Labour Education and Training Research Network

The Training Strategies of the Australian Union Movement

by

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Over the last decade, the Australian union movement has been involved in a series of unprecedented reforms to our vocational education and training system. Like most areas of public policy, these reforms have been couched in terms of the neo-liberal discourse - flexibility, international competitiveness, best practice. It may seem surprising then, that Australian unions have been enthusiastic supporters of training reform, and indeed union leaders have been key architects of the overall process.

The argument I wish to make with respect to this experience runs as follows:

- historically, structured vocational training has been organised largely around an apprenticeship system derived from British practice. This system was designed around the school-to-work transition, and focussed overwhelmingly on masculine trades in heavy industry and manufacturing. It has traditionally been operated by State governments within Australia’s model of federalism, meaning that until recently we lacked a national vocational training system;
- craft unions successfully organised around this system, and particularly during and after the Second World War, some of the more strategic craft unions were led by militant leaderships that won improvements in wages and conditions that followed on to the rest of the Australian workforce through our judicial based system of arbitration and conciliation;
- the equity problems of the craft model were considerable, including the exclusion from skill recognition of many categories of workers, particularly women in the service sector and migrant workers in mass production manufacturing;
- the reform of the craft system, to a more inclusive system of skill recognition through the creation of an integrated national system, including new forms of skill recognition based on competency based training (CBT), formed part of the union movement’s modernisation project during a period of social contract politics in the 1980s;
- the original union vision, of a wages structure aligned with the new credentialling system, was largely undermined by the dominance of neo-liberalism in Australian public life, particularly the contraction and privatisation of the public sector. This process was facilitated by union miscalculations, which saw a series of concessions on wage bargaining and the relationship between wage setting and the training system;
- despite this overall record of disappointment, the experience of a number of unions provide interesting insights into successful policy formulation in vocational training. Significantly, these case studies are distinguishable by their resistance to elements of the national training system.

But before we explore some of these contradictions, and the outcomes of training reform in Australia, it is first necessary to briefly review the history of vocational education and training, and the way unions went about organising labour around it.
The craft and craft unionism

The Australian economy has traditionally relied on two sources for skill labour - immigration, and a domestic apprenticeship system with its origins in British tradition. Both have served to support a key organising strategy of Australian unionism - the craft union. Indeed, one of the ancestors of today’s metal and engineering union was in 1852, when British metal tradesmen formed an Australian branch of the British Amalgamated Society of Engineers (Buckley 1970).¹ British craft unionism had some early and remarkable successes - to quote Hagan (1981: 4), by the mid-1850s, ‘with an ease that was almost ridiculous, the building (trade) workers of Melbourne had achieved the eight hour day of British working class legend’.

Reliance on skilled migrants was a feasible strategy in the Australian political economy of the nineteenth century because the limited technical demands of a mercantilist economy based on the export revenues from the pastoral industry and mining. Only where these demands were more pressing, as in the mining industry, do we see domestic initiatives put in place to secure a skilled labour supply. Thus, the origins of technical education in Australia date back to the 1870s, when the first ‘Schools of Mines’ were established (Forster 1964: 185).

The evolution of Australian unionism within this mercantilist economy was not however, limited to craft workers. Labour organisation in the last decades of the nineteenth century was characterised by the formation and growth of so-called ‘unskilled’ unions - the shearers in the wool industry, coal miners and waterfront workers. It was this ‘new unionism’ (Gollan 1960; Chp 6) that was broken in the 1890s, when the Australian colonial governments and employers combined, in response to economic crisis, in a frontal attack on organised labour.

Out of this crisis came a class settlement that would characterise the Australian state for most of this century, and which is only now in terminal decline. Castles (1985 and 1988) has called this a strategy of ‘domestic protection’. Its key features were implemented by non-Labor governments before 1914 (Macintyre 1985), but much of the labour movement accepted its principles. This strategic orientation on the part of organised labour is now termed ‘labourism’, under which unions accepted the operation of a domestic market economy, in return for a regulated labour market and protection against external economic shocks.

At the heart of this strategy of domestic protection was a notion of (male) ‘wage earner security’, around which regulatory institutions like tariff protection, restricted immigration and compulsory arbitration and conciliation were constructed (Castles 1985 and 1988). Under these arrangements, wages were controlled through the quasi-judicial activity of the arbitration system², high tariffs were deployed to protect manufacturing, urban service industries and fringe rural production and the bargaining power of labour was maintained through a racially-based migration policy. These arrangements privileged male access to the labour market, and

¹ Formally, Australia’s largest metals and engineering union remained a branch of the British Amalgamated Engineering Union right up until the late 1960s.
² Under Australia’s system of arbitration and conciliation, industrial tribunals (which operate at both Federal and State level) granted ‘awards’ that bound employers and unions to a set of legally enforceable terms and conditions. Awards could cover either whole industries, or particular occupations.
left a limited and particularly gendered role for state welfare, as Macintyre observes of Australia policy traditions: ‘A man should expect to make his own way and the state should ensure that he could, notably by providing him with a just wage; women and children could not and the state should not let their welfare be imperilled by his failure’ (Macintyre, 1985:58).

The craft union tradition obviously fitted comfortably within this labourist framework, predicated as it was on tight labour markets and a politics of exclusion to sustain them. In particular, the arbitration and conciliation commission institutionalised the job control unionism of craft unions, by itemising in industrial awards wage rates for particular kinds of jobs. Within this system, the ‘trade rate’ was a key benchmark for the distribution of wage relativities throughout the economy - thus, through a principle of ‘comparative wage justice’, movements in the trade rate flowed through to the rest of the workforce as wages were adjusted to maintain establish relativities.

Despite these solidaristic elements to the pattern of wage setting around trade-qualified workers, certainly before the Second World War, craft unions were politically conservative. Thus, this kind of union, in alliance with a re-established rural workers union with close ties to the Australian Labor Party - the Australian Workers Union (AWU) - defeated radical attempts to build a syndicalist, industrial unionism at the end of, and in the years immediately following, the First World War (Hagan 1981).

It was also at this time that industrialisation got under way in earnest in Australia. The development of heavy industry brought changes in vocational training, in particular the reorganisation and expansion of apprenticeship training. In this reorganisation, indenture contracts were introduced that provided for compulsory attendance at technical classes, and some of the more medieval practices of the master-servant kind were removed (Forster: 186-87).

The pre-eminence of the craft system survived the Depression, and the Second World War and went on to flourish in the post-war boom. One of the curiosities of this history was the capacity of communist union leaderships to graft a radical politics to the conservative organising practice of craft unionism. Like many other union movements, Australian unionism was reduced to ineffectiveness by the Great Depression of the 1930s, and it was union activists associated with the Communist Party of Australia that largely rebuilt the movement in the 1940s. In turn, the threat of communism prompted a counter-mobilisation by the right-wing of the labour movement, with its organising base in the Catholic church. The ideological competition between these two camps defined post-war union history, but the craft tradition remained largely intact, despite the left’s philosophical commitment to industry unionism. Indeed, historians of the communist tradition describe this generation of left union leaders as ‘doctrinaire pragmatists’, in recognition of their capacity to marry a rhetoric of class struggle to the more modest and routine practice of union economism (Macintyre 1998). Particularly in the metal industry, CPA-controlled unions managed to maximise the returns from craft labour markets, which were in turned used by other unions to set new ‘community standards’ through the arbitration system. This form of union practice had its last great moment in the early 1980s,
when the metal unions broke through for a shorter working week (38 hours) and hefty wage increases.

**Problems and contradictions**

Despite the way some unions used the craft-based vocational system as a bedrock for organising practice, the apprenticeship system generated a number of contradictions that proved difficult to overcome. First and foremost, the control of craft labour markets was based on strategies of exclusion. Until recently, apprenticeships were defined by age - thus, a worker had to complete their ‘time’ by their early twenties. More problematic still was the institutionalised sexism of the apprenticeship system. Many feminists have noted that the vocational training system was defined by the exclusion of women, a practice reinforced by industrial awards (Hall and O’Donnell 1988). To this day, the only trade occupation where women form a majority of the workforce is hairdressing, and only 11% of the overall apprenticeship workforce are women, a figure that falls to 5% if hairdressing is excluded (Smith and Ewer 1995).

The gendered features of the apprenticeship system reflect its emphasis on heavy industry and the manufacturing sector. Historically, the apprenticeship system has not been a feature of the service sector labour market. Even where structured training arrangements exist in the service sector, such as those in business administration and secretarial studies, they are not reflected in the job classifications described by relevant industrial awards, so that the craft nexus between credentials and job control has been much weaker in these industries.

The final point to make with respect to the equity effects of craft unionism is the absence of skill recognition systems for non-trade workers in manufacturing. Certain categories of non-trade workers, for example crane drivers or other plant operators in the construction industry, had their labour markets controlled by State departments of industry, via the regulation of ‘tickets’ that authorised the individual to operate selected categories of plant and machinery. For assembly or process workers in the post-war mass production industries however, no skill recognition or structured training system existed of any kind. This would have important consequences for the union movement’s standing as an advocates of labour market equity, since these kinds of industries were serviced by successive waves of post-war migrants.³

**Enter social contract politics**

The equity shortcomings of the craft system were not however, the principal springboard of the reform process. Rather, it was the perceived economic drawbacks of the apprenticeship system, particularly in terms of labour flexibility, that drove the reform agenda from the mid 1980s.

³ A number of researchers have pointed to the traditional disinterest of Australian unions toward migrant issues, highlighting the ‘assimilationist’ attitude most unions took to these questions, a position that reflected the policies of Australian governments. See Bertone and Griffin (1992) and Nicolau (1991).
It is impossible to reflect on this more recent history without some review of the Prices and Incomes Accord, which was the social contract between the Labor Government and the peak union council, the Australian Council of Trade Unions, which held together from 1983 until the defeat of the ALP in the 1996 Federal elections.

The Accord had several constituencies supporting it within the labour movement. On the right, unions entered the Accord as a means of sustaining the Labor Party in government. On the left, Accord politics was promoted by the Communist Party of Australia, which was in the early 1980s much weakened but still industrially influential, particularly in the Metal Workers Union. Intellectually, we can see in the CPA at this time a Euro-communist enthusiasm for state-led interventions into capital formation, and at the level of the workplace, support for worker participation.

Key left unions therefore looked to the Accord as a vehicle to promote ‘industry planning’, and this strategy had some successes. Particularly in mature manufacturing industries - steel, cars, textiles, clothing and footwear - the Labor government did put in place industry plans, monitored by tripartite public agencies, which tied public incentives and subsidies to corporate investment commitments.

However, when it came to more high technology, growth industries, the left was to be disappointed. As Bell (1997) observes, in these areas - like scientific and medical equipment, and aerospace - the government’s programs were very limited, and amounted to little more than ‘soft’ aid like assistance for marketing. By 1986/87, the generally neo-liberal orientation of the Hawke Government was closing off space for the sort of interventionist strategies favoured by the Left. At the same time, the balance of payments problems associated with Labor’s globalisation agenda were generating the first cracks in the Accord’s centralised wages system - in 1987, the national wage decision handed down by the Federal arbitration and conciliation commission forced unions into concession bargaining at the workplace. Despite union efforts to drive this bargaining away from ‘narrow cost cutting’, this kind of bargaining was deeply unpopular among local organisers and activists.

In this environment, the left led a policy formulation process in the union movement that would see the ACTU put forward a coherent case for national modernisation (ACTU-TDC 1987). Within this program of international competitiveness, vocational education and training figured prominently, in keeping with post-fordist notions of lifetime-learning, flexibility and multi-skilling, which were then popular in left policy circles. From this perspective, Australia’s industrial awards seemed to institutionalise a Taylorist sub-division of labour, into discrete work tasks that unions, had until that time, policed with great vigour.

At roughly the same time, Australia’s business community launched a decade-long campaign for greater flexibility in industrial relations (see BCA 1989), a demand that the Labor Government was prepared to accede to in keeping with its strategy to de-couple capital from conservative political leadership. Thus, a modernising union movement and employer-interests converged around vocational training reform, albeit with different agendas, which divided
principally over whether national and industry forms of training regulation should prevail over enterprise flexibility.

The principal programatic expression of the reform agenda was ‘award restructuring’. Here we can see the competing agendas of labour and capital at work, with government attempting to mollify each. For unions, award restructuring was largely about the introduction or redesign of skill-based career paths in the job classifications contained in multi-employer awards, with supporting reforms in the training infrastructure to shift vocational training away from the time-based apprenticeship to a system of competency-based training. For the employers however, award restructuring provided the opportunity to begin the process of stripping back the multi-employer coverage of awards, in favour of workplace negotiations around flexibility, within which restrictions on the spread and allocation of working hours formed a particular target.

Table 1 illustrates the original design intention for training reform held by the union movement, based on the training-wage linkages formed in the largest private sector award, the Metal Industry Award. The union movement hoped that these linkages could be forged throughout the economy, although as we shall see, these hopes were never realised, especially in the service sector, where the majority of working women are employed.

Table 1: the Wage-Qualification Linkage in Australian Training Reform; skill-based career paths in the Metal Industry Award

<table>
<thead>
<tr>
<th>Classification</th>
<th>Wage Relativity</th>
<th>Qualification</th>
</tr>
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<tbody>
<tr>
<td>C1</td>
<td>180 - 210%</td>
<td>Diploma - Degree</td>
</tr>
<tr>
<td>C2</td>
<td>150 - 160%</td>
<td>“</td>
</tr>
<tr>
<td>C3</td>
<td>145%</td>
<td>“</td>
</tr>
<tr>
<td>C4</td>
<td>135%</td>
<td>Associate Diploma</td>
</tr>
<tr>
<td>C5</td>
<td>130%</td>
<td>Advanced Certificate (15 modules)</td>
</tr>
<tr>
<td>C6</td>
<td>125%</td>
<td>“</td>
</tr>
<tr>
<td>C7</td>
<td>115%</td>
<td>Post-trade certificate (9 modules)</td>
</tr>
<tr>
<td>C8</td>
<td>110%</td>
<td>6 post-trade training modules</td>
</tr>
<tr>
<td>C9</td>
<td>105%</td>
<td>3 post-trade training modules</td>
</tr>
<tr>
<td>C10</td>
<td>100%</td>
<td>Trade Certificate (apprenticeship)</td>
</tr>
<tr>
<td>C11</td>
<td>92.4%</td>
<td>24 40 hour training modules</td>
</tr>
<tr>
<td>C12</td>
<td>87.4%</td>
<td>16 40 hour training modules</td>
</tr>
<tr>
<td>C13</td>
<td>82%</td>
<td>8 40 hour training modules</td>
</tr>
<tr>
<td>C14</td>
<td>78%</td>
<td>entry</td>
</tr>
</tbody>
</table>
By the late 1980s, the ‘national training reform agenda’ as it was grandly called, had the following features:

- the agreement between the Federal government and the States to develop for the first time a national system of training, in which the issuing of credentials would be common across the country;
- the gradual move away from ‘time-served’ forms of training like the apprenticeship, to a new system of skill recognition based on ‘competencies’, or the demonstrated capacity to complete a given work task. This principle of competency would also be used to erode traditional craft boundaries over job control, and promote the spread of multi-skilling through the Australian labour market;
- the development of a new set of credentials called the Australian Vocational Certificate, which would fill in the gaps in training provision below the trade, and in the service sector especially;
- a set of bureaucratic ‘frameworks’ to align credentials between industries, which the union movement hoped to attach common wage relativities throughout the economy;
- reforms to the training infrastructure itself, including the development of competitive markets within the public vocational system, and the establishment of a new tripartite national training authority, with supporting industry training boards, to oversee the reform process. The tripartite industry training boards would be the sites where the new ‘competency standards’ for each industry were developed, for ratification by the national training authority.

The extent to which the union movement embraced the move from a craft conception of vocational training, and the particular type of labour organisation around it, is best seen in the decision by Australian unions to modernise their own structures. For the greater part of this century, Australian unions have nominated industry unionism as a preferred organisational model, but then done little to develop it. Faced both with a decline in union membership, and a logic of multi-skilling that would blur traditional demarcations, the ACTU opted to implement a process of union amalgamation. This agenda, supported by suitable amendments to the legislation defining labour organisation on the part of the Labor government, saw a wave of union amalgamations that have created a core group of ‘super-unions’. These are now defined largely by industry, but a number of conglomerate unions covering quite heterogeneous collections of industries and occupations have now emerged. The union fervour for modernisation even reached the point where, to mollify business in its calls for simplified union representation in the workplace, the ACTU agreed to a process of union rationalisation, under which unions were accorded differential recruiting rights in a particular industry or workplace. This process was clearly targeted at the limited numbers of members individual craft unions could boast in particular manufacturing establishments, and represents the extent to which craft organising had fallen into disrepute in union leadership circles.

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4 On the credentialling side, the Australian Qualifications Framework (AQF) is an 8-level hierarchy of qualifications ranging from entry-level training to post-graduate degree. Alongside the AQF was the Australian Standards Framework, a hierarchy of competency standards that was abolished by the incoming conservative government in 1997.
Outcomes - 1. Industrial Politics

The original union blueprint for training reform and its linkage to wage bargaining was based on the institutional features of Australian wage determination. In the late 1980s, wage determination comprised several levels. At the national, centralised level, the Industrial Relations Commission handed down regular ‘national wage cases’ - through most of the 1980s, it was this centralised determination that was used to deliver the wage restraint the union movement and the Labor Government endorsed through the incomes policy of the Accord. The Industrial Relations Commission used these centralised determinations to drive training-workplace reform, by tying the wage increases available through its decisions to industry-level negotiations between employer associations and unions over ‘structural efficiency’. These industry-level negotiations formed the second level in wage-training bargaining. It was in these negotiations that unions hammered out the details of the new training arrangements, which were then implemented at a local level through workplace bargaining.\(^5\)

It was the centralised and industry elements of the union strategy that provided the focal point for the contest between the competing visions for training reform in Australia. This contest was effectively decided in 1990/91. With the Labor Government anxious to appease the business community, the ACTU agreed to shift wage bargaining away from centralised determination by the industrial relations commission, to a system of workplace bargaining, known in Australia as enterprise bargaining.

This strategic reorientation on the part of the ACTU had important consequences for the original blueprint for training reform. As we have seen, this blueprint had strong national and centralised features, including an assumption that industry-level wage bargaining and training negotiations would provide a framework for local bargaining over implementation. However, with the decentralisation of wage bargaining, the union movement’s capacity to apply industry-level training frameworks on individual enterprises was greatly undermined. The consequence was that union-employer negotiations about training reform continued at an industry-level, but individual enterprises were increasingly free to go their own way through enterprise bargaining.

One particularly unfortunate casualty in this shift to enterprise bargaining was the decision by the metal unions to abandon a claim for paid training leave as an award entitlement just prior to the 1990 Federal election (for the consequences of enterprise bargaining on union strategy, including training reform, see Ewer et al 1991). This decision effectively spelt the end of union claims for access to training as a ‘right’, or at least as a right conceived in industrial terms, if not as an entitlement based on a wider conception of citizenship.

The abandonment of paid training leave as an industrial claim would be the first of a succession of union decisions that would leave training reform laden with the jargon of educational

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\(^5\) The decentralisation of wage bargaining would later be given legislative expression through a series of Acts that gave legal recognition to ever more devolved forms of wage agreements. Thus, the Labor Party introduced ‘certified agreements’ to take precedence over multi-employer awards, and even provided (for the first time) institutional recognition to non-union collective agreements. The present conservative government followed up by giving legal recognition to individual contracts in the industrial relations system.
technocracy, and largely devoid of the industrial substance that might provide a viable alternative to craft organising. In effect, key unions continued to negotiate at an industry level for the implementation of training frameworks, especially competency standards, in exchange for ever increasing forms of ‘flexibility’ in enterprise bargaining. Some of the most common forms of ‘flexibility’ have been the effective deregulation of working hours, and the replacement of overtime penalty payments by ‘annualised salaries’ (see ACIRRT 1998).

The drift of Australian unionism into concession bargaining inevitably split over into the original design features of training reform. Particularly following the advent of enterprise bargaining, the business community accelerated its efforts to deregulate training reform. Thus, a very half-hearted attempt by the Labor government to legislate for a higher level of business investment in training was suspended in 1994, and the peak business council intensified its demand that the national and industry perspective in the training system be replaced by an enterprise focus (see BCA 1993). The business community eventually won the right to develop and deliver enterprise-specific credentials - to take one example of this victory, the McDonalds chain is now an accredited training provider, and its courses are even available in the final years of secondary schooling in the state of Victoria. And to preserve what was left of the integrated national model, principally the recognition of competency standards at an industry level, the ACTU went so far as to abandon the relationship it had sought to develop between credentials and wage relativities contained in industrial awards (ANTA 1994a and b). New training bureaucracies have been established to oversee ‘reform’, most notably the Australian National Training Authority, to which a series of industry training boards are accountable. However, these bureaucratic structures lack regulatory power, since they are designed not for regulatory purposes but to accelerate the ‘marketisation’ of vocational training.

This marketisation of a nominally ‘national’ training system has naturally enough, continued apace under the conservative Liberal-National government elected in March 1996. Equally predictable is a change of nomenclature to dignify the ‘reform’ process - Australia is now blessed with the Modern Apprenticeship and Traineeship System (MAATS), which delivers something called New Apprenticeships. Although this conservative program cloaks itself in the language of the craft, it actually represents the further dilution of the apprenticeship system by giving employers even more scope to determine the structure of credentials and curriculum content. This development has been facilitated by the introduction of market relationships in the public Technical and Further Education (TAFE) system, under which individual colleges compete for ‘market’ share, a process that began under Labor.

In facing this new training market, trade unionists at the workplace face a system of tremendous complexity. This complexity surrounds the bureaucratic infrastructure designed to implement reform itself, but for local activists. Referring back to Table 1, we can see that the new vocational credentials are made up of discrete modules, defined by a particular subject or topic. To give some indication of the complexity involved in such a system, reference can be

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In announcing the end to the nexus between credentials and wage relativities, ANTA diplomatically recorded that ‘During the consultations the ACTU strongly affirmed its policy that there is no automatic linkage between competency levels acquired and rates of pay... The position of individual unions and some State labour councils is not so clear’ (ANTA 1994b: 11)
made to the Engineering Production Certificate in the metals industry, which is the new credential for process workers. The EPC boasts over 200 separate modules, or subjects, which can be assembled according to the needs of any given enterprise (for the difficulties in getting the EPC underway, see ESTB 1994). The perverse outcome for unionists in such a modularised system is that an original blueprint designed to break down the Taylorist subdivision of work into individual work tasks now effectively reinforces work organisation. Not surprisingly, employers look at a modularised system as a means of designing training programs to their own needs, a trend intensified by their new found capacity to assess and issue credentials. Even in the ‘public’ system, this means they can limit their training investment to the particular work tasks they require - whatever its equity faults, the ‘old’ apprenticeship at least delivered a ‘generic’ trade qualification, defined beyond the immediate needs of an individual employer.

**Outcomes - 2. Aggregate Measures**

Before considering some examples of the training strategies of individual unions, it is useful to consider aggregate outcomes. These can be helpfully divided between ‘entry level’ statistics, and ‘continuing training’ for workers already in the labour market.

Taking the entry level issues to begin with, Figure 1 shows the number of apprentices and trainees in training between 1980 and 1997. This data shows the traditional vulnerability of the apprenticeship system to swings in the business cycle, particularly following the 1982 and 1990 recessions. However, what distinguishes the latter period, and the outcomes of training ‘reform’, is the stagnation in apprenticeship numbers appears to have become permanent.

![Figure 1: Number of apprentices and trainees in training, Australia, 1980 - 1997](image)


Such ‘growth’ as we see in the VET system comes from the new category of ‘trainees’, a reform introduced in 1985 to provide structured training in non-trade occupations. This data is shown in Figure 2, which breaks down the aggregate results depicted in Figure 1.
Research pronouncements that reflect official thinking declare this decline the apprenticeship system to be of no concern, as the overall skill base is improving through the growth of trainees (see NCVER 1998 as an example). However, as Figure 2 suggests, the decline in the trade system and the growth in traineeships has quite different occupational characteristics, which point to a likely skill shortage in the traditional trades. It is also arguable about whether this pattern represents a desirable ‘post-industrial’ formation, as trade categories like ‘electrical’ cover the high technology training delivered involving electronic and instrumentation tradespeople. The growth in structured training available to female workers in retail trade and clerical (office) jobs is obviously desirable from a gender equity perspective, but this growth needs to be qualified. First, the overall numbers of people are quite small relative to the size of these occupational workforces - just 16,800 trainees in sales work in 1997, and 13,900 clerical trainees. Second, the capacity of unions to tie together credentials and award rates of pay in these sectors has been minimal, with the result that training as a source of industrial leverage is weak - to take the example of clerical work, the existence of long-established credentials in business administration and secretarial work is still not recognised in the relevant industrial awards, much less in enterprise agreements. Third, key parts of the service sector, like retail trade, have been largely indifferent to the development of new training arrangements, and in at least one State (NSW) only went about developing a traineeship because the availability of labour market subsidies (now abolished) was tied to their introduction (Labour Market

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7 This gap reflects the decision by industrial tribunals to base the restructuring of major clerical awards on the development of new competency standards, rather than the recognition of existing credentials.
Alternatives, 1996). Fourth, what passes for skill recognition in the service sector often conflates worker attitudes with skill, a point to which we will return.

The training effort of employers provides a useful bridge between entry level data and continuing employment. Figure 3 shows the training effort in two dimensions, training hours per employee and training investment as a proportion of gross wages and salaries. Although the expenditure data shows a mid-term spike in 1993, this outcome is arguably related to government legislation for a training guarantee levy, under which employers failing to expend a set proportion of their wages bill on training would incur a tax levy. Not surprisingly, the accounting industry had little difficulty in demonstrating widespread employer expenditure on training, to the extent that the scheme was abandoned in 1994, with very little revenue recovered from industry. With this qualification in mind, Figure 3 shows how expenditure increased marginally between 1989 and 1996, but average training hours per employee dropped consistently.

The reasons for the drop in training hours are clearly related to the neo-liberal assault on the public sector. While the union movement entered training reform in the late 1980s hoping to significantly intervene in the decision-making of the private sector’s training effort, this agenda was overwhelmed by the contracting out and privatisation of public services. The effects of these neo-liberal ‘reforms’ on the public sector training effort are shown in Figure 4, which disaggregates by sector the training data shown in Figure 3.
This data shows that it was actually the deterioration in the public sector’s training effort that resulted in the mediocre results in the seven years leading up to 1996. The public training has, along with immigration, been a key generator of skills in the Australian economy, in both heavy industry (a role played by public railways and electricity commissions) and ‘white collar’ jobs (an element of paid training leave has for many years been a feature of public sector employment at both Federal and state levels). The ‘downsizing’ of the public sector has therefore undermined the public sector training effort, a point that might be illustrated by reference to the privatisation of the State Electricity Commission of Victoria (SECV). The SECV training school at one time produced several hundred completed apprenticeships every year, in a regional economy dependent on the industry. The disaggregation and privatisation of the SECV naturally brought an end to this unproductive arrangement. With the massive job losses that accompanied privatisation, the new private operators are content to supplement a core workforce with skilled workers drawn from a pool of unemployment, on contract, as required.

The mixed returns from training reform by sector extend to uneven outcomes by occupations. Figure 5 shows the access of employees to in-house and external training courses by occupation, alongside the percentage change in the size of occupational labour markets, between 1989 and 1993 (the latest available data). This data shows the extent to which the trade system really is in deep crisis, as the access by trades people to training courses has deteriorated significantly more than the overall contraction of this type of occupation. Again, the modest growth in the access of sales and service workers to training compares unfavourably with the massive growth in this female-dominated workforce, an outcome which suggests training reform is having little gender equity benefits.
What constitutes skill recognition in the services sector is in any event a doubtful quantity for trade unions. Some references to competency standards in the retail sector is the easiest way to illustrate they way in attitudinal characteristics are taken to represent skill. Thus, an element of a unit that attempts to specify effective participation in working relationships. This element requires employees to ‘present a positive image of the industry’. The performance criteria for this element include the following:

Industry and enterprise standards of personal presentation are met, with regard to:
- personal hygiene
- grooming
- poise and deportment
- speech
- etiquette
- dress or uniform
- body language

Obviously, some of these performance criteria may form part of the employment relationship in some industries. However, personal appearance does not constitute a skill, and the vocational education and training system is engaged in something other than skill formation when it does conflate the two. Such performance criteria are also doubtful in terms of equal opportunity, affirmative action and anti-discrimination principles, if not the relevant legislation.

Take another example of competency standards which have a somewhat liberal definition of skill. One element of a unit, again dealing with effective working relationships, requires employees to ‘develop oneself within the job role to enhance performance’. The performance criteria for this particular piece of metaphysics include among other things:
realistic goals for self improvement are set continuously and a process is implemented to achieve them
personal feelings are controlled so as not to affect work performance
procedures are put in place to develop self esteem

In Britain, du Gay and Salaman (1992) have written about the neo-liberal attempt to create the ‘enterprising subject’, in which individual’s define their identity through a celebration of market relationships and activity. This project is alive and well in Australia, as these examples suggest - why unions chose to embrace such a project can only be explained by the miscalculations of a project of national modernisation gone badly wrong.

Outcome - 3. Exceptions

From a union perspective, the overall record of training reform in Australia amounts to trading off the existing form of apprenticeship-based vocational training system, a system with serious equity problems, for an integrated, national system of more flexible and inclusive credentials that was fatally undermined before it could be fully implemented. As a project of nation building, training reform might have been well-suited to the late 1940s; as a political program of the 1980s, it led Australian unionism into a swamp of corporate culture.

However, like any other ‘systems’ analysis, such a conclusion ignores the subtle but decisive differences between unions, from those that sought the implementation of the national model, come what may, and were prepared to make any sacrifice to preserve the totems of that agenda, to those unions that asserted the primacy of their own interests, and sought to navigate their way through national policy as best they could.

I would like to end this brief review of the Australian union experience with recent training developments by reference to two such unions, one an avowedly craft union, and the other a ‘production’ union with a belligerent hostility to the aristocracy of labour. My argument here is that the unions which have done best out of training reform, have done so because they consciously sought to subvert the national agenda.

Take the Electrical Trades Union of Australia to begin with. This union has erected and defended demarcations to preserve the labour market position of electricians and associated trades. I personally have visited workplaces where the changing of lightbulbs has been the prerogative of ETU members, much to the fury of modern day managerialism. The ETU tackled the challenges of the 1980s in two ways - first it deflected the threat of industry unionism by entering into a series of union amalgamations which resulted in a kind of ‘super craft’ union. The Communications, Electrical and Plumbing Union is the result, with obvious sources of industrial strength in terms of building fit out and maintenance. Simultaneously, the Victorian Branch of the ETU countered the threat to the apprenticeship by establishing, in association with the electrical contractors association, its own apprenticeship training school, where it can control the curriculum and tie its delivery to union recruiting. That training school now supplies the majority of apprentices in Victoria, and if my preceding analysis of skill shortages emerges in the near future, the union will obviously be in a position to exploit its
strategic position still further. And in the tradition of post-war craft militancy, the Victorian branch of the union is aggressively left wing, and played an excellent role in recent disputes involving immigrant, female footwear workers, and the current waterfront dispute. This brief review of ETU strategy is not however complete without pointing to the unresolved equity problems of an exclusive craft strategy - the low rates of participation by young women in the electrical trade remains a valid point of criticism. Nevertheless, in terms of the performance of other craft unions, who have undermined their own trade callings without any appreciable equity benefit, the ETU strategy stands as an exemplar.

My other example of exceptionalism is the Vehicle Builders Union, now the Vehicle Division of the Australian Manufacturing Workers Union (AMWU). The VBU entered training reform with a determination to design credentials, and influence their curriculum, based on the needs of their membership. In practice, this meant avoiding the formal strictures of the Australian Qualifications Framework, which would have involved the development of a production level certificate comprising 960 hours, or approximately that required to complete a trade certificate. The VBU rightly, as events were to show, calculated that an AQF type qualification would involve its mostly immigrant workforce in a training credential of a length comparable to a trade, but without the benefits of a recognised apprenticeship and the labour market mobility and leverage which the traditional trades enjoyed. With the co-operation of the multi-national car-markers that constitute the Australian industry, the VBU opted for the ‘Vehicle Industry Certificate’, a qualification with nominal contact hours half that of a trade, but with 96% of the trade wage relativity in the vehicle industry.

The VBU’s structural interventions also extended to curriculum content. In defiance of traditional practice in Australia, which sees remedial literacy or English as a second language training as a pre-requisite to access to vocational training, the VBU promoted a model of integrated learning, in which this type of language learning was built into course content (see Sefton et al 1994 for the development and implementation of this model. In comparison, some equivalent credentials in other manufacturing industries require ESL as a separate and additional component to training participation). The result has been the widespread introduction of the VIC in the industry, with 70-80% of the assembly workforce having either completed or now enrolled in the program, with flow-ons to the component sector now gathering speed.

Part of the reason for the success of the VBU is the critical distance that organisation has kept from training reform, and the more modest expectations the union had for it. A key union policy officer in this process writes of on-going problems in the VIC, including:

- RPL (recognition of prior learning) and recognition systems are skill actively resisted
- pathways are virtually non-existent with ‘higher’ education

8 The latter is the modern day incarnation of the dominant metals and engineering unions, which took the decisive step toward industry unionism in 1972, when the Amalgamated Engineers Union (fitters and machinists), the Sheet Metal Workers Union (including white goods production workers) and the Boilermakers and Blacksmiths Society amalgamated.

9 Data supplied by David Ablett, Training Officer, Vehicle Division, Australian Manufacturing Workers Union
- CBT (Competency based training) still produces modularised, dysfunctional learning
- work-based assessment prevails
- lack of teacher training and career development remains the norm
- the managers of educational institutions remain captive to corporate discourse, without mass input of accountability to students and the community
- women, migrant and non-trade worker experiences are still negative
- competency standards are still performance objectives (Ablett 1996: 40)

Some Final Remarks - public, private; market, non-market

Just where the project of training reform went awry from a union perspective is an obvious task of analysis for labour researchers. Broadly put, I would suggest that an attempt to construct an integrated, and at least initially, regulatory based, national system of training from cradle to grave badly misread the political tenor of the times. Such a project could only sit uncomfortably at a time when neo-liberalism had secured a decisive hold over public policy, a victory evident in successive waves of deregulation and privatisation through the 1980s and 1990s.

The experience of Australian unions with training reform has been largely overwhelmed by the triumph of neo-liberalism, and its hold on both the Australian state and our major political parties. Where once Australian unions looked to training reform as a key element of national competitiveness, the growing aggressiveness of state and capital, as evident in the current waterfront dispute, suggests unions will need to look to their own interests and survival before the more grandiose projects of the 1980s can be revisited.

But just how might unions go forward in vocational training? To begin, organised labour must recognise that a vocational training is now a market system, partly thanks to the movement’s own miscalculations. As Marginson (1997: 278-9) notes, markets in education and training have political dynamics that progressive activists must address, dynamics that promote conformity and an hostility to non-market (ie, social) behaviour: ‘By claiming the “good” for markets, market liberal reformers project the “bad” onto the non-market other: for example, Keynesian welfare, democratic forms, free education, research exchange’.

Marginson’s distinction between market and non-market behaviour is a useful tool for unionists interested in vocational training. Many Australian unions viewed the onset of marketisation in vocational training in terms of a public/private sector dichotomy, obviously with a view to defending the public sector training institutions. The problem with this approach is that a marketised system encourage public institutions, newly reconstituted as business units, to divest themselves of the social characteristics that once distinguished them. Encouraged to be more responsive to industry in the name of competitiveness, the public system has quite happily ceded more and more control over curriculum, delivery and assessment to private employers, the system’s ‘customers’. As Marginson (1997: 280) goes on to observe:
It is no longer viable for critics and opponents of markets in education to base their strategies on a return to the old non-market structures and conditions. The road to something better must now pass through the marketised systems, and will be affected by their evolution and implosion. Education markets need to be reconfigured to alter the terms on which competition takes place, and modify and compensate for its effects.

Such a reconfiguration is not premised on a further assault on public vocational training. Instead it brings forward a more subtle analysis, that asks the Australian union movement to identify what aspects of the public system need to be defended as desirable non-market, social goods, and which market behaviours of public institutions need to be constrained, altered or opposed. Similarly, Marginson’s framework allows unions to rethink their own operations as existing or potential training providers, bringing to the ‘market’ alternative and more inclusive views of course curriculum, delivery and assessment. Such activities on the part of unions require the development of local networks, of teachers and managers in public institutions, union officials and possibly private suppliers with progressive credentials. With such networks in place, it is possible to develop and deliver training that extends beyond narrow work tasks, that encourages critical thinking, political engagement and union solidarity. Nourishing these networks obviously also requires workplace intervention, using wage bargaining as a vehicle to break open corporate control of training agendas and the resources devoted to them.

In approaching these dilemmas, the exclusive traditions of Australian craft unionism will naturally arise - retaining control over a craft labour supply through a vocational training strategy is premised on limiting that supply to maintain a favourable wages market. What we have seen in Australia is the replacement of a regulated, craft training system - with a poor equity record - by a marketised, nominally universal system, but with little demonstrable improvement in equity. Elements of the craft tradition remain, and will probably be refurbished as unions look more to the provision of vocational training as an organising device, and as skill shortages develop following the contraction of the public sector. Need union vocational training be exclusive and gendered, or can union skill centres be politicised with the traditions of radical adult education, complemented by community access and outreach programs, and by scholarships for disadvantaged young people?

This is a question that symbolises in microcosm the dilemma of a union movement in crisis. Put more widely, the question involves the future of unionism in Australia, dealing with which involves a choice between a retreat into the traditions of organising the male breadwinner, or a mobilising politics based on a class conception of organised labour. Such is the importance of vocational training to the Australian union movement, as it stands on the edge of the new millennium.
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