

TAFE workers' experiences of neoliberal reform in the Australian VET sector, 2012-2017

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Abstract

This article examines neoliberal reforms of the vocational education and training (VET) sector in Australia. It focuses on the case study of the state of Victoria, which underwent a period of significant reform between 2012 and 2017. The article documents the significant policy reforms which negatively impacted on Australia's VET sector, drawing on media and academic commentary to illustrate the public and personal ramifications of these reforms, and arguing that while these reforms were well-documented at the time, the voices of those most immediately affected were largely silenced by both the speed of these changes and the ideology underpinning them. This article uses interview data to provide unique insight into the direct experiences of stakeholders who worked in senior management and teaching roles in the Australian VET sector during this period. Their voices are used to critique policies adopted by bipartisan governments at both state and federal levels as they relate to the marketisation and commodification of VET.

Keywords Vocational education and training (VET); Neoliberalism; Privatisation; Public policy; Technical and Further Education (TAFE) workers

Introduction

This article analyses the impact of federal and state government policies on workers in the Australian vocational education and training (VET) sector between 2012 and 2017, focusing specifically on impacts on those working within the public arm of the sector, the Technical and Further Education (TAFE) system. This was a period of structural deregulation and successive, mismanaged, ideologically motivated public policy reform—perhaps best characterised as “privatisation by stealth” (Ross, 2012, p.7)—which threw the sector into disarray and disrepute. Under these reforms, students became customers and VET providers were forced to compete for a share of the market. Large, established public TAFE institutions with extensive teaching,

learning and administrative resources in place to support students were suddenly competing with small private providers who sometimes had no experience or infrastructure. Indeed, the absence of classrooms, skilled teachers and knowledgeable administrators enabled a small group of self-styled entrepreneurs to enter the market, taking advantage of negligent regulation of a sector suddenly awash with public money, to offer cut-rate courses which appeared appealing to new 'customers'. These reforms were informed by a neoliberal ideology which, as Giroux (2014) contends, promotes an almost pathological disdain for the public good. He describes the neoliberal project as promoting a political and cultural illiteracy as education is commodified and atomised, with the human whole pedagogically lost to the profit imperative.

This article draws on interview research with Victorian TAFE workers to offer a critical examination of the policy framework, its political and economic context, and the impact on those working within the sector. Zoellner (2016, p.216) argues that an acute absence of voices from within the training system has been an "enduring feature" of the VET sector, a quality that makes it particularly vulnerable to external fluctuations, industry demands, policy shifts and dictates. Arguably, neoliberal reforms silenced these voices further. While aspects of the marketisation of VET have been researched (Connell, 2013; Nakar et al., 2018; Wheelahan, 2016; Zoellner, 2016), the experiences of, and impact on, those working within this sector are not well understood.

This article, therefore, gives voice to Victorian workers in VET during 2012-2017 as integral stakeholders who best understood both the purpose of the sector and how this was hindered by neoliberal reforms. My research focuses specifically on TAFE workers who offer critical insights as to how policy changes did not result in benefits to the broader community, were ill-conceived and, I argue, reflective of blind faith in the marketplace to resolve problems. While this article contextualises the events of this period as impacting the entire VET sector in Victoria, those who worked in the large, public TAFE colleges were thrown into a particularly chaotic situation, with the terms and conditions under which they operated altering dramatically. The VET sector (including the TAFE system) in Victoria is unusual in Australia

for being much less centralised than in other states, a legacy of Liberal Premier Jeff Kennett's reforms of the 1990s, which sought to fragment and privatise public services and infrastructure (Australian Education Union, 2013). This fragmentation—with each TAFE operating independently—meant Victorian TAFEs and their workers were particularly vulnerable to the effects of further drastic policy reform. Interview data show that the experience of those working in the sector during this tumultuous period was often characterised by disruption and disarray. Policy change occurred rapidly and without consultation, damaging the pedagogical experiences for teachers, student outcomes, and the professional reputation of those whose vocation was providing education and training in this sector. These individual experiences need to be seen in light of the bigger political and cultural context.

Drawing on Wilson's (2017, p.9) invocation of the importance of conjunctural analysis, which allows us to understand that it is the "social totality of forces and powers that define a particular milieu or moment", this article positions the events of this period, and the experiences of the workers, as illustrative of something much bigger and understood only by examining the broader socio-political context. For this reason, the article first overviews literature around neoliberalism in theory and practice with regard to how it has informed and shaped education systems. It then narrows the focus to contextualise what happened in the Victorian VET sector when governments enacted aspects of this pervasive ideology. This serves as a backdrop for the lived experiences of the workers, who provide evidence that the neoliberal reforms failed to live up to their ideological underpinnings. I conclude that policy that was believed to be more efficient and to produce better results simply was not and did not.

Neoliberalism and education

As a theory, neoliberalism can be understood as "a state-centric, hegemonic political project" (Humphrys, 2019, p.75). Far from being a natural expression of "economic truths", Humphrys (2019, p.1) argues that public policy has been very intentionally recast and reorganised to facilitate a new phase of capitalism. Since its ideological seeding from the 1930s and taking root from

the 1970s, the neoliberal theory of economic development advocated by Friedman (1951), Hayek (1994) and others has become prominent in the highest government policy circles (Jones, 2014). Larner (2000, p.7) notes that five key values define neoliberalism: “the individual; freedom of choice; market security; laissez faire and minimal government”. According to the neoliberal imagination, public social infrastructure, such as public education, impedes entrepreneurialism and individualism, breeding unproductive dependency and bureaucracy (Wilson, 2017). In theory, a central principle of neoliberalism is that societies in which markets are unhindered by state interference engender conditions of industry aided by competitive entrepreneurs who maximise economic growth for the benefit of the wider society and themselves (Beck, 2018; Jones, 2014). Private capital is thus privileged over state solutions (Jones, 2014; Scapp, 2016).

Peck and Tickell (2002, p.381) argue that it is easy to view the “new religion” of neoliberalism as a total and complete, all-encompassing project but stress the importance of understanding it as being historically and spatially specific to analyse, let alone critique, instances of neoliberalism being put into practice. For instance, they contend that though its rhetoric is “antistatist”, its proponents have proven adept at the “(mis)use of state power in the pursuit of these goals” (Peck & Tickell, 2002, p.381). Describing neoliberalism as a process, they argue it is “neither monolithic in form nor universal in effect” and that “there have been significant internal shifts in its institutional form, its political rationality, and its economic and social consequences” (Peck & Tickell, 2002, p.384). Similarly, Wilson (2017, p.9) describes a central paradox of neoliberalism’s “totalizing yet tenuous status”, asserting the need to view its cultural and political characteristics as ultimately socially constructed and therefore fallible. This highlights the need for geographically- and historically-specific analyses of how neoliberalism plays out.

While decades of public policy and governance in Australia and elsewhere have been characterised by these hallmarks of neoliberal theory and ideology, Larner (2000) makes an important case for caution in analysing all consequent events in the public arena as being the result of a singular,

cohesive and clearly executed agenda. She argues that acknowledging the complexities, disjunctions and points of incoherence in what might too easily be viewed as a monolithic whole allows for the cracks to materialise and, therefore, for alternatives to be imagined. She consequently draws a distinction between three forms of neoliberalism: ideology; governmentality; and policy (Larner, 2000, p.6). She also makes a critical qualification, arguing that while neoliberalism is typically concerned with *less* government, “it does not follow that there is less governance” as both institutions and individuals are conditioned “to conform to the norms of the market” (Larner, 2000, p.12). Indeed, although the multivariant forces of neoliberalism work across all these areas to ensure conformity in many ways, the ways this actually works in practice might not be coherent or consistent. Similarly, Peck and Tickell (2002, p.388) describe both the process of neoliberalisation—the rolling out of the theory and practice and the preceding phase of rolling back welfare statist policies and practices—and the responses to it as “variegated” in nature. Similarly, Larner (2000, p.12) points out that political formations are “multi-vocal” and that “close inspection of particular neo-liberal political projects is more likely to reveal a complex and hybrid political imaginary, rather than the straightforward implementation of a unified and coherent philosophy.”

As these scholars stress, while neoliberalism as a theory—with its foregrounding of free market ideology at all costs—appears relatively straightforward and logical, enacting it creates all sorts of messiness. This “proclivity to privatize all that is public” (Scapp, 2016, p.36) exacts a toll on many, causing systems and structures to be thrown into disarray. Education is one area of government service provision that has long been considered a public good in most developed countries but neoliberals have sought to make it conform to the market theory by privatising, either directly or through various means of governance and deregulation.

Education systems across the globe have been impacted by the rise of neoliberal ideology influencing government practices (Connell, 2013). Needs historically serviced by public agencies and part of a collective community “on a principle of citizen rights” are now to be met by private companies selling

into a market (Connell, 2013, p.100). The pragmatics of education policy are dominated by unencumbered ‘free market’ decision-making that privileges economics over a collective ‘public good’. Giroux (2013, n.p.) points out that those on the right view all education as a profit-making, training enterprise at best and “at worst as a disciplinary apparatus and object of repression”. Shore and Wright (2017) argue that such policies represent not just the state’s retreat from directly funding (public) education but also a calculated initiative to enable private companies to profit from taxpayer funds channelled through individual student loan arrangements.

The new economic order in which education markets operate is one of perpetual uncertainty. Under neoliberalism, the “profit-seeking corporation is promoted as the admired model for the public sector, and for much of civil society” (Connell, 2013, p.101). The consequence of neoliberalism on the post-compulsory education sector in Australia has been a “sustained attempt to create competitive markets in modularized training services” with both public and private institutions becoming “simply ‘providers’ competing with each other for fees and subsidies” (Connell, 2013, p.103). In the absence of adequate government policies to regulate the quality of training organisations, “entrepreneurs moved into this very substantial market” (Connell, 2013, p.103). Through the neoliberal lens, both national and state government policy assumes “whatever problem exists, market logic can fix it with education perceived as ‘capital formation’” (Connell, 2013, p.104).

The evidence from other formerly government-owned sectors indicates that the benefits of competition and marketisation are not as clear cut as neoliberal ideologues would suggest. A key example is the energy sector, where energy providers in Australia from 2007 were, to a large extent, transferred from government monopolies and reformed into “multiple companies and funds from those sold have made a significant contribution to one of the world’s largest privatization programs” (Chester, 2007, p.981). The articulated aim was to enable consumers to choose their electricity supplier if the number of wholesale buyers and sellers increased (Chester, 2007). Here, increased choice—one of Larner’s (2000) defining characteristics of neoliberalism—is often seen as the key outcome but evidence shows that

“between December 1996 and December 2016 Australian prices increased by 64 percent but electricity prices increased by 183 percent” (Richardson, 2017, p.3). This suggests that having a choice of providers does not necessarily benefit consumers in terms of cost. The same can be said for quality, with electricity networks running virtually unchecked, providers spending vast sums on unnecessary infrastructure and charging customers extra to cover those expenses (Hill, 2014). As Wilson (2017, p.5) points out, however, neoliberalism’s “diffusion of competition throughout society make the infrastructures that undergird our lives profoundly unstable, while simultaneously diminishing our senses of interdependence and social connection.”

Policy reforms at both state and federal levels have successively commodified post-compulsory education in Australia, forcing institutions to conduct themselves less like places of learning and “more and more like profit-seeking firms” (Connell, 2013, p.102). The recent history of the VET sector in Victoria goes a long way to dispel any faith in the efficiency of an unregulated market to provide for these socially necessary skills—this history represents a textbook case of how the most disadvantaged are exploited by those seeking to “turn a quick buck”, the phrase used by Craig Robertson, the CEO of TAFE Directors Australia (cited in Doogue, 2017). However, as Robertson (cited in Doogue, 2017) notes, this outcome should have been clear from even the most cursory analysis of the incentives operating upon the major players in the system (government, private providers, and prospective students). Giroux (2015) theorises that, within the discourse of neoliberalism, individual misfortune is viewed as a moral failing in need of containment rather than a direct result of damaging public policy. It is not the *system* that failed to provide public services appropriate for its citizenry; it is the *individual consumer* who failed to benefit themselves adequately. Indeed, while thousands of VET student-consumers failed to complete promised qualifications and accrued tens of thousands of dollars in debt, which the government refused to absolve, those who benefited from this policy retained their personal profit.

Reflecting these general trends in education, the Australian VET sector has been the subject of a succession of policy attempts aimed at making it more agile in a market-driven economy. The introduction of demand-driven places and a deferred government loan scheme for qualifications at diploma level, like the Higher Education Contribution Scheme introduced in 1989 for public universities in Australia (Jackson, 2003), contributed to the perception that the system was flush with money. The Commonwealth Senate Education and Employment References Committee's (2015, p.2) report into the operation, regulation and funding of the VET sector described the outcome of policies as resulting in a "massive transfer of public wealth" to a small handful of private individuals who set up training organisations to take advantage of this money while providing no educational outcomes. The Senate inquiry was established to investigate a raft of evidence concerning "entrenched allegations of exploitation and profiteering" (Education and Employment References Committee, 2015, p.2). A major finding of the inquiry surrounded the inadequate regulation and irresponsible funding of the sector.

Key policy initiatives in VET (Victoria), 2012-2017

Historically, TAFEs educated the working classes and their children, training them to fulfil productive roles within the economy in skilled jobs (Goozee, 2001). TAFEs built a strong reputation on their ability to assist the socially, economically or academically disadvantaged and disenfranchised to attain training and education to equip them to function as contributing, valued and fulfilled citizens within their communities. Their role was an established broad-based community one, much more holistic than servicing immediate industry demands. While TAFEs have dominated the sector for most of Australia's VET provision history, private providers have a long history of co-existence. As Anderson (1994, p.vii) describes, while non-government providers always existed, since "its formal establishment following the Kangan report (1974), the TAFE system has enjoyed a virtual monopoly over government funded vocational education and training and almost exclusive control of publicly recognised vocational qualifications". Victoria has had the most decentralised and privatised sector in the country since the 1990s.

With a change in political and economic philosophy embracing a form of neoliberalism, the Australian educational landscape was dramatically altered by the turn of the twenty-first century. Deregulation, privatisation and full-fee paying by the consumer-student became the norm. Leading up to this shift were several major policy pronouncements and key reports from the late 1980s that identified private training providers as an alternative source of training and attached increasing importance to their potential for satisfying future consumer demand for apparently practical skills and qualifications (for example, Dawkins, 1989a; Deveson, 1990a).

Competition in the VET sector is not new, with private organisations able to register as training bodies since the 1990s (ACIL Allen, 2015, p.21). In 1996, user choice for apprenticeships/traineeships was introduced when apprentices and employers were able to select from among government-approved Registered Training Organisations (RTOs) the requisite off-the job training component of the apprenticeship; at the same time, fees became regulated (ACIL Allen, 2015, p.20). The introduction of RTOs exacerbated competition within the VET sector. For example:

In 2003, the share of apprenticeship enrolments across private RTOs (44 per cent market share) and TAFE institutes (52 per cent) in Victoria was the result of the introduction of User Choice ... by 2013, private providers had increased their share of enrolments to 55 per cent. (ACIL Allen 2015, p.28)

In 2008, the Council of Australian Governments initiated the National Agreement for Skills and Workforce Development. The key policy component of the agreement was to reform the training sector, with the objective of creating an agile, demand-driven system responsive to labour market requirements. Labelled the Victorian Training Guarantee, Victoria was the first state to implement this agreement, enacted between July 2009 and January 2011 (Leung et al., 2014). Under this scheme, public training institutions (TAFEs) were effectively defunded, with money following the consumer (student) and debt shifting to the individual. Students were signed up to uncapped debts for the cost of an entire course on the spot, regardless of whether or not they completed even a single unit, as a growing number of

private providers entered the market and competed for consumers. While TAFE student numbers initially surged after a cap on numbers was first removed, student-consumers were quickly enticed away from TAFEs by RTOs promising no-frills, quick-and-easy qualifications deliverable because of their low overheads and, in some documented instances, completely non-existent infrastructure (Leung et al., 2014). The previous government had budgeted for \$855 million in the 2011 financial year but funding VET blew out to \$1.3 billion “driven by the popularity of courses such as fitness and aromatherapy”. These changes stemmed from “reviews of the system by the Essential Services Commission and the Victorian Competition and Efficiency Commission” (Dunckley, 2012, p.6) which encouraged unfettered choice in course offerings.

By 2012, VET enrolments had increased from a 2010 figure of 350,000 to 550,000, suggesting that student ‘choice’ had indeed been facilitated. However, the debt associated with this growth was disproportionately placed on individual students and the entry of new private providers meant that the Victorian Liberal government announced cuts to TAFE (Gordon, 2012a). The Australian Education Union Victorian State Secretary Mary Bluett (cited in Gordon, 2012a) thus argued that this policy reform had engendered an untenable paradox where unprecedented levels of public funds circulating in the VET sector, while TAFE colleges—the core providers of VET education for many years—were increasingly under threat of closure. Bluett (cited in Gordon, 2012a, p.6) described the human costs of the government’s \$40 million cut to the funding of four large metropolitan TAFEs, suggesting that thousands of TAFE workers would lose their jobs as the result of “government mismanagement”. However, Victorian TAFEs and their union suggested this was not mismanagement at all, accusing the Victorian government of undermining Fair Work principles and breaching the funding agreement (Ross & Trounson, 2012). The Labor Party called for the Victorian government Higher Education Minister Peter Hall to quit as a result (Gordon, 2012b).

Media reports described events in the VET sector as “privatisation by stealth” (Ross, 2012, p.7), with cuts to the 2012 TAFE budget representing the largest in its history. This contradicted the Victorian government

characterisation of TAFE's as "vital public bodies" (Ross, 2012, p.7). In a retrospective review of these reforms, the Australian Government Department of Education and Training (2015, p.5) noted that as Victorian TAFE's operated in a more competitive environment, there were a number of unintended consequences:

- Unsustainable growth in costs (to taxpayers funding the federal government reforms)
- Unscrupulous provider behaviour
- Poor student outcomes
- High student debt
- Limited training outcomes for students
- Limited job prospects

Nonetheless, in 2012 Julia Gillard's Labor Federal government, in agreement with the states and territories, opened VET up even further to the market. Under a new scheme, students could take out a VET FEE-HELP loan up to \$95,000 (Manning, 2016). VET FEE-HELP provided taxpayer-funded loans for students for any diploma-level course at any approved provider, regardless of the demands for skills in the Australian economy and with no consideration of the capacity for students to successfully undertake these courses. In addition, there were no limits to the number of students providers could enrol or fees they could charge. This policy gave the market free reign to dictate the terms for the sector, including giving providers full discretion on the cost to consumer of the product they touted (Manning, 2016).

Within this context, the full fee amount charged to students would be covered upfront by a taxpayer-funded loan (Department of Education and Training, 2017b). Both TAFE's and private RTOs were paid the full fee by the government up-front, regardless of whether students completed courses. RTOs, with little or no regulatory oversight, signed up as many students as they could, as brokers working on commission offered inducements such as free laptops and iPads. Course completion rates plummeted. In one instance, a private college was costing \$1 million for each student completion (Manning, 2016).

In 2017, the report of the Independent Broad-Based Anti-Corruption Commission (IBAC) concluded that fraudulent or improper conduct on the

part of both TAFEs and private RTOs had occurred, indicating funding and compliance required strengthening. Victorian TAFEs were described as operating in a “challenging environment” in which they were struggling financially (IBAC, 2017, pp.97-98). In December 2017, the Australian government Department of Education and Training (2017c, p.1) released the results of the VET Student Loans Courses and Loan Caps Review and chose to cap loans to \$5,000, \$10,000 or \$15,000 in order to limit “excessive price gouging experienced under VET FEE-HELP”. But it did not modify the fundamental assumption that offering students ‘choice’ was the best goal for VET policy.

I argue that VET FEE-HELP, when coupled with sector-wide deregulation, led to a culture of significant exploitation and systemic rorting. Australia’s Student Loans Ombudsman was inundated with 5193 complaints from July 2017 to March 2018 (Tomazin, 2018). Students’ complaints centred on the view that they were being defrauded by unethical private training providers and/or deficient VET courses (Tomazin, 2018). Tomazin (2018, para.4) describes this unethical behaviour as one of the “biggest rorts in Australian education history”, with reports of some private colleges enrolling students without their consent in courses they never sought to engage in. Some RTOs even touted outside of suburban Centrelink offices (which administer social welfare benefits and services), signing up people on unemployment and disability payments unable to complete the courses for which they became indebted. Government statistics report that in the first three-quarters of 2017 Victorian TAFE student enrolments fell by nearly 20,000, or 6.3% (Noonan & Pilcher, 2018). In this sense, what many students chose to do was to *not* enter the VET system, as a result of the reforms.

Methods

To examine the impact of the VET policies reforms between 2012 and 2017, a series of semi-structured, in-depth interviews were conducted with 16 workers employed in the TAFE sector during this period, undertaken over four months spanning 2018 and 2019. Low-risk human ethics approval was granted by the supporting institution, RMIT University (number 20728).

Plain-language statements, outlining the scope of the project, were distributed to each worker interviewed in order to achieve informed consent.

Interview participants occupied senior teaching and administrative positions within the public TAFE system in locations across metropolitan and regional Victoria. These TAFE workers were selected for being broadly representative of the sector, with professional experience and qualifications in a variety of teaching areas taught by VET and with immediate experience of an array of institutions in the state of Victoria, situated in both metropolitan and regional communities. To preserve anonymity, I refer to each participant as “Worker (X)”, allocating a specific letter of the alphabet to each. Interview participants were well placed to provide insights into the state of VET, and the specific impact on the public TAFE sector in particular, reflecting on their direct and immediate professional experiences of having worked within the sector for many years. In some cases, these narratives recount policy initiatives that pre-date this article’s precise period of examination. I have included these contextual accounts of public policy history to illustrate the acuteness of the reform period under analysis. As one worker explained, “Challenges for TAFE sector today are a result of much longer than the past five years” (Worker E).

Interview questions were designed to elicit open-ended responses, asking participants to reflect on their experiences of the impact of the raft of policies in the sector on students and staff. The workers described the impact of the VET policy reforms and deregulation practices on their institutions, their own day-to-day work in their individual departments, their staff, and their students. Workers’ narratives of the impacts of the policy reforms on them, their work and the institutions in which they worked were analysed thematically. The two themes presented here aim to highlight that not only were the purported intentions behind the reforms—and indeed the neoliberal goal of greater choice through marketisation and privatisation—not met but also that the reforms had unintended, negative consequences on workers, students and TAFE organisations. The workers’ narratives of this period attest to their experience of being positioned as inconsequential and their expertise

dismissed as irrelevant to what was being done to the sector by top-down, ideologically driven political reformers.

Theme 1: Unproductive—and costly—competition

As earlier discussion noted, one of the key drivers behind the reforms was to introduce greater competition into the VET sector. This was intended to achieve a skilled workforce through creating a more agile training system responsive to market needs. Yet all workers interviewed noted that TAFE providers were unable to compete with small RTOs that operated with few overhead costs, because they lacked the significant—and expensive—infrastructure that TAFEs had built up over decades. They therefore described the impacts of deregulation leading to the TAFE sector as being *uncompetitive* and *unproductive*. The Victorian Labor government's 2008 'Securing Jobs for Your Future' policy was, according to Worker D, "the first step towards the privatisation of the sector", introducing weighted funding and training hours. Under this scheme, there was:

a standard rate that they would pay for student contact hours, but then they would weight that rather than saying that we would pay more for this and pay less for that, they instead said that we have a standard rate of \$9.46 or whatever for the private RTOs and TAFE, creating an false equivalent and setting up unequal competition and a very complicated accounting system.

Worker H reported that this effectively reduced overall funding and resulted in a loss of 250 staff in just the one TAFE they worked in, noting that TAFEs were not businesses but staffed largely by teachers. They were therefore not equipped to market themselves as aggressively as the private RTOs that began to occupy the VET landscape. This new policy landscape was transformed by bipartisan agreement at both state and federal level which demonstrated a wilful disregard for the nature and business of TAFE. The new model of governance effectively transformed VET overnight into a commercial operation, enabling private companies to compete with TAFEs. TAFEs were forced into an organisational model that Worker D characterised as being about making money rather than serving and educating the community:

“Whilst VET was a community service, with the advent of deregulation it had to prioritise economic viability for courses over its social justice imperative to educate and provide opportunity.” Under the market logic of these changes, the historical role played by TAFEs providing more than just transactional training for a job was radically compromised. What Worker D describes above as the long-standing “social justice imperative” of TAFEs to provide an inclusive community service including literacy tuition, social and mental health support services, and counselling programmes for prospective students in the communities they served. Students’ sometimes difficult and often complicated, multifaceted realities meant that they could only become trained for jobs once they became able to absorb new skills, making the foundational programmes offered by TAFEs essential.

As Worker A explained, policy-makers introduced successive reforms designed to fundamentally alter the traditional objective of TAFE:

Now private businesses are there to make money, whereas TAFEs had a service to provide to the community ... If we ran at break-even we were happy. Students are getting qualifications, staff are employed, business is going on, everyone is being educated, and everybody in the community has an opportunity to go forth. But private business is there to make money and so they are going to setup everything as cost-efficient as they can to try and make as much money as possible. That’s why government departments are privatised ... Previously TAFE was an area where you could go back, as an adult, and re-educate and change your career direction ... you can’t do that anymore.

Similarly, Worker B described how successive funding policies directly affected TAFE’s delivery model:

TAFE entered into this sort of spiral of just trying to stay alive, and they needed to cut costs ... We saw that spill into the classroom and the way that classroom delivery was funded. Going back ... eight years ago when I started, to the way that it’s funded now it’s completely different.

Many workers interviewed described the ripple effects of funding cuts on support services that TAFEs traditionally offer but that most RTOs do not provide, such as student support, career counsellors, libraries and other

resources. TAFE's were forced to make hard choices about which services to cut and which to effectively cross-subsidise:

Student services hours got cut and library hours got cut ... a whole range of those services got cut (and) all of a sudden you had to pay for parking ... Our [student] cohort access those services a lot and we do redirect them to student services a lot. (Worker B)

Worker E explained that TAFE funding of “superstructures”, including libraries, facilities and career counselling could no longer be offered “like before at the same low costs to students” quite simply because the private RTOs “did not provide these services in their lean structures that focused on profit”.

The interview participants said the erosion of support services at TAFE's had a direct impact on students because it meant that “many more students (were) unable to complete their course” (Worker F). At the same time, the advent of VET FEE-HELP meant that many students incurred high debts that they were unable to repay. This student funding model was based on inconsistent comparisons between the VET and Higher Education sectors, with educational outcomes no longer the policy imperative. Worker E described the shift towards increased administrative loads effectively taking teachers' time away from the students and the classroom as market competition pressures combined with paradoxical and burdensome compliance measures implemented due to deregulation to impede productivity:

The skills reform was probably one of the biggest things to hit ... Everyone got really excited with the lifting of caps [on student numbers] and I think that's what people would look at, that's an exciting thing we can offer more to more students, but with it came all those other changes to funding, and I think that was a very big start to the reporting and recording procedures that we now have in play that have affected us as teachers pretty greatly on the ground.

Worker C reflected that a significant “increase in administration for TAFE's, audit culture [with] more and more time spent adhering to changing policies and adhering to compliance regulations to ensure funding” hindered

those working in TAFE's ability to provide high-quality training. They positioned this administrative bureaucracy as the result of an ideological "mistrust of teachers which filters down through management, resulting in disempowering and undermining teaching staff" (Worker C). Indeed, Worker A highlighted that these problems occurred because RTOs focus on meeting compliance standards and filling out requisite paperwork, while "poor quality teaching and learning flew under the radar, with their learning/business model positioned as 'flexible' and 'effective'".

As funding became increasingly precarious, with constant shifts in the policy landscape, job security became a huge problem. Many professionals who worked in positions of management during this period reflected on the traumatic experiences of having to retrench teachers in TAFE as a result of the policies described above. The VET reforms caused great anxiety and resentment amongst staff, paradoxically leading to a *less* productive work culture than before as they responded to the seemingly constant upheaval in policies. Ironically, when TAFE workers lost their jobs, many went to RTOs, some observing first-hand the unscrupulous practices undertaken. For instance, "Students paid for courses but got poor learning experiences and returned to TAFE with a [incomplete] qualification but without the requisite knowledge" (Worker F). Worker E observed what they perceived as blatant fraud:

We've seen ... providers ... targeting vulnerable people ... taking their money for different courses ... [People] being charged \$20,000 for a hairdressing management diploma, and not really being aware of the contracts that they're signing. So, this [uncapped] funding has been exploited.

TAFEs were not immune to this unethical scramble for money in the highly competitive environment. For instance, Worker D recounted the second-hand tale of one unscrupulous TAFE taking advantage of a funding mechanism that counted "bums on seats":

A famous example is of [a TAFE] in [a regional area], who went around the region 'RPLing' [granting recognition for prior learning] a bunch of farmers in Cert 3 agriculture or whatever it was. They had

been working on the land for 30 years, they knew more than the teachers knew about how to farm. Nobody could teach them. So, it was just sign on the dotted line and [the TAFE] would get \$10,000 per year.

This example, according to Worker D, lasted “a year or two”, during which time:

... you would pull up annual reports of all the providers ... and look at some of these regional ones and traditionally they would get \$50 million of government funding ... suddenly there were getting \$120 million ... we made inquiries with colleagues and yes it was very dodgy. So that was pure profiteering in that sense.

Worker D viewed this pattern of bad behaviour as being the result of cultivated desperation given a policy setting where money became all that mattered. This created inefficiencies and unethical distortions that contradicted the neoliberal focus on *improving* efficiency through competition and choice.

Worker D described the fundamental imbalance existing in the sector. For example, they indicated that the Essential Services Commission (2011) undertook a review and considered the funding as “just a subsidy to support inefficient TAFE [colleges]”. Such an assessment failed to account for Victorian TAFEs being contractually obliged to meet the terms of an Enterprise Bargaining Agreement (EBA) negotiated by the Victorian government. This meant they had to pay more for staff than small, private RTOs. Worker D described, in the context of the EBA, individual student fees were increased to offset losses, how:

... funding rates for courses for private or public and the removal of the community service obligation from TAFE, on the justification that if the government wanted TAFE to do an additional community thing they would pay for it as a one-off allocation, not considering the fact that at that stage ... TAFEs were ... owned by the state government and the buildings were mostly owned by the state government, and so the state government had a responsibility to maintain them, which was what the maintenance allocation was for, and the state government had committed the TAFE to an EBA and that supplementation was the majority of it ... By 2013, 24 million dollars was cut ... We had to sack a lot of people so there was a massive round of redundancies ... [though] within certain parameters you could increase fees as much as you liked.

When VET FEE-HELP was instituted the imperative for TAFEs to quickly sign up prospective students was amplified, and individual debt rapidly accrued to unprecedented levels. Worker D described the ramifications of this policy for students:

You've sort of got two competing policies ... When put together [they] became just a nightmare ... You've got unscrupulous providers signing up people who don't really want to do something, they don't really know what they're signing up for only because both the funding from the government for ... the training guarantee amount, and the fee was actually government supported, so they could actually walk in and say that you don't actually have to pay a cent. Now you had to read the small print to realise that you would actually have to pay out of your tax over a period of time.

This open market epitomised costly misuse of public money engendering only a false economy of competition with no real benefits to the student-consumer. TAFE staff, as Worker D described, observed a very unequal playing field in a sector that seemed to shift overnight with the introduction in funding changes. This placed those working within the TAFE system into compromised ethical positions as market competition encouraged poor outcomes for student-customers. For long-time TAFE workers committed to training and education in the communities in which they worked, the emphasis on profit-making and opaque student-consumer debt adoption represented a significant distraction from the core function of service provision.

Theme 2: A sector in disarray as TAFEs were left picking up the pieces

The interviewed TAFE workers repeatedly observed that they felt that, during the 2012-2017 period, governments had “lost control” (Worker A) of the sector, enacting haphazard, poorly considered and hastily developed policies. Neither the state nor federal governments were willing to assume responsibility for the VET sector, making unintended consequences more likely. Worker A described RTOs as “taking advantage of government funding for personal economic gain”, a view Worker D endorsed:

I saw the sector change and a lot ... with private RTOs capturing the market ... The cost that [the government] actually had to supply for the funding of education sort of blew out and with opening it up to the private RTO[s], I think that they lost their control. So, they opened up this thing and private businesses are making lots of money ... but they were not able to reign it in. Now [the government] have tried to reign it in ... by developing more and more rules. So how do you stop people enrolling in courses to get a free iPad?

As those in the sector competed for funding, effecting the pedagogical quality of classroom learning, there were “many examples of RTOs visiting workplaces [where vocational training was supposed to be undertaken], ticking off boxes but no training delivery [occurred], hence cost-cutting of private RTOs” (Worker E). The same interview participant said:

Unethical, unscrupulous practices by some RTOs focused on economic gains, as opposed to educational outcomes for learners, have led to the emphasis on audit culture, distrust of TAFEs and teachers. Such experiences have led to onerous administrative duties that are taking teachers time away from the main business of teaching and learning and pushing teachers out of the system.

As some of the messiness of the unintended consequences of hasty deregulation became clear, the government sought to patch up its policy failures. This meant, for instance, more administrative burden placed paradoxically most on those TAFEs who were not the problem. The objective and value of VET became only an immediate economic one, altered from a broad-based community service to one of individual transactability. Worker A described the impact of policy reforms that privileged certain courses over others, paying less than TAFEs previously received for the provision of these same packages, while students continued to incur ever higher debt in order to study. As Worker A explained, this led to “fee cuts from around 2012 ... because of government policy changes that meant that not all courses would be funded equally, based on the community/industry need.” Again, governments were playing catch-up, retrospectively attempting to repair damage caused by their original policy roll-out.

As time wore on, many small RTOs that had entered the market as a result of the policy incentives closed their doors as it became evident their business models were not sustainable, sometimes fraudulent and ultimately

not committed to actually providing training. With the closure of private RTOs, TAFE's became the fall-back option for students who sought to complete training courses begun at RTOs. Worker C characterised students as the victims of an aggressively market-driven system in which education and training was viewed as merely a vehicle for profiteering, not as an essential public service. This had a direct impact on Worker C's own work at a TAFE:

These people don't have results or transcripts—so even for us, we're in a very difficult position to try and honour any work that they've done, and we've heard stories of people who said they have got all of their assessment tasks and done a year of study. It's just wrong and, you know, you just really feel for these people. For me, when I think about all the compliance that we do and yet you had these private RTOs that were able to come in take all of this money off these people. I think it's made a massive impact; I think it's hurt a lot of people.

Several interview participants also noted that where private providers had been shut down because of unscrupulous practices, students had also been affected financially. Worker B overall described the implications of the uncapped fee places as “compromis[ing] ... quality of education and training outcomes for students”, with some RTOs having issued certificates although students had never been engaged in the training they enrolled in. For those who remained working in the sector during this period, their time became increasingly occupied with “administration rather than planning for teaching and learning, a result of some RTOs' unscrupulous actions, became the norm” (Worker C).

The only person interviewed to explicitly invoke the term ‘neoliberalism’ did so to sum up what they viewed as the decline of a sector in which they had worked for decades, observing that “the neoliberal enterprising of the VET sector has led to fewer opportunities for well-meaning people to undertake education and training as a result of private businesses who exploited the system” (Worker B). While this worker was referring to students, most of the TAFE professionals interviewed for this research explicitly stated that they also could not envisage a future for themselves in the sector in five years' time.

Asked how they made sense of the tumultuous period of reform, one senior manager with a decade of experience in the sector said it was characterised by governments privileging the perceived needs of the economy for ever-more-specifically skilled workers. Yet the policies put in place did not achieve this:

Crazy government decisions that were not thought through ... had been constructed in a knee-jerk reaction to something else. That was by far and away the number one threat and it turned out to be the downfall of the system. (Worker B)

As one senior manager put it, while “policy has never focused on the VET professional” (Worker S), during the reform period the capability and quality of those working in the sector was devalued and regarded as unimportant to the delivery of VET education. This shift was characterised by Worker T as TAFEs being transformed into “commercial operations” devoted primarily to business, with a “little education on the side”. In relatively little time, the government’s policy intentions of making a more agile, demand-driven, market responsive VET sector unravelled. Ironically, in the name of deregulation and privatisation, it was the public TAFE system that was forced to clean up the mess.

Conclusion

This article has provided a case study of the impacts of neoliberal ideology being poorly implemented in public policy. The Australian VET sector traditionally had the objective of providing vocational training and education responsive to its stakeholders. Specifically, VET was meant to supply the Australian community and economy with well-trained workers able to assume roles necessary to the ongoing production of industry and service the community. Those working in the sector have long demonstrated a commitment to this objective and funding models ensured sustainable and equitable opportunities for new skills to be achieved enabled this to happen. However, as this article illustrates, successive policy reforms impacted the core function of those working in the sector, hindering the ability of

professional VET workers to train and educate workers in fields of industry as required by the community.

This case study of the Victorian VET sector has confirmed previous theoretical arguments that neoliberal reforms in education have had a significant economic cost, wasting billions of taxpayer dollars and leaving many unsuspecting 'students' thousands of dollars in debt. This has left students and workers bearing the costs of reform. Moreover, the intended goals of the reforms—to introduce more competition to offer students more choice and improve efficiency—were not achieved and, worse, often led to exactly the opposite: there was nothing efficient about bringing an essential public service to the point of insolvency. Reforms created more work for TAFE providers with lower working conditions. Privatising the training market engendered significant problems, all of which should have been foreseeable by those responsible for the policy reforms given previous international and Australian experience. The experiences of the workers interviewed highlight that the privileging of the invisible market allows a dehumanising effect, with those the market impacts easily lost sight of and the voices of those who are assaulted by the policies silenced by the process of ideological erasure. Thus, this article fills an important gap in the literature on neoliberalism by drawing on the voices of those most effected in the VET sector reforms. It demonstrates a central and enduring paradox of the roll-out phase of neoliberalism and illustrates the inherent messiness of market theory when enacted in the complex social sphere.

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