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***EMERGING TRAINING PATTERNS:
PRODUCTIVE, EQUITABLE?***

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INTRODUCTION

This paper attempts a brief critical overview of recent training developments in Australia. It argues that both the national training agenda and enterprise-based approaches to training within the Australian restructuring project contain a productivity/efficiency dilemma and a tension between formal and substantive equity.

MODELS

Some of the difficulties have arisen from the attempt to graft together various models of restructuring - the OECD model of structural adjustment, the mid-1980s Swedish model of labour market adjustment, the German model of training agreements, and an Australian model responding to conflicting agendas for industry, labour market and social policy restructuring in the shifting global context of the 1980s. The attempted synthesis has produced contradictions.

International policies of structural adjustment emphasise 'free' markets, small government and decentralised industrial relations, with productivity tending to be seen in terms of short-term cost-cutting 'efficiencies'. In such policies, training tends to be seen as decentralised, market-based, employer-driven, and determined by individual 'rational' choice.

The mid-1980s Swedish model, which influenced *Australia Reconstructed* (ACTU/TDC 1987), was based on an industry policy oriented to product innovation and the expansion of high value-added exports. Restructuring was underpinned by social policy which included 'active labour market' strategies. The original Swedish model was developed in the context of a large public sector, full employment, social homogeneity, and an integrated market/welfare system: women's high rates of labour force participation meant that for both women and men, family and social security benefits tended to be employment-linked.

The German labour movement's skill-oriented approach was one of using collective agreements to gain a reorientation from 'numerical' to 'functional' flexibility through

employer-provided training. One commentator notes that this strategy delivered only limited training benefits to 'unskilled' and 'semi-skilled' workers, particularly women, and may have sharpened the core/periphery labour market distinction (Mahnkopf 1992).

Australia in the late 1980s and early 1990s has seen an escalation of the move away from the historical model whereby a tariff-protected labour market provided welfare for men, and for women and young people dependent on them in families, with state welfare playing a supplementary (but not necessarily residual)¹ role. In the new model, the labour market, or training to join it, has become increasingly important for effective citizenship, and welfare has become increasingly residualised. Education and training too have become increasingly subject to market disciplines. The context of these changes has included a growth in female service sector employment; a shift to family-supported education and training as the main activity of teenagers; attempts by an indigenous population to move away from welfare dependency through increased labour market access; and high unemployment amongst an immigrant labour force that is amongst the world's highest in percentage terms and concentrated in industries and occupations most affected by labour-shedding.

With an increased reliance on markets as the main allocative mechanism, the main debate in the education and training area has been the debate over the degree to which it is necessary for the state to coordinate and regulate market mechanisms. The claim that private and 'enterprise-based' training is more 'efficient' and 'responsive' has come to be taken for granted, without any real analysis.

The attempted amalgamation of models in Australia has meant tensions within the pursuit of *productivity*. Long-term national productivity was assumed, in the late 1980s, to be best enhanced through the restructuring strategies of individual employers. This was despite studies which suggest that employers may opt for short-term cost minimisation strategies, or indeed that they may not be operating strategically to any obvious degree at all (Curtain & Mathews 1991, Pollert 1991, Storey 1992).

Pressures to restrain labour costs and public and private training and labour adjustment costs have been working against the need to develop long-term productive capacity. In

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Residual in the sense of being targeted to a needy minority through means testing.

the training area, it appears that employers may be attempting to reduce their training commitment by mobilising the skills of non-career employees, either as short-term skilled contractors, or as part-time mature-aged workers with previous industry experience and relevant life experience. The use of the term 'numerical flexibility' to cover both high-turnover and flexible-hours workers may serve to obscure the skills of 'flexible' workers, exaggerate their turnover, and mistake the nature of their contribution to productivity. Such workers may be marginalised and hence under-valued.

Thus the attempted amalgamation of models has also meant tensions in the approach to *equity*. Firstly, there was an increased tendency in the 1980s to see equity as an add-on issue, a matter of offering a helping hand to those marginalised from the restructuring of the mainstream. Secondly, within the 'mainstream', the approach to equity has been one of 'equal opportunity', based on removing discrimination. Such an approach relies on notions of formal, rather than substantive, equity. Opportunities have been provided and obstacles have been removed, but for many individuals there is no automatic access to articulated credentials or job promotion ladders. For them, the career path stairway may look distinctly like a fast-narrowing pyramid, or it may have too many missing rungs, or it may be blocked off after a few steps, or it may begin at an inaccessible level (as a result, for example, of the growing resort to graduate recruitment in some service industries).

It cannot be assumed that the short-term imperatives of micro economic reform will automatically deliver long-term national productivity enhancement. The whole is not simply the sum of the parts, and short-term profit maximisation is not necessarily congruent with long-term survival. On their own, neither new national frameworks nor workplace bargaining will be sufficient to guarantee equity: there is no assurance that there will be a coincidence of the career paths located within awards and training structures, those located in workplaces, and those available to any individual. This paper argues that within the administration of the industrial relations system, of enterprises and of the state, mechanisms are needed for auditing the productivity and equity outcomes of training reform.

PRESSURES FOR TRAINING

At the workplace level, pressures for increased training come both from within the firm or organisation, and from external institutional factors, and it is the combination of internal and external pressures that will best enhance productivity. Internal pressures include, not only skill shortages, but the need to improve productive processes in a sustainable way, and demands for product and service quality. External pressures in the early 1990s included those of award restructuring, the Commonwealth Training Guarantee levy, industry-level agreements between unions and employer bodies, and government policies in the areas of access and equity, occupational health and the environment.

It is important that this combination of internal and external influences continue in the 1990s, although there is a need to rethink and refine some of the ways in which the various pressures were defined in the late 1980s.

The first concept that needs to be broadened is the post-Fordist '*clever country*' discourse, which was based on a somewhat selective interpretation of evidence concerning the impact of information technology on skill requirements². The '*clever country*' discourse focused mainly on the manufacturing sector, despite the fact that services are a larger employer and higher export-earner than manufactures. Services account for over 70 per cent of total employment and over 80 per cent of female employment, if we follow the usual practice of defining services to include both producer-service and consumer-service industries. Certainly, the expansion in the late 1980s and early 1990s of elaborately-transformed manufactures was the major gain from restructuring. Between 1983 and 1992, manufactures increased their share of exports from around 10 per cent to over 16 per cent, and services increased their contribution to exports from approximately 17 per cent to around 20 per cent (See Table 1). Nevertheless, by September 1992, manufactures had still not caught up with services as an export-earner, and increased trade in services would be a valuable way of reducing the services contribution to balance of payments deficits.

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This evidence shows that skill requirements are rising, if skill is defined in the (debatable) sense that the occupational mix is shifting away from jobs requiring manual competencies and towards jobs requiring conceptual and interpersonal competencies (Howell & Wolff 1992).

The notion that only the manufacturing sector is 'productive' still lingers³, although the contribution of service quality to productivity is increasingly being recognised. It is only since 1990 that a concerted effort has been made to develop taxonomies of the competencies involved in 'routine' clerical, sales and service work. To be fair, work on these competencies within the Australian Standards framework moved a long way between 1991 and 1993. There are still problems, however, in ensuring that standards frameworks take adequate account of the complex interactive skills of many service workers.

The second strategy that needs further development in the 1990s is the attempt to develop skill-based *career paths*. The original impetus behind award restructuring was the campaign to create traditional white collar-style career ladders within the skilled trades. The 'lifelong training' strategy was designed, not only to create internal labour markets, but also to ensure the portability of the benefits of training through a national credential framework. This is more than ever necessary in a labour market where employment security is declining. The attempt to establish formal recognition of skill and training, using the discourse of 'numerical flexibility', has been an heroic attempt to gain a toehold against the tide of fragmenting industrial relations. It seeks to provide career continuity for tradespeople at a time when white collar careers are being restructured on the basis of individual 'merit' and multiple entry points related to prior educational qualifications.

The most progressive part of the career path strategy is arguably its attempt to include process workers. Nevertheless, this has been done through somewhat hierarchical credential structures which take old skilled/unskilled dichotomies for granted. The model is still too narrowly-conceived. It has the major problem of contributing to the individualisation of industrial relations. Assumptions about the 'deskilled' nature of process work are statements about the politics of job design and technology use: to use notions like 'routine work', done 'under supervision' as a criterion of low skill levels, as the early versions of the Australian Standards Framework did, is to accept outmoded and authoritarian forms of work organisation.

³ Hopefully, John Halfpenny has moved on from his 1987 views that training policies have been '.... pursued in isolation from the mainstream industry policies of the government', and that traineeships in retail, finance and tourism indicate '..... have contributed little to the enhancement of those skills which are needed to regenerate the manufacturing industry and increase revenues from value added imports.', (Halfpenny 1987).

The third impetus for training has been an attempt to widen the *safety net* under those who, during the boom period of 'full employment' (at least for non-indigenous men), had access to full-time jobs, but who are now at risk in an increasingly insecure labour market. The need to link *labour market programs* into the accredited training structure was recognised as long ago as the Kirby report (1985): this was the origin of the Australian Traineeship System. To date, adult retraining has had only a very limited degree of articulation with other aspects of the training system. Given the severity of the crisis for immigrant and non-English speaking background blue-collar workers, and the need for substantial and extensive retraining, this is one training area that clearly cannot be left to market forces. Yet if anything, access to adult migrant English programs has been squeezed in recent budgets and administrative changes.

PROVISION

Providers

Tables 2 and 3 set out the main funding sources of training. Overall, in 1992, 6.11 per cent of GDP was spent on education and training. 4.84 percentage points of this 6.11 per cent came from government (of which a small 0.14 per cent was devoted to labour market programs). Employer expenditure on training came to 0.87 per cent of GDP, and net private individual education spending came to 0.40 per cent of GDP (See Table 2).

Approximately one-third of *government* education spending had direct and immediate vocational relevance, although a strong argument can be made that all education indirectly improves the quality of the labour force (See Table 3). Depending on whether the narrow or broad definition of vocationally-relevant education is used, the government to industry ratio of spending on vocational education and training, by my calculation, was somewhere between 2:1 and 5.5:1. Was too much credence given, during the late 1980s, to claims that public training was 'unresponsive' to industry demands? The expenditure figures seem to indicate that the public sector is still taking the leading responsibility for training, and is, if anything, being increasingly called upon.

What do *individuals* contribute directly to training, through fees? It was estimated in 1990 that individuals spend over \$100 million a year on vocational training, such as secretarial and computing courses (Pappas, Carter, Evans, Koop, in Training Costs Review Committee 1990, vol. 2, p. 7). It is a notorious problem that women are more likely than men to outlay their own money on vocational education, because employers expect them to enter employment already fully-trained, for example in clerical or secretarial skills (Pocock 1988).

What then is *industry's* contribution to training expenditure, and how is it spent? According to a recent consultancy report estimate, employers' 1990 training budget was \$1470 million, of which \$1000 million (68 per cent) was spent in-house, \$750 million on trainers' salaries, and \$250 million on equipment and facilities. \$470 million was spent on the services of external providers. This was 32 per cent of total employer expenditure on training. Of this 32 per cent, 7 percentage points (\$30 million) were made up of fees to TAFE, with the remainder going to private providers and higher education institutions (Pappas, Carter, Evans, Koop for NBEET 1992, p. 96). The consultants' projections for 1995 are a total expenditure of \$1960 million, with a slight increase of external provision to 34 per cent of total expenditure, and TAFE's share of this external market rising to 20 of the 34 percentage points (*ibid.*, p. 96).

Among possible mechanisms for ensuring that this expenditure is productive in effect and equitable in distribution, two can be mentioned. Work must continue on the accreditation of training and the linking of training modules into credential structures. Auditing of training access must be improved. One mechanism might be to require employers to include reporting of training participation in Affirmative Action Agency annual reports. Another would be to step up the frequency of the Australian Bureau of Statistics training surveys, and to improve the level of access and equity information they provide.

Mechanisms for the Provision of Restructured Training

The 1990 *Training Guarantee Act* now requires employers with payrolls of over \$214,000 to spend 1.5 per cent of payroll on education and training, either workplace-based or through a levy to the Australian Tax Office. As a result, the percentage of businesses

complying with its training expenditure standard has risen from 26 per cent to over 90 per cent (Osborne 1992).

The Training Guarantee Act has had a particular impact on small firms. The 1988 Australian Bureau of Statistic Pilot Survey of Employer Training Expenditure, commissioned in the context of the introduction of the Training Guarantee, indicated that average formal training expenditure, and formal training expenditure levels above 1 per cent of payroll, increased with firm size (Dawkins 1988). The Australian Workplace Industrial Relations Survey (AWIRS) confirmed that in 1990, whether or not formal training and study leave or assistance were available at workplace level varied in accordance with workplace size (Callus et al. 1991, p.235). This issue has a gender dimension, as the AWIRS survey also indicated that a higher proportion of small workplaces (5-19 employees) had a majority female staff (Callus et al 1991, p. 234). It is therefore significant that 35 per cent of the increased training expenditure in the first year of the levy was by firms employing 10-49 workers (NBEET 1992, p. 92).

Award restructuring has encouraged industry training. A 1990 review of 868 Restructuring and Efficiency agreements to May 1988 indicated that 191 had special provisions for training, although many lacked specificity (DIR 1990a, pp. 2, 16). The Structural Efficiency Principle has had more far-reaching effects, in that it has provided the climate and the mechanism for skill audits, skill-based work reorganisation, and skill-based realignments of minimum rates. It was also the impetus for the competency-based training movement, with its complex apparatus for establishing national standards of training and skill recognition. In terms of equity implications, the jury is still out, as a project of the magnitude of award restructuring cannot be translated into workplace change in four years. For women, award restructuring has been a 'dangerous opportunity':

The Chinese character for 'crisis' means 'dangerous opportunity' - a neat way of expressing the prospect of both gain and disaster...[A]ward restructuring is, in that sense, a crisis for equal employment opportunities, a dangerous opportunity to break down barriers, and open up careers - or to see the blinds fall on the missed window of opportunity for a long time (Hall 1991, p. 3).

The opportunity is the new context in which the problem of skill recognition in women's credentials and industrial awards is finally being addressed. One danger is that a failure to secure proper skills audits, training and accreditation will simply reinforce the 'distorted hourglass' shape of women's service sector career structures, with a small top of male managerial workers, a large body of female service delivery workers, and a narrow neck, through which very few women, even those with permanency, can pass (Baldock 1990, p. 49)⁴.

In the past few years, enormous strides have been made in identifying service competencies, in linking them to productivity goals such as quality assurance, and in developing pathways based on them. A major advance has occurred through the definition of training to include, not only skill development, but also recognition and accreditation of new and prior competencies. Particular mention must be made of the development of competency standards in the hospitality and welfare industries, in parts of the retail industry, and in clerical occupations. An excellent example of advances in skill recognition was the South Australian project which produced the research report *What's in a Word? Recognition of Women's Skills in Workplace Change* and the practical guide *A Window on Women's Skills in Administrative and Clerical Work* (Women's Adviser's Unit, South Australian Department of Labour 1992). In terms of articulation of credentials, the TRAC program for developing and recognising generic retail/clerical/personal service competencies in young people offers a way of overcoming the 'dead-end' secondary labour market status of many teenage jobs (Dusseldorp Skills Forum 1991).

A third mechanism for restructured training is the proposed *recasting of post-compulsory youth education and training* as near-universal 'structured entry-level training', along the lines set out in the Finn Review, the Mayer discussion papers and the Carmichael Report (Australian Education Council Review Committee 1991; Mayer Committee 1992; Employment and Skills Formation Council 1992). Teenagers are now seen primarily as part of the training market, not the job market. These proposals, which were widely discussed at the time of the youth jobs summit in July 1992, require that schools, TAFE, private trainers and employers combine in a range of possible ways to provide a mixture of

⁴ Another danger is that the flexibility provisions of award restructuring will lead to the growth of a new contingent workforce (Women's Bureau 1989; DIR 1990).

'key' or general competencies and 'vocational competencies', linked to the Australian Standards Framework and credentialed by the proposed Australian Vocational Certificate.

Opponents of the national framework approach have claimed that the Carmichael Report is not 'really about training, but about '...a disguised ... attempt to control enterprise-level training efforts and force them into a national framework' (Sloan 1992, p. 22). Whilst one hopes on equity grounds that this is the case, it is actually more plausible to take the Report's agenda at face value, as one cog in the wheel driving the move to provide educational and career pathways that will more equitably replace the present apprenticeship/traineeship/unemployment benefit trichotomy, and as a means for increasing industry input into training curriculum: 'You... literally have to shift ownership and responsibility away from the bureaucracy and give it to industry' (L. Carmichael, cited in Dwyer 1992, p. 33). Whilst control may shift towards employers, it is government and young people on a training wage who will meet much of the youth training costs.

A fourth mechanism for changed training delivery is that of *labour adjustment programs*, necessitated by manufacturing restructuring. The Office of Labour Market Adjustment (OLMA), set up as part of the May 1988 Structural Adjustment package, has understandably given priority to quick, local responses to retrenchments, often after the event. The decentralised administration of training may have had the benefit of ensuring that the problem was rapidly and locally addressed, but it has had the disadvantage that training programs are not coherently linked to new job opportunities. An example will illustrate this claim. Regional and local branches of the OLMA, when notified of redundancies by employers, contract with a TAFE college to provide courses designed to give retrenched workers the skills to launch themselves individually onto the labour market. Unknown numbers fall through the net. Labour adjustment programs attempt to make the human cost of industry restructuring a fiscal responsibility in the first instance. The main cost, however, falls on the individual, who loses income security and labour force status at the end of the course. It is wildly optimistic to expect that after a year-long TAFE course, a process worker whose second language in English will be able to compete in a tight market for a job involving new technology or customer contact. The labour-shedding employer bears little of the burden. Labour adjustment programs are marginal and under-resourced in Australia. To be effective, they must be part of a coherent overall program of

industry policy and labour adjustment, and training needs to be articulated to national credential structures.

Recipients

One theme of this paper is the distinction between static, short-term models of productivity, which do not look beyond cost-cutting efficiency, and dynamic models of productivity, which focus on laying the foundations for sustainable change. The second theme is the contrast between formal, 'on-paper' equity and a real extension of access and equity in skill formation. One way to estimate the gap between cost-cutting and dynamic productivity, and the gap between formal and substantive equity, is to look at the recipients of training.

In the lead-up to the 1990 Training Guarantee, the Commonwealth Government commissioned a household survey from the Australian Bureau of Statistics in order to determine the recipients of training. The questions related to training undertaken during the 12 months in 1988-89 before the survey, and the answers thus predate the Training Guarantee. Nevertheless, the survey provides a benchmark from which to assess progress towards dynamic productivity and substantive equity in the 1990s.

The main type of training undertaken was informal and on-the-job, with 72 per cent of wage and salary earners surveyed having undertaken activities such as watching others, being shown and asking questions⁵. Thirty five per cent had undertaken some formal industry-based training, 17 per cent had studied for an educational qualification and 10 per cent had undertaken some external course (Baker & Wooden 1992, pp. 25-30).

Training most commonly went to workers who were settled in their job. Overall, the most frequent type of training related to the management and professional skill areas, accounting for 25 to 30 per cent of all in-house and external training (Baker & Wooden 1992, p. 31).

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In other words, most training was provided by employees to themselves, or to other employees. In this sense, individual workers arguably carry the chief responsibility for, or burden of, training.

TAFE is largely the province of entry-level trade training. We have seen that in 1990, industry bought from TAFE only 7 per cent of its training budget. 43 per cent of these contact hours were allocated to trades, a third to professional and managerial training and only a quarter to clerical, sales, operators and labourers (Pappas, Carter, Evans, Koop, in Training Costs Review Committee 1990, vol. 2, p. 113).

Training access also differed according to personal characteristics. In the 1988-89 study, there was a marked gender difference in the average hours spent on training (in-house or external), as Table 4 notes. On average, women gained around 45 hours of training per year and men gained over 60 hours. Training was related to age, decreasing after women reached their 30s and after men reached their 40s (Baker & Wooden 1992, p. 30).

Two of the key differences in training access were those between full-time and part-time workers, and that between permanent and casual workers, as Table 5 indicates. In the case of in-house training, for example, 36.4 per cent of full-time men but only 16 per cent of part-time men had received any training in the year to July 1989. In this period, 38.3 per cent of permanent men but only 11.6 per cent of casual men had received any in-house training. The comparable figures for women were 42 per cent of full-timers to only 23 per cent of part-timers, and 42.1 per cent of permanent employees to 17.1 per cent of casuals (Miller 1991). This suggests that, apart from people working part-time in order to study, part-timers, as well as casuals, are considered a peripheral workforce.

Part-time service jobs are commonly assumed to be 'unskilled' because they are 'dead-end', and there is likely to be enormous resistance to their reclassification as 'skilled'. The full time/part time divide is a convenient mechanism for taking some workers out of the 'career' stream. Sophisticated employers may argue that part-timers have 'formal' access to career paths - but only on condition that they transfer to a full-time job. For this to happen, the job has to be there, and the worker has to be in a position to take it. This is a very different proposition from establishing career paths, through accessible training and job-share arrangements, within part-time work.

Part-timers can even be given 'formal' access to training, whilst much of this access remains substantively inaccessible because of the times at which training is scheduled, or because of failure to provide child care. Appealing to efficiency criteria by a process of

circular reasoning, employers can argue that it is marginally more costly to train part-timers, because of child care requirements, and that there are fewer benefits, in that training does not lead to career progression (See Junor, Barlow & Patterson, forthcoming).

As a result of such a self-reinforcing compartmentalisation of part-time work, part-timers are being denied skill recognition, even when their competencies are vital to service work. Integral to the operation of many workplaces, they are being marginalised from hierarchical job structures.

In summary, Australia seems to be moving to a model of training provision where access is based on one or more of the following: 'core' labour market participation, participation in post-compulsory education, and the user-pays principle.

The problem is that certain groups cannot meet these criteria and are also likely to fall through the net of labour market programs. The parliamentary report, *Halfway to Equal*, provided an example of the problem - the case of a TAFE Fashion Technology Certificate course, which lower middle income women, often of non-English speaking background, have tended to undertake in order to earn a living at home. They now face a course fee of \$400, a student amenities fee of \$120 and a materials fee of \$380. They also need to spend up to \$2000 on a sewing machine. Because they will work at home on completion of the course, their skills are not valued and the course is not seen as a re-entry course. The ruling productivity and efficiency criteria are not sufficiently fine-tuned to take account of the need for such courses (House of Representatives Standing Committee on Legal and Constitutional Affairs 1992, pp. 184-185).

Another example is the likely cultural clash between the new requirements for participation in a low-income work-study combination until age 20, and the lifestyle of Aboriginal and Torres Strait Islander people, who begin to undertake the family obligations of an adult from age 12. Moreover, access to the new post-compulsory training structures assumes that schooling to Year 10 standard is universal amongst young people. Yet in 1989, the apparent school retention rate to year 10 for Aboriginal and Torres Strait Islander students was 77.5 per cent, compared with 97.1 per cent for the non-indigenous population (Freeland 1991). This means that over 20 per cent of young Aboriginal and Torres Strait

Islander people may not reach the threshold for access to the training structures on which future employment will depend.

ENTERPRISE BARGAINING AND THE PRESSURE TO DECENTRALISE

To what extent has enterprise bargaining brought about genuine productivity enhancement and substantive training equity? An examination of 31 federal agreements ratified by February 1992 under the October 1991 Enterprise Bargaining Principle reveals that 8 of them (25 per cent) contained references to the development of training programs. These agreements were all in the manufacturing sector, many of them in the metal industry. Even here, commitments to skill analysis and development were rather less frequent than flexibility undertakings, which in many cases tend to be short-term cost-cutting measures.

The decentralisation of industrial relations points up the urgency of teasing out the distinction between efficiency and productivity, the distinction between formal and substantive equality/equity/justice, and the need for mechanisms to ensure that in both cases, the second is not submerged in the first.

CONCLUSION

The move towards skill development does offer the promise of genuine productivity through medium- and long-term change and development. Genuine productivity improvements will result from the pursuit of skill-based functional flexibilities. Such a strategy is a good way of countering the pressure for short-term efficiencies through numerical flexibility strategies, based on the achievement of marginal economies. The problem is to ensure that the pursuit of genuine productivity enhancement is also a pursuit of substantive equity extending to all workers, including those in the service sector and those 'marginally' attached to the labour market.

The training reform agenda cannot of itself bring about a congruence amongst the career paths located within awards and training structures, those located in workplaces, and those available to any individual. Setting up credential structures, industrial award pathways and

appropriate workplace job designs are three necessary and major first steps, but they are not sufficient in themselves to ensure that widespread benefits flow from the restructured training agenda. The next step is the difficult struggle to ensure that changes to workplaces, training credentials and award steps are inclusive of all workers (including part-timers). This step is facing an increasingly hostile environment, given the escalating pressure for individualised industrial relations, a pressure which was aided by the 1990-1991 recession.

To the extent that skill is seen to be located in individuals, rather than being defined in terms of work organisation, there is a tendency for the discourse of skill to contribute to the individualising of industrial relations. Only the presence of a national standards framework can provide a set of benchmarks for determining equitable skill relativities.

As Australia moves out of recession in the 1990s, the pressures for short-term cost-cutting should decrease, and there will be an increased need for a longer-term, more visionary approach to productivity enhancement. Such an approach must be economically, ecologically and socially sustainable. It must avoid the twin dangers of burning-out some workers whilst marginalising others through continued high unemployment or through the pursuit of *numerical* flexibility strategies which require the growth of a new contingent workforce. Training must contribute to flexibility in a way that conserves, develops and, above all, utilises, the national pool of human capabilities.

'Equity' is not something that can be addressed by 'add-on' or 'mop-up' programs. Removing formal barriers to training does not provide equal opportunity, and opportunity does not guarantee outcomes. Labour market 'marginality' is a sign of exploitation, or of market failure, or of contradictions in the productivity enhancement process.

The prospect of continuing high levels of unemployment is in itself a sign that in the 1990s, education and training will be involved in struggles over the roles of state and market in shaping national productivity. There will certainly be a need for an enhanced skills component in Australian manufacturing exports. But this will not be enough, neither in terms of productivity, nor in terms of equity. The focus on manufacturing will not generate large numbers of new jobs. There is also a need for a re-conceptualisation of the value

and skills of service work, for a rethinking of the productivity components of the 'flexibility' of part-time and casual workers, and for a new approach to non-market 'productivity'.

Unless the restructuring of training retains its national focus, and unless it is inclusive - of women, of immigrant workers at present labelled 'unskilled', of Aboriginal and Torres Strait Islander people, of part-time and casual workers, of mature-aged workers, and of the unemployed - the opportunity to build a genuinely 'skilled and productive' society will at best be imperfectly realised.

TABLE 1: MERCHANDISE AND SERVICES AS PERCENTAGES OF EXPORTS, AUSTRALIA ANNUAL, 1983-84 TO 1991-92 AND SEPTEMBER QUARTER 1992.

Year	Merchandise			Services	Total
	Rural, Minerals, Metal	Manu- facturing	Other Non- Rural		
	%	%	%	%	%
1983-84	71.4	10.2	1.2	17.2	100.0
1984-85	73.5	9.5	1.2	15.7	100.0
1985-86	72.6	9.1	1.5	16.8	100.0
1986-87	68.7	11.5	2.1	17.7	100.0
1987-88	67.1	11.4	2.4	19.1	100.0
1988-89	66.4	11.2	2.4	20.0	100.0
1989- 1990	65.2	12.8	2.5	19.5	100.0
1990-91	63.5	14.4	1.9	20.2	100.0
1991-92	62.6	15.0	1.9	20.5	100.0
Sept Quarter 92	61.8	16.7	2.0	19.5	100.0

Source: ABS Cat. no. 1350.0; March 1993, Table 3.3; ABS Cat. no. 5302.0 September Quarter 1992, Table 31.

TABLE 2:

OUTLAYS ON EDUCATION AND TRAINING AS A PERCENTAGE OF GROSS DOMESTIC PRODUCT, AUSTRALIA

Total Govt Outlay	Govt Outlay on Education	Commonwealth Labour Market Programmes	Net Private Outlay on Education	Employer Spending on Training
31.8	4.7	0.14	0.40 est.	0.87

Source: NBEET 1992, p. 18.

TABLE 3:

**DISTRIBUTION OF GOVERNMENT OUTLAYS ON EDUCATION, AUSTRALIA
1989-90: SECTOR AS % OF TOTAL**

Schools	Transport	TAFE	Higher Education	Pre-schools	Total
%	%	%	%	%	%
58	3	11	21	5	100

Source: NBEET 1992, p. 18.

TABLE 4 :

WAGE AND SALARY EARNERS - AVERAGE TIME SPENT ON TRAINING IN LAST 12 MONTHS TO JULY 1989, BY BIRTHPLACE AND GENDER.

	Males (Hours)	Females (Hours)
Australian born	62.7	45.9
Mainly ESB	69.2	45.8
Mainly NESB	68.1	46.2

Source: Baker & Wooden 1992, p. 30.

TABLE 5 :

PERCENTAGE OF WAGE AND SALARY EARNERS UNDERTAKING TRAINING IN THE 12 MONTHS TO JULY 1989, BY GENDER AND EMPLOYMENT STATUS.

Employment Status	Studied for an educational Qualification	External		In house	On the Job
		Employer Support	Total		
MALES	%	%	%	%	%
Part-Time	40.7	2.1	6.1	16.0	67.2
Full-Time	15.3	7.8	10.7	36.4	71.4
Permanent	15.3	8.1	11.0	38.3	71.7
Casual	28.9	2.0	5.6	11.6	66.8
FEMALES	%	%	%	%	%
Part-Time	16.0	1.8	6.0	23.1	65.1
Full-Time	16.9	7.3	11.1	42.0	77.6
Permanent	15.7	7.0	10.9	42.1	75.6
Casual	18.4	0.8	4.9	17.1	66.1

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