Landmarks in the governance and policy frameworks of Australian VET

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Introduction

The systems of governance and the processes of policy formulation in Australian vocational education and training (VET), despite intermittent programs of comprehensive reform and directional change, exhibit some deep-seated themes and recurring patterns derived from underlying, if competitive, value systems.

VET throughout its history has alternated between two value systems, one narrow and instrumental, the other broader, focused on social justice and individual self-development; what Kay Schofield once described as the 'training tribe' and the 'education tribe' (Schofield, 1992). At the same time, the wider community and the governments representing it need to accommodate sometimes competing political and social value systems. On relatively rare occasions, a change in community values will mesh with one of the competing value systems of the VET sector. Then a policy window opens which leads to significant policy change and institutional development in the VET sector. A clear example occurred in the 1980s when governance reform was linked to workplace restructuring and economic challenges.
These themes were evident at the time of the creation of Australian VET in the late 19th century. Recognisably modern VET emerged as the colonial (later State) governments created comprehensive public technical education systems as one element of what historians call the period of Colonial Liberalism (Sherrington and Campbell, 2004). In the ‘long boom’ between 1870 and 1890, colonial governments embarked on an unprecedented (and unrepeated) surge of investment in infrastructure and technology: railways, telegraphs, cables, electric lighting, tramways and roads. This was accompanied both by a commitment to train for the skills required, but also a liberal view of workers not only as skill bearers but also as citizens deserving of broader education (Kelly, 1992).

**Mid-twentieth century**

Although technical education had been a major focus of governments during World War II and post-war reconstruction, this interest soon faded. The [Wright Report](#), 1954 marked some quickening of federal concern for skills training at apprenticeship level. The federal government was concerned at the adequacy of the apprenticeship system and at the 1950 Premiers’ Conference asked the states to support a comprehensive inquiry. The subsequent [Wright Report](#) was detailed and comprehensive and would have marked a major increase in federal influence of vocational training, especially through a mooted national apprenticeship authority.

Despite an apparently relaxed attitude from the States towards a greater federal role, the Menzies government implemented a more modest information sharing group, the Australian Apprenticeship Advisory Committee (AAAC), which first met in 1957. Together with the Australian Committee of TAFE Directors (which often shared meetings with the AAAC), these represented the totality of national institutions in vocational education until the 1973 creation of a National Training Council (NTC) within the federal Labour Ministry. Where the [Wright Report](#) had insisted that apprentices were ‘a training unit not a labour unit’ and had proposed positioning apprenticeship regulation within the technical education authority, the NTC could be characterised as ‘the training tribe’, seeking a more prominent role for its industrial focus through sector-specific industry training committees.

Thus, something of a stalemate existed as the 1972 federal election approached, although both trainers and educators joined in lamenting the lack of resourcing, especially federal funding, of the VET system. For education more generally, the primary issue in the 1960s had been the question of State assistance for private schools, and, consequent to that, the issue of federal aid for all schools.

Federal involvement in technical education came about as a consequence of federal aid for schools. Money first flowed to technical education as part of a States Grants (Science Laboratories and Technical Training) Act in 1964, where ‘technical schools’ were interpreted in the federal bureaucracy to include technical colleges and mixed school/technical institutions, then common in Victoria. Specific States Grants (Technical Training) Acts followed.

Further, the [Martin Report](#) (1964), extended federal interest in post-secondary education beyond universities through the creation of state ‘Institutes of Colleges’, which eventually became Colleges of Advanced Education. This was of little immediate advantage to the VET sector, however, as its main outcome was to deprive technical colleges of their advanced courses and most academically qualified staff.
TAFE’s golden age (1972-1984)

More significant reform to the VET sector needed to await the outcome of the 1972 election, as the Whitlam-led opposition party had campaigned with a major focus on a strong federal role in education. Technical education was not highlighted in the Labor platform, but a small policy community comprising State officials, the technical teachers’ union, and some elements of the federal bureaucracy, was prepared to advocate the needs of the sector. Moreover, reforms to higher education following the Martin Report (1964) had left an increasingly obvious gap in federal support for post-school education.

From 1973, the incoming Whitlam government developed a standard institutional framework in education: establishment of an expert committee to determine need, followed by an arms’ length statutory commission to recommend and administer States’ grants.

Technical education, soon to be referred to as Technical and Further Education (TAFE), followed this pattern, although at a distance after reforms of the schools, advanced education and university sectors. The Kangan Report, TAFE in Australia, 1974, encouraged TAFE educators to follow their newly rekindled interest in a broad conception of the educational role of the sector, based on the liberal principles of lifelong learning (Fleming, 1995).

The ‘golden age’ of TAFE occupied a 15-year period from 1972 to 1987, covering the Whitlam, Fraser and first two Hawke administrations. During this time, the institutions of the Kangan era, the TAFE Commission and subsequently the Commonwealth Tertiary Education Commission (CTEC), developed a genuinely national system of vocational education. Although CTEC was formally an adviser only to the federal government, its membership and consultative processes embraced substantial State participation, as well as involvement by industry and union representatives.

As well, the practice of requiring States to prepare and debate formal Triennial Planning Submissions, introduced standard planning procedures throughout the sector. CTEC established a statistical data base for TAFE and encouraged the States to develop a standardised nomenclature for courses and awards, with national curriculum development.

The 1974 Kangan Report, the 1979 Williams Report, and the 1979 to 1987 CTEC Triennial Reports, chart the progress of the ‘golden age’.

Reform (1987-1992)

By the commencement of the Hawke Government’s third term in 1987, the sands were shifting under what had seemed like a permanent structure of governance for the sector. The driving impetus was the persistence of high levels of youth unemployment and apparent difficulties in creating smooth transitions from education to employment. Increasingly governments were asking if their now significant investments in education and training were ever going to pay off.

A few years prior, the government had instigated two linked inquiries - the Quality of Education Review (QERC) and the Inquiry into Labour Market Programs, with their respective chairs, Peter Karmel and Peter Kirby, sitting on both. The QERC Report, 1984, concluded that, while a decade of investment had improved facilities and staffing, no evidence could be found of enhanced cognitive outcomes from schooling; the Kirby Report,
1985, described a plethora of ineffective labour market programs and proposed an Australian Traineeship system for those entering the workforce.

In 1986 Australia experienced one of its most severe post war economic crises. This served as a fulcrum for fundamental change in attitudes to the nature of government, not only in education but in all aspects. The foreign exchange crisis of that year led the government to embark on a process of economic reform characterised by a surge of deregulation and an increasing confidence in the ability of competition and market forces to free up what appeared to be a sluggish economy and society.

In 1987 the Hawke Labor government created a new Department of Employment, Education and Training with a conscious attempt to integrate education into productivity, reflected in the abolition of the statutory commissions and a strong emphasis on skills training, vocationalism and 'user pays'. At the institutional level, arms' length funding was abandoned. Federal activity in vocational education was to be directed by the new Department, to remedy what was claimed to be a lack of a direct relationship between TAFE and wider economic, industry and labour market objectives and a claimed 'unresponsiveness' of TAFE to industry (Dawkins and Holding, 1987, Dawkins, 1988, Dawkins, 1989; cf. Ryan, 1999).

Much of the impetus for these changes resulted from a tripartite Trade Mission which had looked at overseas industrial relations systems and had recommended a major restructuring of industrial awards, relating wages to skill levels (Australia Reconstructed, 1987). An important requirement of award restructuring was that some mechanism existed for equating the skill levels of different occupations. The common currency adopted for this purpose was the concept of competencies, which could be fitted together into a common hierarchy of competency levels, described as the Australian Skills Framework (later the Australian Qualifications Framework). Competencies were to be assessed and determined by tripartite Industry Training Committees (later Industry Training Advisory Boards). The overall supervision of the system and endorsement of competency standards within the Skills Framework required a new agency, which was the National Training Board.

A second consequence of award restructuring (and the earlier Kirby Report) was concern by State TAFE systems that they would be left with a major increase in costs resulting from the expected rise in demand for training by industry. This concern resulted in the formation of a federal/State inquiry into the training costs of award restructuring (Deveson Report, 1990). The Committee recommended an increase in federal funding but proposed a number of productivity and revenue measures in return. The report was notable as the first systematic statement of the case for developing a market for training, rather than continuation of essentially free public provision.

From a governance perspective, the major outcome of the Deveson Report was the opportunity taken by the federal government to convene a special meeting of Ministers responsible for vocational education and employment (MOVEET), separately from the traditional Education Ministers forum, the Australian Education Council.

One important role effected by MOVEET (and its Officials’ Committee, the Vocational Education, Employment and Training Advisory Committee (VEETAC)) was the introduction of the concept of a competitive training market for the VET sector. VET, which had in the past normally been considered to consist almost solely of State TAFE systems, was redefined to include private training providers, the training arms of enterprises, and the Adult and Community Education sector.
School VET again entered the debate supporting the educationalist tribes with the *Finn Report* (1991). The report sought to bring general and vocational education together, recognising the convergence of work and education, and its role in broadening school programs to offer greater access to vocational education for students staying on at school past the end of compulsory education.


The increasing influence of Treasurer Paul Keating within the Labor government, and his succession as Prime Minister at the end of 1991, led to a faster pace of structural reform with a pronounced emphasis on market-based initiatives. When, at the June 1990 Premiers’ Conference, the Commonwealth proposed a series of initiatives which came to be known as the ‘New Federalism’, the VET sector seemed a useful testing ground for the new policy style.

A Special Premiers’ Conference in July 1991 invited State and federal Ministers responsible for vocational education to review intergovernmental arrangements in their portfolio, although no particular direction for change was signalled. The vehicle for this review was an officials’ Working Party on which State training regulatory bodies were represented as well as TAFE officials.

The distinct cultures of the ‘training tribe’ and the ‘education tribe’ came to the fore in the Working Party, and the various options it proposed for future management of vocational education included several in which State TAFE systems were subject to control by the federal government. Equally, the influence of vocational educators was evident in a number of options which would make federal funding available to the State TAFE systems with far less federal influence.

A period of intense conflict between the federal and most state governments ensued before a compromise agreement created a new style of joint federal-State management of vocational education, the Australian National Training Authority. The ANTA Agreement of 1992 set six objectives for the VET system:

- a national training system
- industry involvement and increased industry responsiveness
- an effective training market
- an efficient and productive network of publicly funded providers
- increased opportunities and improved outcomes
- improved cross-sectoral links.

The ANTA era reflected a period of relative stability and incremental adjustment within federalism after the heated disagreements which led to its creation. For the first years covered by the initial ANTA strategic plan (ANTA 1994), the objectives and institutions of the reform agenda period continued, including the labour market arrangements of *Working Nation*, 1994. ANTA as an institution, while not admired by any of its progenitors, provided a useful national focus through its strategic plans, attempting to translate the objectives of national policies such as the efficiency and competition policies of the *Hilmer Report*, 1993, the White Paper *Working Nation*, 1994, and the Fitzgerald review, *Successful Reform*, 1994, as well as some interest in VET research and development, prompted by *No Small Change*, 1993.
The Act establishing ANTA contained a requirement for an evaluation after its first triennium. The ensuing Taylor Report, 1996, was generally supportive of the progress of ANTA but noted a number of weaknesses, especially in governance where the ANTA Board did not seem to feel real ownership of the system. The Taylor review noted that only partial progress had been made towards a training market but equally that a well-defined role for the public TAFE system was lacking. This remained a largely unresolved issue throughout the ANTA period (and since). The review also asked for clearer separation of purchaser and provider roles and a more effective system of industry advisory bodies.

Perhaps the most significant issue during ANTA’s latter years was an increasing concern with the quality of the sector’s educational output (Schofield 1999a, 1999b, 2000), because of a mechanical application of competency-based training with little educational input and sometimes misplaced use of market mechanisms. As a consequence, in its later years the Authority paid more attention to curricular design and products and teaching and learning questions, including digital and innovative responses.

The search for future directions (2005-present)

ANTA issued its final report in 2005, claiming that ‘industry, governments and ANTA together have built a world-class national VET system’ (ANTA, 2005, p. 24). That this proposition was unduly optimistic was highlighted initially in issues raised by the Department of Education, Employment and Workplace Relations (DEEWR), which took over ANTA’s responsibilities (DEEWR 2008a, 2008b) and by subsequent reports featured in the timeline.

The first of these, Skilling Australia: new directions for vocational education and training, 2005, sought to develop new arrangements ‘led by industry and more flexible to their needs and those of students’. A change of government in 2007 led to the creation of a new agency, Skills Australia. A key task of this agency was to review the sector and in doing so it noted the decline in industry engagement and lack of flexibility. Skills Australia argued for a coherent approach to the whole tertiary sector, evidence-based policy and greater use of market mechanisms (see Foundations for the Future, 2009).

In its subsequent review, Creating a future direction for Australian vocational education and training, 2010, Skills Australia highlighted variable past performance, quality issues requiring tighter regulation, raised the issue of whether market-based mechanisms adequately address the balance between an ‘industry responsive’ and an ‘individual responsive’ sector, and expressed concern about blurring of boundaries and accountabilities in VET. (The government’s most recent review, Strengthening Skills, 2019, while a valuably comprehensive stocktake of the sector, revisits not only the concerns of these recent reports but, noticeably, many of the concerns of the 1990s reforms).

What is noteworthy about the most recent landmark documents is that they all include ‘future directions’ in their titles, while raising much the same concerns which had been flagged in the 1996 Taylor Review, if not earlier. At the same time, government policy and funding decisions have leant heavily towards the ad hoc, especially where abrupt swings have occurred between the public provider or its private counterparts, and between market responses and government directed funding. One conclusion would be that successive governments simply have not been able to decide how to use and benefit from the VET sector at least since the closure of ANTA, whose 12-year survival suggests it filled a governance and policy niche which has since remained largely vacant.

Answering fundamental questions about VET
The difficulties successive governments have faced in developing a coherent future direction for the VET sector can plausibly be argued to derive from a failure to face up to fundamental questions about the role and purpose of the sector. Many of these derive from the perennially unresolved 'training or education' dichotomy.

One set of issues relates to the role of public and private providers and of market forces compared to community service obligations. Frequently responses to this question are based on preference rather than evidence: studies such as Anderson (1997, 2005) commissioned by NCVER, concluded that there is a range of benefits and costs which need a more judicious balance of state planning and market operations. The shift of funds to market-oriented providers has produced identifiable benefits, but also considerable disadvantages and even scandals, including in some public institutions. At the same time, the public providers have not been sufficiently freed from government restraints and obligations to operate competitively (McMillan, 2017). The need for a clear definition of the role of the public provider still awaits attention, best done as a joint federal-State undertaking.

Another too-long unresolved question has been the integration of higher and vocational education into a coherent tertiary education system. This question was prominently placed on the policy agenda by the Bradley Review of Higher Education (Bradley et al., 2008). While the issue requires complex funding and jurisdictional governance decisions, it is difficult to see why one group of Australian post-school students should be treated so differently from another. A range of research has shown the disadvantages of the present confused policy mix and proposed possible solutions (e.g. Dawkins et al., 2019).

At base, there is a pressing need for policy makers to ask 'what is VET for', and more specifically, 'to what extent is VET vocational? This was done by a team at NCVER in 2008 (Karmel et al., NCVER, 2008); their conclusion from student outcomes data was that, except for the trades, there is no clear relationship between courses undertaken and occupations entered and that the generic dimension of vocational education is far more important than standard policy settings have allowed: clearly, both the education and training tribes have a stake in VET outcomes. Only when a rational balance between a student-centred and an industry-focused system (McMillan, 2007), and between educational quality and managerial demands is developed (Moran and Banikoff, 2018) will it be possible to chart a coherent future direction for VET.
References


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