

Date of meeting:	2 & 3 March 2017
Attendees:	Ms Kaye Schofield (Chair), Mr Tony McGee (for Dr Robert Christie), Ms Alison Gray, Ms Caz Tebbutt, Hon Charmaine Scotty, Mr David Cox, Mr Kaushik Kumar, Mr Tuiloma Neroni Slade, Ms Patricia Neden, Dr Siale Akaauola
Guests:	Ms Denise O'Brien (CEO – APTC), Ms Jodi Schmidt (CEO – TAFE Queensland), Mr Gordon Burns (Counsellor – Regional Health, Education & Gender – DFAT), Ms Tina Seniloli (Program Manager, Skills Development and Labour Mobility – DFAT), Ms Carol-Anne Blecich (Executive Director Strategy, Monitoring & Evaluation – APTC), Ms Virginia Simmons (Team Leader, APTC Stage 3 Design), Ms Emele Duituturaga (Team Member, APTC Stage 3 Design)
Apologies:	Dr Robert Christie
Absentees:	Nil
Minute taker:	Ms Annie Sue

1. Welcome & Member Introductions (Kaye Schofield)

The Chair welcomed all present and looked forward to the Board's contribution to the future success of APTC.

Tony McGee noted that DFAT recognises APTC as one of Australia's largest and highest profile aid investments in the Pacific, operating in a highly complex and heterogeneous environment. The Australian Government recognises the importance of economic integration to Pacific development and economic growth. Evidence indicates increased labour mobility is expected to have the greatest potential for transformational development impact. APTC will continue to have an important role in upskilling Pacific Islanders to get good jobs in their own country or migrate to Australia or New Zealand for their own development and contribute back to their home country. The APTC role may evolve over time from a training delivery to an enabling function.

(The Chair then sought and obtained the approval of members for the proceedings of the meeting to be recorded.)

Members introduced themselves and shared their professional background.

2. Apologies & Confirmation of Agenda (Kaye Schofield)

Dr Robert Christie's apology was noted and that his delegate was Tony McGee.

The Agenda was confirmed.

3. Roles and Responsibilities of the Board

3.1 Review Board Charter (Kaye Schofield)

The Board noted that Clause 6.1 will be amended to state that the Board consists of 10 members.

The Chair advised that the probity issue around Clause 6.4 had been resolved based on advice from DFAT's procurement section and that in consultation with DFAT she had concluded that it was reasonable for the APTC CEO and TAFE Queensland (TQ) CEO (Managing Contractor representative) to be present for the presentation by the Design Team, with the pre-condition that the draft Minutes of the Board meeting be put on the APTC website within two or three weeks to give potential tenderers equal opportunity to understand what was raised in relation to the Design.

3.2 Role of and Relationships with the Managing Contractor/APTC CEO (Jodi Schmidt/Denise O'Brien)

The Managing Contractor's presentation outlined the evolution of TQ's involvement in APTC from the original tender in 2007 (via Sunshine Coast Institute of TAFE) through to the current Stage 2 extension for which TQ is the sole Managing Contractor and the sole Registered Training Organisation (RTO). GRM (now Palladium) continues to support APTC Monitoring & Evaluation. APTC is treated as one of TQ's seven operating regions. The presentation also outlined TQ teaching, research and management capability. The APTC CEO outlined how the TQ/APTC relationship works, and the back office support systems and processes provided by TQ.

The Chair added that there was contractual relationship between TQ and DFAT and a line of accountability between TQ and the APTC CEO. The role of the Board is to add value to this arrangement through the provision of strategic advice to DFAT.

The Board sought comment and clarification on a range of matters.

3.3 Conflict of Interest (Kaye Schofield)

The following disclosures were made:

- David Cox – Director of Steamships Trading Company Limited engages APTC training services in PNG
- Patricia Neden – CEO of Innovation and Business Skills Australia that provides training resources to APTC

Board members were reminded to complete and return Attachment 2 (in the Board Charter): Confidentiality, Media Management Undertaking and Conflict of Interest Declaration to the APTC Secretariat.

(The meeting adjourned at 10.45am and recommenced at 11.00am.)

3.4 Code of Conduct (Kaye Schofield)

The Chair noted that the APTC Board is an advisory Board, not a governing Board.

4. APTC Briefing

4.1 Background to the APTC (Denise O'Brien)

The APTC CEO's presentation covered the Campus Structure and the changes in APTC between 2007 and the present.

Board discussion focused on the original rationale for three separate contractors and the increased priority given to skills development and quality assurance in the Pacific since APTC first started. The Board also sought clarification on the transition from Stage 2 extension to Stage 3. Whilst Stage 3 will not start until July 2018, there will be a transition phase that will begin during the procurement process.

The Board expressed the view that training is an investment rather than a cost, and suggested that APTC communications should reflect this mind-set shift.

4.2 Annual Report and Plan (Carol-Anne Blecich)

The Executive Director Strategy, Monitoring & Evaluation presented on the APTC Annual Report and Plan (ARP), outlining the key features of the ARP process, highlights for 2016-2017, and APTC performance and outcomes for each of the 14 Pacific Island countries.

Under its Charter, the Board is asked to contribute strategically to the development of the ARP and review it prior to the submission to DFAT for approval. For the 2016/2017 ARP, this process was not possible due to timing of the first Board meeting. Board meetings in the future will be scheduled to ensure that the Board can contribute to the development and review of the next ARP.

The Board noted that the 197-page APTC Annual Plan and Report contains a wealth of valuable information that can be put to multiple purposes, is publicly available on the APTC website and serves its accountability and operational planning functions effectively. However, there are audiences within and beyond DFAT, including the APTC Board, which would welcome a shorter, more strategically focused annual report and plan that could be used to inform the market, promote APTC and underpin and facilitate strategic conversations amongst and between the Board, APTC partners and APTC stakeholders on past performance and future directions. A clearer distinction between an Annual Report and (Forward) Plan and an Operational Plan should also be considered, alongside dashboard reporting that would provide decision-makers with clear and concise information on the key aspects of APTC performance.

Recommendation

- 1. That DFAT consider the production and distribution of a Summary APTC Annual Report and Plan, utilising data provided in the existing long-form Annual Report and Plan, that would be strategically focused and provide essential information on APTC's activities and performance against its goals to stakeholders including national governments and industry partners, the media and the wider community.**

The Board also noted that APTC has recently achieved significant donor funding from the European Union, and commended it on this achievement. It also noted that other donors have used APTC from time to time to deliver smaller activities. The Board suggested other Pacific donors may have an interest in working with and through APTC to achieve their skills development objectives.

Recommendation

- 2. That DFAT consider ways of opening further discussion with donors active in the Pacific (e.g. Japan, China, Taiwan, New Zealand, World Bank, ADB) to test their interest in closer collaboration with APTC to achieve their skills development objectives.**

(The meeting adjourned at 12.45pm and recommenced at 1.40pm.)

4.3 Planning Process – e-Scan/Monitoring and Evaluation Framework (Carol-Anne Blecich)

The presentation outlined the way APTC collects and analyses available information to inform strategic decision-making on training for skills development in the Pacific region and outlined the data that is produced by APTC's Monitoring and Evaluation (M&E) system.

The Board discussed a range of matters including graduate numbers, employment outcomes, the course profile, on/off-the job training, progress in growing the proportion of Pacific nationals as APTC trainers, scholarships, rates and patterns of female participation and links with labour market demand. Differences between countries on key indicators were also explored.

The Board noted the comprehensive and integrated approach to Monitoring and Evaluation (M&E) in APTC, and commended APTC for generating a wealth of data to underpin APTC planning as well as ensuring transparency and accountability. At the same time, the Board noted the significant transaction costs this incurs.

Recommendation

- 3. That DFAT consider ways of streamlining and simplifying APTC's Monitoring and Evaluation system to reduce transaction costs while enhancing the benefits that different users could derive from the system.**

The Board noted that increased workplace productivity is one of the outcomes expected of APTC training, and that APTC uses its best efforts to increase and then track the productivity of its graduates. There are many different methods for measuring the productivity gains that could be attributed to APTC or that APTC contributes to. The Board suggested that the classic economic method which assumes that productivity gains from training are best reflected in higher earnings of educated workers has significant limitations in the APTC context. There are a range of methods widely used within industry (e.g. Six Sigma, Total Quality Improvement etc) to measure productivity and these warrant further consideration, possibly alongside the more classic method based on changes in earnings before and after training. One of the benefits of a more business-oriented approach to measuring changes in the productivity of graduates is that the evidence could then be used to market the value of training to employers and thus encourage greater industry investment in it.

Recommendation

- 4. That DFAT consider a wider range of ways that the productivity of APTC graduates could be measured, and, in particular, methodologies that have proved effective in business and process improvement systems and which would produce information directly relevant to employers.**

The Board also noted the significant value of the labour market data and information that is being collected, collated and analysed by APTC and widely shared through the Country Profiles and Skills Development Plans for each campus country. It discussed the benefits of a regional approach to routinely collecting and analysing labour market data given the high costs of collection and analysis at a national level, and the limited resources in this specialised field within most Pacific Island Countries. It speculated that APTC's data could provide a springboard for a regional approach within the Framework for Pacific Regionalism and could, eventually, offer a commercial opportunity.

Recommendation

- 5. That DFAT consider ways in which APTC-generated labour market data and analysis could evolve over time from primarily serving APTC's planning function into a regional service offered to the Pacific region.**

(The meeting adjourned at 3.15pm and recommenced at 3.30pm.)

5. Strategic Discussion

5.1 Labour Mobility Among Australia's Pacific Neighbours (Tony McGee)

Tony McGee introduced this item. He noted that increasing Pacific access to Australia's labour market is a critical element of the Australian Government's long-term approach to regional development. However, the right migration policy settings need to be in place in Australia as well as the partner countries. He noted the significant benefits to be derived from labour mobility. He outlined two current Australian initiatives: the Seasonal Worker Program, and the Pacific Microstates-Northern Australia Worker Pilot Program. He advised that the Australian Government is currently considering new policy options to increase Pacific access to Australia's labour markets. It is expected that in Stage 3, APTC will be a critical enabler of Australia's

efforts to facilitate increased labour mobility. Currently under design, Stage 3 will be a six-year AUD192m aid investment commencing in July 2018.

Board members canvassed a range of issues related to the “brain drain/brain gain” debate. It noted that there is no homogenous view across the Pacific, with each country taking its own position. For example, in Tonga and Samoa the concept of migration is widely accepted. In Kiribati it is actively encouraged. In the Solomon Islands, the perception is that circular workers always return.

Employers in each country also have their own view, based on the effect that labour mobility has on their own business and their industry. Employers of tradespeople tend to be more opposed to labour mobility than employers of non-trade personnel because of the scarcity of trained tradespeople and the higher employer investment in developing trade skills. Fiji for example has a shortfall in almost every trade – building, electrical, garment and would like to see skills in those areas developed and retained.

The Board acknowledged that there is a level of anxiety about brain drain around the Pacific, with employers reluctant to invest in APTC training if there is a likelihood that they will then migrate to Australia or elsewhere.

The implications for APTC were discussed. APTC was initiated in part as an attempt to facilitate increased mobility of Pacific workers, including to Australia. The Board noted the relatively low level of known migration of APTC students, and that APTC efforts have been constrained by factors outside its control. In Stage 3, APTC may be operating in a different environment. However, without the enabling systems in Australia and in individual countries to support labour mobility, APTC will continue to face challenges with achieving its labour migration objective. The Board will keep the issue of labour mobility under review as the Stage 3 design evolves.

5.2 Partnerships with the Private Sector (David Cox)

David Cox introduced this item. He noted the different capacities of firms to provide training for their employees. Larger and more mature businesses have greater capacity than the small to medium enterprises (SMEs) which dominate business in the Pacific outside Fiji and PNG. He expressed disappointment that some larger firms in particular have not done more to train their staff. He suggested that many medium enterprises still do not understand the value of staff retention, and that a key strategy is to educate employers to see that their contribution to training is an investment that will result in savings later. He suggested that APTC could look at ways to educate stakeholders on the benefits of training that APTC has provided over Stage 1 and Stage 2 and to convince employers to take up the opportunities APTC offers. He also noted that when talking to employers, APTC should include Government as they too have employees needing to be trained.

The Board suggested that in Stage 3 there should be clearer differentiation between partnerships with industry and standard business arrangements with industry, and that true partnerships should involve a co-investment of some sort. There may be some scope for building new relationships with pan-Pacific companies where there is a mutual interest in building the Pacific skills pool.

The Board noted that the APTC brand is well established in the Pacific and has value and any move away from that should be very carefully considered. It also noted that APTC may further diversify its delivery to sectors such as agriculture and marine training and new areas such as logistics and sustainable energy if it has greater flexibility to make professional judgements based on demand. In the early years APTC’s profile was contractually prescribed and it had to work within specified industries and programs so the flexibility of the college to make its own judgements based on known demand and need was very limited.

The Board noted that APTC was proposed by the Australian Prime Minister at the 2006 meeting of the Pacific Islands Forum and supported by Leaders, who expected it to make a significant contribution to developing a skilled and competitive Pacific workforce. In the decade since then, it would seem that APTC's contribution has not been brought to the attention of Leaders. As APTC marks its 10th Anniversary in 2017 and the graduation of more than 10,000 students with Australian qualifications, and is now moving towards Stage 3, Leaders may have an interest in both its past achievements and its potential to make further contributions to Pacific regionalism.

Recommendation

- 6. That DFAT consider whether there may be an opportunity at the upcoming Pacific Islands Forum Leaders meeting in Samoa in September 2017 to draw the attention of Leaders to APTC's contribution to developing a skilled and competitive Pacific workforce since it was last considered by Leaders in 2006, and to the role APTC does and could play in regional integration and labour mobility.**

(The meeting adjourned at 5.40pm and resumed at 9.00am on Friday, 3 March 2017.)

5.3 Partnerships with National TVET Systems and Institutions (Charmaine Scotty)

Charmaine Scotty introduced this item. She emphasised the importance of partnerships to Nauru given the limited number of people with technical expertise within a relatively small population. She discussed the various partnerships that enable progress and development for Nauruans, including efforts to ensure that the refugees in Nauru also get a good education. She observed that Australian Government approval for the refugees to access APTC courses would also be welcome. She noted that partnerships with educational institutions help upskill the Nauruan people for traditional and entrepreneurial job opportunities locally and abroad through labour mobility and that the APTC partnership gives Nauruans a wider choice to mitigate oversupply in a particular field.

The Board suggested that APTC's partnership arrangements with institutions or industry should be based on clear objectives, evidence, understanding of the risks and mutual obligations. Similarly, governments need to have a clear view of what support they want and APTC needs to have a level of confidence that government support will continue.

The Board noted that the mandate of APTC is to work within the formal economy and to play a niche role in Pacific TVET and that it should not try to be all things to all people. But it acknowledged that there are other skills needs, especially those in the subsistence economy that cannot be overlooked and which require different country-specific approaches. The Board does not yet have a comprehensive appreciation of the issues at the interface between Australian-supported bilateral skills development programs in individual Pacific countries and APTC as a regional program of Australian support so was able to consider this matter only in a preliminary way. It did however affirm the importance of seamless training pathways, and expressed concern at what appears to be fragmentation of Australian support to the TVET sector in the Pacific and noted the significant investment risks arising from that.

Recommendation

- 7. That DFAT consider whole-of-DFAT decision systems and management processes that could drive a deeper harmonisation between APTC's regional efforts and bilateral TVET programs, at the same time driving greater national ownership of regional effort through APTC.**

6. APTC Stage 3 Design

The Chair welcomed Virginia Simmons (Design Team Leader) and Emele Duituturaga, Design Team member, noting that Tony McGee was also a member of the Design Team.

Virginia Simmons presented the preliminary thoughts of the Design team immediately following the Design Team's in-country mission. She noted that it does not necessarily represent a final position of the Design Team. The presentation is an attachment to these Minutes.

The following issues were discussed.

Embedding APTC into Pacific TVET Systems

- The Design Team has analysed the way APTC manages its different campuses. It believes that APTC currently operates as an enclave in that, although the APTC campus is usually located on the same site as the national provider, APTC facilities are generally available to APTC students but not to the staff or students of the national provider.
- Embedding APTC programs and support services within national institutions and systems will be a gradual mutually-agreed process, with APTC working in coalition with partners who have a shared interest in change and reform.
- The Team is examining the possibility of APTC establishing a TVET teacher training institution using some of APTC's current facilities, as a strategy to lift the quality of TVET training across the Pacific.

Risk/Business Continuity

- To mitigate the potential risk around business continuity from Stage 2 Extension to Stage 3, the Design Team has been tasked to prepare a Transition Plan for the different possible scenarios.

Labour Mobility

- There needs to be more clarity up front about the intention of the students when they enrol in APTC. Employers are disadvantaged if they sponsor a student to study at APTC only to find that they migrate after the training. Students could declare at enrolment whether their intention is to stay in their country or whether their aim is to migrate (assuming there is a migration pathway). If intending to migrate, students would have access to the top up fee for service training that would assist them in the process.
- Sending countries should not bear the full cost of training for graduates who then intend to migrate to another country. Receiving countries should bear at least a portion of the cost of training of migrating graduates. The risk of skilled migration exceeding national skills replenishment needs to be managed.
- Governments were generally receptive to the labour mobility initiatives because of the remittances but industry was not universally supportive because of the loss of skills. One option would be for those wanting to migrate to pay for their own course.
- Richard Curtain as part of his work on the Design Team had done an analysis on all the qualifications that APTC offers and which of those can qualify for different visa arrangements within Australia. There are not all that many qualifications with a migration pathway so the "home" and "away" tracks will not both exist for all APTC qualifications.

The Chair thanked the Design Team members for their presentation and clarifications.

(The meeting adjourned at 12.15pm - to allow the Board to attend the Fiji Graduation - and recommenced at 4.00pm.)

7. General Business and Next Meeting

7.1 Review of Board Meeting

This session was held in camera. Amongst other matters, Risk Management was discussed.

As an advisory body, the Board does not have authority in the area of risk management and that DFAT is responsible for managing risks to the Commonwealth, TAFE Queensland is responsible for managing contract risks and the APTC team is responsible for managing program risks.

Nevertheless the Board expressed a keen interest in risk management. It noted that knowledge and experience in identifying, analysing and managing risk in the Pacific context is identified in the Board Charter as essential in the composition of the Board and that within the Board there is considerable knowledge and expertise of risk management, especially in the private sector.

In order to fulfil its responsibility to provide advice to DFAT and to management on the strategic direction and performance of the APTC, the Board felt it needed to have a clearer line of sight to risk across all aspects of the APTC.

There is an APTC Risk Management Strategy and Risk Matrix, that an APTC risk management committee has been established to manage program risks and that the range of actions taken to improve the risk management process are reported in the Annual Report and Plan. It noted the benefits of a holistic approach to risk. It also discussed the seemingly heavy audit and compliance load that the APTC appears to carry and briefly discussed some potential risks, particularly those associated with the transition to Stage 3.

The Board expressed a wish to engage with risk and the need to understand better the current approach to risk management, so that it can contribute to the development of the next APTC Annual Report and Plan.

Recommendation

- 8. That DFAT, TAFE Queensland and the APTC management team agree to make a presentation to the next Board meeting on managing APTC risk so that the Board can have a better understanding of current risk management arrangements, the potential risks arising from the transition to Stage 3 and can provide informed advice on future improvements as needed.**

(This recommendation was finalised by the Board out-of-session.)

7.2 Closing Remarks

Board members will be consulted on their availability when dates and location for the next meeting become clearer – most likely in the Pacific around October/November. However, any change in Australia's Pacific labour migration policy settings may warrant a meeting in Australia.

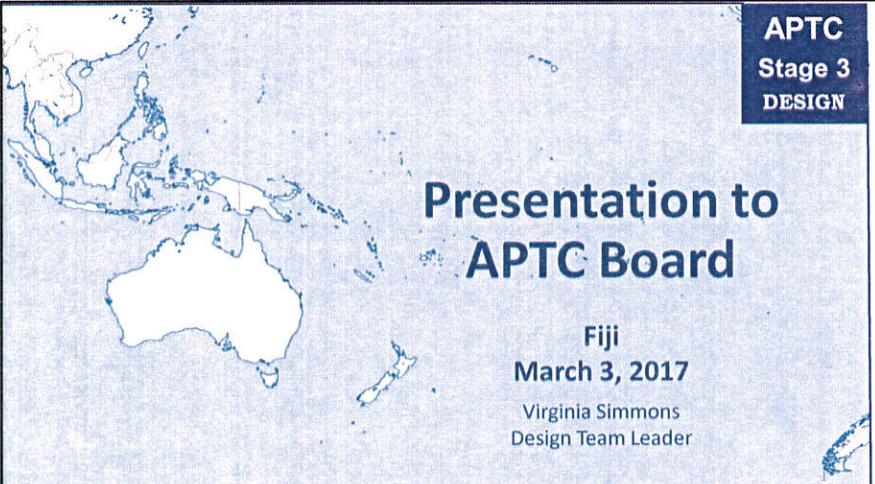
The Chair advised that the Board was impressed with APTC's achievements and thanked the CEO and staff for facilitating the first Board meeting and for the opportunity to attend the graduation. She also thanked Board members for their valuable contribution to the discussions.

A vote of thanks was then offered to the Chair for her exceptional leadership and the way she conducted and guided the meeting.

(The meeting concluded at 5.30pm.)

ACTIONS REGISTER

Action Number	Topic	Meeting Date	Action Item	Action Officer	Timeline	Status
4.2	Annual Report & Plan	2/3/17	Board to contribute to production of 2017/2018 ARP (possible agenda item for next Board meeting)			
4.3	Planning Process	2/3/17	Government/industry/student partnership with prescribed roles for all – to be explored further at next Board meeting			
7.1	Review of Board Meeting	2/3/17	Risk management to be a possible agenda item for next Board meeting			



**APTC
Stage 3
DESIGN**

Presentation to APTC Board

Fiji
March 3, 2017

Virginia Simmons
Design Team Leader

**APTC
Stage 3
DESIGN**

Disclaimer

This presentation contains preliminary thoughts immediately following the Design Team's in-country mission. It does not necessarily represent a final position of the Design Team.

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Issues to be Covered

- Achievements and limitations of APTC to date
- Overview of the approach to the Design
- Initial findings and issues from the in-country mission
- Discussion

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**APTC
Stage 3
DESIGN**

**APTC
Stage 3
DESIGN**

Achievements and Limitations of APTC to Date: Brief Overview

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APTC's Key Achievements

**APTC
Stage 3
DESIGN**

Quality

- heightened awareness of characteristics of sound TVET practice: teaching practices, curriculum, learning materials, management and policy
- recognition of gap between APTC and local training, especially by graduates and employers
- demonstration of high quality trainers and training facilities
- successful transferring of skills to national trainers

Equity

- access for women (students and trainers)
- access for people with disabilities

Brand

- high brand recognition in many countries



Quotable Quotes

**APTC
Stage 3
DESIGN**

'APTC is one of the best projects in the Pacific'

'APTC is the benchmark for quality training'

'APTC produces quality graduates and provides lessons for other providers'

'APTC graduates are the elite of the Samoan workforce'

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APTC's Key Limitations

**APTC
Stage 3
DESIGN**

'Enclave' Operations

- APTC has operated as an enclave in some countries, not integrated into Pacific TVET - complex underlying political, strategic and operational reasons why this is the case
- Availability of fully-funded scholarships a key differentiator

Labour Mobility

- Stated policy intent of APTC and expectations of students have not been met (250+ out of 10,000 graduates)

Cost

- High unit cost per student draws criticism in some quarters



Overview of the Approach to the Design

**APTC
Stage 3
DESIGN**

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Investment Concept Note (ICN)

**APTC
Stage 3
DESIGN**

- Development commenced May 2016
- Two meetings of Design Reference Group – May and July
- Field Mission July
- Draft completed September
- Draft approved October 16
- Investment \$192m over 6 years (constant level)

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Key Changes Foreshadowed in ICN

**APTC
Stage 3
DESIGN**

1. Embedding APTC into Pacific TVET systems
2. Gradual introduction of co-investment (cost-sharing)
3. Increased labour mobility
4. Incentives for reform
5. Changes reflected in APTC name

CHANGES CONCEIVED OVER 6-10 YEAR PERIOD



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Embedding APTC into Pacific TVET systems

**APTC
Stage 3
DESIGN**

- Gradual movement away from enclave operations
- Greater alignment with priorities for national economic growth
- Forming of coalitions (reform/change groups) in combinations of industry, government, other donor programs and APTC to achieve national TVET development and reform
- Areas of reform potentially include:
 - Better match between skills of TVET graduates and employer needs
 - Training delivery and management
 - Improving labour mobility without skills drain
 - Policy and legislative change
 - Financing TVET
- Greater delegation to, and engagement at country level, including with DFAT Posts and bi-lateral programs

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Gradual introduction of co-investment

**APTC
Stage 3
DESIGN**

Moving away from aid-dependent approach

- progressive reduction of scholarships

Testing real demand through willingness to pay, including in-kind

- growth in government and employer sponsorship of training and tuition-paying individuals
- greater opportunities for students other than existing workers to access training, subject to links to employment
- responding to service requirements of other donor programs

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Labour Mobility

**APTC
Stage 3
DESIGN**

- Two tracks:
 - (1) '**home track**' - students intending to remain in the home country
 - (2) '**away track**' - those intending to migrate given specific support
- APTC sticks to its core business of training
- Separate Pacific labour mobility facility under consideration
- Facility would have responsibility for establishing links to employers and facilitating the migration process, including for APTC graduates

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Incentives for reform

**APTC
Stage 3
DESIGN**

- Performance-based approaches to investment/co-investment
- Funding withdrawn or re-allocated where performance is beneath agreed standard
- Competitive arrangements between countries/national governments
- Preference systems for those supporting change. For example:
 - tuition-paying students get preference for places over scholarship students)
 - companies involved in coalitions get preference for graduates

RE-THINK? NOT CONSISTENT WITH A GENUINE PARTNERSHIP

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Changes Reflected in APTC name

**APTC
Stage 3
DESIGN**

- Strong existing brand – acronym
- Alter meaning of acronym to reflect change proposed
- Move to *Australia-Pacific Training Coalition*
- Flow-on nomenclature changes



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What's different?

**APTC
Stage 3
DESIGN**

- Reduce scholarships over time
- Assist more APTC graduates to migrate for work if they want to, without causing skills drain
- Get more APTC graduates in good jobs through enterprise partnerships
- Help to lift the quality of Pacific TVET so more employers want to give jobs to local graduates in place of foreign workers



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What doesn't change?

- 1,000 Pacific Islanders will graduate with Australian qualifications each year
- High quality standards will be rigorously maintained
- APTC will not take on a mainstream training role that rightly belongs to national governments
- APTC will not compete with national TVET institutions
- APTC Stage 3 will only provide opportunities to students other than existing workers where there is a clear employment pathway

**APTC
Stage 3
DESIGN**

APTC should
stay in its
lane

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ICN: End of Program Outcomes

1. APTC's skills training is demand-led and inclusive
2. APTC graduates qualified for, and connected to, labour migration pathways
3. Enterprise and industry partnerships improve TVET pathways, employment outcomes and workplace productivity
4. Increased quality, relevance and cost-effectiveness of Pacific partner TVET provision.

**APTC
Stage 3
DESIGN**

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Design Plan

**APTC
Stage 3
DESIGN**

- Commenced October 16 for completion by June 30, 2017
- Briefings for seven DFAT country Posts in November - December on proposed consultation process
- Team membership confirmed by end of 2016
- Field mission February, 2017
- Design includes Transition Plan

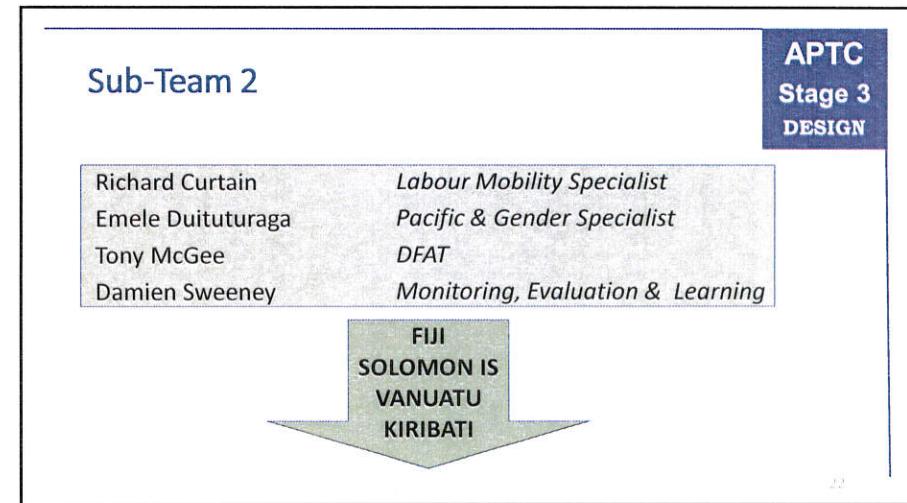
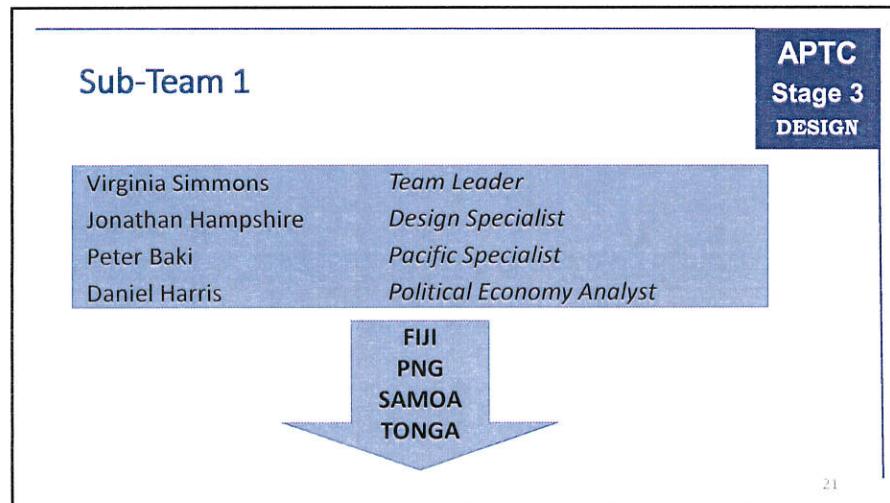
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Design Team Members and Advisers

**APTC
Stage 3
DESIGN**

Virginia Simmons	<i>Team Leader</i>
Emele Duituturaga	<i>Pacific & Gender Specialist</i>
Jonathan Hampshire	<i>Design Specialist</i>
Peter Baki	<i>Pacific Specialist</i>
Richard Curtain	<i>Labour Mobility Specialist</i>
Tony McGee	<i>DFAT</i>
Daniel Harris	<i>Political Economy Analyst</i>
Damien Sweeney	<i>Monitoring, Evaluation & Learning</i>
Assoc Prof Richard Brown	<i>Value for Money Specialist</i>

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Response to ICN

**APTC
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- Positive response to APTC continuing and at current investment level
- Support for maintaining APTC's current strengths
- General support for proposed directions
- Endorsement of embedding APTC into Pacific TVET
- Conditional endorsement of co-investment
- Conflicting responses to increased labour mobility
 - Industry often opposed, especially in trade occupations
 - Governments often in favour (e.g. remittances represent 24% of Tonga's GDP, 20% of Samoa's)

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Common Issues across the Pacific

**APTC
Stage 3
DESIGN**

1. Inappropriate entry requirements for TVET teachers
2. Absence of quality TVET teacher training
3. Lack of dedicated TVET teacher training institutions
4. Need for supervisory and management training – generally and for TVET institutions
5. Multiple national qualification frameworks (inc. Australia and NZ) impeding mobility
6. Need for strategy to lift national qualifications to international standard
7. Need for pathway to initial qualifications for highly experienced but unqualified workers – recognition of current competence

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Common Issues across the region (2)

**APTC
Stage 3
DESIGN**

8. Lack of engagement with industry by TVET institutions
9. Lack of confidence in TVET institutions by industry
10. Need to focus on entrepreneurship/innovation/creativity – job creators rather than job seekers
11. Need for greater emphasis on soft skills
12. Policy gaps or vacuum for TVET in some countries
13. Poor resourcing and recognition of TVET
14. General lack of reliable labour market data
15. Apprenticeship and licensing

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Other Observations

**APTC
Stage 3
DESIGN**

- Growth in DFAT-funded TVET bilateral programs since APTC commenced
- Multiple donor arrangements in some countries
- **Tonga Example** (POPN 103,000):
 - Tonga Skills (\$AU7.5m over 3 years)
 - World Bank (\$US15m over 5 years)
 - NZ-funded partnership between Manikau Institute of Technology and Tonga Institute of Science and Technology (TIST)
 - APTC partnership with TIST
- Different levels of engagement by DFAT Posts with APTC
- Potential to review APTC's breadth of country activity

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Summary

APTC
Stage 3
DESIGN

Gradual evolution of APTC from technical college focussing on training delivery to facilitator/broker of coalitions with common interest in TVET development and reform ...

... consistent with but formalising and strengthening emerging trend

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Discussion
Comments
Questions

APTC
Stage 3
DESIGN

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