across all different training areas. In addition, we offer courses—the youngest being Access 10 programs or prevocational programs—for students 15, 16, 17 years of age through to a limited number of degree courses but also catering, through those programs, to a wide variety of age groups.

In relation to the focus of the committee's deliberations on skills shortages, I was a representative on the Skills Commission and CIT were heavily involved in the government's response to the Skills Commission report as well.

We would see a number of critical issues. One that was touched on by James Service when appearing before the committee was the issue of the sheer numbers of people in Canberra and attracting people to Canberra. That is a No 1 issue. We have become involved in that, in working both in attracting international students to Canberra and looking at, whilst they are here as students, the potential for them extending their visas for working in Canberra and gaining work experience in Canberra and, in some cases, the possibility of them looking at gaining permanent residency status.

We are also heavily involved, particularly in the region, in attracting students from regional New South Wales. About 18 percent of CIT students in fact come from the region. A number of those students work whilst they are here and some obviously are available then to work in the Canberra workforce as well. We are also involved in

looking at skills migration programs with the Chief Minister's Department and are one of the organisations involved in funding the live in Canberra campaign.

But our core business is obviously training. We have done a lot in recent years, as the minister just indicated, in increasing the numbers in training and we have had a growth in those students in our government-funded training areas—user choice or apprenticeships and traineeships. In December, I think we had roughly 2,800 apprentices and trainees in training at CIT. That has been growing considerably over recent years. In addition, we have looked at expanding our training in areas of special purpose funding or commercially based training, working closely with industry.

We believe we have taken a number of initiatives such as accelerated apprenticeships, which we are happy to talk about, that assist in addressing some of the skills shortage issues that the territory is facing. I am happy to take questions.

THE CHAIR: Thank you very much. We might briefly go back to that question I asked before about the program in the high schools with the young people in years 7 and 8, is it not?

Dr Adrian: Yes. I might ask Ms O'Hara to talk a little bit about that program which is partly funded through the building industry training fund.

Ms O'Hara: Part of the intent of programs like that is—and they are called taster programs—to attract people's thinking to a breadth of career opportunities because there is a lot of research that indicates that people are making decisions quite young, with their parents and in whatever environment they are able to experience. So it is creating an experience for them. It is only one day a week at this point. Remember that, with the schools' curriculum, there are a lot of things that schools are trying to fit in and achieve with the young people. I think it is giving them an experience. It is quite positive. Quite often, if you start with the formal curriculum and training package, you have got to do things like OH&S, communication. That is probably not the students' priority when they are young. These are real, practical, hands-on, taster programs.

THE CHAIR: And this is an activity that the young people choose or is it part of what is mandated in their particular course?

Ms O'Hara: No, I think that it is a choice. There is a choice.

THE CHAIR: There is a choice.

Ms O'Hara: An encouraged choice.

THE CHAIR: And are we aware of how many students take that up or not?

Ms O'Hara: I am not.

Dr Adrian: No, I have not got the figures in front of me but I certainly could get those figures if you wanted them.

THE CHAIR: It would be interesting to know how many young people choose to do it and whether there is a breakdown between the male and the female students as well.

Dr Adrian: I would be happy to get that information for you.

MR GENTLEMAN: I was interested in some of the statistics that the minister made us aware of at the beginning of this, especially in relation to those VET students that are looking at cert III or above. You said “68 per cent in the ACT compared to 49 per cent nationally”. That is quite a big difference. Are you aware of why we have got that difference? Is there more encouragement for those students in Canberra?

Dr Adrian: I think there has been a long history. It really reflects the nature of the Canberra workforce. A considerable number of our students might already have some existing training and come back and do additional training or they might do a certificate III or certificate IV and then go on to a diploma and an advanced diploma. It really reflects the existing higher education levels, on average, in the Canberra community compared with nationally and the sorts of qualifications needed for jobs in Canberra. We get a lot of people doing certificate IVs, diplomas and advanced diplomas, looking for careers in the public service or in professional or those sorts of jobs. So that really reflects more the industry structure and the existing educational attainment of the Canberra population.

Mr Barr: I think it would be fair to say that we have continued to build on the proportion of the population who have a post-school qualification. Where we have also sought to address both the skill shortage and, I think, to improve social and economic outcomes for the community, though, is to look at programs for those students who have not yet completed their year 10 or year 12 qualifications. A program like the CIT vocational college is a great example of where the CIT is able to step in and provide personalised, tailored education to enable students to complete a year 10 certificate or a year 12 certificate and then some specific work-based qualifications as well. We have what, nearly 3,000 students?

Dr Adrian: I had a look. I thought the issue of the CIT vocational college might come up. At May this year, we already had 3,700 enrolments at the CIT vocational college.

Mr Barr: That is growing.

Dr Adrian: That has grown beyond what we thought. Kaye always says to be a little bit cautious with those figures because an enrolment might be in something quite short and specific but it does indicate the importance of those programs from Access 10 programs, through years 11 and 12, through, in some cases, to people with tertiary aspirations; in other cases, people wanting to complete a year 12 with vocational subjects but then streaming those students into other areas of vocational training beyond that. In addition, in a number of cases, some of those students are also pursuing English language training in parallel with some of that and gaining their year 12 certificate or are commencing vocational courses. I think it does reflect the need for that area of training, the popularity of it and an increasing recognition of the vocational pathway, if you like, for the students.

Mr Barr: I think the college has a very good success rate for the students. They are either moving on into the workforce or into further study. It is nearly 100 per cent, I understand.

Dr Adrian: Kaye was one of the prime instigators of the college in the first place and, perhaps if she talked a little bit about it, it might be useful.

Ms O'Hara: I think, importantly too, the other point is that those numbers include some people who are at CIT and who are struggling. We all hear a lot about literacy and numeracy and computing challenges for some people. So the vocational college is also quite a key strategy in increasing retention rates and completion rates across all of the programs, particularly focused on apprenticeships and traineeships. Some of its strategy is really to engage with those people and come up with very customised literacy and numeracy programs that can be fitted in around the busy workload of an apprenticeship, which is always a challenge.

The whole philosophy behind this is to increase people's engagement. We have had the adult migrant English program, as an example, for a long time. People do English with us. What we want them to do is English and something else so that we are really facilitating their pathway. Interestingly, we are looking at the new commonwealth government productivity places program. One of the barriers for new migrants is sometimes fees. With the productivity places job seeker program, we could move them into some programs quite readily while they are with us. And we are doing that in community services and health, as a key skill shortage area, and some are in hospitality—programs that are engaging.

I think the vocational college is opening up a whole range of strategies that are increasing success rates for people who are, in many situations, successful and engaging ones that are not often engaged. I think there are a lot of really good outcomes starting to appear.

MR GENTLEMAN: How do those completion rates compare with those in other states?

Ms O'Hara: I would have to do some sort of studied research around Access 10 but, in terms of the younger people, I suspect we are doing quite well in engaging and moving through those who have not completed school. So our Access 10 program, which is a year 10 adult equivalent, is really very flexible, very self-paced, and people can do a little bit, disappear back to their old ways, and we can pick them up again, and they can do a little bit more. It can keep building. It is not something that is time fixed. We keep engaging them, through the YARDS program, for youth at risk, and youth workers. So we are bringing in a whole range of strategies on site that really do help support them. But it is an interesting question.

MR PRATT: Dr Adrian, you mentioned rather briefly—and I wonder whether you could expand on—the strategies you have or the policies you are trying to develop on international students, the retention of them, visa issues, what arrangements you have with federal authorities and how that is working.

Dr Adrian: I will just go back a step. The focus for CIT traditionally has been to

attract international students to come here to either study English or, in most cases, to do English language training and to do some VET training. A number of those students might come initially to study in the secondary college system and then go on to CIT. Others come directly to CIT. Some come to CIT and then might go on and do a university subject as well.

The focus until recent years has been, fairly simply, to attract into CIT as many foreign students from as broad an array of countries and across a number of training disciplines as we can. The numbers have been increasing substantially. Over the past three years, we have had increases of 20 to 30 per cent and, this year, we will have a little bit over 1,000 international student enrolments.

Whilst they are here, under existing arrangements, they can work up to 20 hours per week—I think that is the amount—as part of their visa requirements. They do that training but they do that work experience, in the main, in whatever they want to work in. It is only in recent times that we have started giving some more thought to this.

I am not the expert on the visa changes that the federal government is looking to introduce but, in summary, they do mean that individuals that come out on student visas now have the opportunities, if they are studying in certain areas and they are identified skill shortage areas such as IT and those sorts of areas, to have their visa extended for up to 18 months, where they can continue their study and/or get professional work experience. And if they build up enough points, they can then apply for permanent residency.

MR PRATT: That is only for critical areas of employment?

Dr Adrian: Correct. All our international students are full-fee-paying students and they are arranged by CIT Solutions through our agents overseas. So we have an extensive overseas agents network. Those students come to CIT through those agents and are managed by CIT Solutions, albeit that they study in different areas of CIT, depending on what their speciality is. It might be in tourism, business services and so on.

We are now looking at the possibility of expanding our services where we might work with other areas of the ACT government. Essentially, we would be providing an enhanced skilled migration support service. We might market internationally for students to study at CIT but with a view to gaining permanent residency here. Whilst they are here studying, they would also engage in employment, through arrangements with local employers in their areas of training, with a view to getting permanent residency because of their training in those skill shortage areas.

It is a whole new area for us, and we are doing a lot of investigating of that at the moment. The government did have some money in the budget for a pilot program involving training providers, business organisations such as the chamber of commerce and the Business Council and the Chief Minister's Department in terms of skilled migration. That is where it is at at the moment. I would be happy to keep the committee abreast of that as it unfolds.

MR PRATT: Thank you.

THE CHAIR: I was wondering whether we could go back to the accelerated program that you mentioned before, Dr Adrian.

Dr Adrian: We took an initiative two years ago, at the request of industry and after a lot of discussions with industries in the tourism and hospitality area, for an accelerated chefs program. Kaye O'Hara can talk a little bit more about that program. That program has proved successful. A number of changes are being made to it and to the numbers going through. We are now in the second intake period. The intakes involve about 12 to 15 chefs. It is a fairly intense program and it only suits certain individuals, because of the speed with which they are required to move through the course.

But we now have accelerated programs in a number of other areas. We have won commonwealth funding for accelerated programs in panel beating and spray painting and in the very traditional area of hairdressing. It is relatively new nationally, in terms of some of these accelerated programs. As I have indicated to the committee before, it is a balance between maintaining the quality and standing of the training—hence, the requirements of what is required for a qualification—and getting individuals through in an accelerated way. But I might ask Ms O'Hara to talk a little bit about those programs.

THE CHAIR: That would be good.

Ms O'Hara: The interesting thing about them is that they are all different, depending on the industry, in terms of the teaching model, I guess. One of the programs does it in block release, starting on the job from the start. The other does six months off the job to start, because the industry needs them at a certain level before it can take them on in terms of fast-tracking. So the models are customised to the industry and worked out with the industry on board, because you are not going to get an accelerated apprenticeship up without the industry being fully supportive in terms of employing them at the end of it. With a lot of support, the retention rates are proving to be significantly more than traditional apprenticeships at this point.

THE CHAIR: How interested is industry in taking up these particular students?

Dr Adrian: I think it varies from sector to sector. There has been, probably until recent times, a degree of scepticism, shall we say, in some industry sectors, particularly in some of the trade areas such as the electrical area and so on, where there are obviously concerns about making sure all the requirements are met and not having, through an accelerated program, somebody on the job that is not across all the occupational health and safety requirements. It is particularly true in the licensing areas where there are a lot of considerations one has to take into account.

I think, though, particularly with the skill shortages both nationally and locally, a lot of the industry organisations now are showing a preparedness to sit down and in fact request that accelerated programs be looked at, including, as I indicated, in some of the very traditional areas such as hairdressing. So I think it is something that is evolving.

The federal government, following on from the success of the accelerated chefs program, initiated a funding program where any RTO could put in a bid for up to \$50,000 to work with industry and with relevant unions or associations in putting together an accelerated program. We have now pursued three of those and might look at other opportunities for bidding for those in the future. I think it is gradually breaking down some of those traditional barriers that have been there to accelerated programs.

There are other variations on those accelerated programs as well. For example, we have developed a partnership arrangement with the Housing Industry Association. They are a group training organisation and a registered RTO in their own right. They choose to only deliver certain parts of training to members of their Housing Industry Association and we deliver some other parts of that training, because we have particular expertise.

We have looked at an accelerated certificate IV program that is an accredited program through the Housing Industry Association and that is tailor-made to suit their particular requirements. So they are involved in part in the delivery, but we deliver the bulk of the program. It gets recognition at CIT but it is also recognised through the Housing Industry Association, to meet their particular requirements.

The other examples that are being looked at in an accelerated sense are where industry believes there are particular skill sets required. It might be in, for example, areas of new green technology. There are examples in air conditioning and refrigeration with new split systems, for example, that came in and where there are new technologies. A course will be put together, in an individual skill set sense, that is made available to workers already in the industry that need to upgrade their skills.

Increasingly, we are seeing demand in these short-course, individual skill sets for upgrading skills of existing workers. So I guess it is part of, in a skill shortage sense, increasing the currency of the skills that existing workers have and ways of trying to maintain them in those areas of the work.

MR GENTLEMAN: I need to ask whether you have looked at photovoltaic installation.

Dr Adrian: I am glad you did ask that question. We have been engaged over a number of months now with TAMS in a discussion about the possibilities of very short courses, statement of attainment courses, for existing workers in that sector but then also looking, in the context of training packages, at some changes to existing training packages in the certificate III or certificate IV area.

Mr Barr: I think that provides a neat little segue into perhaps a discussion about the future for the CIT. I thought it interesting to provide a little bit of historical context in terms of the institute's funding and where that is heading and some of the initiatives in the 2008-09 budget. Committee members may be aware that in estimates there was some discussion of the long-run funding for the institute, going back over a 10-year period.

It would be fair to say that the latter part of the last century was a time of significant

challenge for the institute. Its budget was cut significantly, in real terms, by nearly a quarter, I understand. I am very pleased to be able to advise the committee that, for the last five-year period, there has been a \$13.2 million increase in funding for the CIT or a 26 per cent increase in funding.

When we look at how the ACT has fared compared with other jurisdictions, it is interesting that a recently released report on government services showed that, between 2002 and 2006, public funding for vocational education and training in the ACT increased by 10.1 per cent compared with a 1.5 per cent fall nationally. So the government has, through its targeted funding initiatives for the CIT, sought to send a very clear signal about our views on publicly funded vocational education and training, on the value that the CIT has to the Canberra community and, most particularly, its capacity to address skill shortages, as we have heard this morning.

Some of the areas that I thought might be worth exploring in terms of future opportunities, particularly in the context of the committee's first term of reference, would be a discussion on the new horticulture facilities at the Bruce campus, the further redevelopment of the Fyshwick trade skills centre and some of the master planning work that is occurring at the Reid campus. I might get Dr Adrian to briefly outline some of the initiatives there and some of the future opportunities for the CIT.

Dr Adrian: As the minister has indicated, the budget did take a number of initiatives in terms of improving the infrastructure and equipment situation with the institute. I have mentioned before to the committee that it was my view that, in looking at the longer term sense, there has been an underinvestment in the facilities.

One of the critical decisions that we have made relates to the horticulture area. That had been in some decline over a number of years, and the horticulture industry itself is going through some dramatic changes. The move of that operation from Weston to Bruce will enable us to link it into our building and environment centre that is established at Bruce and a number of our other environmental programs at Bruce and essentially use the Bruce site as a living, teaching environment for horticulture and new technologies in that area. That detailed planning is underway. We will complete that work this year, with a view to moving the operations during the course of 2009 so that they will be fully operational at Bruce from the start of the 2010 year.

We are also involved in work associated with the new Gungahlin college where we will have a learning centre providing services into Gungahlin when that new college starts.

We have commenced work on looking at how we might go about implementing the master plan that was done for Reid. Again, it would require a significant investment in revamping a number of the buildings and facilities on the Reid campus. We are doing some work on that campus at the moment, putting in new student services hub facilities which are in train at the moment.

We have commenced work on the Fyshwick campus. I think that is an example of a hidden gem, if you like. If you drove past that facility, until recent times, unless you knew what was inside the barns as a training facility then you just would not have realised exactly what was there. We have done a lot of work on signage and profiling

of that centre as the Fyshwick trade skills centre. We are doing quite a bit of internal work. We have received some money from government to do more feasibility work on a new building on that campus, particularly to cater for electrotechnology refrigeration and some of those activities that we will have consolidated on that campus.

I think I have covered it in the main. We will also do some work in the Tuggeranong Valley. We have a small, flexible learning centre in Tuggeranong and we want to look at questions on its location and whether exactly what we are offering there are the right sorts of offerings in the Tuggeranong Valley.

We are making some changes this year to the southside campus which is on the old Woden Valley high school site in terms of the student services. We have also had preliminary discussions. That is the campus where our community services, health and wellbeing training, nursing training, for example, takes place. There is a strong linkage that we have developed with allied health training, with ACT Health, and we are looking at the planning that health is doing for the major hospital development over the next 5, 10, 15 years and at ways in which we can link the training we provide on that campus into that revamped hospital as well.

They are fairly ambitious plans but I think it is absolutely essential that, if we are going to meet and have a currency of training provision and equipment, we have a currency of services available.

THE CHAIR: That is very interesting. Thank you very much, Dr Adrian and Ms O'Hara.

Dr Adrian: Thank you. It is a pleasure.

THE CHAIR: We might have some more questions and we might get to you on them.

Dr Adrian: That would be fine.

THE CHAIR: Thank you.

BARR, MR ANDREW, Minister for Education and Training

BLOM, DR KAAREN, Acting Director, Training and Tertiary Education, Department of Education and Training

HARRIS, MS CAROL, Director, Schools, Southern Canberra, Department of Education and Training

McNEVIN, MR TIM, Manager, Transitions, Careers and Vocational Learning, Training and Tertiary Education, Department of Education and Training

THE CHAIR: Welcome. Thank you for attending today. Would you like to make some opening remarks?

Mr Barr: I will go first. Most particularly, we would like to take the opportunity to highlight to the committee the 2008-09 budget initiative that places a careers adviser in each of our ACT secondary colleges, training in a new certificate IV in career development. In particular, careers advisers will support students as they transition from high school to secondary college and from school to post-secondary options.

I would go so far as to say that this initiative is one of the most important in the 2008-09 budget. Looking at the various reports that the government has commissioned over time, one of them examined the secondary college system in the ACT, in looking at how it meets the needs, or how it should be reformed to meet the needs, of all students. It would be fair to say that its establishment in the 1970s was based on a university tertiary entrance focus. But, over time, the retention rates in the ACT and changed preferences from students have seen the majority of students in year 11 and 12 engaged in vocational education and training courses.

There is a particularly strong need in our college system now to provide that expert careers guidance through a targeted initiative to provide this careers advice in each of our secondary colleges and to further develop the links between high schools and colleges that are already there and are very strong. The review of secondary colleges identified the need to further develop those links, and this initiative provides the staffing capability to achieve that.

Looking more broadly, I would have to say that one of our greatest challenges, most particularly with school-based apprenticeships, and through a number of the programs that we have been running, such as Breakthrough 500, has been to find employers willing to take on the school-based apprentices. We have been successful in placing about 350 school-based apprentices each year, but we have not yet been able to achieve our target of 500. That has largely been as a result of there not being enough employers willing to take on apprentices. So if there was an area that would be a clear impediment to further growth in school-based apprenticeships, it is around finding employers.

The ACT government is a considerable employer of people within the ACT, so we have sought to expand the range of apprenticeships that are on offer with the ACT government as the employer, and most particularly the Department of Education and Training, through apprenticeships around sport and recreation and also IT, through a partnership with InTACT, to provide opportunities for students.

I think there is further work that the government can do, and we have begun

negotiations with a range of other ACT government agencies around their apprenticeship intake, most particularly Territory and Municipal Services, but there are other ACT government agencies where opportunities lie. So that is an area for future growth that I would identify.

MR GENTLEMAN: The committee has heard before, minister, that in relation to different groups taking on apprentices there is more of a push now for contractual arrangements, contractors, rather than business as a whole. That puts pressure on those individual contractors and then the subcontractors after that, to get the work done and therefore get their remuneration. The weight of taking on an apprentice gets in the way of their critical times, I guess. Can you see a way that government could assist in those areas, so that we could provide incentives to get industry to take on more apprentices?

Mr Barr: Certainly, we have sought to engage in work with industry to overcome those sorts of impediments. It is also worth noting, though, that it is not just on the industry side where there are some constraints and difficulties in growing the number of school-based apprentices. Some of the research we are finding is that there is a perception amongst students and parents that school-based apprenticeships are really only for at-risk students. We have had to work hard to address some timetabling constraints within the education system to make this more realistic. This perhaps goes to the point you raised around industry acceptance as well. If an apprentice is somewhat constrained by school timetables, it makes it very difficult to achieve the sorts of outcomes that you would want. Carol might want to expand a little on how we have gone about engaging with industry to enhance the quality of the programs.

Ms Harris: One of the pieces of information that industry is giving back to us in regard to ASBA in particular is the difficulty they have when the student is only in the workplace for one day a week—that that is some impediment to the progress. We are beginning some conversations about whether it is possible to vary the rules that currently exist to allow for more block release of those students. It then also sets up the opportunity for them to do that work in other ways, so that school timetable constraints can be better met. There is certainly some work looking at those opportunities.

We did see government as a critical area that might be interested in taking on ASBAs. There has been an increasing number of those already, since we were able to negotiate around a group training company who could deliver for us in that regard, and that is building, as the minister has said.

MR PRATT: Is the main impediment to achieving your annual objective of 500 simply that employers are not so willing, or are you also having difficulty in attracting students into the stream?

Mr Barr: A combination of both.

Ms Harris: We have got a number of issues. We did some internal research to try and determine what it was that might be preventing us from meeting those targets. One of the things it revealed was that we had quite a considerable turnover of advisory staff within the school environment and that we needed to do some additional training with

them to raise their awareness and understanding about the programs, and the supports that we have needed to deal with them. We have convened some internal focus groups to explore those ideas, to see where we can go.

I guess we are trying to take a multifaceted approach to the program, to understand that there are some difficulties for employers and also that there are some difficulties internally with how we ensure that students know and understand. We need to build the credibility of these particular courses in an environment which, by and large, has valued tertiary education before it has valued vocational education and training.

We have an ASBA reference group which meets regularly. That has broad representation from industry and other interested parties. They provide advice and look at the sorts of directions that we need to be taking. Within that group, we have been focusing on students with disabilities and trying to look at how we might better grow opportunities for those students in the VET sector and how we might begin to forge some closer partnerships with private agencies that might be able to do some innovative things for this particular group of students.

The other area that we have looked at is Indigenous students. We have endeavoured to work with some Indigenous groups around connecting some Indigenous students into the ASBA program. That has not been particularly successful, but it is something that we are still continuing to move on.

MR PRATT: Why is that?

Ms Harris: I think there is a great deal of willingness, but things move quite slowly, and being able to make the connections with the appropriate people is just time consuming.

MR PRATT: Is there a difficulty in engaging with the Indigenous community to get them on board to encourage their kids? Is that part of it?

Ms Harris: Our experience is that it often takes longer to get that engagement because you do need to build trust and understanding in different ways. So we are continuing to pursue that.

Mr Barr: One of the initiatives in the 2008-09 budget was the establishment of a skills outreach service. That is a three-year program with funding of \$790,000.

MR PRATT: I should remember, of course, shouldn't I?

Mr Barr: This is based within the Department of Education and Training and provides facilitators that are focused on linking employers, employees and training providers. It is around promoting skills development in industries experiencing shortages. This new service is tasked with liaising between government agencies, businesses, training providers, group training organisations, unions and the community sector to ensure that there are resources available and funding opportunities identified and utilised to achieve the best possible outcomes. Having established that we were having a bit of a problem in connecting up all of the stakeholders and key players, I think this initiative will provide the ability to bring

those groups together in a constructive way. We will, of course, be very closely monitoring the impact of this new initiative.

MR PRATT: There is another category of students, too. You talked earlier, Ms Harris, about engaging with kids with slower learning issues et cetera—the at-risk group. By the way, I do not wish to marry the Indigenous kids with this sector; this is an entirely separate sector. It is those kids at risk, from all community backgrounds, who are not engaging. Are you having much success in attracting kids from that category to engage in ASBAs?

Ms Harris: One of the critical strategies around the budget initiative that the minister referred to regarding placing a person into the college sector who will assist with careers and transition is that we are aware that we do have some students who are at risk of not making those transitions through. In particular, we have trialled a program around a transition officer working in year 10 with students coming into the college sector at the beginning of the year, and really working with those students who might be at risk of not continuing, so that any issues that they might confront in the initial stages can be looked at. That includes ensuring that students who are on ASBAs are identified and can continue through with their program, as it does with a whole range of other students.

What we saw out of the trial of that program was that there was a significant reduction in the number of students at risk who were dropping out in those first months in year 11. The fact that we will now be able to roll that out fully across all colleges will help to support that area as well. There are programs that run in conjunction with the building industry that target students in years 9 and 10, that pick up on engaging, and there is also the SPICE program, which has been funded again, and there is the potential to extend the number of places that are available through SPICE to re-engage those young people into work.

We have a broad range of work experience programs that endeavour to give students the capacity to taste what the workplace is like and see that as a means of engagement. This year we ran the first conference, which was called Directions 2008, which looked at skilling up careers advisers in contemporary methodologies around careers and vocational learning so that they are able to focus on the needs of those particular students and engage them. A broad range of sessions were held over that day, from IT right through to traditional trades areas. We had a considerable number of people who worked to develop that and also to deliver it. It was very well attended. We have also got some programs that are running with the youth centre at Lanyon to try and engage those young people who are quite significantly disengaged to be able to make a pathway.

MR PRATT: Can you just describe that—the nature and duration?

Ms Harris: Tim McNevin, who is the manager in this area and has been working on this program at Lanyon, can answer that.

THE CHAIR: Mr McNevin, have you read the yellow card?

Mr McNevin: Yes.

THE CHAIR: Do you understand the privilege implications within it?

Mr McNevin: Yes. The role of the transitions, careers and vocational learning unit within the department, which I manage, is to support the transition of young people through school into further education and training and/or work, vocational learning in all of its forms and supporting career advisers in schools.

The youth centre program that Carol was referring to is an outreach program to the youth centres. We have been working in partnership with the Youth Coalition and seeking their advice as to what shape and form these programs should take. We have had most success in Lanyon; however, we have also tried to work with the Gungahlin youth centre.

The program in Lanyon is a partnership between ourselves and the construction industry training council. The construction industry has been very supportive. We have encouraged the young people there to scope their own project, to take their own leadership and to consult with their community about what improvements they might like to make to their youth centre. The project that they have developed involves enhancements to the skate park facility there. They have scoped that; they have done their own consultation with their community and employers around that region. The construction industry is now going to provide resources to give them some project management skills and some leadership skills. We will also get them in there on a “try a trade” capacity to participate in the construction of the enhancements to the skate park. We are trying to raise the relevance of skills training for these young people, give them a reason to re-engage with the education sector and then support that positive transition back into school.

MR PRATT: I take it that it is early days, so you have not had a chance to evaluate that, in terms of how many kids have re-engaged with the—

Mr McNevin: The advice we received was to let them proceed at their own pace, at the pace that they are most comfortable with. Whilst we would have liked to hasten things a little bit, we have sat back, and it was only last week that they contacted us to say, “We are ready for the next step.” We understand that they have planned their facility, they have got a broad concept, and now we are going to provide the resources to bring that to fruition. I am not sure of the population of the youth centre at Lanyon, but with respect to the meetings that we have been attending, they have a youth committee, and there would be at least 12 to 15 young people there, representing—

MR PRATT: That is about right.

Mr McNevin: probably a greater number in the broader community. They are at various stages of disengagement.

MR PRATT: Have you been reasonably successful there versus other areas because of the attitude of management?

Mr McNevin: We were advised by the Youth Coalition to target Lanyon and Gungahlin. The attitude of management at both facilities has been very positive.

However, Gungahlin had a change of personnel. We are trying to reconnect with the new management out there, and we will be doing that in this term.

THE CHAIR: You mentioned at the beginning of your presentation in this area that a number of young people are coming into colleges now who are actually choosing the VET area. The committee would be interested to know how many of those are continuing on. That might be something that we could look at in the future—how many are continuing on into those kinds of activities and how many are actually choosing to go down different paths.

Mr Barr: We may in fact have some data for you now.

THE CHAIR: If we could have some data in that regard, that would be fine.

Ms Harris: Throughout 2007, there was some work done to look at where 2006 ACT college graduates have gone in terms of VET. We were able to ascertain from that study that a third of students who responded to the survey indicated they had undertaken some VET studies as part of their year 11 and 12 program. You will understand that when you are trying to connect with young people after they have left, it is quite difficult to get to the broad range.

THE CHAIR: I understand.

Ms Harris: Almost six in 10 of the students who undertook a VET course at school were studying in 2007, most of those part time. About a quarter were studying at a bachelor degree level or higher, while another 25 per cent were studying at CIT or at TAFE. With those studying at TAFE, the majority were studying at the certificate III level. However, a significant proportion elected not to obtain a UAI. I think it is quite interesting that there are reasonable numbers of students continuing on into study. Part of this study also indicated that, of those students who responded, if students had studied a VET subject, it was more likely that they were employed or in further study in the year following their transition beyond school.

THE CHAIR: Thank you.

MR PRATT: Ms Harris, I am not sure whether you have answered this in the range of numbers that you have just given us, but you were saying earlier that there had been some success in bringing down the numbers of kids at risk by getting them engaged in the school-based apprenticeship training. Do you have a figure on that—a rough percentage?

Ms Harris: No, I do not have a number on that. I am not sure whether we have actually done that sort of analysis, but it is certainly something that we would be interested in looking at in the longer term. We have been trying to get the numbers engaged and then look at those students who do not complete and to try and explore some of the reasons around that.

Mr Barr: Madam Chair, I have just been passed a note on outcomes for participants in the YARDS program.

THE CHAIR: Is that an acronym?

Mr Barr: Youth at Risk—Developing Skills. Since its commencement, 207 participants have gone through the program. Of these, 94 per cent have gone on to enrol in further education or have found employment—55 per cent studying and 39 per cent working, and the remaining six per cent we were unable to contact for follow-up purposes. Last year, a total of 43 people were directly enrolled in the YARDS program, 29 of them in the Access 10 units, and planning to complete Access 10 at CIT, as we heard earlier from Dr Adrian, and two undertook Access 10 with a view to refreshing their literacy and numeracy skills and are planning on continuing their studies to complete year 12. It has been a very successful program and it has been in operation since 2004. It is a combination of YARDS and SPICE. Last year, 353 students were referred to the SPICE program and 209 were placed with employers.

Perhaps the issue with SPICE has been its multiple sources of funding prior to the 2008-09 budget. As I am sure you would be aware, Ms Porter, from your previous role, it was previously funded with some money from the community inclusion fund, some funding from Disability, Housing and Community Services upon the cessation of that funding, and then a contribution from the Department of Education and Training.

Following the 2008-09 budget initiative, all of the SPICE funding is now wrapped together under the Department of Education and Training. That will certainly improve the administration, reporting and accountability of the program, and most particularly for Volunteering ACT, as there is only one agency that they have to deal with. It is my understanding that the community inclusion funding was about \$110,000 a year and DET funding was about \$60,000. The increase in funding through the budget initiative sees that increased to about \$193,000 in this financial year, moving up to \$208,000 over the four years of the program. That will enable that program to take on additional students, which I think is an important—

THE CHAIR: And the additional businesses, I would imagine, to work with those students.

Mr Barr: Indeed, yes.

MR PRATT: Forgive me for asking questions about stats; I do not want to bore everyone but it seems to be the only way that we can look at progress. With respect to the 207 attracted into YARDS, do you have a rough idea of what percentage that is of the group of kids who are identified by the department as youth at risk?

Dr Blom: The young people who go into the YARDS program at CIT are referred there by a range of agencies. Some of them are young people who are exiting youth detention and so on.

MR PRATT: So some of them are not employed?

Dr Blom: No, these are seriously at risk. Unlike the programs in schools, where we are talking about young people who may be at risk of not completing—

MR PRATT: This is another level, okay.

Dr Blom: these are young people at serious risk of slipping through the cracks in the system entirely. So a program that re-engages them with education and which has, as a central component, the employment of two youth transition workers who are skilled as counsellors and have significant experience in dealing with young people at risk, has given the ACT the sort of success that the minister has just outlined to you in those figures. In these kinds of programs, to get something like a 20 per cent success rate is typically regarded as phenomenal, and we are getting much more than that.

MR PRATT: So 20 per cent is a benchmark, is it?

Dr Blom: I believe so, from talking to people in that field. YARDS has won a national award. As the minister said, it has been running since 2004. From 2009 onwards it will be funded with its own appropriation direct from Treasury to CIT to maintain that program.

MR PRATT: Does this mean that magistrates, other agencies and your youth management areas try to identify these kids who are coming to the notice of authorities, either when they are exiting Quamby or are coming before the magistrates, and they are being directed, but you do not have much of an idea of what percentage of that group are being attracted in?

Mr Barr: Are being picked up by the program?

Dr Blom: No.

Mr Barr: We would have to do some further research on that. I am sure that figure would be available.

MR PRATT: If it is possible to get it without turning the department upside down—

Mr Barr: Certainly.

MR PRATT: and JACS upside down as well.

Dr Blom: It would be through JACS.

MR PRATT: It would be interesting to see whether magistrates are having much success in encouraging youth at risk to go down this pathway instead of going back that way.

Mr Barr: Sure.

MR PRATT: It would be interesting to find out.

MR GENTLEMAN: I think it does stray a little bit from our terms of reference.

MR PRATT: I don't think it does, actually

Mr Barr: Nonetheless what it does identify is the suite of programs that are in place to address the full gamut under the category of youth at risk, from the most extreme risk right through to individual supports for students who may be at risk of not completing year 10 or year 12.

One of the key areas that the Skills Commission identified in its report was that, apart from programs to attract more people to Canberra, we also have to tackle that percentage of the population who are not engaged in some form of employment or training. They are already here, they are part of our community, and they should be engaged. If you want to talk from the perspective not only of a social responsibility, to ensure that people are not left behind, but also purely from an economic point of view, it makes sense to seek to engage those people. They are here; with the appropriate training they can make a significant contribution to the needs of the city. They are already here; we do not have to lure them from elsewhere.

MR PRATT: Chair, I would agree with that. I think that is right. I think it is relevant to this inquiry that, in terms of the skill sets that we are playing with, if the skills and training regime is attracting youth at risk, I think it is important for us to gauge that.

THE CHAIR: There will be links, of course, with Bimberi. This will feed in through that as well, I would suggest. I have been fortunate enough to be able to go out and have a look at it in its infancy before it takes in the young people. It would be interesting to watch how that development goes. The young people perhaps will have more opportunity out there, where the facilities are certainly improved. That is a very interesting area to keep looking at.

Minister, you talked about funding for SPICE. My impression is that they are still—correct me if I am wrong—attracting some corporate support for the literacy and numeracy programs. Of course, that is an important part of that program in enabling young people to improve their skills overall.

Mr Barr: I attended a particular event where one of the building societies was a sponsor.

THE CHAIR: Yes, and Australia Post as well; that is my understanding.

Mr Barr: Yes, certainly in the last 12 or 18 months.

THE CHAIR: Mr Snow is putting some money in as well; that is my understanding, anyway. One of my areas of interest is recognition of prior learning. Could you talk a little bit about how we link into that national framework and also what impact that has on helping us to address our skills shortages here in the ACT.

Ms Harris: I can probably make a comment about that in regard to the schooling sector. Part of the role of the new transition officer who will be appointed, and that the minister referred to in his opening remarks, will be to enable greater use of RPL for students as they move through, particularly into the college sector. One of the difficulties often is that it has been fairly hard for students to collect the information that they need to be able to get recognition of that prior learning. We have pinpointed

that one of the particular duties of those officers in each of the colleges will be to work with students so that we can increase the number of students who are drawing on their prior experience and using that to contribute to the acquisition of certificates further down the line.

THE CHAIR: Do you have any further comments about that area, Dr Blom?

Dr Blom: The role that recognition of prior learning can play in addressing skills shortages in terms of encouraging people to top up existing skills sets by having skills that they have not developed through formal training recognised is something that the department engages with already and has done for a long time.

We are working on a project at the moment which is jointly funded by the commonwealth which is seeking to increase the levels of RPL in the territory. It is something that we are pursuing. We encourage all of our RTOs to pursue it as well, and to offer recognition to make sure that learners who approach them with a view to undertaking some training are made fully aware of their rights to access recognition of prior learning, which is one of the great advantages of the vocational education and training system.

THE CHAIR: I believe, though, from evidence that we have heard elsewhere, that it does not necessarily mean that fewer resources are needed to help a person to complete a particular course of study or gain a certain level of accreditation, in that there is a lot of work involved for both staff and the person who is trying to get the qualification, to go through RPL. Is that true? Is that your experience?

Dr Blom: That is true, and it probably varies from discipline to discipline. You can imagine that, for someone who has worked in an office who might have ready access to a portfolio of work that they can put together and present to a panel of assessors to demonstrate their competence, that might not be as difficult as for somebody who needs to have their skills assessed by demonstrating it in the field, or who has come without evidence from a prior workplace of the range of things they have done. But it is still an assessment process and registered training organisations have to be sure, in order that qualifications still have credibility, that anything that is awarded through a recognition process is absolutely as rigorous as if it had been taught and assessed from scratch. It is not a tick-and-flick process. It is really important that it is not that.

THE CHAIR: We can explore this a little more in the next session.

Mr Barr: In the remaining couple of minutes, Madam Chair, I can update the committee on the progress of the trades training centres initiative.

THE CHAIR: That would be good.

Mr Barr: You would be aware that the commonwealth government announced that it would provide in the order of \$2½ billion over 10 years for the establishment of trades training centres. We have sought to work with the commonwealth around the guidelines for implementation of this program. I am pleased to advise the committee that, under the commonwealth's proposed arrangements, schools are able to make applications in partnership with other schools or related organisations that have an

interest in VET.

There is also encouragement for both public and non-government school partnership arrangements. We are seeking to adopt a bilateral agreement approach with the commonwealth. I have written to the Deputy Prime Minister seeking a bilateral agreement between the commonwealth and the ACT around a regional and cross-sectoral approach to the establishment of the trades training centres. I think the ACT's allocation is just short of about \$50 million, so rather than establishing 25 \$2 million centres, for the sake of argument, we would adopt a regional approach, working in partnership with groups of schools, both government and non-government, and also with the CIT, for example, in seeking to establish high-quality regional trade training centres, with a particular emphasis on developing proposals with the commonwealth around some of our new infrastructure. For example, we would look particularly in Gungahlin at a project around the college and the partnership with the CIT in that facility. Also, with the new Tuggeranong P to 10 facility on the site of the former Kambah high, there is an opportunity to locate something there. We are working with the CIT around some opportunities in Belconnen associated with the CIT campus in Bruce.

A range of discussions are underway. We hope to finalise an agreement with the commonwealth by the end of this year and we can then apply that commonwealth funding to a range of initiatives within the ACT. I think an important breakthrough was to be able to have groups of schools work together—that there not be a sectoral breakdown, if you like, and so that government and non-government schools can partner to deliver these regional-based trades training centres.

THE CHAIR: Thank you very much, Ms Harris, Dr Blom and Mr McNevin.

BARR, MR ANDREW, Minister for Education and Training
JORGENSEN, MR KEN, Member, ACT Accreditation and Registration Council

THE CHAIR: Welcome, Mr Jorgensen. You were not here when we talked about the yellow card?

Mr Jorgensen: No.

THE CHAIR: Are you familiar with the content of the privilege statement?

Mr Jorgensen: Yes.

THE CHAIR: Are you aware of the privilege implications contained within it?

Mr Jorgensen: Yes.

THE CHAIR: Minister, could you give us some background.

Mr Barr: Yes. The ACT Accreditation and Registration Council is an independent statutory authority that was established within the Tertiary Accreditation and Registration Act 2003 to advise the Minister for Education and Training on tertiary education and training. The members of the council are drawn from business, training and education stakeholder communities. The council meets four times a year. I had the opportunity to attend the last council meeting. The council maintains national standards in vocational education and training—the quality training framework, AQTF 2007, and non-university higher education provision under the national protocols for higher education approval processes.

Having said that by way of background, I invite Ken to make some comments and observations on behalf of the council.

Mr Jorgensen: In terms of your inquiry, the council has an important role to play in that it is the body that is responsible for the registration of registered training organisations that are headquartered here in the ACT. It is responsible for their quality assurance. The application of that quality assurance is done against a set of national guidelines, which I heard mentioned in the previous submissions—the Australian quality training framework 2007, essential standards for registration, and the associated conditions for registration, which are a set of non-negotiable things that RTOs have got to satisfy. In addition, there are three national quality indicators: student satisfaction, employer satisfaction and completion rates.

The council has responsibility for the conduct of audits of RTOs within its jurisdiction; where appropriate, for reminding RTOs of their responsibilities in terms of the delivery of vocational education and training; and, if they are not meeting the essential standards, actually giving them guidance to help them to get to the required standard.

A critical national initiative which is just being introduced is moving from a one-tier system of quality assurance to a three-tier system of quality assurance, with the upper two tiers being managed by a body which is independent of the ARC. How that will

play out in the future is something that has to be worked through. The council's primary responsibilities with respect to vocational education and training are quality assurance, quality maintenance and reminding RTOs of their responsibilities.

Mr Barr: I think it is worth noting that, as at 30 June last year, the council was responsible for 110 registered training organisations that comply with the AQTF and 18 accredited higher education courses delivered by six ACT non-self-accrediting higher education providers. So the council is dealing with and providing quality assurance for a considerable number of providers.

Mr Jorgensen: Where an RTO is registered with another state or territory, under the principles of mutual recognition they can actually ask to deliver their training in the ACT, in which case they will be registered with the ACT. That is an automatic process. If one of those RTOs was not meeting the requirements of the AQTF inside the ACT and that came to the council's attention, the council would be obligated to take those concerns to the state or territory where that RTO is registered. Under that provision, there are several hundred of those other RTOs who are operating in the ACT but who are not registered here, as this is not their state or territory of primary registration.

THE CHAIR: How much work is involved in monitoring that side of your—

Mr Jorgensen: The normal way in which the council finds out about concerns about the non-ACT-registered RTOs is through client or employer complaint. Unless we get a complaint, it is very difficult for us to do anything with them.

MR GENTLEMAN: During your auditing processes, is there much of a need to assist RTOs in keeping their QA levels?

Mr Jorgensen: Yes. Would you like me to elaborate?

MR GENTLEMAN: Yes.

Mr Jorgensen: Some RTOs are very well established in the sense that they have got large numbers of staff, they have got very well-established processes and systems, including quality systems. Other RTOs are quite small; in many cases they are individuals who have been drawn into the vocational education training arena because they feel they have something to offer. But the notions of quality assurance against a set of national standards may not be something that they have encountered before. One of the major tasks of the secretariat in working with those RTOs is to make them fully aware of what is involved in satisfying the AQTF and, where appropriate, actually giving them guidance and helping them to get there and to maintain their position there.

Some other RTOs which have a large number of locations where they are delivering training—and I am referring here particularly to some of what we refer to as enterprise RTOs, such as the Department of Defence or Centrelink—may be delivering training all over Australia, although they are registered primarily here in the ACT. Within a mammoth organisation such as the army—seeing that Mr Pratt is ex-army—they have got 43 separate locations. Somewhere, somebody is doing

something that is against the AQTF on any given day; it is almost inevitable. So it is quite a battle.

The RTOs themselves, particularly here in the ACT, are very appreciative of the support they get from the ACT. I have been involved with what is known as the Enterprise RTO Association, which is a national body. We compare notes about the various states and territories. Universally, the ACT secretariat and its management of RTO is regarded as being the best. It is an unsolicited and uncalled-for comment, but it is a fact that, with those RTOs that deal with the ACT, all of them say that in this particular case dealing with the people in the ACT is the easiest, it is the most positive and they get the best guidance.

THE CHAIR: Why do you think that is so? What is it that is different about the ACT?

Mr Jorgensen: I think it is because we are a relatively small jurisdiction. I think it is because all the main players within the game of vocational education and training within the ACT, including those RTOs that are operating here, know each other well. I think it is also a testimony to the aptitudes of the staff of the secretariat in that they do respond positively to any questions or queries. Where there are issues with RTOs, instead of saying, “Here is a problem; fix it,” they discuss with the RTO the ways in which the RTO might go about addressing the secretariat’s concerns.

THE CHAIR: So it is an encouraging approach rather than a punitive approach?

Mr Jorgensen: Yes. And it has a payoff because when an RTO does run into difficulties—and I have managed an RTO here in the ACT and we have run into difficulties—it makes it very easy to pick up the phone and say: “We had a problem in this particular area. This is what we are doing about it, but at the moment in that area we are not operating within the national guidelines.” So it has a quid pro quo: you get a return for working positively with your RTO in that the RTO, when they do confront an issue, will actually report it rather than try and hide it.

MR PRATT: As a former student of yours, Mr Jorgensen, who is well aware of your quality assurance regimes, can I ask you this: of the 110 registered RTOs in the ACT that you would try and get to, how many would you get to in a typical year?

Mr Jorgensen: About a third. When an RTO seeks to be registered for the first time, it will go through a quality assurance process within the first 12 months. It then goes on to basically a three-year cycle, except for the very large RTOs that might have multiple sites, such as the four defence RTOs, where they will be on a rolling program. The actual period of registration is five years, so in a five-year period there is the initial audit which is done within the first 12 months, there is a mid-term audit and when they seek to be renewed there is an audit there which explains how you get to the three years.

Speaking personally, not representing council, I am a firm believer that it ought to be shorter than three years. Once you have gone through an audit process, there is an inevitable tendency amongst many to say, “I don’t have to worry about quality now for another three years,” and the thing can drop down a little bit. That is one reason

why the four defence RTOs, who are all registered with the ACT, work on a rolling three-year program, with 120 per cent of all of their operations going through. In other words, any part of it can get revisited more than once in a three-year cycle and areas which are of concern are revisited annually.

The other thing that the ACT does is that, if there is a major change within the RTO in terms of its management, its structure or its ownership, there will be a quality audit shortly after that to ensure there has been no deterioration in standards.

THE CHAIR: Are there enough resources in the ACT to manage all of that?

Mr Jorgensen: The audit process is done by members of the secretariat, often supplemented by other people from within the VTE community within the ACT. That has a mutual benefit in that it helps to spread good practice and it brings to the audit process a practical, hands-on approach to what is actually happening inside the RTO. As you know, if you are a bureaucrat and you are looking at an operational activity, unless you are physically doing that activity, sometimes you can make observations about the activity but it is better if those observations are informed by somebody who has actually done them. So there are a number of joint audit panels.

MR PRATT: In addition to the program of getting to the RTOs in a three-year, four-year cycle, that is complemented by responsive activities where you may pick up a concern?

Mr Jorgensen: Yes. The ACT has a secretariat that manages a lot of this on behalf of the council. It has a very strong proactive program of involving the RTOs in a series of activities over the year. They range from breakfasts, which can be just information giving, but they can also deal with issues of quality, through to running workshops with RTOs, to, in the case of Defence, because that is where I am from, running activities which are specific for the four defence RTOs because of their size and complexity. Those activities may be a full day or in some cases they have even been two days. They have involved the auditor, the external auditor who looks after some of this activity on behalf of the ARC; particularly where it is an external audit, a third-party audit, they will involve that third party auditor as well, so the issues of quality are appropriately addressed.

THE CHAIR: Thank you very much, Mr Jorgensen. Thank you very much, minister, for appearing before us today. We will get a copy of the transcript to people as soon as possible for checking.

The committee adjourned at 10.55 am.