Past informing the future

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Our past informs our future. It achieves this in two ways: first, by providing the context in which we make decisions, and, second, by delivering the various experiences that enable us to discover what does and does not work. As the Australian vocational education and training (VET) system has evolved, the institutional structures and frameworks that are now in place may determine the direction of its next turn, while our willingness to learn from past experiences will dictate whether it will turn at all.

‘The past informing the future’ is the theme for the 2021 ‘No Frills’ Conference — a conference to be held online, because if we have learned anything from 2020, it is that the freedom to travel is no longer guaranteed.

The NCVER asked presenters to consider how VET’s past might inform its future and to reflect on the lessons and achievements that have the potential to inform progress. The approximately 30 landmark reports on VET published since 1981 provide evidence of a desire to understand the past and what may be learned from it. In some instances, change arising from those reviews has somehow seemed too much, while, in others, not enough. That said, it is worth reflecting on a number of the past achievements before considering those aspects of VET’s history that seem to repeat.
In 1981, when NCVER was established, the Commonwealth Government viewed a strong TAFE (technical and further education) system as critical to the delivery of priority skills, subsequently increasing its funding contribution. The resulting improved assistance to students saw a change in the student profile and the introduction of targeted programs for disadvantaged learners (Goozee 2001). In 1988, Dawkins’s paper, *Industry training in Australia: The need for change*, laid the foundations for competency-based training (CBT) and industry-based provision of training. In 1992, the *One nation* report (Keating 1992) represented a turning point, with vocational education gaining status within federal government policy and the skills needs of industry beginning to inform VET directions. That year, Australian governments signed an agreement to work towards the national coordination of VET (a pursuit in which governments still remain engaged) and the Australian National Training Authority (ANTA) was established. Tasked with delivering leadership and coordination in developing a national VET system, ANTA set up the Australian Qualifications Framework (AQF), introduced VET course accreditation and created a national register of training packages, leaving a lasting mark on VET.

VET gradually become an education pathway open to more Australians, for example, broadening the apprenticeship model to traineeships in the 1980s and introducing adult apprenticeships and part-time progression in the 1990s. Industry’s role in developing occupational standards grew with the establishment of industry skills councils in 2003, to be replaced by skills service organisations and industry reference committees in 2015 and continuing today with skills organisation pilots. The introduction of a national VET regulator in 2011 was a great achievement in interjurisdictional cooperation, albeit with a couple of exceptions. Finally, the collection of total vet activity (TVA) data, beginning in 2014, and the creation of the unique student identifier (USI) in 2015 has enabled greater insight into VET activity than previously.

Generally, VET system reforms have been based on an analysis of past practices and represent attempts to both enhance policy and practice and address perceived failings in the system. Nevertheless, issues remain. In 2009, Skills Australia’s publication *Foundations for the future* pinpointed the ‘complex governance roles and relationships’ as one factor that would prevent VET reaching its skilling potential (Skills Australia 2009, p.2). A 2008 Organisation for Economic Co-operation and Development (OECD) report on Australia’s VET system commended the high employer engagement in the system and its flexibility, both of which facilitated innovation, but viewed the system as challenged as a consequence of its poor use of skills forecasting and inefficiencies in training package development. The 2005 *Skilling Australia* report called quality ‘our highest priority’ (Department of Education, Science and Training 2005, p.18). The 2008 Bradley review found that funding in higher education (which included VET) ‘lacks a clear rationale or purpose’ (p.146), and that governments were not ‘appropriately recognising the levels of support required’ for the diverse student profile (Bradley et al. 2008, p.39). In 2021, all of these issues remain salient. This paper will briefly explore these enduring issues in the VET system to review what can be learned from the past to prepare the system for what may lie ahead.
Purpose

At the heart of VET lies a tension created by the competing purposes it is called upon to fulfill. Increasingly, VET has become viewed as a mechanism for delivering skilled workers for industry and as fitting into a framework of broader economic policy. However, these employment outcome aims have always been intertwined with the undeniable needs of individuals to explore career options, have a second chance at developing educational foundations and develop flexible, agile skill sets, which enable them to face a continuously changing employment landscape.

VET receives the least amount of funding of all the educational sectors, but a great deal is asked from it: that it respond to industry, individual and community needs, all within a nationally agreed, yet state/territory-administered, system — and all this while it is employed as a tool in education, health and social services, and economic policy. Even attempting to capture on paper the complexity of VET is a challenge, let alone addressing the associated interconnected issues. Perhaps that complexity explains the increasing focus on one comparatively straightforward aspect of VET, its role in skilling workers.

In the context of being a tool for skilling workers, the need for VET to be ‘industry-informed’ has dominated the qualification development model in the last 20 years or more. Industry’s input to training standards is important in ensuring the relevance of the skills acquired, but the commentary on VET’s supposed failure to deliver the breadth of skills and knowledge required suggests that there are limitations to an industry-centred, consensus-driven model for the development of training standards.
Employer use of nationally recognised training has been declining, with employers increasingly developing or sourcing skilled workers in other ways. We are now in our third iteration of the industry committees whose role to assist in the creation of training packages, yet complaints about the relevance of the qualifications associated with training packages persist. The problem is often assumed to lie in the failure of the qualification development process to adequately collect and interpret industry needs in a timely manner. An alternative view is however that industry alone cannot articulate the broader educational standards that impart transferable skills and knowledge. Many commentators believe that an increased emphasis on educational expertise in the development process may result in more flexible and adaptable VET graduates.

NCVER’s recent review of international processes for qualification development revealed that Australia is not alone in placing industry at the centre of training standards development. However, a number of other countries have also taken the approach of bundling training standards into skills clusters, meaning that those who undertake them can apply skills across a greater range of occupations and continue to attain a general education (Wibrow & Waugh forthcoming). Calls have already been made in Australia for broad or general educational pathways in VET, for example, the Diploma of Professional Studies proposed by the Mackenzie Research Institute, which would combine accredited VET study with literacy, numeracy and digital skills development and be targeted at those who typically skip further learning after school (Burke, Karmel & Mackenzie 2020).

At a more fundamental level, the competency-based training model itself has been criticised for being too prescriptive and restricting the knowledge students can acquire. Some VET stakeholders are calling for CBT to be replaced, particularly at higher AQF levels, with a concept-focused curriculum approach. Serious development work on what might usefully replace CBT is yet to be undertaken, but other options may enable VET to keep pace with industry change without the requirement for ongoing training package updates.

Given that the industry-informed qualification development model has been tinkered with for some time, it is worth considering whether a greater focus on general education might increase VET’s flexibility and agility and perhaps better facilitate articulation between both secondary and tertiary education. The role of industry remains vital, as industry bodies working at the provincial, state or regional level are ‘particularly successful in strengthening partnerships between employers, training providers and local governments’ (Siekmann & Circelli 2021). That role for industry complements research indicating that well coordinated work-based training is likely to lead to lasting employment outcomes (Waugh & Circelli 2021).

**VET’s social role**

VET’s other purpose can be less straightforward to measure and relates to the social benefits VET delivers to students and communities — as a context in which individuals have a second chance to acquire foundation skills, meet new people and find supporters, gain confidence, and identify new opportunities. VET’s role in mitigating disadvantage is evident in the share of Australia’s vulnerable population it serves, with research showing that nations with smaller gaps between the most and least vulnerable enjoy greater economic stability and wealth (OECD 2015).

One key advantage of VET has been its supported learning environment, one that provides opportunities to those who struggled in the traditional school setting. A second-chance
education pathway is a vital component in lifelong learning and in tackling socioeconomic disadvantage; however, this opportunity hasn’t been accessible to all who might benefit. Various programs and policies to address access and equity in VET have been targeted at a wide range of cohorts experiencing barriers to education, including women, Indigenous people, people living in rural and remote areas, those from low-income areas, prisoners preparing for community re-integration, and refugees and migrants. Although VET participation for many of those groups has grown as a share of total VET, gaps in completion and achievement persist (Lamb et al. 2018).

Students self-report disability status upon commencement of their training. ‘Ticking’ that box may indicate any of a range of physical and mental impairments and should prompt training providers to make suitable adjustments, allowing the student the same opportunity as others to undertake and complete their training. Importantly, it is not only the type of disability but the student’s accompanying characteristics that will dictate what supports are needed (Karmel & Nguyen 2008). Assessing how the system caters to students with disabilities can offer great insight into how flexible and student-centred VET services are.

This year’s ‘No Frills’ Conference falls in NAIDOC week, so it is worth reiterating that Indigenous achievement in education still lags behind that of non-Indigenous people (Australian Government 2020). The VET sector has a role to play in Indigenous education achievement: Indigenous people make up 2.8% of the Australian population¹ but represented 7.9% of VET program enrolments in 2019 (NCVER 2019). Indigenous VET engagement has been rising and trending towards the completion of higher AQF level programs, which tend to have better employment outcomes. Further, for male Indigenous apprentices who complete their training, employment outcomes are equivalent to non-Indigenous apprentices (NCVER 2019). However, overall program-completion rates remain low compared with non-Indigenous participants (Windley 2017).

The excellent outcomes from trade apprenticeships for men makes the employment-based training model attractive as a template for promoting graduate employability; however, the fact that women and disadvantaged learners remain under-represented prompts some reflection on VET’s role in supporting industry and individuals to challenge established recruitment patterns.

NCVER-supported research indicates that the factors that promote Indigenous retention and translate into employment following study include: the qualities of the VET trainers; family and community support; training coordination and support; and relationships with other students. An important finding was that, for Indigenous learners, ‘success’ did not only mean an employment outcome: Indigenous students valued the confidence and identity they gained, and the community and cultural ownership of a course was key to this (Guenther et al. 2017).

A reframed conceptualisation of success must inform future analyses of VET outcomes, and social inclusion measures may be a useful addition to these assessments. Over the years a great deal of research has been undertaken on this topic, providing considerable insight into what disadvantaged students need. Future studies may usefully investigate how adjustment could be made and why they haven’t been.

¹ According to the Australian Census of Population and Housing, 2016.
Harmonisation

VET has long lacked a unified voice. ANTA’s reign stands out as a relatively cohesive period, but since that time Australia has lacked a single coordination point and an abiding vision for vocational education. Despite this legacy, ANTA was never able to realise one of its key mandates: to manage the allocation of VET funding provided by the states and territories. Starting with the Kirby report in 1985 (Committee of Enquiry into Labour Market Programs 1985), a recurring recommendation of reviews has been to pursue the consistency and efficiency that national harmonisation of the VET system might bring to apprenticeships and traineeships and to VET for secondary school students, along with VET regulation and policy more broadly. The national VET regulator has been in place since 2011, yet the persistence of state-based regulators suggests that national harmonisation is still a difficult goal to realise.

The Victorian Skills Commissioner concluded in 2017 that, ‘first and foremost, stakeholders yearn for policy stability’ (Office of the Victorian Skills Commissioner 2017), a sentiment that confirms the change fatigue experienced by VET stakeholders. In relation to apprenticeships and traineeships, a recurring criticism has been the volume of ‘red tape’, while the regulatory hurdles that employers and employees need to navigate are onerous and are complicated by the ever-changing mix of policies and programs at both state/territory and federal levels. Similarly, the extent and nature of VET offerings for secondary school students remain inconsistent across the nation, reflecting the fact that the constitutional responsibility for secondary education and VET sits at the state/territory level. Additionally, the funding of VET is shared between the Commonwealth and the states and territories, but the respective objectives and preferred approaches to the application of funds are not always aligned. In such a complex system it is difficult to disentangle the effects of this, but it is commonly assumed that some blame for the decline of VET participation can be laid at the feet of system complexity.

On one front, harmonisation efforts have been renewed: the federal government has delegated the challenging task of setting national pricing for VET qualifications to the National Skills
Commission. Their initial report confirms long-held impressions of the substantial variation between jurisdictions. Past efforts to harmonise VET systems have demonstrated that there are real concerns over what might be lost by doing so, but state and territory reluctance to pursue a path in which the various systems are aligned is not without justification: jurisdictions want to retain local control to address their place-based and cohort-specific needs. And research often shows that place-based and locally coordinated solutions work best when targeting those most in need of the second chance VET can provide.

High-level policy and programs are fundamentally blunt instruments, yet one of VET’s key advantages lies in its ability to be a very sharp instrument when pointed in the right direction. Perhaps complete harmonisation is not a realistic goal for the Australian context. We can see that other federated nations restrict any attempt at national harmonisation to a relatively small number of trades where mobility is crucial (for example, Canada's Red Seal program). But in the absence of a single system, well coordinated services at all levels of government may reduce the confusion. Such coordination may require VET’s stakeholders to be reassured by the presence of an independent leader, empowered to ensure place-based needs are not lost in the name of national coordination. One recommendation of the Macklin review in Victoria was to establish a VET leadership body (Macklin 2020), and such a strategy may also work at the national level, once trust in its independence from partisanship has been established.

Marketisation of VET

One important factor in VET’s story has been the shift towards marketisation, whereby governments have deliberately sought to reduce the traditional monopoly of TAFE institutes and provide greater choice to students through the establishment of contestable government-funded training markets. Significant milestones in the marketisation of VET include the national introduction of User Choice arrangements for apprentices and traineeships in 1998, and the implementation of various state- and territory-based entitlement models in 2008 (Victorian Training Guarantee) and in other jurisdictions from 2012 as part of the National Partnership Agreement on Skills Reform. These reforms have in part stimulated significant growth in the number of private registered training organisations (currently around 4500 RTOs), with TAFE’s share of the VET market declining.

The underlying philosophy that has guided governments is that competition leads to greater efficiency through lower costs while encouraging quality and choice. In practice, however, despite some clear benefits to students and industry, there have been a number of large market failures, most notably, the disastrous VET-FEE HELP program.

In a functional market, providers who deliver excellent training at a fair market price should be the most attractive option for students and employers. However, as VET-FEE HELP demonstrated, the sector still needs to grapple with the lessons learned so far, including how to ensure students and employers are sufficiently informed and empowered to make appropriate choices. Part of the answer may lie in rethinking how quality is measured, as well as developing novel approaches to data reporting. Also important is ensuring that improved and objective career guidance is available prior to enrolment to enable students to make discerning decisions about courses and providers that are in their own interest.

Many VET commentators believe, however, that even improved information to prospective students and employers will likely not be enough and that governments will need to intervene on behalf of students (and taxpayers) through appropriate regulation and oversight as part of a ‘managed’ market approach.
Quality

Clarifying and balancing VET’s purposes, embedding equitable access and coordinating system functions are all features that influence the ultimate quality of training and assessment, ‘quality’ itself also being the subject of many VET reviews. The pursuit of quality led to the establishment of the Australian Quality Training Framework (AQTF) in 2001, introducing national standards to the VET sector. Updated in 2007, the framework shifted to an ‘outcomes focused’ model; nevertheless, concerns about VET quality persist.

The continued drive towards a market-driven VET system has raised questions about how consumers can judge the quality of VET providers and their offerings. The Joyce review (Department of Prime Minister and Cabinet 2019) recommended reforms to ‘strengthen ASQA and quality assurance’, but that will do little to improve the public’s ability to select courses based on quality. Implementing a website that publishes provider outcomes is one solution offered, but such a website needs to first tackle the issue of how to track and report provider outcomes in a fair and insightful way.

Program completion rates or subject load pass rates remain the most frequently used indicator of course and provider quality, although completion is just one factor in many that make VET a valuable pathway. For qualification completers, satisfaction with the overall quality of their training has increased slightly since 2016, to 88.4% in 2020 (NCVER 2021). In 2019, 78.8% of employers using nationally recognised training reported being satisfied. Of those employers dissatisfied, the lack of relevant skills being taught and poor-quality training are most often cited (NCVER 2019). The quality of VET is informed not only by the design of training packages (discussed earlier), but also by the training providers and their staff, along with the support provided by industry and other individual support services.

The VET workforce is central to quality. In 2019, the NCVER’s survey of the VET workforce revealed that about 71 000 trainers and assessors were working in VET, half of whom were employed on a permanent basis (Knight, White & Granfield 2020). Insecure employment has an impact on quality, continuity and professionalism in the workforce. The challenges presented by working with vulnerable and second-chance learners mean that it is more critical for VET sector trainers to maintain both their industry-specific and teaching skills.

Previous research on VET teacher quality tells us that professional development is not a simple fix. A comparison of the 1978 Fleming report and a 2011 Productivity Commission report on VET teacher training revealed similar issues. A subsequent Productivity Commission review recommended undertaking a workforce survey, after highlighting concerns about initial teacher training, teaching qualifications, a lack of current workforce data, and a lack of professional development and career pathways (Productivity Commission 2020). We know that one size will not fit all: VET trainers and assessors require targeted professional development, matched to their expertise, aims and location. A model of professional development with the capacity to deliver this outcome in a sustainable (affordable) way is yet to be implemented and represents a core challenge.

Perception

In the age of social media we know that ‘quality’ often relates to how a product or service is perceived. For a nation that loves to support an underdog, Australia is surprisingly neglectful of the education sector that provides a pathway for early school leavers and those not academically inclined. History shows that VET has delivered skills crucial to Australia’s prosperity, including during, and in the recovery from, the COVID-19 pandemic.
It is worth examining what part the perception of VET plays in framing its ‘issues’ and their solutions. While VET is often held responsible for industry discontent with the availability of skilled workers, its positive contributions remain relatively unacknowledged. In 2017 the Productivity Commission described the sector as ‘a mess’ in its *Shifting the dial* report (p.86) and the volume of media reporting on the fallout from the VET FEE-HELP failure has left the general public with a sense that VET is not functional. Such negative characterisations of VET stand in contrast to the positive experiences of many VET providers and students, but more unfortunately they frame analysis and system reform within a deficit model.

The perception of VET may be more helpfully reframed by the sector taking control of the expectations piled upon it. As the Productivity Commission (2020) noted, VET is one major, ‘but not the only avenue for skills and workforce development’ (p.41). So long as VET continues to be viewed as a tool that could cure many ills — from unemployment to intergenerational poverty — if only it were ‘fixed’, the system is bound to come up short. Might it provide some relief if we let go of the notion that VET graduates can neatly fill all Australia’s workforce gaps? Failing to facilitate a perfect skills match doesn’t mean the sector isn’t achieving great things for individuals, for communities and in workforce supply.

**Data reform**

This discussion of measurement leads into another issue, one that often features in VET reviews: access to timely and accurate VET data. Since the NCVER’s establishment in 1981, vast inroads have been made in the information available about the VET market and the student journey. Critically, the introduction of the unique student identifier and the collection of information capturing all of the training and study activity of VET students has allowed researchers to examine student completion rates, as well as ‘micro-credential’ or subject-only activity. Data collections can now be linked with greater precision, enabling student journeys through the VET system to be more accurately mapped.

Over time, the USI will allow us to examine the effects of different VET policies on student cohorts, delivering greater insight to policy-makers and other VET stakeholders. From 2023, all higher education students will need a USI to graduate, and there are plans to extend the USI to school students, a development that will make it possible to track students across their
educational lifespan. This initiative also allows VET data to be linked with the Multi-Agency Data Integration Project (MADIP) and the Jobs and Economic Development Impact (JEDI) data collections, presenting exciting possibilities for understanding how education pathways interact with health and economic outcomes at the individual and population levels.

Developments in data-analysis capability, and the recent disruption imposed by COVID-19, have encouraged stakeholder appetite for real-time VET data. Planning is currently underway for a new national VET data architecture to enable VET data to be collected in near-real time. This capability will potentially assist regulators and governments to make more timely and informed policy interventions in order to improve the experience and outcomes for both students and industry.

Taken together, all of these data reforms will also provide researchers with more powerful tools to investigate, and hopefully reveal, the evidence-based insights required for addressing the perennial issues identified above.

Conclusion

Forecasting what lies ahead is notoriously difficult, a lesson reinforced by the pandemic of 2020. Researchers in the field of forecasting recommend abandoning attempts to forecast based on the past and instead advise scenario-planning for alternative futures (Makridakis, Hogarth & Gaba 2010). The implication of this approach for VET would be to focus on shaping a responsive and flexible system, one with the capacity to cope with any eventuality.

In 2020 a spotlight was shone on VET, providing an opportunity to address persistent issues, those we know predated COVID-19. Addressing these issues may mean taking a frank look at the approaches that have not worked well and embarking on fresh courses. Attendees of the ‘No Frills’ Conference will be given the opportunity to contemplate future directions as they hear from presenters challenging the place of competency-based training (Michael Hartman), exploring VET student choices (Hywell Ellis), examining what industry partnership looks like (Megan Lilly), and many more reflective and future-focused topics. The conference offers an opportunity for those who are deeply invested in and passionate about VET to consider how the sector might shape its own future, based on learnings from the past.
References


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