

**IN-COUNTRY MISSION - APTC STAGE 3
(4.2.17– 3.3.17)**

INITIAL FINDINGS AND ISSUES ARISING FROM THE CONSULTATIONS

2.1 General response to the directions outlined in the Investment Concept Note (ICN)

- Positive response to APTC continuing and at current investment level
- Support for maintaining APTC's current strengths - as national qualifications are generally not highly valued by industry for producing work-ready graduates and meeting labour market needs.
- APTC's on-going role in setting a benchmark for the quality of training is seen as essential for lifting training standards
- Support for continued intention of not competing with national providers or the role of national governments
- General support for directions proposed. In the Investment Concept Note (ICN).

2.2 Embedding APTC into Pacific TVET systems

- Support for increased country level focus of APTC's operations
- Support for APTC shifting away from enclave model and moving towards more joint approaches: facilities and equipment sharing; delivery of training; harmonisation of qualifications; and sharing of management approaches such as quality assurance, budgeting and management information systems
- Support for shift in emphasis on direct training delivery to a facilitating/brokering role over time
- Support for closer integration with bilateral skills development programs

2.3 Co-investment¹

- Conditional endorsement for the concept of co-investment
- Pacific Island Governments emphasised budgetary and financial constraints but expressed preparedness to consider in-kind contributions
- Enterprises expressed willingness to pay for training and/or to co-invest, subject to their satisfaction with the quality, relevance and flexibility of the training including, where appropriate, delivery in the workplace or out of working hours to minimise the loss of productive workers.

2.4 Labour Mobility

¹ Although the ICN referred to 'cost-sharing' as an important future direction for APTC, this terminology was changed to 'co-investment' in the course of the consultations. 'Co-investment' highlights that training is an investment rather than a cost and better conveys the intention that in-kind contributions to training are also to be promoted.

- General view that APTC should stick to its core business of delivering/facilitating quality training, supporting the ICN proposition that there is a need for a separate facility to support/connect Pacific Island graduates to labour mobility pathways
- Governments were in favour of migration as a means to provide improved employment opportunities for residents. Remittances are also a consideration, contributing a significant proportion to GDP in some countries
- Industry sought assurances that APTC graduate supply would ensure a net skill gain for Pacific Island Countries. A number of industry sectors identified exposure to international standards as critical to future success (e.g. tourism and hospitality, construction)

2.5 Future priorities for training

- The lack of 'soft skills' was stressed in almost every stakeholder forum as an impediment to workplace productivity. Examples of skills mentioned were personal presentation, communication, punctuality, problem solving, 'work ethic', commitment, team building, integrity and the like. Soft skills were seen as a distinguishing feature of APTC graduates and incorporating these skills into national training programs was seen as a priority
- Emphasis on the need for a greater focus on leadership and management skills
- General emphasis on tourism and hospitality; construction; manufacturing; and value adding in the primary industries (agriculture, fisheries)
- Need to increase the focus on entrepreneurship/innovation/creativity – building the pool of job creators rather than only job seekers
- After ten years of focussing on certificate level 3, there was some emphasis on APTC offering higher-level qualifications and improved pathways in Stage 3 as well as the need to consider lower level qualifications where a clear domestic or international employment pathway exists.

2.6 Other Common Themes heard from Stakeholders

- Inadequate resourcing and recognition of TVET across the Pacific
- Lack of engagement with industry by national TVET institutions
- Policy gaps or vacuum for TVET in some countries
- Concern about how to reform skills formation arrangements to overcome widespread reliance on foreign workers
- Interest among key stakeholders such as leading employers in forming informal working groups with some resources to tackle policy reform blockages
- General lack of reliable data to inform decision-making
- Uncertain state of apprenticeship and licensing in some countries.

APTC Board Meeting 3 March

Presentation and Summary discussion - APTC Stage 3 Design

Virginia Simmons, Design Team leader, presented the preliminary thoughts of the Design team immediately following the Design Team's in-country mission noting the presentation did not necessarily represent a final position.

The Design team *Presentation to APTC Board* is a separate attachment available on the DFAT website (business notifications).

Key issues for the Board discussion included.

1. Embedding APTC into Pacific TVET Systems

The Design Team 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. APTC will collaborate with national TVET system partners who have a shared interest in, and demonstrated commitment to, reform to achieve shared outcomes.

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.

2. 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.

3. Labour Mobility

There needs to be more clarity about the intention of the students when they enrol in APTC. If intending to migrate, students would have access to the top up fee-for-service training that would assist them in the process.