



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

PROOF

COMMITTEES

**Employment, Workplace Relations, Small
Business and Education References Committee**

Report

SPEECH

Thursday, 9 November 2000

BY AUTHORITY OF THE SENATE

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Questioner
Speaker Collins, Sen Jacinta

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Senator JACINTA COLLINS (Victoria) (9.35 am)—I present the report of the Employment, Workplace Relations, Small Business and Education References Committee entitled *Aspiring to excellence: report into the quality of vocational education and training in Australia*, together with an overview and recommendations, the *Hansard* record of the committee's proceedings, submissions, and other documents presented to the committee.

Ordered that the report be printed.

Senator JACINTA COLLINS—I move:

That the Senate take note of the report.

The *Aspiring to excellence* report and its recommendations are the culmination of more than three years of close scrutiny of the vocational education and training sector by interested senators—particularly Senator Carr, who commenced this process through estimates.

When the Employment, Workplace Relations, Small Business and Education References Committee began its inquiry late last year it had much anecdotal evidence to draw on. Impressions, based on information arising from the estimates process, suggested a training system beset by quality control problems and unethical conduct by some training organisations—and much of the evidence to this inquiry has reinforced this to some extent. The inquiry also revealed that poor quality assurance processes, resulting from lax administration by some state training authorities—itsself a consequence of the government's refusal to meet the costs of increased demand for training—were entrenched in the VET system.

The 28 recommendations in this report draw to the government's attention ways in which issues within the VET system can be addressed through a national framework for quality. A truly national VET system entails the Commonwealth exercising its powers to ensure that uniform standards and procedures apply to all aspects of the system: from registration of training organisations and their quality supervision through to the recognition and content of training packages.

In the view of the majority of the committee, the minister's recent—but reluctant—initiatives simply do not go far enough. A solid legislative framework for a national VET system giving the Commonwealth overriding powers is essential to ensure the quality system across the country. The majority senators' proposal for a national qualifications and quality assurance authority would see an administrative structure not only preserving current state functions but also ensuring Commonwealth powers to back state efforts, when required.

Growth funding is essential not only to support this quality assurance but also, more obviously, to allow states to deal with increased demand for training. From 1996 to 1999, participation in the VET sector increased by 22 per cent. The committee heard overwhelming evidence from state governments and others that there was no longer any scope to achieve growth through efficiencies. The committee notes that the 'growth through efficiencies' policy appears to be a major factor in the decline of quality within the VET system.

Industry representatives also do not accept that all is well within the VET sector in terms of quality. The Australian Industry Group has questioned the directions of Australia's training efforts, and has expressed concern about the neglect of high-end technology training. Overall, the majority is left with an impression that Australian industry is not overly enthusiastic about recent efforts in the system—a system that allegedly is directed by them, and for them, through the Australian National Training Authority; nor does industry appear to be as fully engaged as it should be. Other stakeholders also feel disenfranchised by the way the VET system is currently operating.

Many of these tensions within the VET system stem from this government's introduction of the New Apprenticeships scheme. For example, it is New Apprenticeships which, in a climate of reduced funding, are putting most of the strain on the ability of TAFE institutes to deliver training. It is the New Apprenticeships area that has been the catalyst for growth of non-TAFE sector registered training organisations, a number of which

have had their record for providing quality training called into question. It is the New Apprenticeships which have facilitated 'wholly on-the-job training', criticised in this report for its failure to provide broad generic training. It is the New Apprenticeships scheme where some unscrupulous employers, including some major companies, have abused incentive payments, taking on young employees but confining them to unskilled tasks in which the training component, if it exists at all, is minimal. This destroys the long-term benefits of the program and demoralises scheme participants. Also, the New Apprenticeships have caused some industry bodies to question the training priorities of the government; they are concerned that measures appear to be aimed at short-term alleviation of unemployment statistics rather than raising the general skills base for the purposes of rebuilding and enhancing the national economy.

The committee majority has not—and I stress 'not'—recommended that New Apprenticeships be abolished. However, we want each of the unfortunate policy ramifications that I have noticed addressed according to the ways we recommend in our report. Related to New Apprenticeships is the issue of user choice as a mechanism for developing the training market. The committee has found that there are significant problems associated with the current training market which are affecting the quality of outcomes for the whole of VET. The benefits of user choice, rather than the ideological purity of the minister, have not been demonstrated in terms of quality training delivery. The committee has recommended a moratorium on its operation.

In the midst of this, the government is missing a vital opportunity to attract industry investment in training, and we make a number of recommendations on this point. It is imperative that we address skill shortages and have an adequate resourced agenda in partnership with industry, if VET is to facilitate a responsive and prosperous global economy—which must be its fundamental objective.

In conclusion, I extend my thanks to all of my committee colleagues for their hard work on this inquiry and to all those who have assisted throughout the course of the inquiry. On behalf of the committee, I would like to extend my particular thanks to Ms Gail Cummins, our consultant, for her outstanding work and to all members of the secretariat staff. I commend this report to the Senate.