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IMPROVING AUSTRALIA'S TRAINING SYSTEM
Improving Australia's Training System

Circulated by the Hon. J S Dawkins MP,
Minister for Employment, Education and Training
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FOREWORD

In previous statements - Skills for Australia, A Changing Workforce and Industry Training in Australia: The Need for Change - the Government has emphasised the need for reforms of our vocational education and training arrangements to enhance the skills of the workforce and thus the process of economic development and structural change.

The pressures for such reform are now immediate and urgent. In particular, the award restructuring process already in train carries major implications for our education and training systems:

. new demands for training and skills development at all levels of the workforce;

. an increased emphasis on demonstrated competence rather than time served;

. more flexible, broadly-based and modular approaches to training;

. greater national consistency in training standards and certification arrangements;

. improved access to training for disadvantaged groups; and

. better articulation between different forms and levels of education and training.

Complementary changes are also needed to current arrangements for the recognition of overseas qualifications, which have long been a source of concern to our migrant community.
The tasks at hand are substantial, diverse and highly challenging. To tackle them successfully will require a strong and shared commitment from the industry parties and governments, both State and Commonwealth, as well as from individual employers and employees at firm and enterprise level.

The Government will play its part in this challenging process, providing leadership, national direction and incentives for change and reform. As a stimulus to action, it is announcing in this statement a range of immediate measures to enhance the quality, consistency and equity of the national training system.

Lasting changes for the longer term will require co-operative action over a period of years. The Government will be consulting with the industrial parties and State/Territory Governments on the principles which should underpin the process of reform.

J S Dawkins, MP
Minister for Employment, Education and Training
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1. INTRODUCTION

At the beginning of its third term, in the statement *Skills for Australia*, the Hawke Government expressed its determination that our education and training systems should play an active role in responding to the major economic challenges facing Australia. It committed itself to providing national leadership in this endeavour, working in partnership with State and Territory Governments, education and training authorities and the industry parties.

The Government has fully honoured that commitment. We have instituted a major reform of the national higher education system, while substantially expanding its capacity. We have re-shaped the framework of Commonwealth financial assistance for TAFE, introducing new arrangements based on agreed goals and priorities. We are working jointly with State and Territory Governments to strengthen the quality of Australia's schools. We have undertaken a major review of industry training in Australia, demonstrating the urgent need for increased industry investment in the skills of the labour force. We have reviewed and reformed the structure of Commonwealth labour market programs, placing greater emphasis on active measures, including training, to assist the long-term unemployed and other disadvantaged groups.

These changes have been radical, comprehensive and coherent. At all levels of the education and training system we have acted to secure lasting improvements in quality, efficiency and responsiveness to national needs.
At the same time we have recognised that change is not costless, and that additional resources are required to meet the growing community demands for education and training. Total Commonwealth expenditure on employment, education and training programs has risen in real terms from $6,103m in 1986-87 to an estimated $6,326m this financial year - an increase of $223m or 3.7 per cent. Further substantial increases in expenditure have already been committed for 1990 and 1991.

While much has been achieved in the past two years, we cannot afford to relax our efforts. In the key area of industry training, in particular, the pressures for further change are immediate and urgent. These include:

. the continuing imperative for structural change in the economy, and associated requirements for new and higher-level skills;

. the persistent evidence of shortages of skilled labour, even within the present structure of the economy and labour market;

. the major implications for training and retraining arising from the award restructuring process now under way;

. the impact of demographic and technological developments, imposing greater requirements for further education and training of the adult labour force;

. the continuing evidence of inequities in access to education and training opportunities, requiring further targeted action to improve the labour market prospects of disadvantaged groups.
There is now widespread agreement on the need to respond to these pressures with reforms of our national training arrangements. Our trade unions and their representatives have put forward proposals to eliminate outdated industrial barriers to effective training. Employers and employer groups have in general responded positively to these proposals, also increasingly acknowledging their own responsibilities for investment in training. State and Territory Governments have recognised the industrial imperative for change, and are addressing its implications for their TAFE and training systems. The Commonwealth for its part is determined to maintain the current momentum for reform, so essential to the achievement of its own goals for national economic restructuring and long-term improvements in living standards.

In short, for the first time since Federation, there is now the real prospect of a genuine partnership of interests in training, and an agreed national agenda for training reform. To reap the full benefits of this opportunity, however, concerted and co-operative action will be needed by all parties to our national training arrangements.

The Government has identified five major priorities for action on the agenda of reform. These priorities are inter-related and inter-dependent, needing co-ordinated action in all areas if real and lasting progress is to be achieved.

The first priority is to increase substantially the level of national investment in training, especially by the private sector. A recent survey conducted by the Confederation of Australian Industry found that 60 per cent of employers were confronting skills shortages which were impeding the process of industry adjustment. Without
urgent action to boost our national training effort this problem is likely to worsen as the pace of restructuring quickens, as indeed it must. There are some early but encouraging signs that more employers are recognising their own responsibilities in this area, and acting accordingly.

The second priority is to improve the quality and flexibility of our national training arrangements, and thereby the quality, breadth and flexibility of skills acquired. Changes are needed both at the entry level of training - in apprenticeships and traineeships, for example - and in arrangements for the further education and training of the existing labour force. At issue are not merely improvements in technical skills and competence, important as these are, but also a range of broader objectives central to our economic and industry development goals: for example, improvements in quality, teamwork, innovation, management and the organisation of work. The award restructuring process will be a primary vehicle for action.

A report by the Minister for Industrial Relations, the Hon Peter Morris, Award Restructuring: The Task Ahead, is published separately and as an attachment to the Treasurer's April 1989 Statement. This outlines the tasks involved and the roles of the parties, and provides details of the Government's initiatives to support the process of award restructuring.

Thirdly, there is an urgent need to improve the national consistency of training arrangements and the co-ordination of our national training effort. Current differences in the organisation of training from State to State are largely the product of history rather than reason, and entail significant costs and inefficiencies for all
concerned. In addition, prompt action will be essential to ensure that the training outcomes of the award restructuring process are properly co-ordinated across industry sectors, within a consistent and nationally coherent framework.

Continuing efforts will also be needed to improve the training opportunities available to disadvantaged groups. The distribution of training activity in Australia remains heavily skewed in favour of those with higher levels of formal education and skill. Workers with low levels of formal education, and low-skilled casual and part-time workers, have much more limited access to training. Women in particular face continuing structural barriers in their access to skilled employment and training opportunities. These restrictions on access to training heighten income inequalities and other inequities in the labour market. They also reduce the quality of the national skills base, and the overall efficiency of our national training effort.

Finally, the Government is committed to a major reform of current arrangements for the recognition of overseas qualifications. Existing arrangements are poorly co-ordinated and inequitable, and have long been a source of concern to the migrant community. They have also led to significant under-utilisation of an important source of skills. A fairer and more open system is needed, based on a clear set of assessment standards and recognition procedures and providing better access to education and training opportunities.

Many of these issues were raised in the Government’s recent discussion paper Industry Training in Australia: The Need for Change, and are currently the focus of an extensive consultation process being co-ordinated by the
Employment and Skills Formation Council of the National Board of Employment, Education and Training. The Council is due to provide a wide-ranging report to the Government by early May 1989, with particular emphasis on longer-term changes required to improve both the quantity and quality of training in Australia. Following receipt of that report the Government will consider any further action which may be needed to increase the level of industry commitment to training. In the meantime, the award restructuring process and other immediate pressures demand a clear statement from the Commonwealth Government on its goals and priorities for the national training system.

Public debate on the Government's discussion paper has focussed heavily to date on the quantum of the national training effort and associated financing measures, with considerably less attention to quality issues. Such a focus is unbalanced and unfortunate. Increases in the overall level of training will be to little avail unless complementary action is also taken to improve its content and broaden its base. In this statement, therefore, the Government has concentrated its attention on measures required to improve the quality, consistency and equity of the national training system, and associated improvements in arrangements for overseas qualifications recognition.

The Government readily acknowledges that the Commonwealth is but one of many parties with interests in these matters, and that State and Territory Governments, employers and unions, in particular, must also play a vital role in the process of reform. As a stimulus to co-operative action, the Government is proposing a range of financial measures to support the most urgent improvements in our training arrangements. It will also be looking to early consultations with the industry parties on training issues, and will convene a high-level
Ministerial conference with State and Territory Governments to develop a national program for action on necessary reforms. The forthcoming report of the Employment and Skills Formation Council will provide an important input to the processes which flow from these consultations.

Details of these and associated measures are provided later in this statement.
2. IMPROVEMENTS IN THE QUALITY AND FLEXIBILITY OF TRAINING

Lasting improvements in the quality of Australia's workforce skills will require major changes in the quality and flexibility of our national training arrangements. More training without better training will be wasteful and ultimately futile.

Deficiencies in the quality and flexibility of training in Australia have been the subject of numerous government reports and inquiries over the past thirty years or more. Resultant action, however, has been limited at best, as traditional practice and vested interests have outweighed cogent arguments even for short-term refinements, let alone long-term reforms.

Now, however, the pressures for such reform are immediate and urgent: industrially, to underpin the ambitious program of award restructuring already under way, and even more fundamentally to upgrade our national productivity performance and enhance our competitive position in the international marketplace. Fortunately, if not fortuitously, the climate for change is also highly favourable, as the major parties to our training arrangements now readily acknowledge the costs and inefficiencies of traditional practice and the urgent need for reforms and improvements.

There are a large number of issues to be addressed in the process of reform. A primary requirement is for improvements in the breadth and flexibility of training.

Traditional distinctions between different occupations in the same field are fast disappearing in practice. Technological change has meant that the current skill requirements of some occupations bear little resemblance
to those which applied at the time that remuneration relativities, other conditions of employment, and entry mechanisms were established. Changes are needed to many of the lateral demarcations between occupational fields and related training designations, which reduce the range of employment and training opportunities open to individual workers. Vertical demarcations also warrant review, to the extent that these reduce the incentives for workers to remain within particular fields due to the absence of long-term career prospects.

These considerations point to the need for the training process to be broadly based rather than narrowly focussed on immediate and job-specific skills. Broadly-based training will provide individual workers with a more marketable and satisfying range of skills, as well as a better capacity to adapt to and influence change. Industry too will benefit from greater flexibility in the use of skills, and a resultant increase in workforce productivity. Pragmatically, also, a broader national base of skills will mean a better insurance against the uncertainties of future technological and structural change.

The concept of 'skills formation' is relevant here, encompassing not merely the requisite technical skills and knowledge but also appropriate industry experience, an appreciation of quality and teamwork, and an understanding of technology, innovation, occupational health and safety, and work and management organisation. Skills, like technology, need to be effectively applied in a practical setting before their benefits can be fully realised.

Despite some encouraging achievements with programs such as the Australian Traineeship System, the skill boundaries which define our national training arrangements continue
to be far too rigidly delineated, with the result that the skills imparted are often unduly narrow and poorly related to modern industrial needs. As a first step, reforms in this area will require the review and revision of outdated occupational classifications, the removal of unnecessary demarcation barriers, and the elimination of restrictive training provisions from industrial awards. Complementary changes can then follow to the training arrangements themselves.

A closely related issue is the need to develop approaches to training based more upon competency achieved rather than time served. The rigid provisions defining terms of training for apprenticeship, for example, pay little regard either to differences in skill requirements between the trades or to individual differences in learning and skill acquisition. New instructional techniques will be needed, based upon specified standards to be achieved both for on-the-job and off-the-job training. Likewise, new certification arrangements will need to be developed which use performance rather than time as the basic criterion for assessment.

A working party was established by the Departments of Labour Advisory Committee in 1988 to examine competency-based approaches to training for the trades. Noting the technical and industrial complexities involved, this working party has recommended an incremental approach beginning with pilot arrangements in selected trades in 1989. The framework developed by the working party will be used as the basis for early consultations with the major parties to the entry-level training process.

The Commonwealth supports this program of progressive reform, and will assist the process through its own programs of financial assistance for industry training.
The payments system under the Commonwealth Rebate for Apprentice Full-time Training (CRAFT) has already been changed to encourage a competency-based approach to apprenticeship training; under these arrangements, half of the employer subsidies payable as an Apprentice Training Incentive (ATI) are to be paid only on the completion of training, to be determined ultimately on the basis of the attainment of prescribed competencies. The Government intends that similar arrangements should also apply as soon as practicable to employer payments under the Australian Traineeship System. By these means the Government will encourage and accelerate progress towards a competency-based training system, with the expectation that substantial reforms should be implemented no later than 1993, and preferably earlier.

A heightened emphasis on competency and performance will generate new pressures also for more systematic reviews of training requirements and of the content and quality of training programs. New links will need to be established between curriculum development processes, the setting of standards, the assessment of competence and the accreditation of training courses and providers. Improvements will also be needed in the flexibility and linkages between different forms and levels of vocational education and training, involving better processes for the recognition of prior training and experience and improvements in career paths and development opportunities across the total workforce. Industry itself will need to be actively involved in developing these new arrangements if outcomes are to be consistent with its needs.

Much could be gained from a move towards a more ‘modular’ system of training, involving the replacement of fixed-term, long-cycle training courses with a range of smaller elements focused on particular aspects of skill.
Completion of each element would be subject to an assessment of competence achieved, leading to a graduated scale of qualifications recognised both by educational authorities and industrial awards. Moreover, the elements could be combined in different ways according to need, making it possible to move by small increments from 'unskilled' status to trade level and beyond. The objective would be to impart an appropriate level and range of skills, not merely to serve out a fixed period of time.

Such an arrangement would benefit the individual trainee in that each step of the modular program would represent a recognised and marketable qualification. Moreover, since successful completion of each stage would provide the basis for proceeding to the next, those who elected to begin with a relatively short or elementary training would not be locking themselves into a low-status job for life. From industry's viewpoint, existing staff could be upgraded rapidly when a significant demand for higher level skills arose, and special modules could be added to train already qualified workers in new types of skill as they came into demand. At the same time, it would be important to ensure that "clusters" of modules are large enough to impart a broad range of skills. The modular approach must not be allowed to become a vehicle for reducing current commitments to training, or for narrowly confining the ambit of training programs to those units immediately applicable to an employer's current needs.

Many of the quality issues just identified are given added importance by the industrial developments now in train as part of the award restructuring process.
Consistent with the Structural Efficiency Principle established by the August 1988 National Wage Case decision, negotiations on award restructuring are now in progress across a range of industries and sectors: in the metal, steel, motor vehicle, textiles, clothing, footwear, maritime and waterfront, airline, timber, pulp and paper, and hospitality industries, and in areas of Australian Government employment and Government business enterprises such as Telecom. The negotiations required will involve an extensive review and eventual overhaul of existing industrial awards leading to new arrangements consistent with modern economic and industrial circumstances. The issues to be addressed are both substantial and wide-ranging, including revision of job classification structures, the establishment of new career paths and remuneration arrangements, improvements to skills formation and training practices, and reforms of work organisation, working time and payment systems.

While training and skills development issues are only one of the elements in this process of reform, they have already attracted a high priority in the award restructuring negotiations undertaken to date. Common features to emerge from those negotiations include, for example:

- a set of 'broad-banded' job classifications, each of which encompasses a broad range of tasks, functions and/or skills at that level;

- opportunities for progression from the lowest skill level through to the highest within an industry; and

- a structured program of skills acquisition, both on-the-job and off-the-job, providing the opportunity for all workers to develop the skills necessary for advancement along the new career paths.
These features reflect the requirements of the Structural Efficiency Principle for development of skill-based career paths, the elimination of impediments to multi-skilling, and the promotion of new and more flexible working patterns and arrangements. They are also entirely consistent with the Government's objectives of achieving a greater degree of labour market flexibility and a more efficient and harmonious industrial environment.

The award restructuring process carries major implications for all segments of our vocational education and training system, and in particular for TAFE. These include:

1. increased requirements for the conduct of 'skills audits' and the assessment of training needs;

2. the development of competency standards and associated machinery for competence assessment, covering both on-the-job and off-the-job training;

3. a comprehensive system of training accreditation, based on recognised national standards and encompassing TAFE authorities, private training providers and the in-house training programs of industry;

4. wide-ranging revisions to TAFE and other training curricula, reflecting national standards as these are developed, incorporating modular approaches as appropriate, and covering both entry-level training and further education and training for the existing workforce;
staff development and retraining implications both for TAFE teachers and industry training staff, in part to promote an awareness of the objectives of award restructuring but also to update and broaden their own vocational skills and competence;

improved arrangements for the recognition and articulation of training, in ways which will enhance the lateral, vertical and geographic mobility of workers; and

not least, a significant expansion of the total capacity of the national training system and associated training infrastructure, recognising the resource implications of such expansion.

Award restructuring will also heighten the importance of effective links between industry and educational institutions. There is a pressing need to identify more precisely the training requirements which will flow from restructured awards, so that TAFE and other training providers are in a position to respond promptly and effectively. Close collaborative effort will be needed in this process, as also in the subsequent design and development of new courses. More than ever before, educational institutions will need to be sensitive to the expressed needs of industry, and to tailor their offerings accordingly. For its part, industry will need to be realistic in the demands it makes on the education system, recognising that resources are limited and that change will often have to be progressive rather than immediate.

The issue of employee contributions to the cost of training is also important. Many employees already contribute in a number of ways, including:
. by accepting a lower wage during training;
. by undertaking training in their own time; and
. by paying part of the fees and related course costs of training.

The appropriateness of existing arrangements is a matter which the industrial parties could consider in the context of award restructuring.

The quality of Australia's future workforce skills will depend not only on the basic education and initial vocational preparation provided to young people, but vitally also on our ability to develop and continuously upgrade the skills of the adult workforce. Award restructuring will be an important instrument for progress in this area, providing new incentives for career progression and skill development and better recognition of previous training and skills acquired.

At the same time, the Commonwealth has a particular interest in entry-level training, as reflected in its substantial levels of financial support for the Australian Traineeship System (ATS), apprenticeship training, full-time TAFE training under AUSTUDY and general assistance to the States for TAFE. Current Commonwealth expenditure in these areas is in the order of $528m per annum, providing direct assistance to some 175,000 young people and assisting many others indirectly. More than one in every four school leavers now undertakes structured entry-level training under apprenticeship arrangements or the ATS.
Continued expansion of entry-level training will be essential to the achievement of the Government's training goals. Changes in the structure of industrial awards, and associated changes in technology and work practices, will progressively make the concepts of "unskilled worker" and "unskilled job" less relevant. It will be vital to ensure that young Australians entering the workforce, and older people entering or re-entering the workforce, have access to quality entry-level training of an appropriate nature which will open up opportunities for career advancement, not dead-end jobs.

The Australian Traineeship System has been a major initiative of this Government in the expansion of entry-level training. Its introduction has not been as smooth as many had hoped: attitudinal barriers, industrial impediments and a range of practical problems have had to be overcome in the process of implementation. Nevertheless, the new system has now been introduced successfully into a range of industries, and this year some 15,000 young Australians will benefit from the quality, structured training which traineeships provide. A particular strength of the ATS, as also of our apprenticeship training system, is its integration of systematic off-the-job training with supervised experience within employment.

Traineeships have a role as part of the mainstream of our training system. They need to be introduced into additional areas to expand the range of jobs for which structured entry-level training is provided. The award restructuring process will help here, but efforts will continue to be needed to ensure that the ATS becomes an avenue through which more of our young people receive an opportunity to enter the skilled labour market and establish themselves on long-term career paths. Moreover,
as award restructuring proceeds, the issue of adult traineeships and apprenticeships will also need to be addressed. The Commonwealth looks to a co-operative dialogue with the industrial parties on this complex issue, involving as it does the question of rates of pay for adults who undergo formal training off-the-job.

In order to ensure that Commonwealth entry-level training support systems will facilitate reform of training as award restructuring proceeds, the Government has reviewed its current support arrangements. The Government proposes to establish a common framework of financial support for apprenticeships and traineeships, to be applied in responding to proposals for funding assistance arising out of award restructuring. This new system will build on the existing conditions attaching to ATS and apprenticeship support under CRAFT, which already have many common features. While both will retain their separate identities, the object of the common framework will be to ensure that differences in support arrangements under the two schemes reflect genuine differences in training requirements for different skills and occupations, and do not serve to provide any artificial incentive for employers to choose one form of training over another.

A major part of present Commonwealth support arrangements for entry-level training takes the form of subsidy payments to employers who recruit trainees and apprentices. While these payments can be seen as a means of reducing the wages cost of training to the employers concerned, they also serve a wider purpose: in particular, to increase the overall quantity of structured entry-level training and to encourage necessary quality improvements in the content and structure of that training. They also assist in providing opportunities to groups who are disadvantaged in their access to structured training.
The Commonwealth subsidy payments to the employers of trainees and apprentices will be continued at a standard rate of $1,000 per year for up to a maximum of three years. Flexibility will be built into the system to cope with changing circumstances including training periods of varying lengths. Moreover, additional payments will continue to be made for apprentices and trainees classed as disadvantaged. As noted in Section 6, these arrangements are being extended to assist apprentices and trainees from remote areas and by expanding arrangements for disadvantaged apprentices to make them more consistent with arrangements which are already in place for trainees.

In the longer term it seems desirable that some of the present sharp distinctions between apprenticeships and traineeships should be reduced or even abandoned. In particular, as apprenticeships and traineeships grow together in restructured awards, the present arrangement of one-year traineeships and three-year or four-year apprenticeships will need to give way to a more flexible and diverse range of entry-level training terms, each with appropriate entry and exit points. Some traineeships may need to be lengthened, while certain apprenticeships may appropriately be reduced in length. In all cases the guiding principle should be the specific skill requirements of the occupations concerned, with due regard to the prior skills and experience of the individual trainee. The Government will be consulting with the industrial parties and State/Territory Governments on approaches in this area.

As award restructuring proceeds the Commonwealth will be examining proposed new training arrangements to ensure that they facilitate and encourage appropriate reforms of entry-level training. These reforms will need to include:
competency-based training of high quality;

more flexible, broadly-based and modular training arrangements;

national consistency in training standards and certification arrangements;

better articulation of on-the-job and off-the-job training and credit transfer between courses;

better access to training for disadvantaged groups; and

a reduction in the present high level of gender segmentation in particular trades and occupations.

The Government is determined that its future support arrangements for entry-level training should actively promote these objectives. Consistent with this, it will be establishing new procedures and guidelines for training support to complement the process of award restructuring and to ensure that substantial progress is made towards achieving the objectives outlined above. Training arrangements which fail to meet these new guidelines will no longer be eligible for Commonwealth support.

The training issues arising from award restructuring are substantial, diverse and challenging. To tackle them successfully will require a strong and shared commitment from the industry parties and governments both State and Commonwealth, as well as from individual employers and employees at firm and enterprise level.

The Government will play its part in this process, providing national direction and leadership as well as incentives for change and reform. As an immediate
measure, and in addition to its continued commitment to ATS and apprenticeship support, the Government is announcing a range of specific funding initiatives as detailed in Section 6 of this statement. It readily acknowledges, however, that the changes in question will require a long-term commitment and continuing support over a period of years. The Employment and Skills Formation Council of NBEET will have an important role in this process, providing a major vehicle for advice and consultations on the funding and quality of training.
3. IMPROVEMENTS IN NATIONAL CONSISTENCY AND CO-ORDINATION OF TRAINING

The necessary reforms and improvements in Australia's vocational education and training arrangements will require a co-operative and nationally co-ordinated effort. The ultimate objectives of these reforms—improvements in our national productivity performance and in the international competitiveness of Australian industry—are agreed goals at all levels of government and in the community more generally. Likewise, improvements in our training performance, as a prerequisite to the achievement of those goals, should be a matter of the highest community priority, demanding consensus among governments and a shared commitment on the part of all relevant parties.

There are strong and immediate pressures in this direction. A major rationalisation of union structures, initiated by the union movement itself and facilitated by the Government's new industrial relations legislation, will progressively lead to fewer and larger unions, increasingly with an industry focus and a broadened national base. At the same time, the award restructuring process will serve to strengthen the link between qualifications and skills obtained, on the one hand, and job classifications and rates of pay, on the other. The combined effect of these developments will be to heighten community demands for a consistent set of national training standards, common as far as possible across industries and State/Territory boundaries. Such national standards could then serve as the basis for curriculum development in vocational education and training, for the accreditation of training courses and providers, and for the individual assessment of workers' skills and competence.
At present there is no such system of national training standards and accreditation, either for industry training related to Federal and State industrial awards or for training in professional and para-professional occupations. On the contrary, there are wide differences among States, industries and occupations in the arrangements and statutes applying to the establishment of training standards, and in the range of parties involved in this process. The result is often a loss of geographic and occupational mobility, reduced labour market efficiency and a further impediment to the process of structural adjustment.

The importance of consistent national standards in vocational education and training is heightened by the new emphasis on career paths and skills development as key elements of the award restructuring process. These concepts give practical expression to the notion of life-long education, and will generate significant new demands for the recognition of previous education and training, wherever acquired. It would be divisive as well as inefficient to apply different assessment standards to workers in similar circumstances, based on geography or industry sector rather than demonstrated skills and competence. Both the labour market generally and workers individually will benefit if the training acquired in one State or industry sector is readily recognised by, and portable to, another State or industry.

The Government recognises that complete uniformity of the training process itself is neither desirable in principle nor achievable in practice: different approaches will be necessary according to the needs and circumstances of different individuals, industries, States and regions. It will be important, nevertheless, that these legitimate differences should be accommodated within a common
framework which recognises the need for nationally consistent standards, transfer of credit and portability of qualifications. The outcomes of the training process should be clearly specified and widely understood, allowing that the pathways to those outcomes may have varied widely between individuals, regions and industries.

The major responsibility for the regulation and administration of industry training currently rests with State and Territory Governments, which are also major providers of training in their own right through their technical and further education systems. All States and Territories have tripartite training authorities with statutory powers to set training standards, approve curricula, determine the appropriate length and content of training, and issue certificates of completion. These authorities are assisted by a network of industry training advisory committees, integrated to varying degrees with the national network of Industry Training Committees (ITCs) supported by the Commonwealth.

The absence to date of any co-ordinated national priority to training issues is reflected in the wide diversity of training arrangements applying in different States and Territories. There are significant variations from State to State, for example, even in such basic matters as:

. the range of occupations classified as apprenticeable;

. the period of training required for equivalent apprenticeable occupations;

. the length and content of TAFE curricula for equivalent occupational classifications;
the range of occupations requiring a licence to practise;

the additional training requirements needed to obtain a licence;

the relationship between industrial recognition requirements, as specified by State training authorities, and academic recognition requirements, as specified by TAFE; and

the range and functions of industry training advisory bodies, and their relationship to the national network of ITCs.

Unnecessary differences entail significant costs and inefficiencies for all parties to the training process.

Past efforts to achieve greater national consistency of training standards have produced only very limited results over a protracted period. More recently, however, there have been a number of significant and encouraging developments:

through co-operation between the Commonwealth and the States, national training standards have been developed and successfully implemented in a range of industries covered by the Australian Traineeship System;

in the interests of greater national consistency in training content, the Australian Committee on TAFE Curriculum has promoted the development of national common core curricula for TAFE;
a range of reciprocal arrangements have been negotiated between the States in relation to the mutual recognition of apprenticeship training and interstate licences;

progress has also been made in rationalising training advisory structures in a number of States; Queensland in particular has made major headway by replacing three formerly separate sets of training advisory bodies with a single, integrated and tripartite structure involving industry, unions, Commonwealth, State and TAFE representatives.

These important developments notwithstanding, it remains the case that there is still no concerted or co-ordinated effort at a national level to develop more uniform and measurable standards for vocational education and training. Equity, quality and efficiency all suffer as a result. As the award restructuring process gathers pace, and as training moves increasingly from a time-serving to a competency basis, the pressures will mount rapidly for new arrangements which allow vocational skills to be specified, assessed and recognised on a consistent basis throughout Australia.

These pressures are already clearly evident in a number of industry sectors. Most notably, the recent report of the tripartite metal industry mission* recommended the establishment of a National Metal and Engineering Career Development and Recognition Board which would be responsible for ensuring consistent and nationally co-ordinated education and training arrangements to

* Report of the DIR, MTFU and MTIA Mission to UK, Sweden and West Germany, September 1988, "Towards a New Metal and Engineering Industry Award".
complement a new industrial award for the industry. Powers for this body would be drawn both from the Tradesmen's Rights Regulation Act and from the new National Metal and Engineering Career Development Foundation. Its functions would include the promotion of nationally consistent training standards and competencies for both on-the-job and off-the-job training; national recognition of those standards and competencies; the promotion of credit transfer and career paths within the industry, and the removal of barriers to progression; the establishment of standards for the accreditation of training providers; and the development of policies and practices for recognition of migrant qualifications, consistent with the standards applied to locally trained workers.

Other industries - the automotive, timber and textiles, clothing and footwear industries, for example - are also in the process of developing detailed proposals for the re-organisation of industry training arrangements, consistent with the requirements of award restructuring.

The Commonwealth welcomes these developments as a clear sign of a shared commitment to training on the part of employers and unions in the industries concerned. It is essential that, as in the industries just cited, the detailed development of vocational training standards should be undertaken by persons close to the workplace, with an expert understanding of current industrial practice, modern training needs and likely future trends in skill requirements. It is encouraging also that such progress has been possible in a number of sectors whose historical training records have often been less than adequate, and in which training issues have featured only rarely in previous industrial negotiations.
The Commonwealth's support for these arrangements needs to be qualified in three important respects. The first relates to the training provisions of the new industrial awards which will emerge from the award restructuring process.

The lessons of history are important here. Where past awards - the Federal metal industry award, for example - have incorporated specific provisions related to training practice, these have quickly outlived their original purpose and become effective barriers to necessary change. The training implications of new technologies and new forms of work organisation can seldom be predicted in any detail; what is needed, rather, are flexible training arrangements which can respond promptly and effectively to changes as they emerge. The need for flexibility will best be met if the new awards make broad reference where necessary to the processes and mechanisms for establishing training standards, rather than attempting to specify the standards themselves.

Secondly, it will be important also that the industry parties acknowledge the constitutional and statutory responsibilities of State/Territory Governments in the area of vocational education and training, and pursue with them the development of co-operative working relationships. Of particular importance here will be the early and effective involvement of TAFE systems in planning for the delivery of new industry training arrangements.

The third qualification relates to funding. As noted in Industry Training in Australia: The Need for Change, the Government recognises that the increased training demands which will flow from award restructuring will inevitably entail additional costs. It considers it appropriate,
however, that such costs should be viewed as an essential investment by the employers and individuals concerned, and that the settlement of those costs should be primarily a matter for resolution within the industry itself rather than an additional burden on Government outlays. In particular, the Commonwealth will limit its future funding of Industry Training Committees and related bodies to the levels currently provided under existing Government programs.

Consideration of future support arrangements for industry training bodies will await the interim report of the Employment and Skills Formation Council on its consultations on **Industry Training in Australia: The Need for Change**.

While the significant training developments now occurring at industry level are generally to be welcomed, these will not on their own be sufficient to yield all the necessary improvements in national consistency and co-ordination of training. The Federal awards applying in key sectors such as metals and engineering have only limited coverage of the workforce generally, applying to about 40% of the total workforce and 56% of persons in non-managerial employment in manufacturing industry. Large numbers of workers are subject to the variable provisions of State awards and training arrangements, while others again - such as many professional groups - are covered neither by Federal nor State awards.

Even more significantly, there is an urgent need to ensure that the standards and procedures developed by the new industry training bodies themselves are consistent both one with another and, as far as possible, with other relevant training standards and provisions. Many skills and occupations straddle more than a single industry or
industrial award, and it will be vital to the success of the award restructuring process as a whole that compatible standards should apply between different industries and awards with overlapping skill requirements and training needs. The concepts of skill development, credit transfer and career progression are equally applicable across related industries as within a single industry sector.

These considerations point to the need for new co-ordination machinery to promote a flexible but nationally consistent approach to training across occupations, industries, industrial awards, States and Territories. While the Commonwealth will provide the necessary national leadership, it is not in a position to establish such machinery on its own account; indeed, unilateral action in this area would be neither appropriate nor desirable. Rather, the necessary improvements in national co-ordination will require agreements and co-operative action in concert with State/Territory Governments and employer and union bodies.

State, Territory and Commonwealth officials have already given preliminary consideration to appropriate mechanisms for co-ordination, underpinned by a formal government-to-government agreement. Such an agreement could provide, for example:

- for the establishment of a new tripartite body (a National Training Board, or similar) to promote national training standards and accreditation arrangements, with representation and input from Commonwealth and State/Territory Governments, business and unions;
for a national network of industry training committees based upon the existing ITC network and other established bodies, strengthened and restructured as appropriate, to provide advice on industry training requirements within a national framework;

for State training authorities to continue to administer, supervise and certify detailed training arrangements within an agreed national framework, in close consultation with industry training committees or other established bodies.

A new National Training Board would establish a framework for ensuring consistent national standards and skill competencies across the full range of industry sectors and for all occupations up to (and including) the para-professional level. This framework could then serve as the basis for:

- the ongoing operations of State training authorities, and of industry training committees or other established bodies;

- the accreditation of training providers and their products;

- the articulation of industry training to the formal education system;

- the accreditation of training undertaken outside the formal training system; and

- the recognition of migrant skills and qualifications.
The Government proposes to proceed immediately to high-level consultations with State and Territory Governments on the principles and mechanisms which could serve as the basis for a formal agreement along these lines. The terms of such an agreement would recognise the constitutional and legislative powers of State/Territory Governments for the regulation and administration of vocational education and training. In addition, it would be essential that the agreement should have the support of the industrial parties, both at peak level and across a broad spectrum of major industry sectors. The Government will undertake consultations accordingly.

As a first step in this process, a special conference of relevant Commonwealth and State Ministers will be held in Canberra on 28 April 1989 to establish an agenda and a timetable for action. Further details are provided in Section 6 of this statement.
4. INCREASING EQUITY OF ACCESS TO TRAINING

The Government will maintain its commitment to improving the employment, education and training opportunities available to persons identified as disadvantaged in our society and labour market. Our first priority is to assist the individuals concerned to cope with their disadvantage and to achieve their maximum potential for an active and rewarding working life. An important secondary goal is to enhance the productivity potential of the Australian population as a whole by drawing upon previously untapped abilities and harnessing them in a more effective manner. Such a policy carries long-term benefits for all Australians.

Much has already been achieved in this area. The major increase in school retention rates since 1983, together with the growth in capacity of our TAFE and higher education systems, has provided new opportunities to many students who would previously have been excluded from the benefits of post-compulsory education. Additional resources have been provided under the National Policy on Languages for the English language teaching of migrants from non-English speaking backgrounds. A new Aboriginal Education Policy is currently under development, complementing the Aboriginal Employment Development Policy already in place. More generally, equity objectives have featured prominently in the administration of all the Government’s educational programs.

In the fields of employment and training there has been joint agreement with State and Territory governments on the terms of an Australian Women’s Employment Strategy, incorporating eight nationally agreed employment goals for women. Again, Commonwealth labour market programs have been substantially restructured to provide additional
assistance to the long-term unemployed and other severely disadvantaged groups, with particular emphasis on their training and skill development needs. Not least, the creation of more than 1.2 million additional jobs since March 1983 has provided new opportunities for employment, training and income security to large numbers of Australians from all walks of life.

While these achievements deserve to be acknowledged, the Government readily accepts that important needs remain to be addressed. In particular, residual structural barriers to effective workforce participation need to be minimised if disadvantaged groups are to achieve their full potential and contribute effectively to national economic performance. The most obvious example of such structural barriers is the sex segmentation of the workforce.

While women make up 40 per cent of the workforce, they are clustered in a narrow range of industries and occupations, typically at the bottom of hierarchies in relatively unskilled areas, and often in casual or part-time jobs. Almost three-quarters of women workers are concentrated in five occupational groups: teachers, nurses, clerical assistants, salespersons and personal service workers. Women have lower earnings than men and their skills are less likely to be formally recognised.

These imbalances are partly the result of gender stereotyping in Australian society generally, but also an expression at the industrial level of differences in access to education and training opportunities in particular fields of study. In aggregate, women now make up more than half of all higher education students, and school retention rates for girls have overtaken those of boys, rising from 21.2 per cent in 1968 to 61.8 per cent.
last year. By contrast, women participate in tertiary engineering courses at less than one-tenth the equivalent rate of men, but in arts courses at nearly double the rate.

Figures as disparate as these are the symptom of an inefficient system. In short, the national skills base is skewed by sex: able women and men are entering courses and occupations for which their gender qualifies them, rather than according to their potential and abilities. In terms of skill, this serves neither the national need nor the individual interest. In terms of earnings it serves women badly.

The Government recognises that the participation of women in training and their access to career paths is often dependent on the availability of suitable child care. Since 1983 the Government has provided 68,000 new child care places and by 1992 will have created a further 30,000 places. Within the Department of Employment, Education and Training (DEET) a range of initiatives have been put into place to increase the provision of child care for those in training and education:

. $1m has been allocated in each year of the 1989-91 triennium for the provision of additional child care places for higher education students from financially and other disadvantaged backgrounds;

. in 1988-89 $30,000 has been made available for child care assistance for AUSTUDY recipients;

. in 1988-89 also $900,000 has been allocated for the provision of child care assistance to sole parents who are undertaking DEET formal training programs such as Jobs Employment and Training (JET), or are in receipt of AUSTUDY; and
the Government will commit $6m under the TAFE Infrastructure Program during the next three years to expand the provision of child care for TAFE students by an estimated 1,000 places.

The Government is also seeking to encourage greater employer provision of child care. It is essential that employers recognise the productivity gains which will arise from adequate child care provisions, and respond accordingly.

The Women's Employment Education and Training Advisory Group (WEETAG) and the Women's Bureau of DEET will be focussing attention on women and award restructuring to ensure that segmentation issues are adequately addressed. Under the Women’s Research and Employer Initiatives Program (WREIP) $200,000 will be allocated to work directed to improving the position of women in and through the process of industry and award restructuring.

Similar problems of labour market segmentation apply also to people from non-English speaking backgrounds, particularly those with low levels of English language proficiency employed in low-skill occupations in manufacturing industry. The origins of this problem lie largely in the lack of adequate English language provision for migrants in the immediate post-war decades. Now, however, the problem is being compounded and made more urgent, especially for older immigrant workers, by the training and retraining demands associated with award and industry restructuring.

It will be important for these needs to be recognised and addressed, where appropriate, as part of the detailed development of training responses to award restructuring. The Government will assist in this process through its
established programs of support for English language training, both for people of non-English speaking background and for native speakers of English through its adult literacy programs. English language difficulties will also need to be recognised as a factor in the implementation of initiatives for skills audits, curriculum development and competence assessment processes arising out of award restructuring.

More generally, the damaging misconception is still prevalent in many quarters of Australian industry that a substantial proportion of the workforce has little need for, and little to gain from, opportunities for further education and training. This view is a legacy of Australia's traditional approach to training and the organisation of work. It is a view which is no longer appropriate, however, to contemporary needs and circumstances, to technological and demographic developments and to the process of structural reform.

It is now being increasingly recognised internationally that, on efficiency grounds as much as for equity reasons, the training efforts of industry need to extend beyond the select group of highly skilled workers who have been the traditional beneficiaries of training. International comparative research has demonstrated that productivity enhancement and job satisfaction in key sectors such as manufacturing depend significantly on the quality of skills and the degree of commitment to training at all levels of the workforce.

At the individual level also, it is clear that training and skills development should be essential elements of any strategy to improve the labour market prospects of disadvantaged groups. There is a strong and
well-established relationship between low socio-economic status, lack of skills, and high levels of unemployment and other forms of social disadvantage.

Improvements in the equity of our training arrangements should not be achieved by displacing some people who currently receive training in favour of groups who now miss out on training opportunities. Indeed, it would be counter-productive if this should happen. Rather we need to expand opportunities for training and at the same time remove the barriers for, and widen the career horizons of, those who do not now receive training and whose entry to the skilled labour market is thereby blocked.

Consistent with its social justice objectives, the Government is committed to action which will redress outstanding inequities over time and improve the opportunities available to disadvantaged groups to reap the benefits of education and training. In line with this objective, it proposes early action to:

1. upgrade the equity provisions of its programs of financial support for apprenticeships and traineeships;

2. promote common support arrangements and closer linkages between the female-dominated Australian Traineeship System and the male-dominated apprenticeship system; and

3. expand opportunities for women to participate in non-traditional areas of employment and training, consistent with the objectives of the Australian Women's Employment Strategy.

Further details are given in Section 6 below.
Improvements in equity of access to training will require action not only at Commonwealth and State level but especially also in the local communities where individual training decisions are taken. Indeed, the success of our national efforts in training and skills formation generally will ultimately depend on the attitudes and practices adopted in thousands of individual workplaces across the country. It will be essential, therefore, to promote a broad community awareness of the new importance of skills development both for individual workers and for our progress as a nation. As part of this process, it will be important to provide realistic and practical information at local community level on how to improve our training practices and make better use of skills in the working environment.

We are using the resources of the Commonwealth Employment Service (CES) network as an important agent of change in this regard. This large and decentralised network, covering more than 270 separate locations throughout Australia, is already helping to carry through our national skills development objectives in a variety of ways:

1. by counselling young people about the need for further education and training, and explaining the options available;

2. by tailoring training options to the needs of the long-term unemployed in a way that will help them back into work;

3. by promoting good practice in training and skills development among the employers of a local community; and
by working through schools, tertiary institutions, local industry associations and community organisations to explain the benefits of education and training and their importance to our national interests.

The Government is currently reviewing a report on the operations of the CES aimed at further improving its services and enhancing its role in implementing the Government's agenda for training reform.

The measures announced in this statement complement other significant program activities in the areas of Aboriginal education and training, youth policy, schools, TAFE and higher education, rural education and training, income support and labour market programs and services. The Government is acting comprehensively to address the education and training needs of all Australians.
5. REFORMING ARRANGEMENTS FOR THE RECOGNITION OF OVERSEAS QUALIFICATIONS

Current processes for the recognition of overseas qualifications are fragmented, complicated and in need of reform. They are the historical legacy of arrangements developed over many years to meet a variety of purposes and economic circumstances. The result is a highly variable system, often causing confusion and disillusion amongst applicants and lost opportunities for exploiting their skills in the Australian workforce.

The migration program provides a potentially valuable source of skills to Australia, especially important during a time of domestic skill shortages and high demand for qualified labour. At present, however, many migrants who have acquired skills in their places of birth are unable to use them here because their qualifications are not recognised in Australia.

Up to 7,000 skilled migrants each year are unable to get their qualifications fully recognised and work in the area for which they have been trained. This growing pool of unused skills represents a substantial economic loss to Australia in the form of wasted human resources and significant costs in forgone income. It is also damaging to the self-esteem and economic prospects of the migrants themselves.

Ethnic communities and Australian employers have been strongly critical of the current processes for overseas qualifications recognition, which they claim to be:

- inconsistent and variable, leading to uneven outcomes and the discouragement of intending migrants;
too reliant on paper qualifications alone, rather than also accounting for skill and competence;

- poorly explained and not supported by realistic counselling and advice;

- unable to provide access to appropriate bridging and upgrading courses which may be necessary to gain recognition;

- subject to long delays and backlogs, especially in some trades areas.

The qualifications recognition process is also complex, involving State Governments, employers, unions and professional associations, in addition to the Commonwealth. The roles and responsibilities of the different parties are often poorly defined and delineated, as well as highly variable by occupation and State.

The Government is committed to reform of this system, which has long been a source of concern to the migrant community. As a critical first step towards its National Agenda for a Multicultural Australia, and with the assistance of the States and Territories, it proposes to implement a strategy of reform leading to new procedures for qualifications recognition which:

- are simpler and more flexible in their administration;

- are based on non-discriminatory assessments and national competency standards, as these are progressively established;

- are fair and open in their operation and subject to uniform appeal procedures;
improve access to remedial and bridging courses including, as necessary, English language training.

These new procedures will improve the efficiency of the labour market by making more effective use of migrants' skills. They will also increase the equity of the qualifications recognition process by placing migrants on the same basis as domestically trained workers.

The key elements of the Government's strategy are:

- the promotion of consistent, national standards for skills recognition;
- the promotion and encouragement of skills recognition through competency-based assessment rather than the assessment of qualifications alone;
- the development of suitable bridging/upgrading programs for migrants unable to obtain immediate recognition of their qualifications;
- the development of information, counselling and referral services, including pre-departure counselling, preliminary assessment and post-arrival counselling and referral;
- the introduction of supervision and accountability provisions for those agencies exercising independent professional recognition functions; and
- the promotion and encouragement of occupational deregulation.
Implementation of this strategy will require concerted, targeted action at the national level as well as effective co-ordination with State and Territory Governments and the industrial parties. Accordingly, the Government will establish a National Office of Overseas Skills Recognition (NOOSR) to provide the focus for effective and co-ordinated implementation of the overall reform strategy. The National Office will be located within the Employment, Education and Training portfolio and will subsume the functions of the present Council on Overseas Professional Qualifications (COPQ). It will have an associated advisory committee to promote the development of uniform national standards for competency-based skills recognition and to provide advice on recognition issues.

NOOSR will develop strong co-operative links with other national assessing bodies and with the Overseas Qualification Recognition Units operating in some States. These units offer a "one-stop" shopfront service to migrants at the local level, and provide valuable advice and information. Three States have already established such units and others are currently considering them. An expanded provision of these units in all States and Territories would greatly enhance the speed and effectiveness of the Government's reforms.

The Government provides a range of labour market and vocational support services and programs for migrants through the Department of Employment, Education and Training. In 1988-89 it will spend $4.68m on such services through Advanced English for Migrants, Innovative Training Projects and bridging training through JOBTRAIN.
The Government will co-ordinate the migrant service elements of these programs to assist migrants to achieve full recognition of their qualifications and skills and to establish themselves in the Australian labour market. This co-ordinated approach will provide opportunities for appropriate vocational English language training and familiarisation with Australian practice and standards, through formal vocational training and/or supervised practice for up to 12 months. The National Office of Overseas Skills Recognition will determine priorities for expenditure and work with relevant administrative areas of the Department to achieve effective co-ordination and integration.

The JOBTRAIN program currently provides 150 places for bridging training to assist overseas-qualified professionals to meet Australian registration requirements in fields such as medicine, dentistry, pharmacy, veterinary science and architecture. The Government will now expand the number of places available under this program to 180 in 1989-90 and 200 in 1990-91, as an initial step in improving the access of skilled migrants to the education and training system.

The Tradesmen’s Rights Regulation Act controls the recognition of overseas qualifications in the metals, electrical and footwear trades. It is an integral element of the Commonwealth’s role and responsibilities in this area and my colleague, the Minister for Industrial Relations, will be announcing major reforms to the administration of the Act. These reforms will be implemented in tandem with the strategy outlined above and in co-operation with the National Office of Overseas Skills Recognition.
6. **IMMEDIATE MEASURES**

Previous sections of this statement have identified the urgent need for action to improve the quality, consistency and equity of our national training arrangements. While all parties to the training process will have an important role to play in these improvements, the Government acknowledges its own responsibilities for national direction and leadership and catalytic support.

The Commonwealth already commits significant financial resources to the support of vocational education and training in Australia. Some $306m will be provided this financial year in Commonwealth assistance for TAFE, another $185m for trade training programs and the Australian Traineeship System, and a further $404m in support of other industry training, employment and labour market assistance programs. Details are provided in Appendix A.

As discussed in Section 2, the award restructuring process will generate substantial pressures on the training system in areas such as training needs assessment, curriculum development, national training standards and accreditation, competence assessment processes, staff development, and improvements in access to training for disadvantaged groups. In recognition of these pressures, the Government has decided on a range of special funding measures to assist in the development and implementation of appropriate training responses. These measures are catalytic in purpose, designed to encourage a co-operative national effort in the improvement of vocational education and training arrangements in Australia. Details are summarised below.
Entry-Level Training

The Government will promote more flexible entry-level training arrangements and the expansion of structured entry-level training. As outlined in Section 2, it will establish a common framework of financial support for the Australian Traineeship System and apprenticeship training, to be applied in responding to proposals for funding assistance arising out of award restructuring. This will build on the existing conditions attaching to the ATS and apprenticeship support under CRAFT, while recognising the need for closer integration between the two forms of training. The Government will be consulting with the industrial parties and State/Territory Governments on the application of these principles in an award restructuring context.

More generally, the Government will ensure that its future support arrangements for entry-level training actively promote the achievement of quality objectives. The development of competency-based approaches to training will be given a high priority in this process. Substantial progress will be required by 1993 as a condition of continuing Commonwealth support.

Support for Industry Skills Audits

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This initiative will provide financial support to industry for the conduct of skills audits and analyses of training needs. These activities will be an essential preliminary to the development of appropriate training responses to restructured awards.
Assistance will be targeted to industries of strategic significance in the context of award and industry restructuring. Industry itself will be required to make an appropriate contribution towards costs.

**Support for Curriculum Development**

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The award restructuring process will generate substantial pressures for the planning, design and development of new training curricula. In addition, many existing courses will need to be significantly restructured to achieve a more flexible, broadly-based and modular approach to training.

The Government will provide special funding to assist in this important work. Funds will be provided to the Australian Committee on TAFE Curriculum and also, where appropriate, to industry training committees and other bodies with responsibilities and expertise in curriculum development.

**Support for Development of Competency Assessment Processes**

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A key objective of current training reforms will be an increased emphasis on competence achieved rather than time served. In turn, this will require the establishment of new machinery for the assessment of competence as a basis for the certification of training and recognition of skills.

The Government will assist in this process by providing financial assistance to State and Territory training authorities for the establishment of competence assessment machinery in industries of strategic importance. The industry parties will be actively involved in the projects supported with these funds.

Expansion of Resources for Training Services Australia

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Award restructuring will impose significantly increased demands for the training of trainers and the provision of industry consultancy services to promote the necessary expansion of training.

Accordingly, the Government will expand the operations of the trainer training service under Training Services Australia to:

- increase the capacity of existing training centres;
- enhance and update existing training materials and courses to align them to restructured awards;
develop new training packages associated with award restructuring, including awareness training packages for industry and TAFE teachers;

expand consultancy services to industry on human resource development strategies; and

develop trainer training standards for industry.

The additional program costs in 1989-90 will be absorbed within the overall Industry Training Services allocation, covering support for innovative training projects and other services. Excluded from the above cost estimates are the costs of additional staff resources for this initiative, amounting to $0.7m in 1989-90, $0.8m in 1990-91 and $0.9m in 1991-92. These costs will be fully recovered through fee-for-service arrangements.

Expansion of Group Training Scheme Arrangements

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Group training schemes will play an important role in the delivery of training responses to award restructuring, especially in those industries with a high proportion of small businesses. The Government will extend its existing support for group training arrangements by additional funding to meet the new demands associated with award restructuring.
### Assistance for the Establishment and Operation of the Proposed National Training Board

**Change on Forward Estimates**

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The Government is committed to early action to improve the national consistency of training arrangements and the co-ordination of the national training effort. To this end, it will consult with State/Territory Governments and the industry parties on the establishment of a tripartite National Training Board to be responsible for promoting consistent national standards and accreditation arrangements for training.

The funding levels shown above represent the Commonwealth’s proposed contribution towards the establishment and operation of the National Training Board.

### Additional Equity Component for the CRAFT Apprentice Training Incentive (ATI)

**Change on Forward Estimates**

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The Government will foster continuing improvements in the equity of training arrangements, especially in the key area of entry-level training. Accordingly, it will provide an additional grant of $1,000 (over and above that normally provided under the CRAFT Apprentice Training Incentive) to employers who engage, as a new apprentice, a person assessed as disadvantaged in the labour market. This
initiative parallels the arrangements already in place for disadvantaged people entering the Australian Traineeship System.

**Abolition of Pre-Vocational Graduate Employment Rebate**

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The Government has decided to terminate the existing Pre-Vocational Graduate Employment Rebate (PVGER) with effect from 1 July 1989.

This rebate has applied to fewer than 20 per cent of commencing apprentices, and has had only limited effect in increasing the proportion of trade-based pre-employment course graduates who subsequently gain an apprenticeship, or in achieving appropriate reductions in the term of training. Savings resulting from the abolition of the rebate will be used to finance the additional equity component under the CRAFT Apprentice Training Incentive.

**Fares Assistance to Improve Access to Apprenticeship and Traineeship Opportunities**

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As an additional measure to promote equity of access to entry-level training, the Government will provide fares assistance to persons who are required to move to a new location to take up apprenticeship or traineeship.
opportunities. The current absence of such support presents problems for many young people in country areas. This initiative will complement other assistance already available under the Living Away From Home Allowance (LAFHA).

**Establishment of a National Office of Overseas Skills Recognition (NOOSR)**

The Government is committed to a broad strategy for reform of current arrangements for the recognition of overseas qualifications. Key elements of this strategy will include new and more open procedures for qualifications recognition; the promotion of consistent national standards and competency-based approaches to assessment; improved access to remedial and bridging courses; and stronger links with the Overseas Qualification Recognition Units established by State and Territory Governments. As a complement to these measures the Government will also shortly be announcing administrative reforms of the Tradesmen's Rights Regulation Act.

To provide a focus for the implementation of this strategy, the Government will establish a National Office of Overseas Skills Recognition (NOOSR) within the Employment, Education and Training portfolio. NOOSR will subsume the role, functions and resources of the Council on Overseas Professional Qualifications (COPQ) and its secretariat, which will be transferred to the DEET portfolio.

These initiatives will form an important part of the Government's National Agenda for a Multicultural Australia, to be released later in the year.
Co-ordination and Consultation on Training Issues

Achievement of the reforms outlined in this statement will require the active support and co-operation of employers, unions and State and Territory Governments. Accordingly, the Government will be holding early consultations with the industry parties on training issues, and will convene a special conference of relevant Commonwealth, State and Territory Ministers on the principles and mechanisms which will best achieve a nationally consistent and co-ordinated approach to training. The conference will be held on 28 April 1989 to establish agreement on a national program of action and an associated timetable for necessary reforms.
### APPENDIX A


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#### TECHNICAL AND FURTHER EDUCATION

- **TAFE National Centre for Research and Development**
  - 1987-88: $0.415
  - 1988-89: $0.434
  - Actual 1987-88: N/A
  - Estimated 1988-89: N/A

- **TAFE - Payment for the ACT**
  - 1987-88: -
  - 1988-89: $1.509
  - Actual 1987-88: N/A
  - Estimated 1988-89: N/A

- **Tertiary Education Programs for Aboriginals**
  - 1987-88: $0.389
  - 1988-89: $1.328
  - Actual 1987-88: N/A
  - Estimated 1988-89: N/A

- **States Grants (AA) Act 1976**
  - 1987-88: $0.693
  - 1988-89: $3.424
  - Actual 1987-88: N/A
  - Estimated 1988-89: N/A

- **Infrastructure Grants**
  - 1987-88: $178.981
  - 1988-89: $184.541
  - Actual 1987-88: N/A
  - Estimated 1988-89: N/A

- **General Recurrent Grants**
  - 1987-88: $99.298
  - 1988-89: $115.120
  - Actual 1987-88: N/A
  - Estimated 1988-89: N/A

- **Participation and Equity Program**
  - 1987-88: $0.139
  - 1988-89: -
  - Actual 1987-88: N/A
  - Estimated 1988-89: N/A

- **Total TAFE**
  - 1987-88: $279.915
## TRADE TRAINING

### CRAFT

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NOTES:

(a) Selected programs only. Excludes all schools and higher education programs, education income support programs, most CES placement services, and all corporate services programs.

(b) Approvals relate only to National Skills Shortage element of Innovative Training.

(c) The 1987-88 approvals are for CVP and CTP only as no formal approval was required for CYSS participants. SkillShare commenced on 1 January 1989 and as with CYSS not all participants require formal approval. It is estimated that in a full year of operation 100,000 participants will be assisted under SkillShare.

(d) Funds provided for CEP in 1988-89 are to provide only for payment of States' administrative subsidies and do not relate to the placement of participants on projects.

(e) The estimate for Aboriginal Employment in 1988-89 does not include commencement figures for special projects as these are demand-driven.