

**Topic:** MINISTERIAL STATEMENT

**Subject:** A New Era In Vocational Education And Training

**Date:** 26/02/1992

**Member:** Mr STONE

**Status:** Education and Training

**Information:**

**Mr STONE (Education and Training):** Mr Speaker, I am pleased to make a statement about the Northern Territory government's policies on vocational education and training. This area of public investment has never been under greater stress or public scrutiny than now, not only in terms of its capacity to deliver on individual and national needs, but also in interpreting these needs as Australia struggles to recover from the Prime Minister's - the former Commonwealth Treasurer's - 'recession we had to have'. These stresses exist in our training systems and institutions while the community, especially school leavers and the unemployed, attempts to answer the question, 'training for what?'

It is also appropriate to speak about these issues now, some 3 months after the Northern Territory Employment and Training Authority commenced the task of creating a new era for training in the Northern Territory in which industry, represented by employers and unions, and community leaders, more broadly assumes greater power in determining the directions of training. In the new structures, both private providers of training and publicly-funded but independent TAFE colleges will be empowered to exercise increased local governance in meeting the needs of the communities they serve. I am particularly pleased that the opposition has given a high level of support to the establishment of the authority and I hope for a similar forward-looking response to policies deriving from this source.

The authority's legislation is unique in Australia in that it provides for officers from the Department of Employment, Education and Training and other Commonwealth departments to serve not only on the authority itself but also on its 4 advisory councils. I would like to emphasize the very cooperative nature of the relationship that exists between the Territory Department of Education and Training and the Commonwealth Department of Employment, Education and Training (DEET). The Northern Territory government maintains that vocational education and training must remain a state and territory responsibility because of the need to integrate fully post-compulsory, non-university education training programs and to rationalize investment in this vital area. However, it is also of the view that wasteful expenditure will remain inevitable if the states and territories do not seek to reach a consensus in their negotiations with the Commonwealth on needs and on the most appropriate structures and funding arrangements to meet those needs. Indeed, it is that particular standard which separates the Territory from many of the states and territories in the forum of the Australian Education Ministers Council.

The Northern Territory government looks forward to working with the Commonwealth minister, Hon Kim Beazley, on achieving a Territory system of independent colleges each of which is publicly accountable for the achievement of national standards that can sustain international competitiveness at the individual level and in terms of national performance. I believe that, during the period of cloistered protection of Australian industry, in practice, the nation maintained the protection of under-trained and relatively unproductive management and labour. In this environment, the Australian standard of living fell relative to that of other nations. No benefits will flow from the removal of tariff protection unless the quality of, and access to, training are improved. Indeed, removing these protections without revitalization of the quality of work will not positively affect the economic well-being of our nation.

This government believes that a more competitive training environment will emerge from the new structure for the provision of vocational education and training in the Northern Territory and from the government's attitudes to federal cooperation. I am convinced that our proceedings will become precedents for the states to follow. The Northern Territory government understands its responsibilities to many of the national structures emerging in Australia, particularly those which relate to standards and competency-based curriculums which, on the one hand, assure individual learners of the quality and universal application of their qualifications and, on the other, decrease the emphasis on bureaucratically-controlled training programs which have become time-serving experiences without reference to real standards of competence. These new approaches will also give proper recognition to an individual's prior learning. This applies particularly to the universities, which have previously shown little respect for those who have not proceeded directly from school to university or for learning achieved in non-university institutions and in the workplace. I am pleased to say that our university, of which we are justly proud, stands apart from others in Australia in its attitude.

For these reasons, the government supports the National Training Board and the important sequels to the Finn Report on young people's participation in post-compulsory education and training in the form of the Mayer committee's work on the key competencies of literacy, numeracy, science and technology, cultural understanding and problem solving. The government is committed to a general move to competency-based training. Indeed, I expect to meet with the Mayer committee when it travels to Darwin in the next few weeks.

The Northern Territory government supports national initiatives which will lead to Australia-wide recognition of qualifications and improved standards, particularly those which provide independent external criteria for judgments to be made by individual consumers and by government in seeking to make real output measures the basis of public accountability. This government is not about large bureaucracies and the centralization of power, whether this be in Commonwealth systems, union structures, or a Territory-wide monopoly of public providers of training. I wish to expand here on the effects of the forces of centralization. The government respects the work, nationally, of employer groups with the ACTU in determining national directions, but recognizes that such forums do little to recognize the legitimate needs of employers, employees and wider community interests in the place where employment exists, in the cities and towns of Australia.

Our policy, through the responsibilities of the Northern Territory Employment and Training Authority, is to create progressively more independent publicly-funded providers and to register private providers who develop through the support of local stakeholders - industry, students, parents and community leaders. These are also the people represented on institutional councils and in the governance of our colleges. These institutions will employ their own staff under conditions appropriate to the college and the

environment in which it works. They will also have greater freedom than in the past to determine their own expenditure priorities, limited only by resource agreements which demand output achievements. The performance of the colleges and their students will be monitored against national standards, using publicly understood criteria, thus allowing proper judgments to be made about institutional performance without central bureaucratic or union structures, which have often protected unacceptable standards in Australia. Excellence in education and training will be achieved only by breaking down the monopolies of the bureaucracies and unions, by devolving responsibility and by encouraging competition and choice.

In that the Northern Territory supports institutional independence coupled with high standards of public accountability, it is logical and correct that it does not support a greater role of the Commonwealth in the supervision of technical and further education, notwithstanding what might be said by the Prime Minister in his package this evening. This principle of local governance and Territory-wide accountability structures is also our approach to publicly-funded schooling. We believe that it is essential to both the education and training of all Territorians that there be, by local decision and by cooperative leadership between the Department of Education, for schools, and the Employment and Training Authority, for TAFE colleges, an integration and rationalization of vocational education with schooling by planning which has a Territory vision. This coordination is far more important in the preparation of the majority of our youth for employment than specious arguments mounted by the forces of centralization that would attempt to bring TAFE education together with the universities under Commonwealth control.

In the Northern Territory, which is sparsely populated, a rational and efficient system will demand a variety of pragmatic solutions, tailored to local needs, to the problem of funding post-compulsory education. A few technology high schools will emerge. In other places, our TAFE colleges will deliver courses in general education, and some students will attend a high school and a TAFE college for parts of an integrated program. It must also be possible to consider the benefits of the amalgamation of a senior high school with a TAFE college under one governance and management structure. Decisions about the optimal solution in any case will be made with local advice, and will be based on the best use of the existing investment and the most appropriate investment of new funds in the delivery of programs likely best to serve the community. The bureaucratic sectorisation of education inhibits the natural emergence of new ways to provide efficiently and effectively for students' needs.

This government will work towards increasingly empowering end users in the provision of training and will encourage the emergence of independent private providers and employer-based provision through the allocation of resources and through the processes of registration and accreditation. These are the paths through which a partnership with employers will develop in the provision of training and through which public investment will encourage private individual and corporate expenditure. In the view of this government, these approaches are preferable to a continuation of schemes such as the Training Guarantee Levy which is really a tax on jobs, a path to the concentration of resources and power and the growth of bureaucracy.

The Northern Territory holds strongly to the view that moves to decentralize the control of the supply of vocational education and training and to empower the customers in dealing with their chosen supplier will introduce new approaches to meeting the needs of Aboriginal people and others recognized as disadvantaged. The Aboriginal Programs Employment and Training Advisory Council of the Northern Territory Employment and Training Authority has responsibilities under the act to seek new approaches to Aboriginal training which are sensitive to needs and aspirations. This council is yet to be established. However, the chairman of the authority, Professor Don Watts, and the convenor of this council, Ms Lenore Dembski, have met widely with Aboriginal interests and are looking to build continuing

consultative processes which give a new meaning to the removal of the Berrimah line and which complement the local consultative processes of the colleges.

It is this broad community and Territory-wide membership of the Employment and Training Authority which provides a new dimension to the planning capacity of the authority that is not matched in similar bodies in the states. The narrow so-called 'tripartite' structures operating elsewhere in emphasizing the role of employers, unions and government have failed to recognize other classes of customer and have followed traditions which unreasonably weight the opinions of mainstream capital city dwellers.

The government realizes that, at this perhaps more than at any other time in Australia's history, there is a need for longer-term planning in the training area. The Northern Territory Employment and Training Authority has approached colleges to submit their view of their medium-term development. These plans, initially for 3 years, will be integrated into a triennial plan for vocational education and training in the Northern Territory. As emphasized previously, this government believes strongly that, with the goodwill it is showing to the Commonwealth government in its methods of planning, in the future, there will be respect for these processes and the outcomes. Hopefully, we will see the all too often short-term contract initiatives of the Commonwealth government integrated better into ongoing carefully planned development under Northern Territory government guidance and funding.

This government is conscious of and concerned about the nature of training in Australia and the hangover which has its origins in very rigid and narrow approaches to craft-based skills. The legacy of these structures remains not only in workplace demarcation and a lack of respect for real competence in those disenfranchised by demarcation, but also in the restricted nature of training which, for many, has built-in obsolescence. All too often, in the past, broadly applicable work skills and learning competence on which a change in career can be built have been disregarded. The development of these more general essential skills, some characterized as the 'key competencies' identified by the Finn and Mayer committees, are all the more the essential building blocks of training in this critical period of unemployment which, it might be said, was induced by Commonwealth government policy. No company, no union, no authority and no government has the ability to judge the emergence of employment opportunities either in the time dimension or in the profile of demand. To be trapped in orchestrated unemployment is the fate of far too many young Australians. Human problems will be multiplied if a too narrow approach to training leads to futures in which our youth are trained for jobs that do not exist. There is no solution to the tragedy of youth unemployment in encouraging these unfortunate people onto a treadmill where successive periods of narrow training provide no natural exit to employment. This has been the fate of far too many Aboriginal people who have developed, with good reason, a healthy cynicism about the value of training. Indeed, I recall attending a conference at which Charlie Perkins was one of the keynote speakers. He pointed quite accurately to the fact that the Aboriginal people must be the most over-trained people in Australia. What they need is not necessarily more training, but employment opportunities.

The Northern Territory government recognizes these problems and will seek ways in which to encourage our colleges to provide training which is flexible, adaptable to need and relevant to the modern technology of all workplaces. It is also important that this training prepares learners for the culture of work with favourable attitudes to and understanding of the expectations of employers and supervisors. There is a need to prepare our youth with an understanding of value evidenced in the effort they make and in the reward they expect. An understanding of the disciplines and ethics of work is not god given; it must be learned and, to some extent, can be taught.

It is clear that, as jobs have disappeared, so have opportunities for apprenticeships and contracts of

training. It will be some time before many industries can respond in providing opportunities for work-based training contracts. New approaches must be found which encourage companies to provide work experience at costs which relate to the value of work performed. It is beyond the reasonable expectations of business to ask people to support unproductive time as a commitment to training when they are already taxed in various ways for precisely that purpose.

If I might digress, Mr Speaker, I note with some satisfaction the efforts of the Minister for Lands and Housing. He apprised this House of the very real initiatives that his department has taken in supporting various apprenticeships in the public sector in the Northern Territory. I am aware that there are other government departments that are undertaking similar initiatives.

The Northern Territory government does not dispute the Commonwealth's responsibilities in the labour market and seeks to work with the Commonwealth Department of Employment, Education and Training to find better ways to empower the unemployed to gain access to training. We believe that, at this time of upheaval and constant and seemingly endless review, the Commonwealth government must break from the restriction of its past dogma and its over-reliance on centralist advice, whether it derives from its own bureaucracies or from those supported by the cooperative structures of big business and big industry. If training is to become accountable, and to meet the needs of individuals seeking to develop self-respect through employment, then the Commonwealth investment is best provided directly to the individual, both in the form of income support and in meeting the cost of training. Government's direct support of courses and institutions in contracts which tend to ignore the real demands of customers is the past method which has failed to produce the needed vitality and purpose in the training industry. The government's role must enhance the meaning of the contract between the contractor - that is, the institution - and the customer empowered by public support.

The Northern Territory government believes that government funding should be directed increasingly to those seeking training rather than to institutions and courses, thus empowering customers by providing the maximum of choice and a new dimension to the quality of control. The responsiveness of training providers to government-supported customers and the introduction of fee scales, which represent both costs and value, are dimensions of a training system that can accompany and improve performance in terms of equity. Equity for the underprivileged has been interpreted as access to what is available and often is access to what the privileged do not want - a statement of 'taste the product, but do not question its value'. In the eyes of this government, equity should be seen as extending to the underprivileged the right of choice, previously available only to the privileged. This government hopes the Commonwealth will recognize this spirit as it seeks new approaches to the provision of training both for those emerging from the compulsory years of schooling, and for those unemployed through structural changes in employment markets.

It is recognized that those displaced from work will not be the only important advanced career customers of training. Indeed, increasingly, training must become a lifetime activity, protecting people from skills obsolescence and preparing them for emerging more responsible careers in supervision and management. The cost of this continuing education and training while working must be equitably met by partnerships based on the charging of realistic fees met by a combination of the individual worker, company and union investment, backed by government investment in the essential infrastructure and the incentives of taxation concessions.

The principles of funding public institutions through their customers can be employed to create a better balance between higher education and training. There are quite natural cost differences between these 2

sectors which, at the moment, do not influence customer choices. More realistic displays of cost will also increase the perception of the value derived from training and the standing of TAFE institutions.

The government is of the view that the coupling between the massive growth in upper school numbers and the number of students in higher education, which has been a feature of the last decade, has been inappropriate. In the same period, TAFE enrolments have stagnated. For the nation, it has been expensive in that the costs of higher education per full-time student are twice that of a TAFE student. Of greater concern, it has been inappropriate because the real needs of the Australian work force are for competitively trained people able to revitalize the productivity of our industries. Further, the pursuance of the costly alternative has exacerbated unmet demand. This government recognized its responsibility to work to redress this balance in the 1990s.

While the Northern Territory government acknowledges that these policy areas are Commonwealth concerns, it claims a legitimate role in policy while training remains largely, as it must, the responsibility of state and territory institutions. It must be recognized that all courses contracted by the Commonwealth to Northern Territory institutions are underwritten by Northern Territory funding in the provision of human and physical infrastructure. This alone justifies a stronger voice for the Territory in the development of employment and unemployment policies.

The Territory government has further demonstrated its goodwill in achieving the maximum training output from the recent Commonwealth initiative to make a 1-off investment of \$0.9m in vocational education in the Northern Territory as part of the previous Prime Minister's November 1991 economic statement. Our colleges have responded by enrolling additional student places at marginal costs, leading to the provision of 533 additional places in 1992 and the allocation of an additional \$75 000 for equipment.

Further, the Northern Territory government is to match an additional Commonwealth grant of \$0.1m to provide the basis of management information systems and communications to upgrade the quality of college systems which will be compatible with emerging national requirements. This initiative will lead also to the concentration of staff development money into the operations of these systems, thus enhancing the quality of college management and the ability of the Employment and Training Authority to carry out its planning functions. In addition, the development will enhance the Territory's capacity to report to and gain information from the national databases.

There was a great deal of unhappiness in the education sector during the course of last year. Time and again, I rose to my feet in the Assembly to speak in terms of reordering the priorities in education with an emphasis on training. I hope that members will concede that not only has my prophetic statement at the time been borne out, but that I have delivered. I say again that, with the cooperation of the Commonwealth - and I praise the Commonwealth government for its very positive contribution to this area - we have created these additional 533 places in the TAFE sector. In all probability, that fact will escape the attention of those who do not find it a controversial fact. However, this government can stand up very proudly and say that we were fair dinkum about what we did. We did reorder those priorities and we did reinvest the savings that we achieved back into another sector of the education industry, if I can call it that, to the benefit of all Territorians.

It would be remiss of me to leave the impression that vocational education and training, indeed the work of our TAFE colleges, are about work-related training only. There are aspects of adult education and those programs which are best referred to as 'quality of life programs' which must not be neglected in the

move to courses of modern work relevance. Adult education and the remediation of the deficiencies in past learning opportunities, which depreciate the quality of life of adults in general and retired people in particular, remain a concern of government and will be a challenge to the authority and our colleges. It is recognized also that these programs hold special interest to Aboriginal people, particularly to Aboriginal women. It is also recognized that language competence cannot be interpreted only as literacy in English. For many, in the future, work will demand competence in languages other than English, particularly in Asian languages. Again adults, as well as those in school, must have access to language teaching by cooperative arrangements between schools, the Northern Territory University and TAFE colleges.

In concluding these remarks on the government's contingent and long-term planning of vocational education for the people of the Northern Territory, I must emphasize the principles underpinning the formulation of our policy which are to maintain an independent approach to delivery by this vital publicly-provided service in harmony and cooperation with important national initiatives on standards and quality. We will continue to pursue this path in recognition of the unique customer base within the Territory and because of our belief that the opinions and aspirations of these customers must be properly weighted in policy determination. It is this belief in customer empowerment that we hope to convince the Commonwealth is the proper base of equity where choice is not the sole province of the privileged.

Mr Speaker, I move that the Assembly take note of the statement.

Reference:

<http://notes.nt.gov.au/lant/hansard/HANSARD6.NSF/0044d01ca7b2aec748255fcd0024659c/cce22cbc528109b94825601c000a0643?OpenDocument>