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Sue O'Keefe
LaTrobe University

Brian Dollery
University of New England

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Contemporary Public Policy Perspectives on Vocational Education and Training in Australia

Sue O'Keefe
School of Business
LaTrobe University
and
Brian Dollery
University of New England

Abstract

Developing the skills and abilities of the workforce is critical to a firm's ability to sustain a competitive advantage, and to the competitiveness of the economy as a whole. It has become imperative in the context of rapid technological change, globalisation and changing forms of work organization. However, against a background of reduced government intervention and increasing competitive pressures on enterprises, the policy relating to the provision of education and training has become increasingly problematic and contentious. This paper critically examines the changes in Australian vocational education and training policy that have occurred over the past decade, and provides some recommendations for consideration.

Introduction

The past decade has seen significant change in the area of education and training in Australia. The Australian market for vocational education and training (VET) is influenced by a confluence of forces within the macro environment, which combine to impact upon the legislative and policy context of VET, and, in turn, affect both the demand for and supply of VET. Selby-Smith et al. (2001, p. 5) contend that 'VET both reflects and responds to the changing economic, organisational, industrial, technological, social and political contexts in which it is set, be they local, national or global'.

Whilst there is significant overlap between these forces, and some degree of countervailing influence, they nonetheless provide the background against which VET is delivered to Australians. The VET sector operates within the context of an economy increasingly open to international pressures and with an agenda for economic reform that has continually stressed more efficient government and the efficacy of market forces. For instance, the 1993 Hilmer Report on National Competition Policy set the scene for far-reaching changes in the Australian economy, including the VET sector. Changes were also spurred by the high levels of unemployment experienced in the early nineties that attested to the poor job prospects of early school-leavers and low-skilled workers. Subsequently, Australian public policy has moved relatively quickly to a more demand-led, market-oriented approach to the VET sector, albeit with some caveats.
This article seeks to examine the changes that have occurred in the VET sector and to identify current challenges for policy makers. Whilst there is some contention regarding the appropriate definition or parameters for VET, (see for instance, Campbell et al. 1970; Maglen, 1997), we follow Selby-Smith (1998, p. 157) and define VET as ‘…all formal post-school education which prepares for (or further develops their skills in) a specific vocation or for work generally, up to and including the level of para-professional occupations’.

The article itself is divided into seven main sections. Section two outlines the economic context in which VET is delivered. Section three provides a chronological exposition of training market reforms that have occurred over the past decade. Section four examines the current state of play within the VET sector whilst section five identifies a number of policy challenges for the future of VET. Discussion and recommendations are presented in section six, before some brief concluding remarks in section seven.

**Economic Context: Industry Structure, Employment Patterns and Work Organisation**

The Australian economy has experienced substantial structural and economic change over the past two decades. This era has seen a move towards a reliance on market forces and an attendant increase in competition. Many public sector activities have been curtailed, privatised or restructured in an attempt to achieve efficiency gains. Economic activity has become more diversified with less reliance on primary production and manufacturing and the concomitant rise in the new 'knowledge industries'. These changes have provided the impetus for a number of initiatives to improve the skill levels of the labour force, including the concept of lifelong learning. Policy documents at national, state and institutional levels have been increasingly framed in terms of a lifelong learning perspective (Curtis & McKenzie, 2001). The convergence of the policy aims of decreasing roles for government and fostering the concept of lifelong learning imply an increased role for the individual in shaping and funding their own education and training. There has been an accompanying realisation that the magnitude of education and training currently provided may fall short of socially optimum levels (Burke, 2000; Long et al. 2000).

Increased competition and technological change have altered the landscape of Australian industry. This has seen a marked decline in employment in the skilled manufacturing, blue-collar, white-collar clerical and manual low skilled occupations (Maglen, 2001). In addition, the agricultural sector has shrunk and service industries have increased, changing the skills requirements of the economy, and having an obvious impact upon the types of education and training that are demanded. Smith and Keating (2003, p. 19) maintain that 'tertiary' industry (distribution, government and community services), 'quartemary' (information-based) and 'quinary' industry (recreation and household services) taken together, account for around 68 percent of all Australian national income. Shah et al. (2001) identified a trend towards both higher and lower level jobs, with stagnation at the middle (ie, tradesperson) levels, especially in manufacturing. Moreover, Maglen and Shah (1999) suggest that the largest growth in employment over the last decade has actually been in the lowest skill areas; in the personal services sector, and mostly in the form of 'casual'
employment. Many of the lower level jobs that have been created are part-time or casual and occur in occupations such as waiting, housekeeping and bus driving. These jobs have accounted for about 21 percent of new positions created since 1986 (Maglen, 2001). Traditionally, the casual or part-time worker has exhibited a much lower propensity to undertake education and training, that is also less likely to be supplied by the employers of these workers.

Furthermore, the recent period has been characterised by the growth of non-standard employment and non-linear pathways (ANTA, 2002). Marginson (2000, p. 16) identified the increase in non-standard work typically occurring at the low-skill end of the employment spectrum, together with major growth in both part-time work and in non-standard hours (See also ANTA, 2003a, p. 2). It has also been noted that traditional pathways to employment are disappearing as young people become less motivated by security and more likely to change jobs (ANTA, 2002). The concept of 'portfolio' or 'free agent' work has also been highlighted by Imel (2001). This type of worker takes on specific projects for specific periods of time and then migrates to alternative projects. There is currently some uncertainty as to the extent to which these workers choose this work pattern of their own volition. It is possible that it simply reflects reduced availability of more secure employment.

At the other end of the spectrum are the so-called 'knowledge-intensive' industries that are central to economic growth (ANTA, 2002). The International Labour Organisation (ILO) has, for example, identified knowledge as the critical source of wealth creation, as opposed to physical and natural resources (ILO, 2003). The term 'knowledge-based economy' was coined by the OECD and defined as an economy that is ‘…directly based on the production, distribution and use of knowledge and information' (OECD, 1996, p. 7).

In addition to the changes outlined above, we have witnessed substantial change in the nature and structure of organisations. Perceptions and experiences of work continue to undergo quite rapid and drastic transformation. These changes include, but are not limited to, alterations in the working week, security of attachment, the implicit employment contract, flexibility arrangements, extent of involvement in decision making, skills demanded, job complexity, and the creation and use of knowledge. Marginson (2000, p. 17) argued that organisations are increasingly reliant upon a 'core-periphery model' where they employ a 'skeleton' staff who co-ordinate or manage a shifting network of temporary employees, 'outsourced' service providers and consultants. Work has become less location dependent with the increase in telecommuting, decentralisation of decision-making and the organisation of work into semi-autonomous, task-oriented teams (ILO, 2002). There is also a tendency for successful businesses to take a 'value chain' approach, so that the very concept of an organisation has become a less useful unit of analysis (ANTA, 2003a; Noonan, 2003). Firms are likely to co-operate with other businesses through alliances, clusters, partnerships and other co-operative arrangements (Noonan, 2003). An aligned trend worth noting is the strong growth within the small business sector in recent years (Johnston, 2002).

These changes have significant implications for the nature and level of VET undertaken in Australia. There is general agreement that those groups that seek and receive the most education and training will be those that are employed full-time,
employed permanently, employed by a large firm, or by the public sector (Groot, 1997; Booth, 1991; Blundell, Dearden & Meghir, 1996; Long et al. 2000). However, these cohorts are declining as a proportion of the workforce. The corollary of this is likely to be reduced demand for VET from these groups at a time when nations are extolling the virtues of investment in lifelong learning.

Despite this sombre prognosis, increased levels of education and training have been seen as a panacea for the nation's economic challenges. We are reminded that countries will increasingly have the choice between a 'low-skills, low-wage' road, and a 'high-skills, high-wage' option (Reisch, 1992; Tucker, 2003). The calls to increase levels of education and training are echoed throughout OECD countries since this is seen as insurance in the post-industrial economy where a nation's most valued assets are human resources and their attendant knowledge, flexibility and innovation. Many of the changes outlined above lead inexorably to an increased demand for education and training. In particular, any change in the nature of jobs will almost automatically lead to an increase in the demand for education and training. High levels of unemployment also allow some employers to demand increased entry-level training ('credential creep') of their potential workers (Selby-Smith et al. 2001). In addition, the rapid pace of technological change has rendered frequent training mandatory in any organisation that wishes to remain competitive in the global marketplace.

Having briefly examined some of the environmental changes occurring in Australia over the past decade, attention now turns to the policy responses to the environmental conditions.

**Policy Developments**

In Australia, the States and Territories assume major responsibility for the administration and major funding of primary, secondary and VET sectors. The Commonwealth, on the other hand, is principally responsible for the funding of higher education in addition to the provision of some supplementary funding for VET and schools. It is these governments that provide operating revenue. The remainder of revenue derives from fee-for-service, ancillary trading, and student fees and charges.

The VET sector operates against the background of a number of (often) competing interests. In particular, there is tension between the roles and responsibilities of the Commonwealth government *vis-a-vis* the State and Territory governments; there is likely to be conflict between the views of government and those of industry, and between the individual employee and their employer. However, it is possible to discern a number of broad aims underlying the policy changes. Specifically, the aims of these policies were to achieve an increase in investment in education and training without a significant increase in government funding; to develop a more flexible workforce; to achieve more equitable outcomes; and to maximise training and education outcomes for input. A number of policy instruments were utilised in pursuit of these objectives. Some of the more influential policy instruments include the moves to replace publicly funded education and training with competitive markets; increased charges in public education; increased subsidy to fee charging private institutions; mandating increased expenditure by employers; decreasing public funds; changes in the management structure of public education; and competency based training and recognition of prior learning.
Table 1 sets out the 'milestones' of the training reform agenda. Whilst the changes listed are not all equally relevant to the theme of this article, even a cursory glance attests to the extent of activity in this sector over recent years. Care must be taken in examining this 'agenda' as if it was a coherent and pre-planned set of developments. Rather, the term 'agenda' refers to a number of discussions and decisions made by governments over the past decade that, taken together, provided the impetus for change. Smith and Keating (2003) argued that although most policy commentators now see the period of rapid change as over, the VET system nevertheless continues to exist in a state of flux.
### Table 1: Chronology of Policy Development in VET

<table>
<thead>
<tr>
<th>Development</th>
<th>Key Directions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finn report (1991)</td>
<td>Provided targets for increased participation in education and training.</td>
</tr>
<tr>
<td>Agreement on goals for VET (1992)</td>
<td>Reached by Training ministers (MOVEET).</td>
</tr>
<tr>
<td>Carmichael Report (1992)</td>
<td>Recommended combining apprenticeships and traineeships into a single entry level training system.</td>
</tr>
<tr>
<td>ANTA agreement (1992)</td>
<td>Agreement by Federal and State governments to set up one body to set strategic direction for VET. Federal government to provide more funding, provided states committed to a national framework.</td>
</tr>
<tr>
<td>Mayer report (1993)</td>
<td>Followed Finn Report, and set out seven key competencies to be incorporate into education and training.</td>
</tr>
<tr>
<td>ANTA operationalised (1994)</td>
<td>Resulted in this being the premier body for policy and practice in VET.</td>
</tr>
<tr>
<td>MCEETYA (Ministerial Council for Education, Employment, Training and youth Affairs) (1994)</td>
<td>Acknowledges the need to consider the post-compulsory system as a whole within the context of changes in employment and the labour market.</td>
</tr>
<tr>
<td>Australian Quality Framework (1994)</td>
<td></td>
</tr>
<tr>
<td>MAATS and new apprenticeships (1997)</td>
<td>More flexible and industry led approach to traineeships and apprenticeships.</td>
</tr>
<tr>
<td>User choice (1997)</td>
<td>Employers select the RTO they wish to provide training. Funding flows directly to the provider.</td>
</tr>
<tr>
<td>National Training Framework (1997)</td>
<td>To increase recognition and portability of training.</td>
</tr>
<tr>
<td>Training packages (1997)</td>
<td>Basically the industry driven bundling or packaging of competencies.</td>
</tr>
<tr>
<td>Bridge to the future (1998)</td>
<td>To allow Australia to compete in global markets.</td>
</tr>
</tbody>
</table>

Adapted from Smith and Keating (2003).

## Training Market Developments
This section examines the development of markets in the VET sector. The development of a market for publicly funded and recognised training can be seen as emanating from the economic policy crisis of the mid-1980's. The increasing emphasis on the efficacy of the market mechanism served as a catalyst in the pursuit of microeconomic reform that aimed to enhance the efficiency of government, constrain public expenditure, and increase economic growth and productivity. Whilst the origins of the concept of a competitive market for VET are not clear, it appears to have been derived from the Deveson Report entitled *Training Costs of Award Restructuring* (1990). The Report proposed that governments, in concert with industry, needed to ‘…ensure that training regulation…assist the development of more open and flexible training markets’ (Deveson, 1990, p. 66). Deveson (1990) argued that traditional public sector planning models of resource allocation were inefficient due to the absence of any price mechanism to signal the actual value of goods and services. The Report proposed a market-based approach which emphasised client choice and provider competition in an effort to increase efficiency, quality, responsiveness to client needs and private investment in training. In order to achieve this, the Deveson Report (1990) suggested the deregulation of fees in Technical and Further Education (TAFE), increased commercialisation of TAFE provision, and diversification of supply through a nationally recognised system of public and private providers and their courses.

The endorsement of these proposals in 1990 by Commonwealth, State and Territory VET Ministers signalled the emergence of a more integrated approach to training market development. The human capital needs of industry were seen as paramount, and the importance of 'skill formation' in the process of structural adjustment was emphasised. Thus, there was a high priority placed on reforming the TAFE sector (Dawkins & Holding, 1987). The dual goals of increasing efficiency whilst maintaining government budgetary restraint necessitated the search for new models of resource allocation and income generation within the TAFE sector. The user-pays system was consequently hailed as a way of increasing investment in training by individuals and industry (Dawkins & Holding, 1987; Dawkins, 1988).

Subsequently, a number of market oriented policies and finance mechanisms were introduced during the latter part of the eighties, albeit in an ostensibly uncoordinated and ad hoc manner. These policies included competitive tendering in the Australian Traineeship system, program budgeting and performance agreements in the TAFE sector, fee charging for Adult and Community Education (ACE) courses and post-initial training courses in TAFE.

The Training Guarantee Levy was implemented between 1989 and 1994 with the aim of increasing industry investment in workplace training. In an attempt to find a balance between government intervention and market forces, the Training Levy was at first enthusiastically embraced, and then later discarded (Noble, 1997). The Training Guarantee Act operated from 1990 till 1994 and was overtly aimed at increasing the levels of industry-funded education and training. In essence, firms with payrolls of more than $200,000 were required to spend 1.5 percent of their payroll on the training of their employees. Employers who failed to meet this target had to pay an equivalent amount to consolidated revenue. Noble (1997) cited a number of studies that demonstrated the positive role that the Training Levy had exhibited in increasing expenditure on training. This was particularly so for firms that had previously under-
invested in education and training and human resource development. However, the focus of the levy was clearly on larger businesses; already much more likely to spend on education and training than small and medium sized organisations. In addition, the levy was strongly criticised by Australian business. It was seen as an inappropriate policy that added a significant administrative burden whilst simultaneously ignoring the importance of the development and promotion of a strong training culture (Noble, 1997). *The Training Guarantee Act* was suspended for two years after considerable debate. The government, in the *Working Nation* white paper announced the end of the scheme 'in the light of the commitment by industry to meet its training obligations over the next few years' (Commonwealth of Australia, 1994, p. 103).

The concept of a training market was also significantly influenced by the *National Competition Policy Review*. This committee focussed on the formulation of a national competition policy to support an open and integrated domestic market for goods and services (Hilmer, 1993). The main areas of interest for this report were public utilities, the professions and agricultural marketing. However, there were some attempts at the Commonwealth level and in some States and Territories to extend or apply the principles to VET. Nevertheless, legal advice from State and Commonwealth Attorney's General concluded that VET did not come within the scope of national competition policy. Despite this, it is obvious that the emphasis on market forces did have a substantial influence within the VET sector.

In 1992, in the *Australian National Training Authority Act*, the heads of Australian governments agreed to establish a national focus for VET with significant industry involvement and support. ANTA was finally established in 1994. ANTA's priority was to develop '... a more client-responsive National Vocational Education and Training system by establishing a competitive training market' (ANTA, 1993, p. 8).

The first National Strategy, *Towards a Skilled Australia* (ANTA, 1994), gave priority to the expansion of the training market through contestable funding arrangements in an attempt to 'open up' the training market, partly through the allocation of more funds on a contestable basis. Closely related to this development was the concept of 'user choice' in the late 1990's. This was an attempt to develop the competitive market and increase the numbers of training providers, and included national priorities aimed at enhancing the levels of contestable funding. However, Maddock (1998, p. 269) described user choice as being:

> Based on a view that a free market produces rational service distribution and price competitiveness. These factors combine to increase market choice and market access. It is also assumed that consumers are reasonably adept at making the correct purchasing decisions.

Thus, the 1990's were characterised by increased movements towards a market-based approach to VET, and the recognition of the need to constantly up-skill and re-skill the Australian labour force. Attention is now turned to an examination of the ANTA national strategies for 1998-2003 and 2004-2010, in an attempt to discern policy directions and themes.
Current Policy Directions and Challenges

Policy for the period 1998-2003 was exemplified in ANTA's national strategy entitled *A Bridge to the Future*. The two key directions were to strengthen the links between education and the labour market, and encourage the development of learning cultures within organisations (ANTA, 1998) with the overall emphasis upon fostering an Australian labour force skills base that is able to compete and flourish in the global economy. For example, Kosky's (2002) ministerial statement, outlined the steps to be taken in an attempt to transform the VET system from one that relates to an industrially based economy to one that assists firms to compete in the innovation economy and thereby assists communities and individuals gain the skills they need for the future. This approach is further illustrated in the mission statement of ANTA's national strategy for VET 1998-2003, *A Bridge to the Future* (1998, p. i); 'To ensure that the skills of the Australian labour force are sufficient to support internationally competitive commerce and industry and to provide individuals with opportunities to optimise their potential'.

This strategy was supported by a number of objectives for VET: equipping Australians for work; enhancing mobility in the labour market; achieving equitable outcomes in VET; increasing investment in training; and maximising the value of public VET expenditure. Although ANTA (2003b) identified significant progress towards some objectives, there remained a number of areas of concern for policy makers. Foremost amongst these are worries about Australia's levels of educational attainment as compared to the higher OECD average (ANTA, 2003b, p. 4); unease over the quantity and quality of information from which individuals are assumed to make informed and rational decisions about the nature of their training in a lifelong learning environment (ANTA, 2003b; Anderson, 2003); and the perceived need to increase the scope of interest to more accurately encompass the variety of both formal and informal types of education and training (Noonan, 2003; ANTA, 2003b; Schofield, 2002).

Some of these issues were subsequently addressed in the new National Strategy that is embodied in *Shaping Our Future: National Strategy for VET 2004-2010*. This strategy has been developed with widespread collaboration and consultation and sets a vision, objectives and strategies for VET until the end of the decade. It recognises and attempts to respond to changes in the structure and composition of the workforce, patterns of employment and work organisation and more openly attests to the need to value diversity amongst learners. It explicitly positions the individual and the employer as the central focus for VET policy into the future. Table 2 summarises the stated objectives of this Strategy and raises some of the implications flowing from this strategy.
Table 2: Objectives and Implications of National Strategy 2004-2010

<table>
<thead>
<tr>
<th>Objective</th>
<th>Implications</th>
</tr>
</thead>
</table>
| 1 Industry will have a highly skilled workforce to support strong performance in the global economy | • Recognises the ramifications of the changing structure of the workforce and the nature of work itself.  
• Expressed wish to decrease the incidence and extent of skill shortages.  
• Implies under-provision of VET.  
• Shifting emphasis from initial training to continuous training.  
• Importance of foundation skills.  
• Enhanced inclusiveness, for example 'discouraged' workers. |
| 2 Employers and individuals will be at the centre of VET | • Logical expression of a market-based system.  
• Employees likely to have to take increased responsibility for their own VET.  
• Challenges the current funding arrangements.  
• Imperative to widen and deepen client choice to facilitate increased participation in lifelong learning.  
• Benefits of increased customisation. |
| 3 Communities and regions will be strengthened economically and socially through learning and employment | • Stresses VET's role in capacity building, community development and enhancement of social capital.  
• Implies recognition of more informal types of learning in a community context. |
| 4 Indigenous Australians will have skills for viable jobs and their learning culture will be shared | • Equity considerations.  
• Implicit recognition that equity and access outcomes cannot realistically be resolved by VET strategies alone.  
• Importance of substantial social change. |

Discussion and Recommendations

This strategy encompasses the inherent conflict between the perceived imperative to replicate market-style outcomes on one hand, and the public policy imperatives regarding education and training in general, on the other. Related to the issue of lifelong learning, the conundrum of the funding of VET is paramount. Given that the current funding arrangements are increasingly recognised as unsustainable in an era of reduced government expenditure, there will need to be an increase in the individuals' willingness to fund VET. The VET sector has, thus far, remained largely quarantined from the large scale alterations in funding arrangements that have characterised, and continue to characterise, the higher education sector. The prospect of increased individual contributions remains problematic; particularly given the context of extant government commitment to increased equity. The relationship between government, industry and individual contributions is crucial in this respect.

The recent labour market emphasis on the individual employment contract implies that increasingly employees will need to take responsibility for their own professional development. In the context of perceived underprovision of VET, this is problematic; whilst many employers have well developed pro-active policies on skill development, there are also many firms that do not train their workers adequately, if at all (Noonan, 2003). Previously, in aggregate, this has been compensated for by the propensity of the public sector to provide relatively more training for its workers. However, since the public sector has reduced its involvement since the mid eighties, this is unlikely to occur. The existing gap is likely to be exacerbated by the rise in non-standard employment and the transfer of functions previously carried out by the public sector to the private sector who use the non-provision of training as a significant cost-shifting device (Quiggin, 1996).

The imperative to widen and deepen the existence of real client choice in an attempt to facilitate and support increased participation in lifelong learning necessitates the dissemination of more and higher quality information about the training options to stimulate demand. Currently, client choice is largely limited to choice of provider and training package. Increased customisation would allow workers to design their own learning experiences that draw upon modules from a number of areas, and, would include selection of mode, timing of study and type of assessment. This consequently represents a significant shift from the 'one-size fits all' outlook that exemplifies the training package approach.

Despite this, there remains concern that the social benefits of VET are not foregone in pursuit of market objectives. The role of VET in capacity building and the formation of social capital within communities is acknowledged. However, there is potential conflict between the simultaneous interest in the global and the local. The importance of the local and community aspect is gaining prominence in Australia and overseas, where the clear intent is to devolve training decision making to the location of greatest stakeholder relevance (ILO 2003, pp. 21-22).

There is also an implicit recognition throughout the Strategy that problems of equity and access cannot realistically be resolved by VET strategies alone. At the most basic level, participation requires adequate disposable income and some element of employment security in an environment (social and work) that values and supports education and training. Clearly, these factors require far-reaching social and economic change.

In sum, despite the complexities of the VET system and the challenges of the environment, a number of recommendations may be distilled from the preceding discussion. Foremost amongst these is the imperative to consider the VET sector as only one part of the whole system. Achieving progress towards these generic objectives necessitates significant social and economic change. Further research is necessary to identify and develop synergies between VET and issues surrounding employment, regional development, and the like.

Secondly, the role of information is crucial in attempting to stimulate awareness and demand and improving policy decisions and outcomes. Current labour market information tends, of necessity, to be backwards looking and quantitative in nature. These data do not necessarily tell much about the nature of skills shortages or the
likely needs emerging from changes in the nature of work. The careful collection of a range of qualitative data is required, necessitating systematic and ongoing dialogues with employers through skills councils and the like. Improved labour market information would enable a better alignment between training provision and employer needs, encompassing a more forward looking approach. In addition, the development and application of appropriate proactive policy solutions depends, in part, upon a sound understanding of the individual's decision-making processes. Further research into this facet of demand for VET is indicated.

**Concluding Remarks**

The past decade has involved significant change in the VET sector. This has occurred in tandem with an increased international recognition of the economic importance of education and training. This development has partly been fuelled by the emergence of knowledge-based forms of work and the influence of innovation in the field of ICTs (Marginson, 2000), in addition to a myriad of rapidly changing economic conditions. A common feature of a government's policy response has been to seek reform to the education and training system to ensure that the skills base of the labour force is commensurate with economic demands. The focus has clearly been on the market economy and attempts to strengthen the enterprise's and individual's competitiveness. In Australia, policy has remained focussed on fostering a workforce that is appropriately skilled to engage successfully in global competition in conjunction with recognition of the need to pursue lifelong learning.

However, the VET system is one of great contrasts, divergent interests and resultant tensions. Any policy analysis is, therefore, fraught with difficulty. This article has focussed upon the development of a training market. However, close analysis reveals that Australia is a long way from embracing the concept of a market for VET, despite some moves towards this end in the higher education sector. Moreover, there appears to be a tension between governmental belief in the efficacy of the market on one hand, and its recognition of the considerable economic and societal benefits of publicly provided VET on the other hand. Accordingly, issues surrounding the precise nature of the relationship between the individual, the employer and the government are crucial to the future of VET in Australia. Specifically, more information about the drivers of individual demand for VET would assist in ensuring that policies are proactive rather than reactive.

**Acknowledgement**

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**Bills and Statutes**

