

# How VET responds: a historical policy perspective

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Australian Government  
Department of Education, Employment  
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The views and opinions expressed in this document are those of the author/project team and do not necessarily reflect the views of the Australian Government or state and territory governments.

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# About the research



## *How VET responds: a historical policy perspective*

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This essay considers the evolution of the vocational education and training (VET) system since European settlement but focuses mainly on changes that have occurred over the last three decades. It discusses the underlying influences of key reforms, including the training reform agenda, which had as its main aim, the establishment of a national system. Also discussed are the programs and policy milestones that have shaped the VET landscape.

The essay drew on work that compiled major policy developments since the 1980s, now converted into a timeline identifying significant documents published since 1969 (with links to those reports available online). The timeline can be found at  
<<http://www.ncver.edu.au/resources/timeline/overview.html>>.

## Key messages

- ✧ The VET system has generally been able to meet the training needs of the nation. Its deep-seated roots in Australian society have allowed it to continue, whatever the political climate, to serve both individuals and industry.
- ✧ VET has experienced periods of intense policy and product innovation, especially since 1975. However, not all reforms have managed to equally support the three main broad streams of VET: apprenticeship and traineeship training, general education and advanced education. The lesson here is that VET policy and innovation needs clear aims.
- ✧ The VET system has historically been neglected in favour of schools and university education but has shown remarkable resilience once resources and policy attention have been directed to it, especially considering how embedded it is in Australia's federal system.

Tom Karmel  
Managing Director, NCVER



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# How VET responds: a historical policy perspective

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The Australian system of vocational education and training (VET) in its various forms has succeeded impressively in meeting the needs of the nation—sometimes dramatic, as in war and depression, sometimes unremarkable but essential, as with two centuries of trade training. Often neglected, frequently overlooked in favour of school and university education, the system has shown remarkable resilience once resources and policy attention have been directed to it.

Despite these times of neglect, VET has also experienced periods of intense policy and product innovation, especially since 1975. Not all innovation in public policy succeeds, or follows its intended trajectory, in VET or elsewhere; but in VET there has been a tendency to let the policy flow drain quietly into the sands rather than to learn from a systematic appraisal of experience.<sup>1</sup> The timeline project seeks to demonstrate the possibility of learning from past experience and developing a historically informed critique and appraisal of the innovation process.

## History as a research focus

Almost two decades ago, a review of research in VET argued that almost all investigations at the time were problem-based commissioned research. The reviewers lamented the absence of fundamental and general issues-based inquiry, the failure to address ‘big issues’ and the lack of strong critique (McDonald et al. 1992). Despite great advances, much of this critique remains valid.

One research instrument that has unique potential for understanding the policy flow, history, has seldom featured in the Australian researcher’s armoury. The timeline project therefore represents a significant departure from previous practice. While the history of individual institutions of vocational education has been a significant field of scholarly attainment (Murray Smith 1966; Murray Smith & Dore 1987; Ling 1975, 1983; Perry 1984; Neill 1991; Cobb 1991), historical overviews were lacking until Goozee’s comprehensive account (Goozee 1992). Ryan (2002) represents the only subsequent broad policy history.

Similar circumstances induced the European Union’s VET agency, CEDEFOP,<sup>2</sup> to launch its project *A European history of vocational education and training in 2000*. CEDEFOP noted that:

The project is based on the understanding that knowledge of historical development is necessary for a solid comprehension and interpretation of contemporary events and processes. (Stavrou 2002, p.1)

European nations have experienced issues similar to Australia in securing inter-jurisdictional cooperation on issues of policy and system innovation.

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<sup>1</sup> *Training Guarantee: its impact and legacy 1990–1994* (Fraser 1996) is an exception, as in part is the 1996 Taylor Review of the first three years of the Australian National Training Authority (ANTA) Agreement.

<sup>2</sup> European Centre for the Development of Vocational Training, known by its French title Centre Européen pour le Développement de la Formation Professionnelle.



Research tells us about the path dependency of institutional development. Once on a certain track, systems/institutions are bound to move on; they are shored up by positive feedback. (Hanf 2002, p.11)

This interpretive supplement to the timeline makes use of concepts from policy theory to aid analysis: these are only minimally explained in the body of the essay, but a more comprehensive account of the theoretical background is set out in attachment A. In particular, in seeking to explain why VET policy only occasionally attracts the attention of major policy actors, use is made of the idea of ‘policy windows’, whereby policy in VET is coupled with wider upheavals in politics and society, especially those which reflect changing underlying values; and ‘policy communities’, networks of interested parties who interact in the evolution of a policy domain.

In Australia, the development of institutions for federal–state cooperation has created a system described as ‘executive federalism’ (Sharman 1991). One consequence is that policy-making in this fashion itself creates policy communities:

Regular participants, most of whom are officials, who agree about certain procedures and norms ... and share a common perception of what ‘expert’ knowledge is and who are the experts. (Painter 1988, p.61)

A second consequence is that policy development usually involves long periods of stability with only incremental change, but these periods are punctuated by episodes of significant and sometimes contentious change, a process described as ‘punctuated equilibrium’ (Baumgartner & Jones 2009).

## Exploring VET history

One consequence of path dependency is that there are seldom clear cut starting points for historical analysis. This essay concentrates on developments since the 1980s (this was the initial brief for both the essay and an accompanying timeline). In this essay, however, the early history of VET is considered in so far as it helps establish key elements of the policy process. A particular focus is the way VET intermittently appears at the centre stage of public policy, only to fade from view for lengthy periods.

### Getting to the starting line

European settlement in Australia began with skill shortages and the opportunity for the skilled to extract a premium for their labour. Apprenticeships were introduced in New South Wales in 1805 (Scofield 1993) and the first Mechanics Institute appeared in 1827 (Murray Smith 1966). Interestingly, despite governmental pursuit of vocational/technical expertise, the early institutions were often more successful in attracting middle-class interest in the finer arts (NSW Department of TAFE 1983; SA Department of TAFE 1983; White 1981). The idea of technical institutions as ‘poor men’s grammar schools’ long retained a hold on popular thinking (Murray Smith 1966, p.12).

Initially governments subsidised private/community providers (Goozee 1992) but by the later years of the century the system was collapsing and the demands of rapid industrialisation, often voiced by a policy community of employers and a strong union movement, led to the emergence in the state capitals of the great technical colleges which continue today, along with centralised bureaucracies to manage them and extend their services to more remote areas. Especially in Victoria, some institutions retained formal independence, but a series of royal commissions in several colonies found in favour of publicly managed technical education (Ling 1983; Goozee 1992).

The Fink Royal Commission, which reported in Victoria in 1901, illustrated many of the conditions which led to a period of intense policy innovation. First there was an active policy community which expanded beyond the traditional employer–educator–union support for VET. This involved the media, especially David Syme of the *Age* who lent his pages to a vigorous lobby, and Alfred Deakin, a rising political star who saw the advantages of becoming a policy entrepreneur in a field which allowed the linking of specific values in the training community to those which were dominating wider political debate. These were a concern that Australia and the Empire were falling behind technologically innovative nations like Germany and Japan and a nascent patriotism as federation approached and was achieved (Murray Smith & Dore 1987). As the Royal Commission put it: ‘It will be found that the key-stone to the progress of a self-governing people is the recognition that national efficiency depends on national training’ (Fink 1901, p.260).

Technical education grew in the late nineteenth century because the dominant national ideology of colonial liberalism favoured active government intervention in economic life, represented by enormous public investment in telegraphs, railways, submarine cables, irrigation and urban transport (Shaw 1966). This value system facilitated the coupling of VET policy with wider political and social currents. As the ideology weakened after the depression which ended the century, VET faded from view.

Within technical education, the two streams of vocational and liberal education which had long characterised the system narrowed in some places to a more purely instrumental view: in New South Wales, for example, students were required to be employed in relevant industries, greatly reducing female enrolments (Neill 1991). This in turn was the beginning of two increasingly rival cultures within the VET policy community, described by Kaye Schofield as ‘the training tribe’ and the ‘education tribe’ (Schofield 1992, p.1).

## A reluctant partner

For the next 70 years, VET policy became an issue mostly at times of national emergency: the two world wars and the Great Depression. Policy development in VET was often centred on efforts to interest the Commonwealth in supporting this level of education. This was no easy task, as it was for long a settled opinion that the Commonwealth had no role or powers in education (Birch 1975, 1977).

The demands of the First World War led to the appointment of the first federal officer with responsibility for technical education, actually in post-war rehabilitation (Spaull 1997). Training for unemployed youth during the Depression led to the first proposal by a federal backbencher for a Commonwealth takeover of VET (Birch 1975), but it was the enormous effort in the Second World War and Reconstruction which led to a serious interest in VET by the Commonwealth. The *Education Act 1945* proposed to expand federal power considerably, but this was struck down by the High Court and its replacement, an apparently more modest ‘benefits to students’ power added to the Constitution by referendum led to a much reduced federal interest in VET policy (Ryan 2007).

The Menzies era and subsequent Liberal administrations returned VET policy to quiet stasis within state jurisdictions until growing political pressure for federal support for schools resulted in a number of initiatives which spilled over into VET. This was largely a result of a small but skilful VET lobby within the federal education agency, which translated promises to technical schools (largely non-existent outside Victoria) into broad assistance to technical colleges (Robinson 1990; Howse 1982).

There had been incremental change throughout the period, however. National institutions, with and without federal participation, began to emerge. The ‘training’ culture was represented in the Australian Apprenticeship Advisory Committee (AAAC) and the joint federal–state ministerial and departmental committees of Labour officials (MOLAC and DOLAC). Industry training councils and a National Training Council (NTC) were established in the 1970s. The ‘education’ culture was represented by the Australian Conference of Directors of Technical Education and the education ministers’ council, the Australian Education Council (AEC). Relations between the two cultures became increasingly acerbic until the National Training Council was wound up in 1984. However, both sides initiated a number of cooperative national endeavours, national curriculum development being especially important on the education side (Ryan 2002).

Moreover, an increasing national sentiment had been developing throughout the century, illustrated by a growing tendency for High Court decisions to validate federal excursions into state jurisdictions (Ryan 2007). In politics, Labor leader Gough Whitlam was awakening his party to new interventionist opportunities, ‘to exploit existing powers rather than hanker after preferred but non-existent ones’ (Galligan 1989, p.138).

An overview of the growth of a national perspective and the constitutional developments which facilitated it is given in Ryan (2007).

## The Whitlam and Fraser eras

While it is not usual to link these two administrations, in fact for VET they constitute a unity and a golden age second only to the late nineteenth century. The Whitlam Government as a whole may be considered a corporate policy entrepreneur, although it took the small policy community of VET-oriented officials to remind the government that there was a level of education beyond schools and universities. The foundational Kangan Inquiry was therefore the last of its major education initiatives and legislation to establish a TAFE Commission had to await the Fraser administration for final passage (Ryan 1998).

The Kangan report not only promoted a major funding infusion to state institutions, it proposed the title technical and further education (TAFE) and, importantly, introduced a new underpinning value system: lifelong education—a value system that at least temporarily united the training and education cultures, although the ‘trainers’ preferred the ‘recurrent education’ version favoured by the Organisation for Economic Co-operation and Development (OECD), the ‘educators’ the ‘lifelong education’ notion of UNESCO (Ryan 1998).

The transition to the Fraser Government in 1975 posed fewer challenges to VET than to other education sectors; indeed its role on the national scene was enhanced by the inclusion of the TAFE Council into a new Commonwealth Tertiary Education Commission (CTEC). TAFE experienced relative stability in federal funding, and the Fraser administration developed an expanded role for TAFE in social policy, especially youth, Aboriginal and immigration support, leading even to complaints about overburdening the sector (Ryan & Hardcastle 1996).

Thus, the period after the Whitlam upheavals into the first stages of the Hawke Government from 1983 was again a period of policy stability and incremental change in VET policy, although there was a growing vocationalist push, unsympathetic to general education objectives, within the federal Labour Department, and a series of pilgrimages of officials to the Thatcher-era Manpower Services Commission in the UK (Ryan & Hardcastle 1996). So stood an increasingly fragile policy equilibrium at the period under particular scrutiny.

## Stage 1: 1986 to 1989

The Hawke Government was helped to power in 1983 by public dissatisfaction at the effects of recession. In 1986 there was still lingering unemployment of 8.1%, with a more alarming youth rate of 15.1%. Moreover, 1986 was the year of the ‘banana republic’ currency crisis. The third Hawke Government decided on a sharp change of policy direction towards microeconomic reform. A key figure, and a major policy entrepreneur for the VET sector, was then Trade Minister John Dawkins, who in 1986 dispatched a joint employer–union mission to Europe to examine workplace modernisation, producing the 1987 report *Australia reconstructed* (Australian Council of Trade Unions & Trade Development Council). Dawkins had been active in the OECD, which, since a landmark conference *Competence and cooperation* in 1984, had been taking a close look at the relationship between vocational education and enterprise skill formation (Sweet 1989).

The gap between the training and education cultures and their policy communities had been growing sharper and the economic crises provided a strong base for the trainers’ desire for a more narrowly vocational orientation in VET. It was soon evident that there would be:

a quite remarkable ideological eruption which saw a swing away from what could be loosely described as the Kangan student centred ‘culture of access’ to the industry- and employer-centred culture of the ‘new vocationalism’.

(Ahearn 1993, p.14)

A new policy instrument had become available with the 1985 *Report of the Committee of Inquiry into Labour Market Programs* chaired by Peter Kirby and its proposal for youth traineeships. The introduction of the Australian Traineeship System in 1986 meant that the education sceptics in the Commonwealth Department of Employment and Industrial Relations (DEIR) assumed a more central role in policy development. The department had made its position clear in a colourful public statement, which claimed that TAFE training reflected ‘broader educational objectives’ in contrast to what it described as ‘the interests of the consumer’ (Department of Employment and Industrial Relations 1985, p.20); moreover, it noted that ‘sharing arrangements with the states ... usually resulted in a dog’s breakfast’ (p.10).

As a result, there was a fight back from the pro-education lobby in the Commonwealth Tertiary Education Commission (CTEC): its Chair, Hugh Hudson, initiated a review of TAFE funding, which attempted unsuccessfully to domesticate vocationalist pressures within traditional administrative arrangements. The TAFE Council began to lose influence and was abolished in September 1987; the remainder of CTEC followed in October (Marshall 1988). Even insiders in the VET/TAFE policy community were caught unprepared as a significant change in values in the wider political stream overran the values of the Kangan era.

In 1987 Minister Dawkins accepted a new portfolio of Employment, Education and Training which incorporated much of the former Department of Employment and Industrial Relations. *Australia reconstructed* became a building block of a new policy approach and a policy statement, *Skills for Australia*, set out a program to integrate employment, education and training programs (Dawkins & Holding 1987). This was strengthened by the 1988 national wage case, whose structural efficiency principle reduced employment classifications and related wage gains and career progression to skills acquisition, through training or recognition of prior learning (RPL) (Chataway 1991).

Between 1987 to 1989 the ‘vocationalist’ policy community set an agenda to open a policy window for substantial change. New advisory institutions, the National Board of Employment Education and Training and the Employment Skills Formation Council introduced the government’s ‘industry partner’ approach to policy formation, excluding training providers. State provision was more closely controlled through new Resource Agreements. The TAFE near-monopoly was reduced by the expansion of group training schemes. Industry and community

training schemes were streamlined, and a series of papers and inquiries sought to demonstrate weaknesses in the training system and the need for it to become more industry-responsive (Dawkins & Holding 1987; Dawkins 1988, 189a, 1989b; Willis 1988; Department of Employment, Education and Training 1988; Employment Skills Formation Council 1989).

## Stage 2: the training reform agenda 1990–94

A significant deterioration in economic conditions and eventual recession sharpened the government's focus on economic reform and opened a window for coupling VET policy with pressing political and economic imperatives. The result was the National Training Reform Agenda (eventually, the NTA), effectively a replacement for the Kangan philosophy and programs. At the same time the Commonwealth had been insisting on the transformational change, which, it argued, would be introduced by its traineeship system and by award restructuring. In response, a network of state officials and industry representatives had expressed alarm at the costs and the capacity of the system to cope.

### Agenda setting

A consequence was the establishment of an inquiry into the training costs of award restructuring (Deveson 1990), with independent members supported by a joint state–federal secretariat, the model for many future reform steps. The nominal issue was relatively easily disposed of by findings that the costs were not as large as feared, that industry would meet some and that others could be dealt with by normal federal–state tradeoffs. More fundamental reforms appeared almost as incidental statements: that vocational education should no longer be regarded as a community service but as a training market, which required more scope for fee-setting and greater competition; and that training needed to be converted from a time-served to a competency-based system (Ryan & Hardcastle, 1996).

The most important result of the Deveson Review was the creation of a new set of institutions within executive federalism to manage the new policy model. A special ministerial meeting combining labour and education ministers for the first time was called to receive the report; it was soon converted to a permanent body (MOVEET—Ministers of Vocational Education, Employment and Training) with a supporting officials' group (VEETAC—Vocational Education, Employment and Training Advisory Committee). Henceforth the two competing policy communities in VET would have to work together. In particular, several VEETAC working parties began canvassing options for new forms of system governance.

Another strand of reform received its impetus from a different policy community, the 'industrial relations club' (Davis et al. 1993). The structural efficiency principle required the delineation of areas of workforce competence, a touchy area especially between mass and craft unions (Sweet 1993). The Commonwealth/State Advisory Committee on Training, a central element of the 'training culture' (constructed from the Australian Apprenticeship Advisory Committee and later folded into VEETAC) proposed a solution: an independent company, the National Training Board (NTB), formed as a joint shareholding of federal and state governments.

The task of the National Training Board, begun in 1990, was to approve competency standards for many occupations according to a scale drawn from the metal trades industry award, in order to provide pay consistency across industries. Standards were devised by industry training advisory bodies (ITABs), giving them (and thus union representatives) a formal role in government policy. While the National Training Board eventually disappeared, the competency-based approach to training remained a feature of the VET system.

In 1991 Australia entered into a deepening recession, with unemployment reaching 10%, higher for youth, and with the start of a decline in apprenticeship numbers that continued to 1994–95. Although at this time there were initiatives in areas like adult community education (ACE) and recognition of skills, the focus was on youth opportunities. The Finn Inquiry into young peoples' participation in post-compulsory education and training (Finn 1991) set a range of ambitious targets for age-based participation in various levels of education; while its targets included VET, the report had a definite school and general education flavour.

This was even stronger in the Mayer report which tried to define the key competencies introduced in Finn, reflecting a concern from those in education and industry who believed that important skills were overlooked in a narrow vocationalist approach (Stevenson 1992; Collins 1993). The VET system response was a report from the Employment and Skills Formation Council designed to repatriate participation targets to the VET sector (Ryan 1998) and reinforce the importance of specific vocational skills in its proposed Australian Vocational Training Certificate System (AVCTS), essentially another iteration of traineeships, although one envisioning a greater role for school-based vocational education than the Finn and Mayer reports (Carmichael 1992).

## Conflict and resolution

The last years of the Labor Government offered a major opportunity for coupling issues in VET policy with broader issues, and the VET system was about to make one of its periodic appearances in 'high politics'. Two major political strands were at play: a 'new federalism' initiative centred on the Special Premiers' Conference process; and the contest for party leadership between Prime Minister Hawke and Treasurer Keating.

The first Special Premiers' Conference in 1991 had specified training as an area where reform could be considered and a VEETAC Working Party began considering options for new forms of governance. Minister Dawkins had floated the idea of a federal takeover of TAFE funding and when Paul Keating acceded to the Prime Ministership it was evident that training was one of the few areas where rapid progress might be made on the implementation of competition policy, a focus of the new federalism. Accordingly, a formal takeover offer was included in the *One Nation* statement in 1992.

The clash between most states and the Commonwealth which followed illustrated Baumgartner's thesis that rhetoric is largely about defining a debate's participants and forums: the Commonwealth pictured its proposal as a technical efficiency enhancement, while state ministers invoked states' rights and spoke of 'East German style central planning' (Ryan 1998, 2002). Eventually the smaller states proposed a more federalist alternative, leading eventually to a compromise in the creation of the Australian National Training Authority (ANTA) in 1993.

## Stage 3: the ANTA era, 1994–2005

When it began work in 1994, ANTA proceeded to implement the key elements of the National Training Reform Agenda. Industry responsiveness was supposed to be assured by a governing board which represented the industry parties (but not, until its final period, training providers) and through the enhanced role of industry training advisory bodies (although their structures and functions were frequently revised). ANTA worked towards expansion of the training market, especially through the introduction of User Choice, which channelled public funding to any registered provider. And it implemented competency-based standards through an Australian Standards Framework, eventually incorporating the former National Training Board into the ANTA structure.

The ANTA Agreement had set six objectives for the VET system:

- ✧ a national training system
- ✧ industry involvement and increased industry responsiveness
- ✧ an effective training market
- ✧ an efficient and productive network of publicly funded providers
- ✧ increased opportunities and improved outcomes
- ✧ improved cross-sectoral links (Taylor 1996).

The experience of the ANTA era reflected a typical period of relative stability and incremental adjustment within executive federalism after the heated disagreements which led to its creation. For the first years of this era, covered by the initial ANTA strategic plan (ANTA 1994), the objectives and institutions of the reform agenda period continued, including the labour market arrangements of *Working Nation* (Keating 1994), NETTFORCE (a working party aimed at small business), the Australian Vocational Training Certificate System, and a combination of the National Training Board and the Australian Committee for Training Curriculum. A change of government in 1996 led to the disappearance of these bodies, but the general philosophy of the training agenda was acceptable to the values of the incoming Howard administration and most changes were merely re-branding: for example, a change of title from the 'Modern Apprenticeships and Traineeships System' (the last title used by the Labour Government) through 'Australian Apprenticeships' to, eventually, 'Modern Apprenticeships'. There was also an abandonment of involvement with curriculum development and a concentration on 'training packages', which had statements of industry-approved competencies as their principal component.

Early in its life cycle ANTA commissioned a review of training reform which found that reform was at the crossroads, primarily because of a lack of industry commitment, insufficient focus on the demand side especially in widening the use of market-like machinery, limited progress on the use of competency standards and a generally slow pace of reform because: 'change needs to be laboriously negotiated and as a nation we have demonstrated a preference for incremental change' (Fitzgerald 1994, p.49).

Unusually, the ANTA agreement required an independent evaluation before the end of 1995. The Taylor review was generally supportive of the progress of ANTA but noted a number of weaknesses. At the level of governance it expressed concern, on the one hand, that the ANTA Board did not seem to feel real ownership of the system, while on the other an unlegislated body, the ANTA CEOs (a committee of the ANTA CEO and state/territory CEOs) had no formal standing but exercised great influence and should be formally recognised. In fact, during the following years it remained hard to locate ANTA's driving force, all indications being that the normal processes of executive federalism were only slightly tempered by the existence of an independent Board.

The review also noted that only partial progress had been made towards a training market but was equally concerned that a well-defined role for the public TAFE system was lacking. This too remained a largely unresolved issue throughout the ANTA period. The review also asked for clearer separation of purchaser and provider roles. It found that industry support for ANTA remained patchy. It noted that ANTA had restructured the industry training advisory body system and that further refinement was likely (Taylor 1996).

## ANTA at work

ANTA programs accelerated from the beginning of 1998, with the commissioning of User Choice for Apprenticeships, the endorsement of a substantial number of training packages, the development of the first of a long list of performance indicators for state/provider activity, service agreements for industry training advisory bodies, support for group training organisations, equity measures in the Indigenous and disability fields and a Women's VET Taskforce. On the other hand, the government introduced funding constraints without reducing required activity levels under the rubric 'growth through efficiencies'. A four-year VET in Schools initiative was launched, but a detailed consideration of this area is beyond the present project.

ANTA's second strategic plan to the year 2003 (ANTA c.1998) continued its foundational elements but arguably reflected some degree of shift from the 'training' to the 'educational' culture, in that it made references to lifelong learning, argued that TAFE 'is central to the national VET sector', addressed key competencies as well as vocational skills, incorporated language, literacy and numeracy skills and argued for seamless post-compulsory pathways. During these years ANTA increased emphasis on flexible delivery, introducing 'toolboxes' in 1999, and developed two sustained projects on professional development, *Framing the Future* in 1998 and *Reframing the Future* in 2001 (ANTA 1997, 2001).

One reason for an increasing reflection on the educational dimension of VET was that a series of reports (Schofield 1999a, 1999b, 2000) had revealed serious concerns that some aspects of the national agenda were posing a danger to the accepted quality of Australian training and that a risk management response was needed. Concerns were sufficient to prompt the ANTA CEOs committee to examine quality assurance and risk management issues in 1999 (ANTA 1999), for the National Training Quality Council to review generic skills in training packages (ANTA 2001) and for a risk management strategy to be endorsed in 2001 (ANTA 2002).

## Achievements of the ANTA era

In 2003 ANTA developed its third strategic plan, supposedly to cover a seven-year period (ANTA 2003) but the institution's surprisingly long life<sup>3</sup> was about to end: its dissolution in 2005 was announced in 2004. The ANTA period saw the implementation of a wide range of programs and substantial progress on its foundational objectives of a competency-based system, greater use of quasi-market mechanisms, and a formalised qualifications and recognition framework. It introduced a number of productive programs in equity and diversity, professional development, research and VET in Schools. It also navigated a shift from funding growth to funding restraint (for its claimed achievements, see ANTA 2003).

Where it met with least success reflected the individual/access–industry/vocationalist values rift. Marketing and award programs to encourage an industry training culture were useful but relatively marginal, only very modest progress was made on seamless post-school pathways or on developing a clear role for the TAFE system, and ANTA was never able to decide precisely who was the VET client—business or individuals: its last strategic plan still tried both to claim businesses as central client while stressing measures to 'entice [clients] to learn throughout life' (ANTA 2003, p.12).

ANTA also experienced issues with its governance. The states had largely surrendered the advantage they gained in creating ANTA as a federalist rather than central government institution

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<sup>3</sup> Members of the ANTA Establishment Task Force gave their creation a projected life of some five years; that it lasted more than twice as long suggests it filled a necessary evolutionary niche, which has not yet been fully replaced.



when they agreed that it should be established as a federal statutory authority. Subsequently the states failed to meet their Agreement obligations to transfer VET funding to a central treasury. On the other side, the 1996 change of government changed the system from one based on an expanding federal funding share to centrally imposed constraint.

Moreover, as the Taylor Review noted, while the ANTA CEOs committee was a crucial policy influence, it was never formally admitted to be part of the ANTA structure. In each annual report, ANTA published a two- to three-page listing of key policy bodies, never mentioning the CEOs, although elsewhere in the reports their crucial interventions, for example, in relation to quality and risk management, were evident (ANTA 1999).

One final comment about the ANTA era relates not to the organisation itself, but to a gradual change in mindset associated with the nation's changing economic fortunes. ANTA was created in the aftermath of recession and VET thinking focused both on creating employment opportunities (certainly for individuals, although it was less clear how training could achieve this for the economy as a whole) and on maintaining the economy's stock of skills, based on international or age cohort comparisons. A concern over skills shortages first appeared in 1999, although it was still expressed as 'partly cyclical' and focused on the traditional trades (ANTA 1999, p.11).

As economic growth strengthened in the 2000s, thinking revealed in ANTA documents changed somewhat, although the final ANTA strategic plan still expressed caution over the future of manufacturing jobs (ANTA 2003, pp.3–4). In the wider economy and political system, however, skill shortages were becoming a consuming issue.

## Contemporary VET: post-2005

In 2005 ANTA issued a final report, advancing the proposition that: 'Industry, governments and ANTA together have built a world class national VET system' (p.24).

This final report was the only occasion on which the CEOs committee (by then the Senior Officers Committee) was mentioned as part of VET system governance. It also marked the first and final appearance of a training provider representative on the ANTA Board.

### The Howard Government

The Department of Education, Science and Training, which inherited ANTA's responsibilities, began with the assumption that: 'training packages are the pillars of the National Training Framework' (2006, p.12) and set out priorities influenced by the new awareness of skills shortages, including the upskilling of mature-age workers and encouraging greater workforce participation.

As incoming manager, the federal department was able to point to some significant deficiencies in training outcomes. It was concerned that students undertaking diploma or higher-level programs had been declining since 2002, that Indigenous students still fared poorly at certificate III or higher, that participation for mature workers was the lowest for five years and that increases in overall certificate III enrolments were matched by declines in certificates I and II (Department of Education, Employment and Workplace Relations 2008a, 2008b). From another perspective, a review commissioned by the Australian Education Union noted what it saw as a decline in VET resourcing and a bias amounting to hostility against the public provider (Kell 2006).

The government introduced new legislation, the *Skilling Australia Workforce Act*, to replace ANTA and to relate VET to its industrial relations changes in the *Work Choices Act*. It also introduced plans for 24 Australian Technical Colleges: this was essentially a VET in Schools initiative but was seen by some as competitive to the TAFE sector (Kell 2006). Interestingly, new nomenclature was introduced, ‘vocational and technical education’: this conforms to international practice but does not yet seem to have gained general acceptance.

## A new policy window

In November 2007 the Howard Government was defeated and the Rudd Labor administration entered office, effectively re-establishing the previous Labor departmental arrangements with a Department of Employment, Education and Workplace Relations. In 2008 legislation, the *Skills Australia Act*, established a new advisory and research body, Skills Australia, not only with a continuing mandate to provide advice on skill needs (more recently including skills provided by university training) but also with the task of suggesting new governance arrangements for the national VET system. Also, targeted funding was provided through Productivity Places Program (PPP) arrangements, which some have seen as introducing a new pattern of VET funding.

Early in its term the government initiated reviews of the national innovation process and of the higher education system. The latter, the Bradley Review, proposed a demand-driven entitlement system that should be applied at least to the higher education levels of the VET sector (Bradley 2008). This proposal, not yet accepted by the government, would retain market and demand side principles but would require an acceptance that, at least in these areas of training, the individual student is the primary VET client.

At the same time the new government had been working through Skills Australia and the Council of Australian Governments (COAG) processes to develop a new national training agenda. Much of this agenda was spelt out in a report, *Foundations for the future* (Skills Australia 2009), which reiterated a familiar theme:

over recent years industry engagement in vocational education and training governance had been eroded, and there is a need to restore a central role and authority for industry in guiding the strategic development and operation of the National Training System.

(Skills Australia 2009, pp.12–13)

In December 2009 the government announced that COAG had agreed to construct a new national regulatory body to commence operations in 2011, although at this time two states have not agreed to participate fully (Gillard 2009). The media release also outlined improvements to apprenticeships involving now standard themes: reducing red tape, ‘effective’ implementation of competency-based training, and strengthening government–industry partnerships.

Early in its term, the government faced a global economic downturn, which has the potential to open a new policy window in VET policy. Some commentators have suggested that the recovery period might require more imaginative approaches than those which remain incremental to, or even repetitive of, the paths first laid down in the 1980s (Anderson 2009; Sweet 2009).

## Themes in policy development: a critical review

This interpretative essay has been constructed chronologically. An alternative approach would be to review themes in issues and response as they develop over time and attempt an evaluation of their effectiveness. As exemplars, three themes that have emerged in recent VET history are briefly reviewed here:

✧ competency-based training and assessment (CBT)/training packages

- ✧ use of market and quasi-market instruments
- ✧ responsiveness of the VET system to industry.

## Competency-based training and assessment

This policy reform, foreshadowed in the 1990 Deveson report, has definitively gained traction in the VET arena, now in the form of training packages. Students in accredited courses based on training packages rose from 9% in 1999 to 57% by 2006, although the number of accredited courses has fallen. Packages are widely accepted by industry and, with reservations, by providers and researchers (Guthrie 2009). Content research by the National Centre for Vocational Education Research (NCVER) indicates that packages have been effective in reflecting issues identified by industry, including the introduction of new technology and intensification of regulatory environments (Misko 2010).

Competency-based training (CBT) emerged first in the educational culture. Originally employed in teacher training in the US, a small number of TAFE campuses began to experiment with CBT in the 1980s. For example, in 1983 competency-based vocational education program in panel beating was introduced in the Croydon Park College in South Australia, with self-paced learning and customised progression as integral components (Harris & Hodge 2009). This preceded by some years the ‘training culture’ version, originating in industrial relations needs and linked to *Australia reconstructed* and subsequent national initiatives. As CBT increasingly became the basis of national accountability and marketisation measures, according to Harris and Hodge, the Croydon Park initiative faded, as the college educators found the new standards too loose for their original educational purposes and the resource implications of the new system required the abandonment of individual progression, despite its rhetoric against a ‘time served’ approach. On the other hand, they argue, the training reform version did allow greater application of recognition of prior learning.

The training reform version of CBT was an inexorable movement that extinguished the educators’ version that had flourished in the 1980s and 1990s at Croydon Park TAFE ... For many, this move was viewed as an attack on the educators’ profession producing a resentment that lingers to this day... the second change, the return of lock-step progression, was an indirect but no less necessary effect of training reform.

(Harris & Hodge 2009, p.131)

A series of reviews of training packages after their introduction in 1996 noted a range of difficulties, including the difficulty of defining an industry, problems with packages in dynamically changing industries and enterprises, insufficient customisation, problems for clients not employed in their area of training, and the need for improved pathways through the education system and interface with international requirements (Guthrie 2009). There were also the quality concerns outlined earlier (Schofield 1999a, 1999b, 2000). Although a number of reforms have addressed these concerns, articulation between VET and higher education remains problematic because a competence conception of skill has to be integrated with a knowledge- or culture-based view.

Overall, it is probably fair to say that the initial rigour of the training reform version of competency-based training has abated with experience, especially quality concerns, and there has been considerable seepage of the educational culture into training packages, as employers have always insisted on the importance of generic as well as vocational skills in assessing employability. Decisions of the Ministerial Council for Vocational and Technical Education, based on a National Quality Council report (*VET products for the 21st century*) suggest some further passage towards an educational perspective. The way ahead for the further evolution of training packages might usefully be based on two of Guthrie’s (2009, pp.28–9) recommendations:

- ✧ more inclusive consultation and more effective change management
- ✧ greater attention to the professionalism required of VET educators, particularly minimum qualifications and the needs of VET's large casual workforce.

As Hager notes, training packages at present are product-oriented and assessment-led: what is needed is a holistic view which incorporates what is at present a black box, the curriculum and learning processes in between. Otherwise, package developers are like golfers trying to improve their game by constantly rewriting the rules of golf (Hager 2004). There is also the question of the extent to which national standardisation may be at the expense of integration into global markets (Anderson 2006).

## Market and quasi-market instruments

The use of market-like and competitive funding has been the source of strenuous debate in the VET sector. Much of this derives from ideological support or opposition, for which a historical perspective does not provide an easy resolution. However, historical analysis can provide some insights into the origin and evolution of this dimension of the training reform agenda.

A new way of thinking about the operation of government emerged in many Anglophone countries in the 1980s and 1990s, variously described by labels such as economic rationalism, managerialism and neoliberalism. The clearest statement of the rationale is perhaps the Thatcher Government's Efficiency Unit's 1988 report, *Improving management in government: the next steps*. It argued that, while 95% of government activity was concerned with product and service delivery, government officials were trained for and mostly involved in policy advice. What was required was internal or external outsourcing to delivery agencies, desirably on a purchaser-provider model. In the same year the economically reformist New Zealand Lange Government received the Picot report on educational administration, *Administering for excellence*. This led to the transfer of VET accreditation from the country's polytechnics to a new independent agency and the introduction of competition for publicly provided student funding (cited in Ryan 1995).

The first suggestion along these lines in Australia came in the Department of Employment and Industrial Relations 1985 submission to the Review of TAFE Funding:

With the emphasis on consumer sovereignty and funding linked to completion rates and performance assessment criteria, TAFE is provided with an incentive to deliver quality training at a market price. (p.49)

The possibility of a more market-like approach was raised in the 1990 Deveson report, which argued: 'Through competitive pressures, markets result in price being pushed down to the cost of production' (Deveson 1990, p.9).

Subsequently, the Ministerial Council (MOVEET) in 1992 adopted as a formal goal of VET: 'An efficient, effective, responsive and integrated training market (MOVEET 1992, cited by Lundberg 1994, p.7).

The initial measures introduced in the era of MOVEET and VEETAC (1990-93) included promotion of fee-for-service courses, joint ventures, reintroduction of TAFE tuition fees, and some tendering for government funds (Lundberg 1994). Subsequently, with the establishment of ANTA, emphasis turned to increasing diversity in training at the apprentice/trainee level. The commissioned report *Successful reform* (Fitzgerald 1994) proposed a 'user buys' model, but this was transformed into User Choice by ANTA, as it was not suggested that employers should bear off-the-job training costs. At the same time there was a gradual policy to increase the proportion of public funds for training put to tender. State training authorities developed purchaser-provider arrangements for training funding, although support for the approach has varied over time and among jurisdictions.

The User Choice model was subject to formal evaluation, but only after a short period of operation, in 1999. It might be timely to review the system again, but it would appear to be one of the more successful policy measures remaining from the early stages of training reform. Certainly it appears to have introduced a much greater diversity of providers and provided a restraint on training costs, although this benefit may require closer scrutiny; for example, the 2002 South Australian Review of TAFE Governance (Kirby, Carter & Ryan 2002) found that cost savings in the purchaser area of the government training agency were balanced by increasing deficits in the same agency's TAFE institute budgets.

On the other hand, it is not altogether clear that User Choice should be classified as a market mechanism in the first place. Because training is essentially a free good to employers in the scheme (although they incur costs in the labour market), there are no relevant price signals to users and the normal rationing function of a market is performed by administrative caps. While there is nominally a purchaser-provider split, both actors are generally within the same public agency, which is therefore both a monopsonist and a principal supplier in the same market.

A review of the impact of market reform in VET was undertaken for NCVER (Anderson 2005). It was revealing that one of the major challenges faced by the reviewer was to discover the purposes intended to be achieved by market-based policies. This had also concerned the 1996 reviewer of the ANTA Agreement, who noted in his letter of transmission:

The impression I gained in reading some of the submissions was that competition was seen as an objective in its own right. Competition is not an end objective, but a useful tool for stimulating efficiency and in achieving public sector reform ... the other part of the equation is empowering the public authority to compete with equal vigour. (Taylor 1996)

Anderson delineated a large range of possible objectives derived from government reports and public policy statements and concluded:

- ✧ Outcomes appear to be positive in relation to choice and diversity, responsiveness (to medium/large enterprises and fee-paying clients), flexibility and innovation.
- ✧ Outcomes appear to be generally negative in relation to efficiency (due largely to high transaction costs and complexity), responsiveness (to small enterprises, local communities, and to government subsidised students), quality and access and equity.
- ✧ TAFE and non-TAFE providers are trading places with respect to income sources, whereby non-TAFE organisations are becoming more heavily dependent on government VET funds, and TAFE institutes are becoming less reliant (Anderson 2005, p.7).

Overall it is clear that public providers are becoming more reliant on fee-for-service income and less on public funding, although this may be due more to reduced public funding levels than to market policies as such (Burke & Noonan 2009). What is perhaps more concerning is that public policy remains largely unclear on the role and future of the public provider. Anderson notes the legacy costs in industrial awards and public obligations that make competition uneven from the public providers' perspective, although private providers might point to legacy infrastructure assets which advantage the public sector.

However, the more serious issue may be that there do not appear to be any clear statements of goals against which the use of market forces might be assessed objectively, or which would assist institutional planning. *Skills Australia* indicates that it intends to continue with a mixed-funding system (Skills Australia 2009), again without a clear statement of rationale. Certainly it should take action to remove any perception of bias against the public provider as identified by Kell (2009), as the whole system of partial markets in VET is necessarily underpinned by the existence of a strong public provider. It is also important that market signals are directed to the most relevant decision-maker. In diploma, advanced diploma and vocational degree courses this is the individual student, as it is for comparable undergraduate programs, and there is clearly merit in

pursuing the Bradley Review's recommendation for student-centred demand-side funding in these programs.

## Responsiveness of the VET system to industry

As noted, each of the major reform eras has been attended by an insistence that VET needs to be made more responsive to industry. The manner in which VET is held to be non-responsive is seldom clearly defined; moreover, in each period the claim of non-responsiveness has come more frequently from governments or government-sponsored groups rather than wholly industry bodies.

An interesting example from the 1980s is the Employment and Skills Formation Council's report *Industry training in Australia: the need for change* (1989). In describing its consultations with industry, the council claimed that 'in general, industry comments were critical of TAFE, but there were some important exceptions' (p.12). One significant exception must have been the Metal Trades Industry Association (now the AIG) which said in its submission: 'It should be noted at the outset that TAFE has been extremely cooperative in providing assistance to the [industry] parties (1989, p.55).

The Confederation of Australian Industry (now the Australian Chamber of Commerce and Industry), having noted that 76.3% of its employers who employed tradespeople were satisfied with their skills, was only marginally more critical (1988, p.42). In fact, the majority of the 'around 50' industry submissions received by the Employment and Skills Formation Council—36—were from industry training committees, bodies funded by the same government portfolio as the Employment and Skills Formation Council itself, which apparently were the main source of criticism.

The suggestion that the government had used some industry concerns to provide a background for its planned reform agenda was reinforced when the Economic Planning Advisory Committee (a predecessor of the Productivity Commission) conducted independent research into the VET system in 1992. Rather than finding an unresponsive VET system, this committee expressed concern at poor government consultation with the educational coal face and an excessively narrow view of education (Economic Planning Advisory Committee 1992).

NCVER began its series of employer satisfaction surveys in 1995, and these have generally shown relatively high levels of employer satisfaction. In a recent survey NCVER concluded: 'Satisfaction with the VET system is high. Over three-quarters of employers engaged with the VET system think it meets their skill needs' (Rittie & Awodeyi 2009).

When the newly established Department of Education, Employment and Workplace Relations published its first report on the Australian VET system in 2008 (referring to the 2006 year, using 2005 data), it was noted that 79% of employers expressed satisfaction with apprenticeship/traineeship qualifications, 80% with other formal qualifications (Department of Education, Employment and Workplace Relations 2008a). While this is not strictly comparable with, say, the 76% satisfaction in the Confederation of Australian Industry's 1988 survey, it seems reasonable to conclude that very little had changed since the 'unreformed' VET, largely TAFE, of the 1980s.

In fact, employer satisfaction with TAFE and the wider VET sector has been consistently around the level of the high 70 to low 80 per cent mark as long as measurements have been available.<sup>4</sup> While it is always desirable to strive to increase satisfaction (and student satisfaction is consistently somewhat higher), given that non-customised training cannot hope to please all

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<sup>4</sup> Some early ANTA data appeared to show lower levels of employer satisfaction, although still a majority of satisfied. However, these data varied fairly implausibly over short periods (Dumbrell 2000).

potential end users equally, the supposed non-responsiveness of the VET system seems to be largely a mantra called upon whenever some significant public sector driven change is proposed.

A historical overview of the non-responsiveness theme would therefore suggest that it might be timely not only to choose a different rhetoric as a background to policy change, but also to look more closely at perhaps the more significant issue arising from satisfaction surveys: the non-engagement with VET of the majority of Australian industry. According to the Department of Education, Employment and Workplace Relations report, less than a third of Australian employers engage in any way with the VET system each year, although on NCVER's definition it is around half. An area of particular concern is the apparent preference of employers to hire university graduates for associate professional occupations, for which TAFE diplomas are more closely designed.

Moreover, the experience of the ANTA period might suggest that building and strengthening a training culture within industry is a more significant policy challenge than ensuring industry responsiveness in the VET system. Equally, the interests of students, equity groups and local communities are also deserving of respect.

## Concluding reflections

Historical methodology is as capable as other forms of empirical research of drawing conclusions to research questions. However, this essay has not been framed around specific research questions, so it is not possible to offer more than broad reflections in conclusion.

These should begin with the comment that the VET system throughout a long history has proved remarkably resilient and responsive to issues as they arise in the economy and society at large. Frequently VET has played a crucial role in the nation's wellbeing.

The VET system is one of the oldest institutions in Australian society, despite the occasional belief of some policy-makers that they have only recently invented it. It has deeply rooted characteristics which are largely immune to policy ephemera. One of these is that it is built on two cultures, one looking towards industry practice and emphasising specific vocational objectives and successful employability, the other sharing values with the rest of the education system, serving its individual student clients and seeking to provide a flexible basis for career development. Despite occasional conflict, very often these two cultures have worked harmoniously, and innovations which draw on and respect both dimensions are those most likely to succeed and last.

Australian VET is an extremely diverse system, with a wide variety of purposes, programs, values, clients, institutional forms, geographic presence and instructional techniques. Policy innovation which adopts a one-size-fits-all approach is usually wasteful and ineffective. In particular, the three very broad streams of VET—indentured and similar training, remedial and general education, and advanced vocational education—will seldom be equally suited to single policy instruments in relation to funding models, curriculum approaches or service delivery. For example, the pedagogy underlying successful instruction in these streams requires very different skill sets and, consequently, required qualifications for VET professionals. Similarly, funding and fee regimes should vary according to who is making the decision to train—employers, students, or managers of public programs.

A standard view of policy implementation theorists is that successful innovation requires a clear statement of objectives, a means to measure their achievement and a system of audit or evaluation to determine degree of success. This approach has not always been absent from VET policy innovation, but it is not usual and the VET innovation system would be enhanced by greater clarity in ends, less determinism in means and greater attention to evaluation.

Finally, it is worth bearing in mind Weick's (1976) concept of loosely coupled systems in education. Weick's theory was advanced to explain the disconnect between management and outcomes in individual higher education institutions: it must apply with much greater intensity in the Australian VET system which operates in a system of executive federalism, with a very long string of steps between policy authorisation at COAG or a ministerial council and eventual implementation at a training site and in the individual transaction between instructor and student. In evaluating the likely trajectory of VET innovations, it is worth bearing in mind the subtitle of the Pressman and Wildavsky's classic work on policy implementation: *How great expectations in Washington are dashed in Oakland; or, why it's amazing that federal programs work at all*.



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# Attachment A: using policy theory for historical research in VET

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## History and policy theory

The idea that history repeats itself is deep seated: *what has been done will be done again*, said The Preacher: *there is nothing new under the sun*.<sup>5</sup> Hegel was equally despondent, claiming that people and governments never learn from history's repetition<sup>6</sup>, while Marx believed that history repeats itself twice: first as tragedy, then as farce.<sup>7</sup>

Path dependency can be a significant factor in determining the direction of policy development and the success or otherwise of policy implementation, but it should not be viewed as rigorously deterministic.

Path dependency encapsulates the insight that policy decisions accumulate over time [restricting] options for future policy makers ... This amounts not to a single path-dependent policy trajectory but rather to a widening array of 'locked in' subsystems over time. (Kay 2006, pp.31–2)

Narrative history can support illumination and understanding, but it is suggested here that, to use historical method for policy comprehension while seeking to avoid Toynbee's characterisation of (some) historical research as 'one damned thing after another'<sup>8</sup>, it is productive to yoke it to a conceptual framework derived from policy theory. Heuristic models of the policy process derived from economics, systems analysis and organisation theory date essentially from the 1970s and encompass a wide range of theories and epistemologies. Initially concerned with identifying stages or cycles in policy development and perhaps overemphasising rational choice, theories have become more time-sensitive and diverse (Kay 2006; Hill 2005; Sabatier 1999).

While the limits of the present project exclude comprehensive theoretical modelling, there is a range of useful concepts which seem to assist explanations of VET policy experience over time. Definitional debates can be time-wasting: here two foundational contributions are applied—Easton's from the 1950s, which viewed policy as a web of decisions and actions that allocate values, and Smith's 1970s addition of 'deliberate inaction' as a policy source (Hill 2005). In studying Australian VET policy, the *multiple streams* concept introduced by Kingdon has proved helpful (Kingdon 1984; Ryan 2002; Zahariadis 1999). While rational choice explanations have some role in determining public policy, Kingdon took up Easton's view that rationality is bounded and does not extend to all possible choices, also adapting the 'garbage can' model from Organisation Theory. The policy equivalent is the policy primeval soup, in which a wide range of potential policy solutions float, waiting for a policy window to open.

The molecules which make up this soup are ideas which are found in the interactions of members of a policy community or network and which derive from the deep values of the

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5 Ecclesiastes 1:9.

6 In his introduction to the *Philosophy of history*.

7 In the *18th Brumaire of Louis Bonaparte*.

8 As recollected in *Time*, 3 November 1975; the original quote is probably the poet Edna St Vincent Millay.

community. For a definite policy proposal to emerge requires a policy entrepreneur, individual or corporate, to promote it. Such ideas are seldom wholly new, but are mutations or combinations of earlier suggestions. To succeed they not only need technical feasibility, but consonance with the values of the policy community. Policy windows open only rarely and the opening usually results from coupling; that is, when there is overlap across the problem stream, the policy stream and the politics stream. A solution needs to be coupled with an emerging problem and derive support from the politics stream: a change of government, for example, is a good time for policy windows to be opened, although a change of direction within an established government is also possible.

Kingdon's research was conducted in the United States, where active legislatures are more directly involved in the policy process. In Australia, VET policy is almost always developed in the arena of federal–state negotiations, largely conducted within bureaucratic or ministerial structures. This can introduce tensions into the policy process (Maddison & Dennis 2009), especially as the consensus is that Australian federalism is a dual polity (Painter 1988), where power is concurrent rather than coordinate—responsibilities are not cleanly demarcated but, as in VET, both jurisdictions share responsibility (Galligan 1995). Moreover, the experience of VET policy has been for ever greater concentration of power at the federal level (Ryan 2007).

Canada and Australia are notable federations in which the development of institutions for federal–state cooperation has created a system described as 'executive federalism' (Sharman 1991). One consequence is that policy-making in this fashion itself creates policy communities, described by Painter as:

Regular participants, most of whom are officials, who agree about certain procedures and norms ... and share a common perception of what 'expert' knowledge is and who are the experts. (Painter 1988, p.61)

A second consequence is that policy work involves long periods of stability, with only incremental change, but these periods are punctuated by episodes of significant and sometimes contentious change. The process is described by the punctuated equilibrium theory advanced by Baumgartner and Jones (2009) and True, Jones and Baumgartner (2006). They describe periods of:

stability and incremental drift punctuated by large scale policy changes. The simple act of expanding the conflict by involving multiple venues had to destroy equilibrium and shift policies dramatically. (Baumgartner & Jones 2009, p.xviii)

Baumgartner and Jones link these punctuations to Kingdon's policy windows and also to Baumgartner's earlier work on rhetoric in policy-making. Baumgartner asked why some issues become wide societal debates, while others are decided by small groups of experts. His answer was that conflict in the policy process leads one side or the other to seek to change the roster of participants in debates, using rhetoric to take an issue to a wider audience, while their opponents seek to define and restrict debate to technical issues (Baumgartner 1989). In Australia, federal–state relations provide a standard armoury of rhetorical devices to conflate debate about VET with debates about centralisation and states rights.

A final theoretical element focuses on policy implementation. The issue is best summed up in the sub-title of the pioneering work by Pressman and Wildavsky (1984): *How great expectations in Washington are dashed in Oakland; or, why it's amazing that federal programs work at all*. While there may be design and administrative faults causing programs to fail, contemporary theory, by studying the dynamics of multivariable interactions and feedbacks, seeks to explain why outcomes so often differ from intended outputs, in the hope of identifying conditions for implementation success (Mazmanian & Sabatier 1989).

The process of implementation is one of policy evolution: the actual outcomes, to say nothing of perceived outcomes, will almost certainly have developed in directions not always foreseen

by the policy formulators. Given the wide variety of socio-political factors at play, predicting the direction of implementation is not easy; certainly, it seldom occurs in an uninterrupted direction from the policy-makers' mandate. It may seem, therefore, that specifying conditions for effective implementation is scarcely worth the effort. However, theorists have attempted to do so, and widely recognised criteria for successful implementation are those formulated by Mazmanian and Sabatier (1989):

- 1 Mandates are clear and consistent or at least provide criteria for resolving goal conflicts.
- 2 There is a sound theory identifying principal factors and causal linkages affecting policy objectives, giving implementing officials sufficient jurisdiction and points of leverage.
- 3 The implementation process is structured to maximise the probability that implementing officials and target groups will perform as desired.
- 4 The leaders of the implementing agency possess substantial managerial and political skills and commitment to the goals of the mandate.
- 5 The program is actively supported by organised constituency groups.
- 6 The relative priority of the mandate's objectives is not undermined over time by the emergence of conflicting public policies or by changes in socio-economic conditions.

Finally, in any form of education policy it is worth bearing in mind Weick's concept of loose coupling. Human service organisations, argued Weick, are composed both of administrators and specialised professionals, each with different value systems and agendas. It cannot be imagined that there will be a straight throughput of decisions to outcomes. Weick (1976) based his theory on the operations of individual higher education institutions. When applied to a system like Australian VET, which operates through processes first of executive federalism, then through a diversity of agencies of differing structures and degrees of autonomy, and then through VET providers, which themselves tend to be loosely coupled, it is very unlikely that any central decision, such as that of a Ministerial Council, will filter through to actual outcomes in classrooms, workplaces and other learning environments without considerable alteration.

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