



2 June 2009

New report: vocational education and training and developing human capability pivotal to economic renewal

Vocational education and training (VET) will be pivotal to Australia's economic renewal, according to a new report commissioned by the AEU.

"Prior to the global financial crisis, Australia's skills shortage was pronounced.

"This was partly created by neoliberal policies preoccupied with 'contestability' and 'market design' - policies represented by a low quality quick fix approach," said AEU Federal President, Angelo Gavrielatos.

"The success of Australia's recovery will rely on a strong education, training and skills base.

"However, we will be doomed to repeat the failures of the past if we persist with the same policies that contributed to the massive skills shortage.

"We need new policies which ensure that we come out of the global financial crisis stronger than what we were before.

"We need to create a new approach to VET to ensure that future generations of workers have adaptable education and training skills in an ever changing economy. That is critical to meet the demands of economic renewal.

"Well supported and resourced TAFE colleges are central to this new approach. Innovative and responsive, TAFE colleges can support the development of a modern, adaptable and sustainable labour market," Mr Gavrielatos said.

According to the author of the report, Dr John Buchanan, current education and work arrangements did not cause the economic crisis. However, they must be central to its solution.

"Central to any serious economic renewal will be overcoming deep-seated fragmentation in flows of learning and labour which is caused by insufficient recognition being given to the depth and complexity of vocational knowledge.

"Policies that only focus on restoring growth will merely entrench deep-seated problems. Prime among these are an ecological unsustainable growth path, deepening wage inequality, retarded productivity growth and the paradox of 'skill shortages' co-existing with 'wasted skills'.

"Improved flows of labour require overcoming profoundly unbalanced systems of workforce development. The modern obsession with short run performance and work intensification leaves little time for the development of labour.

"Current policy has embraced a system which atomises skills into literally thousands of units of competence.

“For too long policy has been dominated by the obsession with ‘marketising’ VET. Coherent vocations and efficient occupational labour markets are a public good. It is time policy focused on this first order issue.

“The Federal Treasury predicts we will lose 100,000 jobs in the next two years and then create 500,000 in the subsequent two.

“A clearer framework of vocations could guide interventions both in education and the labour market. This will ensure that in managing the impending jobs ‘famine’ we build the platform necessary for handling the ‘jobs feast’ that will eventually come.

“The Australian economy is headed into a period of dramatic upheavals. We have a choice.

“We can have a re-run of increased unemployment followed by an extended phase of jobless growth, which will eventually end with employer complaints of ‘skills shortages’ as the economy peaks. Or we can engage with modern realities and do something about improving the flows of learning and labour to achieve a better outcome,” Dr Buchanan said.

Media Opportunity:

AEU Federal President, Angelo Gavrielatos and Dr John Buchanan will launch the new report in Brisbane today, ahead of the ACTU Congress:

When: Tuesday 2 June, 7.30am

Where: Plaza P3, Brisbane Convention and Exhibition Centre

For further information, please contact:

Angelo Gavrielatos
AEU Federal President
0488 012 045

Kate Rielley
Media
0414 873 625