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Human Capital, the Competitiveness Agenda and Training Policy in Australia

by

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In *The Political Economy of Training in Canada* I argued that, despite its apparently chaotic character, Canadian training policy was theoretically guided or informed – partly by the dominant macroeconomic paradigm, neo-liberalism; and partly by the dominant theoretical paradigm within labour market studies, human capital theory (McBride, 1998).

In Canada the conjunction of these two influences produced the deregulation and privatisation of training (and arguably the dilution of training quality), and the devolution of authority over training from the federal government to the provinces (creating, among other things, a patchwork effect and varying standards across the country). In this formulation, privatisation should be understood in two senses. First, training providers would increasingly be private institutions rather than public ones. Second, the cost of training would increasingly be borne by those held by neo-liberal versions of human capital theory to benefit from it – the individuals receiving training and the firms for whom they worked. The overarching tendency, though not always clearly articulated in public policy statements, was towards the marketisation of training and, in particular, the creation of a training market.²

In political science and political economy, Canada and Australia are frequently taken as units of comparison because of a number of shared characteristics – white settler origins, federal organisation of the state, resource dependent economies, and similar structural locations in the international political economy that make them sensitive to 'external constraints.' Despite current refrains regarding the impact and need to respond to globalisation, there has been little comparative research conducted on Canada's and Australia's experience with and strategic responses to globalisation, much less of training policy as an instrument of their respective strategies.³

Although there will be occasional references to Canadian developments, the objective of this paper is not explicitly to compare the two countries. There is, however, one important difference which makes the examination of the development and implementation of Australia's training policy instructive for Canadian observers. In stark contrast to the Canadian devolution of authority from the federal to the provincial level in the past decade and a half, the Commonwealth of Australia (the federal government) has moved to institute a comprehensive, national system of vocational training. It emerges that the most salient similarities are policies directed towards the commercialisation of training through deregulation and the establishment of a training market.

The evidence suggests, however, that the objectives of a national training system are not being met, notably because the deregulation of training provision and the establishment of a training market have not met their purported promise. There is no evidence to suggest that the commercialisation of training is an effective means to provide more or better training. For advocates of a national system in Canada, they suggest that carefully considered regulation is a necessary feature of a working national system.

THE AUSTRALIAN NATIONAL TRAINING SYSTEM: Development and Characteristics

Development

During the economic turbulence of the 1980s and 1990s the Australian government saw technical training as a potential answer to economic difficulties. A national training system was developed in the hope that applied education is the answer to the problem of youth unemployment and an assurance of Australia's ability to compete in an increasingly globalised economy. Successive governments – the Australian Labor Party in the 1980s and early 1990s and a Liberal/National Coalition since 1996 – have increasingly moved this endeavour in a “market friendly” direction, emphasising shorter-term certificates (as distinct from degrees, diplomas and trade apprenticeship programs), responsiveness to industry needs, and competitive provision of training. Those setting the curricula (and they include industrialists and labour representatives as well as educators) use the concepts of “key competencies” and the attainment of specific skills in setting the agenda for the Vocational Education and Training (VET) system.

Instituting VET reform posed a challenge in a number of areas. There was resistance from the established educational sector, which had traditionally viewed VET as a second-class choice for those not academically inclined. As well as the battle between “educators” and “vocationalists”, there was jurisdictional rivalry between States, which have responsibility for the Tertiary and Further Education (TAFE) colleges, and the Commonwealth. Now, “All levels of government are involved in the administration of training in Australia. The Commonwealth, in particular, has consciously extended its influence in the last 10 years or so. [It] reflects the priority which the Labor government gave to skill formation as part of the reconstruction of the Australian economy.” (Smith, 1992: 183).

The construction of a *national* VET system is a major institutional and political achievement notwithstanding continued intergovernmental tensions regarding its operation. It has been driven by the Commonwealth government, which has used its spending power and taken advantage of a stronger sense of national identity than exists in Canada. This is a contrast with the Canadian situation where devolution of labour market programmes and training has been apparent in recent years, and where fragmentation is more characteristic than integration.

Vocational and technical training had been a series of various initiatives rather than a comprehensive, nation-wide system, so there was a move to set national standards for technical training. The TAFE system of “national core curricula” taught in state-run colleges was established following the Kangan Report in 1974 (Pickersgill, 1999: 107). In 1979 the Williams Report recommended tighter links between education and employment (Taylor *et al*, 1997: 109). A tie-in with industry so that the curricula reflected industrial needs was seen as desirable by government, employers and trade unions. By the early eighties, employers were heavily involved in curriculum and college committees (Pickersgill, 1999: 107-108).

Following a 1987 visit to Scandinavian and northern European countries, the Australian Council of Trade Unions and the Trade Development Council co-produced a report entitled *Australia Reconstructed*. The report provided a blueprint for Labor's economic reform plans. It called for more training, especially for young people, through the co-operation of government, labour and business (Taylor *et al*, 1997). As such, the report attempted "to graft Swedish and German models of industrial policy and training to OECD models of structural adjustment" (Pickersgill, 1999: 108). It led to the creation of the National Training Reform Agenda and the National Training Board in 1990 (Taylor *et al*, 1997).

The *Australia Reconstructed* document was an important influence on the shaping of training policy under Labor.⁴ It is clear that the Labor government, while providing access to decision-makers and some concrete benefits to its labour constituency, actively favoured "the restructuring and deregulation of the Australian economy so as to increase competitiveness in global markets." (Wiseman, 1996: 93) Beginning in the financial sector with the decision to float the Australian dollar (Watts, 2000), deregulation gradually extended to other spheres (Kelly, 1994). The Accord, under which trade union access to decision making was institutionalised, served as a "holy cow" and enabled Labor to proceed with its deregulatory agenda (Beilharz 1994:129).

Special ministers conferences in 1989 and 1990 set the framework for the National Training Reform Agenda which envisioned a national training market, a system of competency based training, a national framework for accreditation and a unified entry level training system (Pickersgill, 1999: 108; Harris *et al*, 1995: 74). In a move indicative of the shift from corporatist competitive strategies to market-based competitiveness, in 1990 the National Training Board incorporated the United Kingdom's system of standards and Competency Based Training:

"Training reform, initially conceived by the left as part of an active industry policy, was overtaken by another agenda, that of neo-liberalism. Marketisation and market forces, specifically the call to introduce a 'training market,' replaced corporatist arrangements and were now to be the process to release productivity growth in the policies of both Labor and Coalition governments of the 1990s" (Pickersgill, 1999: 108).

Both productivity, enterprise-based bargaining to replace the industry-wide awards system and competency based training appear as links in the drive to labour market flexibility. Ralph Willis, Labor's industrial relations minister in 1988, described award restructuring (with a greater focus on enterprise bargaining) as an attempt "to remove obsolete classifications, reduce the number of classifications, broadband a range of jobs under a single classification and establish links between training, skills and wages which result in career paths for workers." (cited in ACIRRT, 1999: 22) But the implementation of training reform by the Coalition government that succeeded Labor goes further and

replaces an industrial relations regime that had protected trainees with an industrial relations system that abolishes these protective mechanisms (Bessant, 1997:26).

Negotiations between the States and Commonwealth in 1992 led to the 1994 establishment of the Australian National Training Authority (ANTA), which sets guidelines for the state-run TAFEs (Taylor *et al*, 1997: 112). The 1992 agreement setting up ANTA ensured growth funding for VET by the Commonwealth while the states/territories agreed to maintain their expenditures. Commonwealth spending power eased the transition to a national system. However, ANTA is conceived of as a national entity, not a Commonwealth one.⁵ As subsequently revised, the agreement has the federal government maintaining expenditure “in real terms” while the states “direct efficiency improvements into expansion of the system.”

Some developments were initiated by agreement between the Commonwealth and state/territorial governments; others were established unilaterally by the national government (Smith and Keating, 1997). In the opinion of Terry Moran, chief executive officer of ANTA, the states/territories have been “extremely co-operative in implementing the new national training framework, that is, the Australian Recognition Framework and training packages. They have been quite co-operative in implementing new apprenticeships and user choice” (Australia, 1998: 84).

Characteristics

According to Smith and Keating (1997: 43-46) the VET system is based on the following principles. It is:

- 1. A competency-based system:** “National industry competency standards provide both the foundation and the currency for a national training system ... they are the means for common recognition of knowledge and skills and of qualifications across the country.”
- 2. An industry-led and client oriented system:** “...much of the rhetoric of training reform is about meeting the needs of industry as a client, and of allowing industry to lead VET in Australia”—through industry’s competency standards and its role on committees, councils and boards.
- 3. An open system:** Users should be able to understand how it works: “The open training market has been the principal means of trying to achieve a more open system. Apart from opportunities for the registration of private providers, an increasing percentage of government funds has been made available for training programs through open tendering. The idea of a *training market* has been based upon diversity in what is provided by VET and who provides it to a range of users....”
- 4. A national system:** in part, to develop greater consistency in the recognition of training qualifications. Training reform has resulted in a several national elements of VET: national industry competency standards; a national approach to the recognition

of competencies and qualifications; a national qualifications framework; and national entry level training system.

5. **A system offering recognition of prior learning:** The RPL system recognises equivalency of on-the-job experience; it helps avoid costly duplication of training.
6. **A system offering access and equity.** Recognising prior experience aids disadvantaged people, and there is funding for Aboriginal and other marginalised groups: However, many critics say these issues are sidelined. “For instance, if VET is ‘industry-led’, the needs and aspirations of individual people are likely to be forgotten.”⁶

Reviews of the national training system and ANTA have resulted in the National Training Framework, which includes significant changes to the recognition system and the development of Training Packages (Smith and Keating, 1997: 40). Implemented in 1998, the Australian Recognition Framework is “a national agreement between the state and territory training recognition authorities under whose authority training qualifications are issued (Smith and Keating, 1997: 56). Under it, all government-funded VET providers must become Registered Training Organisations. All will be required to meet the Framework’s quality standards and operational protocols. The Framework allows providers to develop programs meeting local or industry needs and the provider may seek registration as a quality endorsed organisation which allows it to accredit its own courses. (Australia 1998: 16).

For their programs to win accreditation, providers must meet the criteria set by the Australian Qualifications Framework (see Figure 1, next page). Its purpose is to increase consistency and flexibility between the three sectors of education and training (secondary schools, VET and higher education) (Smith and Keating, 1997: 57). Programs must:

- be based on national industry directed skills/competency standards;
- relate to or provide vocational education and training certificates within the AQF and senior secondary certificates endorsed by State and Territory Boards of Studies;
- provide for industry identified requirements for structured workplace learning and assessment; take account of national and local skill shortages and industry needs;
- articulate with apprenticeships, traineeships, employment and further training;
- be delivered by providers who meet Australian Recognition Framework registration requirements;
- and provide for the needs of equity target groups; develop regional and community partnerships (Australia, 1998: 44).

Figure 1. The Australian Qualifications framework		
Secondary Schools	Vocational Education and Training	Higher Education
<ul style="list-style-type: none"> • Senior Secondary Certificate of Education 	<ul style="list-style-type: none"> • Advanced Diploma • Diploma • Certificate IV • Certificate III • Certificate II • Certificate I 	<ul style="list-style-type: none"> • Higher Degrees • Degrees • Advanced Diploma • Diploma
Source: Smith and Keating (1997: 57)		

The situation has proven to be rather unlike that in Canada, where increased marketisation of training has been accomplished via devolution of authority to the provincial level, with an accompanying fragmentation of what was already an incompletely *national* training system. Marketisation in Australia has proceeded through the construction of a national training system. In Canada the implementation of a neo-liberal agenda has often been associated with the decentralisation of the federal structure (see McBride and Shields, 1997: Ch. 5) The Australian case suggests that the association between devolution and marketisation is contingent rather than necessary. As we shall see, it is not so much the formal jurisdictional arrangements that affect the form and content of training as much as it is the regulatory mechanisms and how they are employed.

Indeed, the evolution of training policy in some Canadian provinces suggests that the link between devolution and privatisation is not a necessary one. In British Columbia, for example, a *Policy Accord on Government Training Expenditures* (British Columbia, 1999) stated that the “overriding public policy principle” regarding government-funded training was that “it should maximise public benefit through the use of resources and expertise in British Columbia’s public education system.” (British Columbia, 1998a: 3) While enabling private trainers to participate in fair and transparent tendering system (for those contracts awarded through tender) a backgrounder to the Accord makes it clear that “The Accord requires that government managers first consider using the public education system to address their education/training needs. Generally, if public providers can deliver the quality required at a competitive price they will be awarded the work in question.” (British Columbia, 1998b: 1-2) The effect of devolution, in this case, may be to retard the drift to privatisation of training that has long been an element of federal policy (see McBride, 1992, 1998). Let us turn to the manner in which the Australian training system was marketised.

DEREGULATION AND THE TRAINING MARKET

Deregulation

Deregulating the provision of training and creating of a training market – eliminating what was seen as a TAFE monopoly over training provision by encouraging the development of a private training “industry” – has been a policy common to both Labor and Liberal/Coalition governments. And by 1998 an Australian Parliamentary committee was able to report that “...TAFE no longer enjoys the protection of being a government monopoly and the only officially recognised VET provider.” (Australia, 1998: 1) A spokesperson for an employers' association considered the National Training Framework now “the most advanced in the world” (interview, April 1999). He argued that the effect of training reform has been to strip away regulations on training, leaving only three points of regulation. These include: the registration of training providers, the approval of training packages, and auditing of training providers.

Once registered across a range of training activities, Registered Training Organisations (RTOs) can operate across the country rather than having to register, course by course, in each state. Training Packages are sets of competencies, thus avoiding the need for state regulation of *courses*. In the past most states had declarations of trades or calling with which qualifications were associated. Employers, however, saw these as a bastion for union influence on apprenticeships. Under the training package approach, an occupation is identified and the competencies and the assessment requirement are specified. These are approved by tripartite Industrial Training and Apprenticeship Boards and, ultimately, by a National Training Framework committee. Training Packages can be enterprise specific (in which case there are sometimes criticisms that they are too specific and hence non-portable) or they can be industry or sector-wide. However, a system is in place which theoretically should ensure that the right kind of skills, i.e., those wanted by industry, are produced.

Under this regime, “New Apprenticeships” refers to all traineeships and apprenticeships. Traineeships are at lower qualification levels on the AFQ scales than traditional apprenticeships (level 1 or 2 compared to 3 or 4). They are also shorter, typically one year and sometimes two years, compared to a traditional four years for apprenticeships. New Apprenticeships can be: full-time or part-time; started while still at school; and may be accessed through a group training arrangement which can involve placement with one or more employers. New Apprenticeships cover existing apprenticeship and traineeship arrangements, as well as those being introduced under the new National Training Packages. They may combine off-the-job training at an approved training provider with training on-the-job and practical work experience, or they may be conducted entirely on-the-job. The off-the-job training component involves modules of study that cover the particular skills and competencies needed. This component is undertaken part time at either a college/institute of TAFE or through a registered private provider.

In as much as New Apprenticeship and “laddering” might provide a link between wages and the achievement of competency levels, thus creating an incentive for workers to attain increasing skill levels, one employers’ official noted differences between industrial sectors. In some industries, like metals, the awards are very specific and, in that industry at least, the employers like it that way. Generally, however, industry is opposed to a link between skills and skill acquisition on the one hand and more money on the other. While skill is a critical factor, the official claimed, there are other factors that alter the relationship. One of the principal ones was ability to pay; a second was that linking increased pay to skill acquisition might actually serve as a deterrent to employers to provide training. On this point, Marginson comments:

“Employers, who were the main agents of government in training reform, had no intrinsic interest in providing upward mobility or higher pay, and were naturally reluctant to link training levels to pay levels. What employers wanted were flexible workers, and rankings based on standardised skill descriptors.... However, these generic skills tended to obscure both specific vocational requirements and educational content, diminishing their use value.”(1997: 213-216)

Proponents of training reform, such as V.W. Fitzgerald of the influential Allen consulting group, spelled out the limited role of government as consisting of guaranteeing “the value of the new ‘currency’ of the training market represented by competency standards and assessment procedures”. Government’s main role was depicted as not determining outcomes but as setting the rules for the market to work: “maintaining the ‘social currency’ of a public qualifications framework assisting the wide portability of skills; correcting market failures, particularly in the production and dissemination of market information; and ensuring consumer protection”. Above all government should have promotion of competition as its central aim. (51) The desirable regulatory framework was one “which promotes private action to invest optimally in VET...” (Fitzgerald, 1995: 50, 51, 53)

An example of this approach is provided by the implementation of the user-choice principle in the delivery of New Apprenticeships. The ANTA Board is convinced that user choice is essential for the New Apprenticeships because of its role in developing an open, competitive and accountable training market. The New Apprenticeships are to be regulated at only three points:

“[1] the endorsement, nationally, of the following components of a training package, i.e. the competencies to be attained, the assessment guidelines and the outcomes of the training in terms of qualifications; [2] the registration of a training provider who will deliver a training program...; [3] the entering into a training agreement, and its registration and validation, which represents the formal commitment of the parties (that is the employer and the person in training) to achieve the training outcomes...” (ANTA 1997a: 18-19)

The ANTA report continues “each of these points of regulation is to be subject to quality assurance and audit processes to ensure consistent application of the Australian Recognition Framework. This is to ensure that training providers meet the desired quality criteria and standards.” (ANTA, 1997a: 19)

For their part, companies are to choose how and where the off-the-job portion of the training will be delivered, with programs tailored to specific company needs. User choice is in part a response to the perception that TAFE was unresponsive to companies’ needs (Smith and Keating 1997: 70). The increased corporate control over training is expected by ANTA to produce more training and greater employer investment in training (especially since skills training is capable of being customised to meet the specific needs of employers).

However, these expectations have yet to be met. At the most basic level there is a lack of knowledge and understanding about the new Australian training system on the part of those it is intended to serve – industry (See Table 1).

Training Reforms	Have never heard of: Per cent	Have heard of: Per cent	Level of Knowledge: Per cent		
			Name only	A little	A lot
AVTS	84	16	6	9	2
Flexibility in the delivery of vocational training	82	18	4	13	2
Competency based rather than time-based learning	73	27	0	13	2
National competency standards	72	28	8	16	4
Recognition of prior learning and experience	68	32	7	18	7
Industry involvement in training and assessment	59	41	12	21	7
Integration of on-the-job and off-the-job training	58	42	15	21	6

Source: Pickersgill, 1999

Second, industry representatives, defined as including both business and labour, are in the “driving seat of reform” through the thoroughly tripartite structure of ANTA. But there are complaints that providers and students are not represented. A 1998 Committee of the House Representatives stated its belief that “the industry focused approach to VET is the right one and has been well served by the current policy on the composition of the ANTA board. However, the Committee also believes that it is possible to inject a provider perspective into the ANTA advisory structure by including TAFE representation while retaining an appropriate and necessary industry focus.” (Australia, 1998: 13)

Third, TAFEs reportedly accept the labour market changes but complain that they cannot really compete because of government restrictions on their commercial activities. Among the restrictions:

- TAFEs cannot retain revenue from fee-for-service activities;
- they may be required to subsidise some programs from commercial activities;
- governments may set concessional fees but the institutes are not compensated for the revenue shortfall;
- fees for mainstream courses may bear on relations to their actual cost;
- accountability to government more onerous than for private providers;
- TAFEs are required to operate often in remote, higher cost areas;
- and programs are often dictated by political directives. (Australia 1998: 18-19)

In addition, the Chamber of Commerce and other business interests have been arguing for access to the TAFE infrastructure and for separation between TAFE physical facilities and its training component, forcing TAFEs to compete with private providers for those facilities (Australia, 1998: 20-21).

Privatisation: The Training Market

The key concept underlying the reconfiguration of the VET system is the “training market.” Increasingly, vocational training is seen as a product subject to the same market competition as other commodities. The move towards an “open market” for training system that was initiated by the Labor government has proceeded even further under the Coalition government of Liberals and Nationals. The notion of a training market was first articulated in 1990 when chair Ivan Deveson released the report of the *Training Costs of Award Restructuring* Committee. The report promoted ‘market approaches’ to training, inspired by the system developed in Great Britain under Margaret Thatcher’s government. It reflected the view within government that VET had been too “provider driven” and needed to be more “industry driven.” (Smith and Keating, 1997: 36)

The Allen report that followed gave further impetus to the development of a training market. It focused on the development of “a training market centred around direct client relationships between providers on the one hand and enterprises and individuals on the other, and in which the skills held by individuals are publicly recognised and portable to the maximum extent possible.” The key method would be to progressively transfer

“government funding for structured entry level training in apprenticeships and traineeships to the employers and trainees who would jointly decide on the purchase of recognised off-the-job training.” (Goozee, 1995: 177-8)

According to ANTA, the training market and user choice are key elements in achieving Australia's training goals:

“The underlying objective of the training system is the development of a skilled workforce for the nation. To achieve a skilled workforce, it is necessary for training providers to be flexible and responsive to the needs of industry and enterprises. One of the means of achieving flexibility, responsiveness, and efficiency in the training system, is to develop an open and competitive training market and User Choice is one of the strategies to be applied to secure this outcome.”(ANTA, 1997c: 1)

Smith and Keating identify a number of forms of competition that contribute to a competitive training market (1997: ch.6). These include:

- fee for service, where individuals or their employers buy their own VET;
- competitive tendering, with the lowest bid winning the training contract;
- preferred supplier arrangements, in which an employer designates a preferred training provider;
- and, finally, user choice.

Similarly, Fitzgerald discusses the various mechanisms, such as competitive tendering and vouchers for individuals to purchase training, that contribute to the establishment of a market (1995: 49-53). Anderson refers to demand-side models that aim to increase competitive pressures on providers by empowering clients *vis a vis* providers (1997: 23-34). Four types of mechanism are described as giving clients more direct control of training decisions: fee for service; user choice; intermediaries; and vouchers.

By 1990, then, Australian governments had adopted the principle of a single national training market with a common system of credentials. The training market would include: TAFE; higher education; private trainers; community and non-profit groups; employers offering training to their own employees; and professional associations. Competition between TAFE providers, publicly funded secondary schools and colleges, and non-TAFE training providers, including private, for-profit organisations thus formed an important element of the establishment of this training market. Its creation, moreover, included steps to commercialise the TAFE sector through introduction of fees and increasing fee-for-service activities; and to encourage the participation of private trainers (Marginson 1997).

“User choice” is integral to the establishment of the training market. It entails employers negotiating with competing providers for the purchase of a training program and choosing the desired one (Smith and Keating, 1997: 60-61). According to ANTA,

“Under user choice public funds will flow to individual training providers which reflect the choice of the individual training provider made by the client... [Thus] clients are able to negotiate their publicly funded training needs ... have the right of choice of registered provider and negotiations will cover choice over specific aspects of training... Once the client is satisfied with the training to be provided, the relevant State training authority releases the appropriate funds to the provider of choice.” (cited in Hawke and Cornford, 1998: 117)

Some of the developments in moving to a training market thus include a more “employer-friendly” system of training whereby trainees acquire skills specifically designed for employer or industry needs. Under it, the length of training is being shortened from the traditional four-year apprenticeship period. Training itself is being measured by “competencies” testing instead of achievement of the trade status typical of apprenticeships. Indeed, the development of a competency-based system of qualifications was an important step in creating a training market as it “brought the economic vision of portable human capital a step closer to realisation... Competencies were readily priced and sold as commodities.” (Marginson 1997: 213-14)

Much discussion of the need for a training market has been couched in ideological terms and “has mainly concerned the provision of public funds to the private sector.”(Goozee, 1995: 174) The main rationale for the creation of a training market has followed the lines of criticism by some industry bodies. They claimed that TAFE was unresponsive to the needs of industry and that there was a need to give greater priority to the ‘demand’ side of the market, i.e., employers, coupled with a need for greater efficiency and cost savings. Marginson also notes the ideological nature of the debate. He observes that, while commercial training was widely seen as “more efficient, flexible and responsive to labour market needs than were non-market programmes in TAFE ... none of the official reports extolling the market ever assessed its costs and benefits. Policy makers were swept along by the ‘blind faith’ in markets and competition that permeated government.” (1997: 211)

RESULTS

It is claimed on behalf of a market-based training system that it will produce more training and, by placing industry in the driver’s seat, induce more investment on the part of industry in training. Some also assumed that by making the system responsive to the competitiveness needs of industry, a transition to “high skills” training would occur. Each of these claims is examined in turn.

1. Is more training being performed?

One ANTA official interviewed commented that:

“User choice is only for apprenticeships and traineeships i.e. around 20 per cent of the system. There is no plan to extend because that would be construed as the introduction of a voucher system. That’s not on the agenda.

Why the user choice system? (Frankly) it is based on the *untested* assumption that improved supply of training will increase the demand for it and on the similarly untested assumption that some employers were not having staff participate in training because the employer thought it inflexible and not worth while. Hence if the system is made more flexible, the concerns of employers will be alleviated. It is not known if this is true.” (emphasis added)

This respondent recalled a major report within ANTA on the problems of creating a training culture. The report went nowhere because some ministers felt their record was under attack by the findings of the research report. The gist of the report was: ‘We’ve made good reforms so why don’t Australian employers train? We have put the fundamentals in place but there is no glue to hold it together. There is no national articulation that training is valued. We do need to build a training culture.’ This was construed as criticism of the ministers’ leadership of the portfolio. The official was also cautious about the extent to which employers were buying into training through themselves investing in training.

On the one hand, Hawke and Cornford note that under current government policy industry is seen as the client (1998: 122). Therefore, there is a need to examine “the proposition that business and industry are capable of translating their needs into education and training in such a way that the whole of Australian society benefits.” These authors expressed a concern that the quality of business leadership is such that they are “not sufficiently aware of the need for the training of workers to forge a competitive nation rather than just to continue to train for inter-company competition.” (Hawke and Cornford 1998:123)

On the other hand, policy tensions were noted in reforms to the apprenticeship system. In theory, securing training was intended to be the joint responsibility of employer and employee; in practice, training was less and less seen to be shared. As a result, responsibility fell more on individuals as employers wanted people to be job ready when they arrive. The official described the general ethos as: “people should come to a job with a specific skill set. They are responsible for managing their own careers and development. The individual is responsible for skilling-up.”

Table 2. Training provided by employers, 1993 and 1996				
	Hours per employee		% of employers providing training	
Industry	1993	1996	1993	1996
Metal manufacturing	8.96	5.96	51.15	15.23
Mechanical equipment	8.02	7.86	38.96	30.47
Other manufacturing	5.51	3.86	40.95	19.04
Total manufacturing	6.55	5.42	46.72	21.52
Construction Industry	5.9	4.21	18.72	11.6
Retail Industry	4.14	3.39	18.57	14.25
Accommodations, cafes etc	2.89	2.4	19.2	10.02
Transport and Storage	5.71	6.12	12.08	15.96
Communications Industry	9.19	6.34	21.44	13.97
Finance and Insurance	5.96	6.17	42.08	26.05
Public Administration	6.01	6.02	99.01	81.02
Health and Community services	5.07	4.05	15.08	19.75
Personal and other services	9.22	9.67	23.14	21.27
Mining Industry	13.87	17.12	38.7	26
Total, All Industries	5.55	4.91	22.62	17.77
Source: Australian Bureau of Statistics data cited in Pickersgill 1999				

2. Is industry contributing more to the costs of training?

Although the new system is supposed to be industry-driven, Table 1 indicates there is significant ignorance about it on the part of employers – a phenomenon that threatens one of its goals, increased investment and ‘buy-in’ on the part of employers. Similarly, Pickersgill concludes that one of the most important developments in creating a training market has been the re-allocation of public resources from the supply to demand side via the mechanism of ‘user choice.’ He comments: “the primary focus was on mechanisms to introduce enterprise specific training. In human capital terms, that is the introduction of ‘specific’ rather than ‘generic’ skills – to be funded at the public expense.” (1999: 110) It does not appear that the move to marketisation has yet induced greater employer responsibility for training, even where the skills are specific to the firm. Thus a key public policy goal is not being met.

Some critics of the shift to a training market argue that, unless controlled, such a market would result in too much job specific training that would ignore both the career aspirations of individuals and the national interest in a more highly skilled workforce. TAFE would be forced to shed overheads like libraries, health services, counselling, and those not employed by industry would be squeezed out of the system. Others argue that the emphasis has been on a ‘funding market’ not a ‘training market’: “The debate is more about who should control the VET system rather than who should pay for it. It appears that all the stakeholders assume that the public sector will still pay for the vast majority of education and training programs.” (Goozee, 1995: 185-6)

The bottom line, for Anderson, is as follows: “Due to the relative novelty of competition and market reforms, together with the lack of comprehensive data and research on their effects, it is premature to reach definitive conclusions about their potential impact and consequences. However, it is clear that the economic benefits of competition and market reforms in the VET sector are yet to be substantiated.”(1997: 63) Such concerns are echoed in some state bureaucracies, where officials described the training market as an “immature” market with no history or track record (interview, Queensland official).

Certainly there is considerable scepticism about the capacity of privatisation to induce higher employer investments in VET. Australian Bureau of Statistics data (see Table 2, across) suggest that fewer employers are providing training and that the average number of training hours is dropping in many industries. A temporary improvement in the early 1990s, a period when a training guarantee (or training levy) was in effect, seems not to have been sustained (see Table 3, next page). One private trainer in Queensland argued: “it cannot be assumed that placing funds in the hands of industry and making delivery more flexible will automatically create a training culture and boost industry participation in VET. It would be nice to think that industry and enterprises will take over the costs of training from government but that has not been my experience in the past.”(cited in Hawke and Cornford, 1998: 120)

Industry	Formal in house			Formal External			Total Formal		
	1990	1993	1996	1990	1993	1996	1990	1993	1996
Basic metals	2.4	3.7	2.7	0.9	1.4	1.0	3.4	5.0	3.7
Fabricated metals	0.8	0.9		0.5	0.7		1.3	1.6	0.7
Transport equipment	2.8	2.7	2.4	1.0	0.9	0.8	3.8	3.5	3.2
Other mach. & equipment	1.1	1.3	1.8	1.0	0.8	0.9	2.1	2.0	2.7
Manufacturing industry	1.4	1.8	1.5	0.7	0.8	0.7	2.1	2.6	2.2
All industries	1.8	2.0	1.8	0.8	0.9	0.8	2.6	2.9	2.5

Source: Australian Bureau of Statistics data, cited in Pickersgill, 1999

There is some evidence of a reconsideration of the rapid privatisation of training. A report submitted to the Queensland government claimed that funding diverted from TAFE institutes as a result of competitive tenders and User Choice represents more than 35 per cent of the budget for TAFE institutes: “The very rapid marketisation of TAFE’s weakened and damaged these institutes. Devolution of functions has sometimes been a matter of ‘crashing through’ some bureaucratic resistances leaving others untouched ...The TAFE institutes were pushed into the market on the back of an ideologically driven process in the department.” (*AEU News*, 4 March, 1999) Some Queensland officials used the term “backlash” to describe the State’s reconsideration of its experience with rapid privatisation (interviews with Queensland VET officials).

Since employer participation in VET reform has been limited, and real skills training is suffering, the “empirical evidence clearly shows that, contrary to the public rhetoric, genuine skill enhancing training in Australian industry is in decline.” Between 1990 and 1995 only 23 per cent of workplaces with 20 or more employees offered training that took more than six months in which to gain competence. Low job skills were most prevalent in the private sector where only 15 per cent of such workplaces had employees who required more than six months of training. In New South Wales “while there has been an overall decline in apprentice intakes since 1986 of 11 per cent, there has been proportionally much greater – 77 per cent – decline in NSW government intake in apprentices associated with outsourcing, privatisation and corporatisation.” (Pickersgill, 1999: 111) Pickersgill continues:

“When apprenticeship data is analysed it not only shows the withdrawal of the public sector [due to privatisation] but also of the ‘big end of town’. That is, precisely those companies represented on training policy boards and who are the

most vocal critics of the former 'supply side' approach. In 1990 workplaces with 100 or more employees accounted for over a quarter (28.5 per cent) of all apprentices. By 1995 they accounted for just over one in ten (13.3 per cent). During this period small workplaces with less than 20 employees accounted for a steady absolute number of apprentices. This means that nearly all the drop in the total number of apprentices recorded can be attributed to the larger workplaces." (1999: 114)

There is no doubt that training reform challenges traditional apprenticeships. They are attached to centralised bargaining, and the newer enterprise bargaining has challenged the system.⁷ Apprenticeships have also come under fire for being based on "declared trades" and as such are deemed unresponsive to the market, changes and employers' needs. They have also been criticised as restrictive to women's participation and confined to certain socio-economic groups. And they have been declared antithetical to competency-based training (CBT) since apprentices cannot shorten their training time (Smith and Keating, 1997: 77-78). Apprenticeships had survived well in Australia, unlike most of the rest of industrialised world, due to centralised industrial relations and wage fixing arrangements, but they are losing market share relative to overall employment (Smith and Keating, 1997: 76).

The decline of traditional training and the rise of competency-based training has a number of sources. One ANTA official, asked what drove the conversion to the language of competencies gave the following account: "Flexibility, incremental recognition, composite qualifications. Competencies take into account how people learn. Employers tell us they want workplace focused learning, either fully on-the-job or mixed on and off the job, but with more focus on what the employer is doing. What we say is: the training package sets the minimum specifications for competencies and the registered training organisations develop a customised curriculum for every group of clients."

However, far from being employer driven, some analysts, such as Hawke and Cornford note that competency-based training and competency standards "are very poorly understood by those in industry.... in pragmatic terms there appear to be so many problems with acceptance and implementation by industry that it would be far better to avoid the terminology and philosophy completely." (1998: 125; see also Table 1) This is echoed by Cornford: "Evidence is emerging that competency-based training has failed in its objectives because of its inability to secure increased levels of skilling for students undergoing competency based training and business and industry failing to adopt competency-based standards." (1997: 106)

Indeed, it has been argued that CBT has been shown to be inadequate, especially in achieving skilfulness and adaptability in workforce knowledge. CBT, it is claimed, actually de-emphasises the complexity of vocational knowledge where it should be championing that very aspect. (Billett *et al*, 1998) State officials in Queensland observed that some employers were pushing for competencies to be "graded" so that they would know whom best to hire amongst those with the new qualifications. And the possibility of conflicts of

interests on the part of RTOs was noted: part of the RTOs payment depends on a certificate of competence being issued.

From a different perspective Judith Sloan argues that “used appropriately, CBT is one means of driving responsiveness between local industry and training providers, including TAFE, and a focus on outputs rather than inputs. That is, CBT is a useful device to impart competitive pressures on TAFE and private providers, thereby fostering constructive competition. The hijacking of CBT by national skill standards is therefore a regrettable development.” (1994: 34) Another dangerous outcome in Sloan’s view is that “employers may be forced to pay workers for competency achieved rather than the competencies required for the tasks actually undertaken by workers, save for the time workers actually change jobs. Such an outcome will perversely drive down the demand for skilled workers in the medium term.” (1994: 35) Some union perspectives posit a different agenda of wage reduction and multi-skilling (interview, trade union official).

One ANTA official commented that part of the reason for employers not buying into the new system was their failure to understand it (the system). “When it is explained to them properly they understand it. The providers are supposed to market the system to employers and individuals. They come from a particular perspective, which is yet to be changed - so employers often get a confused message. Providers talk ‘courses’. Breaking the nexus is hard and we haven’t done it.”

The official also observed that industry is not homogenous: “We can get the big companies involved and they understand. We can probably get them to pick up the new system’s approaches and require these outcomes of the training providers they deal with. But small business doesn’t fit. In Australia 95% of businesses are small; 45 % of those have 1 person. They need information; getting them involved takes time and expertise, we have to get them to interact with the end-result.”

Mechanisms for getting industry involved were described as follows:

“There are Commonwealth financial incentives for new apprenticeships—where there is a contract to provide employment/training the dollars will flow. It offsets some costs, maybe 15 % of the cost of employing them. The training, however done (i.e. on or off the job), will be funded by the state government. Under a new measure, employers are paying for the person while working but not while off the job on training.

So it’s cost-shared: the employer who does the training pays; the individual is not paid for training time and gets a lower wage the rest of the time, and the government pays through subsidising employers’ costs.

There is still resistance by small business. The attitude is ‘we don’t want to take the responsibility, we would have to commit to a number of years, things are too uncertain. To offset this, Group Training Companies can be established and ‘farm

out' trainees to participating companies, who might not need a whole person."(ANTA official)

Billett reports major variations in spending between enterprises, influenced by size, speciality and location (1998). Moreover, enterprises' goals are different from those of government and may not be aligned to achieving long-term national goals of maintaining and developing the skilfulness of the workforce. Specifically, he identifies signs that commitment to training by enterprises is "stalling." There seems little interest at the enterprise level, in contrast to government which is interested, in cost-benefit studies showing return to training: "Enterprise decisions about expenditures on VET are often handled as an annual budget item, or as an act of faith, without any detailed analysis or evaluation of benefit... [S]maller enterprises...seem to hold the belief that expenditure on training is not worth while anyway, which explains their reluctance to participate in VET anyway." (Billett, 1998: 388)

Since the Deveson report (1990) there has been an effort to encourage a greater proportion of the cost of training being borne by the private sector. Government's policy goals are summarised by government as being "increase the quantum of VET activity and to transfer the cost of that provision to the enterprises which derive benefit from VET." (Billett, 1998: 390) However, privatisation has had a negative impact on public provision of training because these organisations "traditionally provided more apprenticeships than their needs warranted, thereby contributing to the pool of available skilled workers."(1998: 390-91) This major source of trained personnel has all but dried up.

Efforts to induce small business to involve itself in VET are described as disappointing. But the most damning conclusion is goes beyond small business:

"with the removal of regulations (e.g. the Training Guarantee Scheme), the shift away from mandation (e.g. provisions in restructured industrial awards which countenanced training provisions) and the decline of regulations (e.g. the movement to enterprise-based industrial arrangements) that the overall commitment to and expenditure in VET has declined." (Billett, 1998: 394-5)

Billett does not consider having greater choice as what is required, especially with reference to small business: "perceptions about the value of VET are central to decision-making about enterprise expenditure... If these perceptions cannot be changed, policy makers may need to consider how to address the danger of the erosion of the national skilfulness by placing too great a responsibility upon enterprises. Unfortunately, current market-based reforms are proposing user choice options as a means to engage enterprise interest in training." (Billett, 1998:397) Queensland officials also were sceptical about the efficacy of the "constant refrain" to increase the share of training costs borne by individuals and industry (interviews).

Finally, there is a suspicion that short-term traineeships are functioning as a substitute, not only for traditional and more highly skilled apprenticeships, but also for entry-level jobs.

Both union and employer spokespersons are sceptical about whether traineeships provide incremental opportunities or are just a replacement for entry-level jobs. Responding to statistics noting an increased number of apprentices and trainees, Bill Mansfield, assistant secretary of ACTU and a member of the ANTA Board, pointed out that the figures failed to differentiate between the declining numbers in apprentices and the expansion of trainees:

“The traineeships, broadly, are level one and two training, which is entry level and perhaps only 150 to 200 hours training. It doesn’t produce a person with a broad range of skills to apply in a particular industry area...The growth in traineeships often reflects employers who are accessing government subsidies in order to put their existing staff through training rather than employing new staff.”

Garry Brack, chief executive of the NSW Employers Federation agreed with the ACTU: “You’ve got to wonder if many of these employees would have been taken on anyway.” (*The Australian*, 21 April, 1999)

3. Is the Australian model a route to high skilling or a consolidation of a low skills route?

The Australian model has its defenders. One researcher I interviewed argued that there is a consciousness that Australia is a small competitor and that training is one element in competitiveness. From this perspective legislative encouragement of enterprise bargaining is intended to find common interests between employers and unions. It is also expected to foster an understanding that the competition is very powerful and that there is no going back to the old ways (depicted as protectionism and insulation from the competitive pressures of the global economy). Part of this mutual understanding would also be that the world is now a very uncertain place and that the capacity to adjust is more important than it once was. This is partly a matter of skills and partly a matter of attitudes. The researcher speculated that the impact of the Asian crisis on the Australian economy had been less severe than it might have been because of the training system. People have become more flexible and that has led to a smaller impact than it otherwise would have had. However, training had to be placed in an overall context of change and adaptation. The use of training does not depend on training alone. Employers who do training do other things as well. For example, they develop new markets and technologies. The other changes are important in utilising training.

ANTA officials interviewed on this point were circumspect about the performance of the training system regarding the high skills route to competitiveness. A number of principles or key indicators are used in evaluation:

1. outputs (competencies) rather than the process
2. outcomes (via employer satisfaction surveys/participants jobs and career before and after; equity participation etc.)

“The big \$64 question is: what are the outcomes for the nation. Is this mix of skills right; are they the skills required? It is still an open question. Qualifications are ‘nested’ under Training Packages, so one can build on them, i.e., they are a ladder that can be moved up. The jury is still out on low skill thesis.... Employers seem more comfortable with the shorter time-commitment of new apprenticeships. By having a laddering system, people can step up. But it is not desirable in the longer run, if they just stay at lower levels.”

Certainly, there is evidence of a pronounced trend to lower skilled jobs for young people. Young adults find it difficult to move beyond entry-level employment. No comparable deskilling of employment is observable among older workers (Wooden and Van den Heuvel, 1999).

Union officials expressed scepticism about commitment of business to provide high skills training as part of any social conscience. Indeed they felt the high skills concept was undermined by the widespread use of “labour hire” companies. As one put it: “Industry can draw from that, but Skilled Engineering doesn’t have apprentices themselves.⁸ There will be a skills shortage in the future.” Another union official drew attention to the impact of other neo-liberal policies such as privatisation, on the training agenda: “State-owned utilities used to be big trainers. Once privatised their apprenticeship intake fell and even routine maintenance work tends to be contracted out to temporary employment agencies. They do no training.” Some industry groups such as the Australian Industry Group, centred in the former Metal Trades Industry Association, reportedly share this apprehension about future skills shortages.

Curtain argues that Australia remains trapped in a low skills/low quality cycle (1996; see also Table 2 above). Explanations are to be found in the small average size and low technology base of Australian firms compared with the major industrialised economies. Many enterprises exhibit a short-term planning horizon. In this view, the option of pursuing a high skill strategy in Australia is probably limited to a small number of successful enterprises in the export sector: “Continuing high levels of unemployment and the poor performance of other sectors of the economy will maintain pressure on many employers and government to continue to follow an ad hoc, low skill/ low quality approach to the formation of intermediate skills in the Australian economy.” (Curtain, 1996: 1) The capacity of the Australian economy to develop the specialised, intermediate skills necessary to operate successfully in the world economy (despite reforms of the training system under Labor and Coalition governments) is uncertain. Problems are

identified with provision of training and with demand (low) for high quality intermediate skills. Several factors are likely to keep demand low in the future – growth of small business, self-employment and part-time casual employment with low level skills, plus continuing high levels of unemployment and increases in low-income earners (Curtain 1996: 3).

Major institutions have a short-term focus and the result is “to undervalue investment in non-physical assets such as workforce skills upgrading. The explanation lies in: “Three structural features of the Australian economy can be identified that contribute to a low skills/low quality outcome. These are: the small size of firms, the comparatively low level of technology used by manufacturing industry and a short-term planning focus of most enterprises. Related to these factors are the attitudes of managers, employees and unions that have been shaped by these structural factors.” This is consistent with Michael Porter’s work on competitiveness and argues that Anglo-American institutional structures are “overwhelmingly focused on short-term returns.” (Curtain, 1996: 23)

An evaluation of the training situation in Victoria notes the continued decline in the number of apprentices undergoing training in Victoria, both in absolute numbers and as a percentage of the workforce. The report suggests this can be explained by cyclical and economic factors, including falling employment in industries in which apprenticeships have traditionally been concentrated. Also, the reluctance of employers to commit to a four-year training relationship and the poor image of the skilled trades as a career option may have played a role. There has been strong growth in the number of traineeships though this shows signs of levelling off (see Table 4). Growth has been especially strong in entirely on-the-job apprenticeships (notably in small business). 42 per cent of commencements in 1996/7 were on-the-job. Such training falls outside the scope of the Australian Qualifications Framework (AFQ).

One important conclusion is that: “Traineeships were initially developed in occupations and industries not covered by traditional apprenticeships. However, traineeships and apprenticeships are increasingly covering the same occupations. This suggests that employers may be turning to traineeships at the expense of apprenticeships.” (Victoria, 1998: vii) If trainees are being trained for tasks that would otherwise be performed by apprentices then substitution is occurring. The report gives no definitive answer on this point.

Another important point, and disappointing from the perspective that the AFQ is a ‘laddered’ system in which individuals can move up from one level of competency to another, is that there is little evidence of shorter cycle apprentices (New Apprentices) articulating to longer forms of apprenticeship training. Evidence from New South Wales and Victoria confirms the picture of significant decline in apprenticeship (i.e. traditional apprenticeships) starts. Between 1986 and 1996 there was a decline of 11.2 per cent compared to a decline of around 38 per cent in Victoria (Pickersgill, 1999: 112; see Table 4).

Table 4. Training Commencements: Apprenticeships and traineeships, Victoria, 1975/6 – 1996/7

	Apprentice Starts	Traineeship Starts	Total Apprentice & Trainee Starts	Traineeships: % of Total
1975/76	11398		11398	
1976/77	13443		13443	
1977/78	13763		13763	
1978/79	12690		12690	
1979/80	13401		13401	
1980/81	13053		13053	
1981/82	13413		13413	
1982/83	10045		10045	
1983/84	11368		11368	
1984/85	14513		14513	
1985/86	15354		15354	
1986/87	14983		14983	
1987/88	16074		16074	
1988/89	18169	1845	20014	9
1989/90	16073	1492	17565	8
1990/91	8705	1004	9709	10
1991/92	7529	1845	9374	20
1992/93	9298	4295	13593	32
1993/94	10887	2477	13364	19
1994/95	11578	1916	13494	14
1995/96	10159	7205	17364	41
1996/97	9222	13338	22560	59

Source: Victoria Office of Tertiary and Further Education

Union officials express concerns about de-skilling as traditional apprenticeships are shortened and employers' apparent preference for shorter, lower skilled traineeships over apprenticeships. Employers' representatives I interviewed did not share this perspective, although reportedly the view is not universal: employers in manufacturing, as opposed to newer industries in retail and services, share the union perspective. Anecdotally, there are also concerns about the degree to which the new qualifications are recognised by employers or confer a labour market advantage on those who possess them. The greatest concentration of criticism on this score concerned small business traineeships which were widely criticised, by both union and employer representatives interviewed, as providing inadequate training. Union spokespeople were particularly emphatic, describing the small business traineeships as a "rort" (an Australian term approximating 'scam'), which carry a wage subsidy for business but provide little recognisable training.

CONCLUSION

The tacit hypothesis in the Australian training reform agenda was that the training system itself was responsible for deficiencies in training. Consequently, reforms to the training system would induce more training and higher skills training. The essence of the reforms was to marketise the system through deregulation and privatisation and make it more responsive to the needs of industry. As noted in the body of the paper, so far there is little empirical evidence that this is happening. An alternative hypothesis would propose that factors connected with the structure of Australian business, especially the predominance of small businesses, may account for the training deficit.

Notwithstanding differences between training in Canada and Australia, notably the decentralisation of training in Canada and its centralisation in Australia, the Australian case is instructive for the Canadian training policy community. There is no evidence to support the proposition that commercialisation of training leads to more or better training. Moreover, to the extent that deficiencies exist in the quantity and quality of training do exist, the causes may lie outside the training system itself in the structure and culture of private businesses. And if the cause is to be found there, changing these characteristics through public initiative and regulation must be part of the solution. Further, whatever its utility from a business perspective in breaking down negotiated job protection, the language of competencies does not appear widely understood by industry in Australia, and its claimed pedagogical superiority is, at the very least, not proven. For those in the Canadian training community who consider a publicly funded and delivered training system worth fighting for, these may be encouraging results.

Notes

¹ Funding from the Social Sciences and Humanities Research Council of Canada and the Labour Education and Training Research Network is gratefully acknowledged.

² For an excellent account of the Australian neo-liberal agenda as it applies to the labour market see Bessant (1997).

³ But see respectively Albo and Jenson, 1997; Clarkson and Lewis, 1999; Capling *et al*, 1998; McBride and Wiseman, 2000; Wiseman, 1998.

⁴ This was underlined by interviewees. Approximately 30 interviews were conducted in March and April 1999 with union, business, social movement, government and academic experts on training.

⁵ Partly to symbolise this, its headquarters are in Brisbane, with a secondary office in Melbourne, not in the national capitol Canberra.

⁶ TAFE has been noted for its role in educating Australians from the have-not sector: people of very low-income backgrounds, physically challenged, Aborigines. In contrast, "Equity...is not an issue for the private provider." (NCVER: 1997) Other commentators agree. Equity and access issues mean costs and that eats into the profits of private providers (Australia 1998: 26). In the current VET reform, the goal of equity has not been achieved: low rates of participation by women and Aborigines continue to be low (Fitzgerald, 1995: 48). In its report, *Today's Training, Tomorrow's Skills*, the House of Representatives special committee noted this disparity. "Private providers are unlikely to voluntarily meet wider social obligations where these impose higher fees. It is therefore imperative that government specifications for programs put to tender clearly identify the social obligations which the successful bidder will be expected to meet...This is particularly an issue for TAFE institutes that teach a large proportion of disadvantaged students." (Australia 1998: 33)

⁷ Since 1991-1992, the "Award" system of collective bargaining in Australia has been increasingly decentralised, reducing the comprehensiveness of awards and shifting more issues to the levels of "individual workplace agreements" and individual employment contracts.

⁸ Skilled Engineering is a labour-hire company.

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