

More *spin* than spanner

Leesa Wheelahan

THE federal budget was meant to be about skills and training — and the government says it is investing \$3 billion into training to prove it. There is some new money, but most of it is recycled or redirected from existing programs.

There are some undeniably good aspects to the budget for vocational education and training (VET). It is very good to see more money going to support language, literacy and numeracy programs, and funds to support apprentices and training in regional Australia. Lots more can be done in these areas, but it is a start.

The establishment of the new National Workforce and Productivity Agency is also a good idea. It will, among other things, administer the National Workforce Development Fund, which consolidates a confusing array of programs that provide public funding to employers to train their staff. The agency will be an expansion of Skills Australia, which advises the government on Australia's skill needs and workforce development.

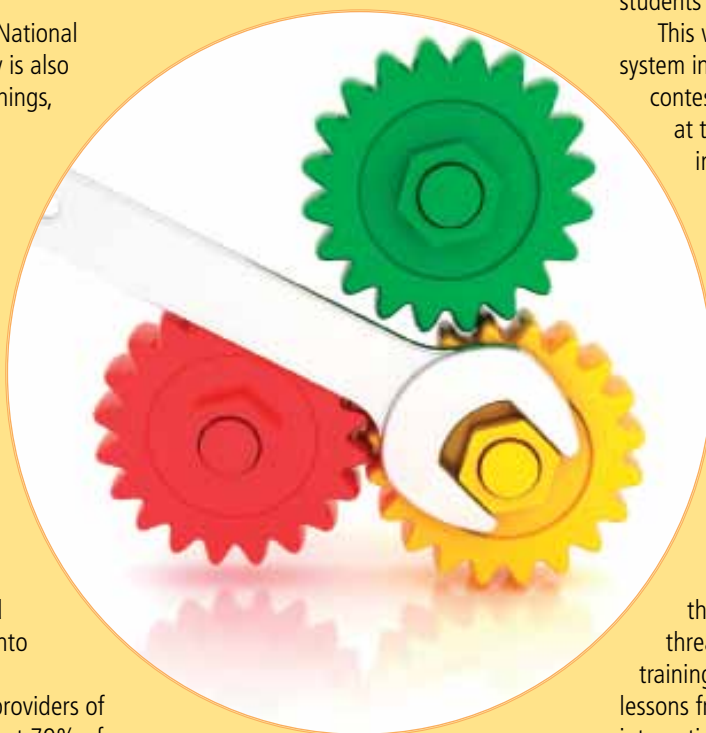
However, the overall impression from the budget papers and the media's response was that our TAFE institutes are inefficient, unresponsive and need a good bit of market discipline and industry leadership to whip them into shape.

TAFE institutes are the public providers of training in Australia. They have about 79% of students, and do about 84% of the teaching, so when government says that the training system needs reform, it is pretty clearly talking about TAFE.

The government plans to 'transform' our training system in two ways. The first, it says, will be to "put industry at the heart of our training system" by giving employers and unions more say over policy and where money should go to "give industry the key role in driving reform of the VET system into the future".

The problem is that we already have an industry-led system. There are 11 Industry

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Skills Councils that develop VET qualifications based on industry requirements, and they have been doing so since 1997. TAFEs and other VET providers are required to deliver these qualifications.

If the training system is in trouble, it isn't clear why giving industry even more say will solve these problems when it has failed to do so in the past. Every government since the late 1980s has put industry leadership at the centre of VET.

Many of the problems we have with skills

are due to lack of investment by employers, and because skills are not deployed effectively in the workplace. Employers will always complain; they have been doing so since at least the 1860s.

The second way Canberra will 'transform' VET is by bribing or forcing state governments to implement reforms by tying funding to reforms. The Commonwealth says "funding will be available to state and territory governments who make a genuine commitment to achieving reforms". It then lists the range of changes it wants, which are code for making TAFEs compete with private providers for students and funding in a competitive market.

This will most likely be based on the system in Victoria, which implemented contestable funding for VET qualifications at the beginning of this year. Enrolments in publicly funded VET programs from private providers have risen by 114% since the beginning of the year, while in TAFEs they have gone up by 10%.

It isn't clear whether the growth of publicly funded programs from private providers is genuine or cost-shifting from income they previously got from full fees. If it is the latter, the government is providing an unnecessary subsidy to private providers from public funding; if it is the former it is alarming growth that threatens the quality of education and training. It seems we have not learnt the lessons from the untrammelled growth in the international VET student market.

TAFE needs to be a partner in VET reforms, not demonised. The Commonwealth's investment in universities after the 2008 Bradley Review was accompanied by language that emphasised their importance and value. Our TAFEs deserve the same. ❖

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