

SPEECH | WE'LL PUT PEOPLE FIRST

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ADDRESS TO COMMUNITY COLLEGES AUSTRALIA CONFERENCE

MELBOURNE

26 JULY 2017

*** CHECK AGAINST DELIVERY ***

I would like to acknowledge traditional owners of the land on which we meet and pay my respect to their elders, past and present.

I would also like to acknowledge and thank Don (Perlgut, CEO of Community Colleges Australia) for inviting me to deliver today's opening address.

You have brought together an impressive and interesting list of speakers to discuss the important matters of investing in our future and the role of community education.

In keeping with one of your conference themes I would like to start by sharing some of my observations about the issues facing young people in Australia.

When I was 15, starting my working life, I never imagined where my apprenticeship as a fitter and machinist would take me.

Looking back, I have a lot to be thankful for.

While there has probably never been a "golden age" for the young, I can't help but feel I have a lot more to be thankful for than today's generation of young people. As a young man in Glasgow and later, as a young migrant to Australia, I could realistically envisage a life where job security, rights at work, a home of for my family, a quality education for my kids, and a health system that would take care of us when we fell ill, were the norm.

I was able to realistically believe in communities that, in the aftermath of our brush with totalitarianism in the Second World War, shared a commitment to collectivism; and democratic values embodied in ideas like: - "if we all pay our fair share of taxes, we will all benefit from the high-quality services that the state will provide". For today's generation of young people, it must seem a distant world.

There is no doubt that they don't have the faith I had – and still have today - in that shared national endeavour.

Frankly, who could blame them.

After decades of so called 'reform' that makes housing less of a home and more of an investment; that makes our workplaces more "flexible" for the growing army of casuals, contractors and "gig-economy" workers; that imposes punitive conditions on the provision of government support; that promotes the idea that public spending on education and health are "unsustainable costs" or a "burden" - is it any wonder they consider the dreams we made a reality, an unattainable utopian ideal of the past? Who would have thought that many young Australians would have abandoned the hope of ever owning their own home unless they have rich parents?

Who would have thought that many of Australia's egalitarian ideals of fairness and mate-ship would be sidelined by individualism, austerity, growing inequality and neoliberal economic theory?

It's no accident that we find ourselves in these circumstances - these are not unforeseen consequences.

They have come on the back of conscious (although contested) decisions made by governments –from policies dominated by the flawed economic rationalist principles of free markets, privatisation, self-interest and crude conceptions of 'user-pays'. One of the developments of the past two decades, impacting disproportionately on young people but affecting us all, is the decline in the value, reliability and effectiveness of our vocational education and training system.

It has been a result of the obsession with "small government"; an obsession that I believe has finally run its course.

It is clear, when I talk to my constituents, in research on public opinion and I'm sure in the day-to-day conversations people have at home and at work, that Australians don't buy the small government myth that has taken such a foothold in the English speaking world.

Australians want their governments to understand their challenges and take action on their behalf.

Young Australians expect their governments to provide support and intervene for the public good.

They don't want their governments to stand back and ignore their needs and their aspirations.

They don't want a government in denial on increased inequality and anchored in trickle-down economics.

My job as Shadow Minister for Skills and Apprenticeships gives me a role in shaping the future of VET and in doing so accomplish important outcomes for young Australians.

Along with my colleagues in the Labor party, I want to see resurgence in government support for education across the life course.

We will ensure access to quality education and care in the early years; build and sustain excellent schools; and support exemplary technical, further and higher education.

We also need a system that enables retraining, skill upgrading and tailored educational support - when it is called for and where it is needed.

This, of course, means governments giving proper backing to community and adult education – particularly given your expertise in providing education to disadvantaged learners.

As it stands the Federal government has been silent on community education – there is no understanding or recognition from them regarding the critical role it plays. The continued dominance of austerity policies within the Turnbull government has resulted in budget announcements in skills and training which rely on funding from employers engaging overseas workers.

This approach epitomises the lack of vision and effective policy development within a government that is dominated by internal division and personality politics.

Labor will work with your sector to build upon our 2008 Ministerial Declaration on Adult and Community Education – and work with you for a vibrant, secure and sustainable community education sector.

Community education is critical – particularly for the growing number of disenfranchised, unemployed or underemployed young people finding it hard, if not impossible, to break into the labour market.

Community Colleges and the people who work in them, excel at assisting disadvantaged learners.

You work with individuals to achieve goals they had thought were beyond their reach - providing critical literacy and numeracy skills and assisting them to gain important foundation life and employment skills.

You give young people, alienated from formal schooling, a second chance at education.

Your colleges also offer quality, vocationally-focused training and education to people seeking to start work, return to work, change jobs or keep their job.

Community-based education is a critical launching point for disadvantaged learners into further education and into work; particularly in regional and rural communities where the support is especially valuable and needed.

Importantly, adult and community education institutions build and sustain local communities by bringing people together through their shared interests; by forging partnerships with other local organisations; and tailoring courses *from* the community and *for* the communities they serve.

In a world where inequality, fragmentation and isolation are growing, the work community educators undertake - creating and sustaining local connections; nurturing resilient, engaged and involved citizens; and smoothing transitions into work and further learning - is of enormous value.

The socially, politically and economically engaged communities you foster are the foundations upon which strong democracies are built.

You provide places where people can congregate to discuss, learn, argue, agree and educate each other.

Community colleges deserve and need to be supported by governments.

As community educators you are a relatively small but vital part of a vocational education and training sector that is of great social and economic importance.

The future of work is uncertain - old jobs are going, new jobs are emerging and existing jobs keep changing.

While lifelong learning has long been desirable, now it is essential.

We need a strong, secure and adaptable VET sector – designed to meet that future. Quality vocational education has never been more important and has never been more at risk.

Since taking office the Turnbull Government has cut \$2.8 billion from skills and training. Funding for vocational education has gone backwards by 4% in real terms over ten years.

The competitive training and education market model has lost its way. It is failing the Australian community, it is failing business, it is failing individuals and we are paying the price.

We are seeing terrible cases of rorting by some private registered training organisations whose relentless pursuit of profit has far exceeded their commitment to quality training.

One of the country's largest providers, Careers Australia, reeled in hundreds of millions of tax payer dollars through VET-FEE HELP.

In December 2015 they paid out \$44 million in dividends to shareholders – and a year later has gone into receivership leaving 15,000 students with shattered dreams, unfinished courses and 1,000 staff without jobs.

The skills quality regulator, ASQA, has described the training system as a 'race to the bottom'.

Quality training provision in key sectors- like aged care and early childhood education and care - is systematically being costed out by high turnover, low cost, poor quality training.

We have recently seen government contracts for Migrant English Language programs being delivered by a large multi-national with limited experience and no local connections.

These multinational corporations are displacing longstanding, reputable and effective TAFE and community providers.

Profiteering and exploitation in the VET system is not only ruining lives - it is destroying quality and trust in our vocational education and skills system. Increasingly people are uncertain of the future that vocational education provides. Employers rely less on VET qualifications as markers of skill and competence.

Too many employers are failing to invest in training for their workforces - unfairly placing the responsibility on a shrinking number of employers who still recognise the importance to their businesses of investing in the skills of their workforce.

We have seen this playing out in dropping VET enrolments, falling apprenticeship numbers, appalling completion rates and the declining enrolments in TAFE and Community Colleges.

The current federal government is incapable of recognising or dealing with the fundamental causes behind the decline of our skills and training system.

In the May Budget, the skills funding was cut by a further \$600 million and, as I said earlier, continued funding has been made contingent on the importation of overseas labour and the visa fees it generates.

In a policy that belongs in an episode of *Utopia*, the government is proposing a training system funded by the visa fees paid for temporary overseas workers who will fill the skill shortages created by a failing training system.

And presumably, in the unlikely event that this funding model will lead to skilled vacancies being filled domestically, the funding will dry up and the cycle will repeat. In a sector that, to be frank, has been replete with some pretty bizarre policy decisions, this one shows a dangerous disregard for skill development and a complete lack of commitment to its sustainability.

Labor in government will return the \$600 million cut from the skills budget – and make funding secure, to sustain a quality skill formation system.

It will not be linked to maintaining temporary migration.

If we want a society that is fairer, that benefits all people and not just those with power and privilege - we need to ensure that everyone has access to the education and training they need.

Reducing inequality is dependent on a system that delivers quality education and training across the country. While 1 in 3 Australians have literacy and numeracy levels that make them vulnerable to unemployment and social exclusion, it is clear we have failed to deliver on the fundamentals.

Labor understands the importance of quality education in the earlier years – but also sees the critical need for assisting adults with foundation skills.

In that context we cannot afford to lose the institutional capacity to deliver foundation education and skills. We are in serious danger of that happening if we don't sustain our TAFE and community education networks.

This means that, as a matter of policy, we need to ensure that only Registered Training Organisations that meet the highest standards and deliver the best outcomes are supported by government funding. The corrupt, profit-driven companies in the VET sector must be weeded out.

That is why Labor has announced that in government, we will secure funding for VET in the Budget and ensure that two thirds of it will go to TAFE.

With the remaining one third of funding open to not for profit community providers – and only the very best quality and ethical private RTOs that can demonstrate strong links to industry.

The days of the skills and VET gravy train are coming to an end. Vocational, second chance and foundation education cannot be simplified to the status of 'a business'.

TAFE is the bedrock for certainty and accountability in the VET sector while community colleges provide essential connections into our local communities. Labor envisages a future where public TAFE and not for profit community educators work collaboratively with local communities to ensure that quality, tailored education and training is accessible to all – and particularly to those who need it most.

By way of closing I want to take this opportunity to thank all community educators - the staff, the volunteers, and the supporters - in the towns and cities across Australia serving their local communities.

Labor is proud of what you do.

Without your dedication in delivering much needed foundation learning and enriching our lives with on-going education, we would be diminished as a society. We would be lonelier, less capable and more vulnerable.

With community colleges - we are more cohesive, inclusive, more resilient and better equipped to interpret, navigate and shape the world in which we live.

You have a critical role in enabling involved, engaged and active citizens.

You have a vital role in reducing inequality, improving productivity and international competitiveness.

Thank you for the work that you do, Bill Shorten and Labor recognise the invaluable role that you play in building a better society.

We commit to working with you to build the sector, improve the lives of community sector students and support you in your invaluable contribution to Australia.

WEDNESDAY 26 JULY 2017

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