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**Australian VET Policy and the Role of Business and Industry**

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**Abstract:** Vocational education needs to be closely linked to the requirements of business and industry both in terms of policy and educational practice. However, over the past fifteen years the wants of business have come to dominate VET policy to the exclusion of any other stakeholder interests. This has led to seriously inadequate policies in the VET area that are responsible for the current skills crisis. It is more than two years since two major reports concluded the VET policies in Australia are not working yet to date there has been little indication of substantial shifts in government thinking and policy to create a more effective VET system. This paper looks at the need to reposition other stakeholders in the policy equation and reduce the influence of business and industry to some degree to produce a VET system more closely aligned to the needs of Australian society. It is argued that focus upon quality rather than quantity needs to be a central consideration in any new policy realignment.

**Introduction**

Vocational education and training (VET) is inherently closely linked to the needs of business and industry. Effective VET provides individuals with the knowledge, skills and attitudes that will equip them to gain employment in areas where programs have been established to reflect the major skill requirements in the society. In this there is implicit recognition that those educated, and the educational programs, reflect employers' requirements in various specialized fields. However when the needs of the broader society are neglected and the requirements of business and industry are seen as paramount, and more important than any other stakeholder group, there will be serious consequences that stem from failure to recognize that employers operate within and are part of the broader social context (eg see Billett, 2004). The current skills crisis, that is now widely recognized, is limiting national productivity on account of employers being unable to recruit the numbers of skilled individuals in almost all trades and professional areas, with the notable exception of IT. In IT there is still an overhang of qualified people as a result of over enthusiasm for a particular vision of the future adopted by politicians and many in the community, and a failure to engage in effective workforce planning policy. During the Second World War such a policy would have been seen as related to manpower planning.

Australian vocational education policy, and some would say even education policy more generally, has been dominated by the business of business and industry since the Hawke–Keating Labor governments panicked at the balance of payment problems and high levels of unemployment which resulted from the ongoing technological, social and economic revolutions in the late 1980s (Cornford, 2000). Nothing serious was done in Australia about effective planning for the future by this government until the political consequences of massive unemployment, among both youth and mature aged workers, and massive balance of payment problems forced government crisis management decisions. What is also important is that many of those crisis management decisions and policy outcomes in the VET area have never been effectively evaluated and reviewed since those initial decisions were made.

The Training Reform Agenda, as it was initially known in the early 1990s, was the Labor federal government’s response to a need for increased skill levels, qualifications and national productivity when Australia’s international competitiveness was seen as a serious problem. The decision makers in the crisis management process were politicians, government bureaucrats, business and industry and the unions. Experts in vocational education, and vocational educators with industry backgrounds and directly involved in delivery themselves, were excluded from the process of decision-making (Billett, 2004; Hawke & Cornford, 1998), as was even acknowledged by politicians themselves (eg Jones, 1995). The influence of the unions themselves came to an abrupt end with the election of the Liberal-Coalition governments under John Howard a decade ago. But even before that, the influence of the union movement had lessened with general recognition by these groups themselves that the union movement was singularly ill equipped to make educational decisions (Ewer & Ablett, 1996). In terms of the exercise of real power in decision-making, the vocational education policy agenda has been dominated by politicians, bureaucrats in a largely politicized public service context (Cornford, 2004), and business and industry from the late 1980s (Billett, 2004).

### **Recent Evaluations of Overall VET Policy**

The skills crisis in Australia, that is now regularly reported upon in the daily press, is the most obvious evidence that VET policy in Australia over the past fifteen years has not been successful. Before the skills crisis became newsworthy in daily newspapers over the past two years, two important reports appeared that evaluated the effectiveness of vocational education policy in Australia, with each coming from a quite different political perspective. Both the reports, one from the Senate Employment, Workplace Relations and Education Committee (2003), which largely reflected the dominance of the Labor opposition in the Senate, *Bridging the Skills Divide*, and the other from the Business Council of Australia (2004), that represents large employers from business and industry, *The Vocational Education and Training System: Key Issues for Large Employers*, came to the same conclusion that Australian VET policies were not satisfying either the needs of employers or the nation as a whole. For their own political reasons, both groups responsible for the reports avoided the essential issue of identifying those policies that

were working and those that weren't. Such avoidance of specific identification of issues is not at all helpful in purported evaluations since clear identification of the problems can lead to specific changes in elements in policy, and even policy frameworks, hopefully to improve them. Only if there is specific identification of problem elements is this change possible as part of a normal feedback review process, with evaluation being a normal expectation for national policies funded by Australian taxpayers and part of the plan-implement-review process (eg see Owen & Rogers, 1999).

In the Senate committee's case, the fact that it a lead-up period to an election, meant that this Labor dominated senate subcommittee was unwilling to identify those elements that they had put in place when in government and that were responsible for the mess that has now become recognized as a skills crisis. In the case of the Business Council of Australia, it was because they wished to continue to influence policy when it was the policies that they as a powerful lobby group had insisted the federal Labor governments implement, and be further refined by Liberal governments, which are deeply implicated in the present VET policy failures. To have identified their own policy initiatives as root causes of the problems would have substantially demolished their credibility and reduced their potential future influence.

### **Major Implications for VET Policy from GDP Trends and Other Data**

The problems of the unfavorable policy evaluations, with their judgment that Australian VET policies are not meeting the needs of either the community or employers, are compounded when the most recent productivity trends are taken into account. Valid prediction of trends related to international competitiveness is an important but hugely difficult undertaking. The predictive data that are used by economists as a basis for policy interventions are highly contested with there being much later, post-hoc corrections used to correct earlier calculations and fashionable, but invalid, interpretations possible (see Quiggin, 1999, 2001). Yet such trend data have real power in government circles for determining policy since they are seen as connected to the important issues of income generation and national competitiveness. One important set of trends in Australia is the annual real Gross Domestic Product (GDP) per capita growth rates. These are considered important because they provide indicators of international competitiveness by looking at growth/improvement of production over time and should indicate whether government policies intended to increase productivity through VET, microeconomic reforms, monetary and financial policies, etc are in fact having the intended beneficial effects. There are a variety of different, competing models for producing these statistics (see Department of Communications, Information Technology and the Arts [DCITA], 2006) These sets of data, derived from a variety of sources and statistical manipulations, also inevitably involve different and competing models.

DCITA's (2006, p. 96) comparative data from different models and sources, specifically the Treasury and the Productivity Commission, all reveal similar trends of decline in GDP from the 1990s, through the 2000s, 2010s to the 2020s, where the lowest annual real per capita growth rates are recorded at 1.4% for Treasury and 1.27% for the Productivity

Commission models respectively, before a pick-up for the 2030s to 1.5% in both models. Comparable rates in the 1990s are 2.2% and 2.14% for the respective sources and models. These trend rates explain why there has been a sustained recent round of federal government activity to reform welfare policies in order to force more people into the workforce to approach OECD benchmark rates of participation, and the workplace relations reforms with an attempt to reduce real wages and thus presumably encourage longer working hours per week. However, an important factor that cannot accurately be predicted, and thus is not adequately incorporated in these trend data, is the impact of an ageing workforce and the (most likely) lowered or increased (less likely) productivity (see DCITA, 2006).

What appears to be a major deficiency in arriving at these trend data, apart from the ageing of the population factor, is the omission from the formulae of direct inclusion of educational qualifications, educational standards underlying qualifications, and enhanced human economic capital more generally that workers bring to production. Quiggin (2001) has challenged arguments that microeconomic reform during the 1990s actually led to increased GDP per capita growth rates during the 1990s. The increases that occurred, Quiggin has argued, are linked to improved use of technology, and the result of investments in human capital in the 1980s when government policies resulted in increased retention rates at school (Quiggin, 1999). Since then school retention rates have dropped off again, and perhaps not unexpectedly, and in line with Quiggin's arguments, the GDP per capita growth rate trends indicate a decline as indicated above.

Quiggin's (1999, 2001) criticism of both the interpretation of trends and the importance of superior levels of training to produce higher levels of human capital are not alone. There are other data that support the proposition that poor outcomes from government VET policies are responsible for the lack of increased international competitiveness. Cullen's (1997) earlier research indicated that Australia's international competitiveness actually fell in the period 1994-7 when it would be expected that all the efforts at productivity improvement, including the introduction of competency-based training (CBT), would have increased productivity and hence competitiveness. This Cullen attributed to the lower levels of skilled technicians, that is, non-degreed skilled technical workers being produced in Australia compared with most advanced European countries. These disturbing trends and problems are thus not new, with the warning signs evident for governments who were inclined to heed these for nearly a decade. Amongst the clearest signs were declining VET apprenticeship numbers, but, because in political circles there was a false belief in a new age economy where all traditional trades were part of a now obsolete economic system, these data were ignored.

With particular reference to VET, Athanasou's (2005) analyses of Australian Bureau of Statistics reveal that overall the number of apprentices in professions and traditional trade areas declined in the period 1981-2004. In 1983 there were 151,100, by 2004 the numbers were down to 133,400. What is disturbing is that for 2002-4 these figures include the 'new apprentice' numbers that involve short-term traineeships of 6-12 months duration as opposed to traditional apprenticeship terms of 3-4 years minimum. Some in

the VET area have seen the deliberate inclusion of ‘new apprenticeship’ data with figures for conventional apprenticeships as a deliberate attempt to disguise a very serious problem involving federal policy failure. Athanasou (2005) has correctly argued that, given the increase in population over the 22 year period, and the historical importance of technical qualifications in the workforce, the number of apprentices is well below Australian society’s needs.

### **Some of the More Easily Identifiable Problems in VET Policy**

Quality of education and training in VET, which flows through to GDP through workplace productivity, is a vital issue that has been neglected and indeed frustrated by federal government policies that have been implemented. Government policies in VET in the form of competency-based training (CBT) and training packages, as the vehicle for delivery of the competencies, loom large in terms of the problems that have been created for quality education and the development of a highly skilled workforce. In the late 1980s CBT was conceived of as a magic cure-all for many serious problems in Australian Australia’s economic deterioration and workplace restructuring (Beevers, 1993). It underpins all VET policies, thus it is a vital issue in any analysis of policy effectiveness, as it an essential, dominating component of VET national training qualifications that may be offered in TAFEs, in schools and through private training providers. CBT assumed a largely behavioral form (Cornford, 2000) and, because of the need to create precise objectives that can be easily and readily assessed, has maintained this form to the detriment of any consideration of how more general education or lifelong learning goals may be fostered to enhance problem solving skills and creative thinking.

There is solid qualitative and quantitative empirical evidence that CBT has reduced skill levels despite the fact that the original objective was to up-skill the Australian workforce and to increase standards. [See Cornford (2000) and Mills & Cornford (2002) for fuller evaluations of CBT policy and empirical evidence of the falls in standards]. This evidence has been in the public domain for some considerable time and, while some of it has been rejected by some as merely judgments by TAFE teachers (eg Smith & Keating, 2003), there is no other group in the community that is better placed to make assessments about the maintenance of skills standards than this group who have generally at least a minimum of five years industrial experience and teacher education qualifications. There has been a significant failure of the federal governments of whatever political persuasion to undertake major evaluations of CBT policy (Cornford, 2000, 2001; Mills & Cornford, 2002), probably because they do not wish to be held accountable for expensive and ineffectual policies. There is an additional problem that government policy makers appear to have little or no understanding of what is involved in effective learning, or what is needed to achieve the learning outcomes desired by business and industry.

The lack of understanding by government policy makers and business and industry of what is involved in the educational processes to actually teach knowledge, skills and attitudes is highlighted even more with the seriously misnamed training packages. These are collections of skill outcomes that are derived from to industry standards and are designed to be the vehicle to ensure competency standards aligned to industry needs are

delivered. All national VET qualifications are required to be attained through training packages. While they have replaced traditional curriculum they do not consist of anything that remotely resembles curriculum, consisting as they do of three essential elements. These are competency standards, how the standards are to be assessed and how the qualification gained is related to the Australian Qualification Framework. Conventional curriculum elements, such as learning guides for teachers and students and other important resources, are still regarded as non-essential elements for package registration even though there is considerable anecdotal evidence of registered training organizations (RTOs) refusing to use training packages until teaching/learning resources are developed.

Training packages were conceived as vehicles for teaching in the workplace. Only approximately 30% of training occurs in the workplace (Wheelahan, 2003). However, owing to federal government determination to introduce training packages throughout the VET system in Australia, and financial inducements to state TAFEs to abandon their curriculum units, they have come to dominate teaching and learning in vocational education despite their very serious flaws (Cornford, 2005). They require teachers each to design a separate teaching-learning program to deliver the learning outcomes, except where groups of teachers have decided on a particular set of outcomes and have cooperated on the development of a learning program to deliver this. This means that instead of their being a standard curriculum/program that may be modified, teachers have to 'keep reinventing the wheel'. Because there is a range of possible learning outcomes that may be taught and assessed, most teachers will be teaching and assessing different sets of competencies. In effect the end result is that, despite there supposedly being one nationally recognised qualification attained through any one training package, there is such marked variability in what has been taught and assessed between individuals and different VET institutions, even those within the TAFE system, that any sense of uniform national standards or qualifications has been severely compromised. This is of very considerable concern to some groups including the employers' group, the Master Plumbers Association of NSW (2006).

RTO registration status is required to be able to deliver and assess national training packages. No amount of stringent enforcement of RTO registration requirements, which has been the standard government response to compromised standards, can control these inherent weaknesses in the use of training packages. Instead what is now required, because of considerable variability in assessment and training based on training package outcomes, is for VET teachers to be continually validating their assessments of multiple skills and packages against industry and other relevant benchmarks with this taking up an enormous amount of teachers' time. There is serious reason to believe that all the effort and costs associated with training packages are a serious misuse of financial and human resources since they appear to be preventing the development of the more sophisticated and flexible skills that the training reforms were supposed to establish. In their review of training packages for the then Australian National Training Authority (ANTA), Chappell, Hawke, Rhodes and Solomon (2003) found that VET practitioners and other stakeholders considered that training packages did not meet learners', trainers' or organizations' needs. They were seen as too inflexible and not permitting the more sophisticated training and learning that is required in workplaces changing socially and with technology.

## **Which Business Groups Have the Most Influence on Policy Directions?**

CBT and training package policies are direct outcomes of business and industry lobby groups influencing government VET policies (Hawke & Cornford, 1998). To this point in this paper, all business groups have been assumed to be the part of a general power group that advocated the employment of CBT and training packages. In the UK context, Wolf (2002, p.99) has argued that business is not really part of the solution to the complex problems surrounding national productivity and education, but in fact constitutes the problem. In the Australian context, and also possibly in the UK too, this may only be partially true with it possible that many business people, especially but not only small business owners, may have had their real needs neglected by government. Nearly a decade ago Hawke and Cornford (1998, p.128) argued that 'the process of change needs to reflect the stamp of reality rather than being driven by ideological consideration of the ego's need to set one's own stamp on the world'. They also highlighted the fact that industry 'is not a simple unitary entity that speaks with one voice, or where one set of practices can satisfy all requirements' (Hawke & Cornford, 1998, p. 128). Indeed, there is reason to believe that, while the VET policy agenda has been dominated by business interests, in fact the group exerting influence only reflects a small but powerful group of large business owners/managers in the Australian business and industry context. Let us briefly examine some of the more pertinent available evidence.

While it is generally agreed that small-medium businesses actually provide approximately two thirds of employment in Australia, the breakdown of the composition of this small business sector indicates that the greatest proportion of them are unlikely to have the time or energy to exercise any real political power in determining VET general government or educational policy. The Australian Bureau of Statistics data relating to small businesses reveal that approximately one third of small-medium enterprises consist of only the owner-employer, forty six percent do not have any employees, ie they are all owners or partners in the business, and only sixteen percent have five or more employees (Gittins, 1998, p.96). It has been generally known in the VET curriculum community for a long time that it is hard to gain input and information in the form of the opinions/needs of the small-medium business owner manager because they are so preoccupied with managing their business and surviving economically (see Billett, 2004).

These small businesses, which provide most employment in Australia, do not appear to be well represented by the leading business lobby groups of Australian Chamber of Commerce and Industry (ACCI), the Business Council of Australia (BCA) or the Australian Industry Group (AIG). Even within these organizations there is competition for influence and membership from within the business community, and some of these organizations do not appear particularly supportive of government policy initiatives in relation to VET. The Business Council of Australia report of 2004 has been discussed in relation to the fact that it did not identify policy deficiency specifically (see above). Such a failure may also be interpreted as an attempt to shield the federal government of the day from accountability. The Australian Industry Group does not seem to be so concerned

with this and clearly identified skill shortages in its submission to the Senate Inquiry of 2003 as a major concern. It has also continued publicly to attempt to embarrass the government to achieve action on this issue with comments in the media, especially in relation to the 2006 federal budget which revealed no new funding for VET and skill shortage problems (see Mouhtouris, 2006a, pp. 21-2.)

Possibly the most revealing information regarding links between the federal government and business and industry, and specifically the influence of certain groups and ideological factions within that broader categorization, is in relation to the recent workplace-industrial relations legislation. The fact that the federal government plans to spend \$40 million, in a campaign to sell the industrial relations overhaul to the business community, suggests that the legislation does not reflect either the needs or views of many employers. The legislation has contained some real surprises for employers, particularly in relation to the amount of paper work that will be involved and the requirements to keep accurate records of when people, even higher-level management, clock on and off. How much consultation with employers really took place before this legislation was conceived and legislated, or whether it was a result of a small ideologically driven group with close access to federal liberal-coalition ministers is thrown into question by a survey by Australian Business Ltd, one of the less politically prominent business organizations. This organization surveyed 1500 of its members and found that 85% did not understand the legislative changes (Allen, 2006). Only 3% of those surveyed intended to make immediate changes as a result of the legislation. Half are reported to have indicated that it would not affect how they managed employees. A spokesperson for the NSW Minister for Industrial Relations, John Della Bosca, is quoted as saying in response that: 'Some of the politically connected leaders of business groups have been talking up this legislation when clearly their members, the real businesses don't want it' (Allen, 2006, p. 3).

When viewed in the light of other evidence relating to CBT and training packages in VET policies, it may well be that the whole VET reform agenda has been driven by a small, ideologically motivated group that does not in any way represent the views of the anywhere near the majority of the business constituency, which is most affected by these changes. Many in business and industry were not informed of important issues in CBT affecting them. Lidbury (1995) in his study of metal trades apprentices in the Hunter region, found that the employers who were supposed to play a key role in the learning and workplace assessment of the skills of their apprentice employees to CBT standards, knew virtually nothing about CBT and their role in assessment. This he concluded was because there had been no effective government policy to disseminate material to these employers. More recently, unpublished evidence from a reputable source has indicated that, in a recent focus group/survey in NSW, 38 out of 50 employers had not heard of training packages (the preferred mode of CBT delivery) and indicated that did not want to know about them. The limited take-up of training packages and interest in them is reflected in other reported evidence with this also needing to be considered in the light of Chappell et al.'s (2003) evaluation of training packages cited above.

Cornford (2001) conducted a limited study that involved a small sample of 39

respondents with 95% of them employed in HRD in large business organizations, that is over 100 employees. Only 25 respondents out of the 39 indicated that CBT had been implemented in their organization although those indicating adoption often took pains to indicate that it had only been adopted narrowly in some specific areas involving performance skills, such as pistol shoots or defensive tactics training in the police service. Some 25 answered the question concerning effectiveness of CBT, with 21 of the 25 indicating they considered it moderately or very effective. Many of the organizations had also introduced ISO 9000, a quality assurance approach at the same time, so it is not clear that CBT alone was responsible for improvements reported, with many respondents also considering CBT very similar to older performance standards. Only 14 in the sample indicated that training packages were used in the organization, indicating a very limited take-up of an initiative in workplace training that was supposedly enacted into policy at the behest of business and industry. While caution is needed in extrapolating data and drawing conclusions from such a small sample, other studies focused on the use of competency standards also have revealed that there was very little adoption by business and industry with most adoption being by government or quasi government bodies (Pickersgill, 1996, cited in Cornford 2000, pp.146-9). The failure of governments, both state and federal, to conduct any similar large scale studies to investigate the effects of VET policy initiatives with CBT and training packages is of grave concern from accountability and good governance perspectives. More importantly, the lack of serious, wide-scale adoption of CBT and training packages, supposedly demanded by large sections of the business community, raises important questions about the degree to which policies are truly reflective of the needs of the business community.

### **A Way Forward : Accountability and Meeting the Needs of Australian Society**

There appear to be two major issues in the development of effective VET policy in Australia given the current ineffectiveness of VET policies. These relate, first, to accountability and the establishment of policies that in fact effectively represent the needs of all stakeholders in Australian society and, second, quality and quality assurance mechanisms that must be a co-consideration in policies that are derived from substantial stakeholder-based needs analysis research.

Not only have VET teachers and experts in the area been shut out of any real involvement in policy development and implementation (Hawke & Cornford, 1998), but so has the broader community that has a real and major interest in the availability and the quality of trade and professional services that essentially keep the society functioning, in terms of automotive repairs, building construction, plumbing and electrical services, etc. In addition, as has been argued above, it appears that many sections of the business community itself, but especially small-medium businesses, without powerful lobbyist representation with access to political party connections, have also been shut out from this process. Taking the small-medium business community alone, although providing two thirds of employment their interests appear not to be served in any direct way on account of the small size of such organizations in Australia by training packages to be delivered in workplaces or CBT. In short the real training needs of business and industry

have not been met, and are incapable of being met, by current VET policies. In this context to look for policy goals and mechanisms to enhance enterprise expenditure on VET as Billett and Smith (2005) have argued, is an exercise in futility. There is little incentive for this to take place unless there is substantial reform and all sections of business and industry can see some substantial benefits in the form of coherent and consistent VET policies that meet their own and the broader Australian society's needs.

Central to any effective vocational education training system are issues of quality and quality assurance. Neither of these components is being met with current CBT and training package policies. As outline above, CBT is narrowly based and falls in skill standards have occurred in direct opposition to initial policy ideals of increasing skills levels and effectiveness. Training packages have introduced such variability in standards for the same nationally recognised qualification that they have effectively undermined any pretence that CBT would ensure standards of skilled performance. At the same time evaluation research by Chappell et al. (2003) indicates that the requirements of training packages constrain practitioners in meeting the broader problem solving and critical thinking skills required in workplaces because of continuous technological and social change. The absence of substantial underpinning theory components, ie aspects of effective lifelong learning, that are seriously assessed in both CBT and training packages, have meant lower standards and 'dumbing down' when the need is for broader thinking and understanding of complex workplace skill and management issues.

Ironically quality and quality assurance should have been central to the concept of CBT. Yet in practice noticeably absent from early CBT policy formation was any adequate conceptualisation of how standards might be maintained with RTOs as accrediting agencies (see Hawke & Cornford 1998). The push to enlarge the share of the training market by private training providers (Anderson 2002) guaranteed the potential for corruption of standards in an era of self-regulation and clear favouring of the private sector by the federal government. Only the revelations of the 2000 Senate Inquiry into Quality of Vocational Education and Training in Australia, and a series of reports by Kay Schofield commissioned by a number of state governments, led to federal government attempts to control quality through tighter registration requirements for RTOs. However that was 'trying to shut the gate after the horse had bolted'.

Despite these earlier reactive, crisis management attempts to regain lost ground in quality assurance, there remain major issues in quality control and maintenance of standards, especially on account of the limited funding that has generally meant under-resourced, state-based, policing agencies, and quite apart from lack of stringent legislation to enable prosecutions. For example the NSW Independent Commission Against Corruption recently heard a case involving serious breaches of safety and training standards that has involved false certificates of competency being issued (Brown, 2003, p.6). In one case a crane operator, given a certificate of competency, hit power lines and electrocuted a co-worker. Recent efforts to yet again tighten RTO registration, and also develop a more substantial TAA 04 (Certificate IV in Assessment and Workplace Training) as a minimal teaching/training qualification, are fixation upon only a couple of a larger number of

elements that must form effective quality assurance mechanisms. All elements are equally important and must interlock to achieve tangible, effective outcomes rather than there being focus upon just two elements.

While ever there is continued government policy enshrining training packages as the dominant 'curriculum' form there will be major problems, since these are vehicles for variability of standards and the inherent weaknesses in the CBT approach. In other words, training packages nakedly demonstrate the weaknesses upon which the entire formal VET qualification system and policies have been based.

Many of the learning problems involving (in)effectiveness of learning outcomes, standards and variability in outcomes could have been avoided if VET teachers/trainers and experts had been seen as genuinely knowledge stakeholders whose position actually mediates business and the general community where trades and professional workers provide services. There also has been failure to recognise that it is the VET teachers and trainers who are the gatekeepers of standards, and the ones who make the judgements concerning pass/fail or competent/not yet competent. As the VET practitioners who operate at the coalface, they have the best knowledge of what does and does not work in that interface of educational provision between business and the community. That governments, both state and federal, deliberately avoided initial input from these groups and later feedback into implementation has meant that, not only has proper, usual needs analysis of all stakeholder groups for policy formation not been conducted to ensure effective initial policy, but the normal clarification and interactive/improvement evaluations (Owen & Rogers, 1999) have not occurred to fine tune the policies that were adopted.

### **Changes and New Models**

In the UK CBT has moved from being a central plank of VET policy and the focus has been realigned to trying to meet the needs of business and industry as well as students. This has meant a more than subtle realignment of stakeholders needs and that also is what appears to be happening in Australia. The Queensland government's new VET policies, which have been backed by serious financial commitment to change, have set the benchmark for changes in the VET state systems (Mouhtouris, 2006b, p.19). There has been widespread recognition that Queensland initiatives have subtly moved the agenda forward with key stakeholders including business representatives (ACCI), TAFE Directors Australia and the Australian Council for Private Education and Training all welcoming the initiatives proposed, as have spokespersons for the broader VET community like John Mitchell, VET consultant and *Campus Review* columnist.

Policy proposals (Queensland Skills Plan, 2006) that appear to be major, new initiatives include establishing centres in Queensland TAFE that which will act as liaison units between business and TAFE with partnerships envisioned to ensure trainees learn on current equipment and that programs meet industry requirements. The needs of regions and also small businesses appear to be recognized too. The establishment of specialist

institutes to develop appropriate curricula indicates that TAFE teachers have been recognized as vital players in the important process of determining curriculum content and deciding standards that will be applied widely across the state and in other colleges. This is essentially a return to the professional/trade school system that operated in NSW TAFE more than twenty years ago. The re-introduction of the term 'curriculum' suggest that the problems of the training packages have well and truly been recognized although, to maintain peace across the states-federal government divide, this essential rediscovery is not being overly stressed in documents to date. The emphasis upon career counselling is certainly refocusing upon learner needs and through this presumably the broader needs of the community. In Australian VET there has long been a need for effective career counselling. Hybrid skill clusters develop with changing technology and there is development of specialist businesses to cater for changing needs. Career counsellors need to be abreast of these developments to be able to advise school leavers about them, as well as being able to remedy the general lack of understanding of school leavers about different career paths in any one particular trade or professional area.

## **Conclusion**

The failure of VET policy in Australia and failure to identify elements that are working or not working, and thus contributing to the skill shortages, should be of grave concern to every Australian. There are serious issues of public accountability and good governance involved in these failures in an era of supposed economic rationalism with increased government accountability. While policies that were adopted were supposedly acted upon because of lobbying by business and industry, the evidence indicates that these groups have not embraced elements of policies like CBT and training packages with the enthusiasm that could be expected if the policies truly reflected the needs of business. It has been argued here, on the basis of available evidence, that small business in Australia, which provides approximately two thirds of employment, is unlikely to have been represented in the policy making. Further, the evidence is that the adoption by even large business groups of CBT and training packages is quite low, hence those lobbying the government are probably only representative of a small, ideologically driven faction in Australian business overall. Other evidence suggests that CBT standards have not led to increased levels of skill performance and training packages are actually impeding the development of more sophisticated skills required in modern, changing workplaces. The failure to monitor implementation of these policies and modify them in line with research findings again indicates serious failure of good governance and meeting the needs of all sections of business and industry. Indeed need analysis failures are evident all down the line. Attention to quality training and quality assurance mechanisms and meeting the needs of all stakeholder groups would appear to be the only sensible way forward.

The plan for skill training adopted by the Queensland government appears to resolve a number of the pressing issues centred on the needs of stakeholders and quality of training. It is hard not to be impressed and encouraged by the *Queensland Skills Plan* (2006). However, the acid test will be in turning the words on paper into action but there certainly seems to be a repositioning and an awareness of stakeholders' real needs. The

roles of teachers and students appear to have been clearly re-established along with the needs of regions and small businesses. At last a model has finally emerged that seems to have considerable potential. While it is certainly incapable of undoing the enormous amount of damage that has been done by ineffectual, ideologically based policies being continued on too long after they were demonstrably failing, it may position us to move beyond the inappropriate policies that are clearly not serving the national interest.

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