

TRANSCRIPT

LEGISLATIVE ASSEMBLY ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into sustainable employment for disadvantaged jobseekers

Bendigo—Tuesday, 22 October 2019

MEMBERS

Mr John Eren—Chair

Mr Gary Blackwood—Deputy Chair

Ms Juliana Addison

Ms Sarah Connolly

Mr Brad Rowswell

Ms Steph Ryan

Ms Kat Theophanous

WITNESS

Mr David Richardson, Chair, Loddon Campaspe Regional Partnership.

The CHAIR: Thank you for being here today and for providing this very important information. Your contribution will go a long way to us hopefully finding some sort of solution to this problem that we have before us.

All evidence taken by this Committee is protected by parliamentary privilege. Anything you say is protected, but if you go outside and use it on social media, then that privilege is obviously not there for you. A proof version of the transcript will be sent to you to see that it is accurate and correct and of course, transcripts, PowerPoint presentations and handouts will be placed on the Committee's website as soon as possible.

If you can provide a 5-minute presentation to us, and we will ask questions as we go along.

Mr RICHARDSON: Yes, sure, thank you, John. Hello, everyone. My name is Dave Richardson, and I am the Chair of the Loddon Campaspe Regional Partnership and have been so for approximately a year. Thank you for the invitation and opportunity to come and make a presentation on this important topic.

I am sure you are all aware of what regional partnerships are about, but just to quickly give you an insight into Loddon Campaspe, it is the six LGAs that extend from Echuca all the way down to Gisborne and from Heathcote in the east over to Central Goldfields over to Maryborough in the west. I think you have had a submission from Central Goldfields earlier today, which was terrific to hear. On that, we have got six CEOs and a range of community members and we have a hardworking RDV team with us, and we include all the regional directors of the relevant government departments.

We have got a number of priorities that we have focused on since the inception of regional partnerships. We have been focused on early years, youth, the environment, the healthy heart of Victoria, which is our real champion project, getting more people more active more often—

The CHAIR: That is a Hugh Delahunty saying.

Mr RICHARDSON:—a connected region with digital connectivity, and a growing economy, which I will hopefully get an opportunity to talk about a bit further. But our number one priority at the moment, so much so that we are making it our deep dive in a couple of weeks time, is the under-participation of young people in employment. It is a great opportunity for me to come and talk to you further today and make this submission around this very key issue which links to your disadvantaged and long-term unemployed issue.

The reason we have made that a priority is we know that if you live in the Loddon Campaspe, you are less likely to complete Year 12. If you are a young person living in this region, you are less likely to continue with training or further education after Year 12. If you complete Year 12, you do not necessarily go on to further study, and if you did complete Year 12, you may go onto TAFE or VCAL, you may work, but there is a lot that actually do nothing. There is a large number of young people leaving the education system in Years 9 and 10. These young people are not earning or learning, and they are not always linked to government agencies or the relevant support networks.

So we have got these very, very sad statistics which I am sure you are aware of. In Bendigo and the broader region we have actually had the highest jobs growth in Australia in the last 12 months at nearly 15%—extraordinary. Yet juxtaposed with that we have got the highest youth unemployment in Victoria. We know that if you have not worked for five years, the chances of you actually working at all are virtually zero. Sadly some of those people that have not worked for five years are of the ages of 20, 21, 22. They are quite young. It is not about elderly or disabled or disadvantaged people in their middle or latter years. With these sad and somewhat embarrassing statistics, the observations of regional partnerships have been that something is not working well. It is not working as efficiently as it should or at worst it is actually broken and has been broken for a long time.

In the recent Merlino review it highlighted in the regions that regional areas are actually doing worse than rural areas. What was highlighted in this region was that there was a lack of cooperation, and in fact competition, between educational institutions that was at the heart of underperformance. Sadly, we often observe that it is business model first, not student outcome first. The divide is between the TAFE system and the school system, and those offering VCAL are not doing it well. So there is a divide between TAFE and schools, and those that are offering VCAL we do not think are necessarily offering it flexibly enough or efficiently enough to meet the

dynamic needs of the millennial generation. We also observe that the very people who have line of sight and responsibility over these areas are left defending a legacy structure and colleagues in a system that they have belonged to for 20 or 30 years.

The skills gap between what employers expect and what jobseekers offer seems to be getting wider. If there was ever a time for the Skills Commissioner to come to this region and conduct a comprehensive audit as to what is going on in our educational institutions, what our employers need, where the skills gap is and the pathways and opportunities for improvement, it is now.

Mr ROWSWELL: Just noting, Dave, your comments about there being competition within the educational sphere, are you talking about tertiary education?

Mr RICHARDSON: No. I think the Merlino review was conducted at a secondary school level.

Mr ROWSWELL: That is where my confusion is.

Mr RICHARDSON: Yes, so it was actually at a school level. We have quite a unique structure here in our secondary schools: we do not have P–12s. In the public system we have primary schools, then we have junior secondaries that go from 7 to 10 and then we have a senior. I am not a practitioner in the space—I do not have the answers—but it cuts to my point: when you look at the statistics and the track record of highest jobs growth in Australia and yet highest youth unemployment, something is not right, and it has not been right for a long time.

Mr ROWSWELL: We received evidence earlier from the Bendigo Education Council, and it is a model which I had not come across before. It seemed like a particularly good and encouraging model to have your three sectors sitting down and having the same conversation about what they can do to better promote the educational outcomes of their students—so that is not working?

Mr RICHARDSON: Equally we have observations that there are key meetings being held with limited components of the network. So it is not completely inclusive; there are certain departments that are not invited to certain meetings. The main divide that we observe is between the TAFE fraternity and the school fraternity and a lack of cooperation between them. For instance, there is a health module operated by the senior secondary and there is a significantly advanced health program provided at the local TAFE, but the local TAFE does not provide that service. It is an outsourced service for a certificate program, and it is not provided to the secondary school—it is actually auspiced by GOTAFE over in Shepparton—because of a lack of cooperation even though they are only a couple of hundred metres apart. I do not know why—there are probably financial reasons and there are probably structural reasons. Again, it probably comes back to my point that sometimes it is the business model that comes first rather than the student outcomes that come first. It beggars belief that you have got a first-class health education offering at the local TAFE and yet they cannot seem to cooperate and work with the local high school to offer that to the VCAL or the vocational program across the road.

Mr ROWSWELL: Is that something that you in your position and the organisation can take leadership on?

Mr RICHARDSON: Yes. We are taking leadership via the deep dive I suppose. That is our crack at it, Brad. We are hoping to crack that nut open and have a deep dive into the difficult conversations as to how we can turn the dial and get step-change, and why there is this divide, this lack of cooperation or competition or lack of integration between a student's needs and desires at the age of 15, 16 or 17 more so than what there is now. We are finding inflexible offerings at senior secondary where there is a VCAL program but the students are still made to sit traditional English in a traditional structure. Now that might suit some, and it might be an attempt to lift the bar a little bit, but we have got a lot of students dropping out that are 15, 16 and 17, and unfortunately, they are not ending up in an alternative pathway and they are not ending up in an employment pathway. They just end up out of the system.

Mr ROWSWELL: So something needs to change.

Mr RICHARDSON: Something has got to change.

Ms CONNOLLY: You have got in your road map information on the connected regions, including digital connectivity. Can you talk a little bit about how your actions to achieve this outcome will ensure that that connectivity extends to disadvantaged people in the community?

Mr RICHARDSON: Yes, sure. With respect to digital specifically or—

The CHAIR: Accessibility, affordability, connectivity in terms of internet.

Mr RICHARDSON: Yes. We know one of the main impediments to a job is transport. Skills are one, but transport is another. If you are growing up in a family of intergenerational welfare, quite often there is not a car, there is not someone that drives and there is no-one to teach a young person how to drive. In fact transport networks in regional Victoria—surprise, surprise—are not as advanced as metro networks. So those barriers to employment for long-term disadvantaged, just with regard to transport alone, provide a significant barrier.

With regard to digital connectivity, if you go through our connected region initiatives, increasing the commuter demands on passenger rail in the region with connectivity is something that we are driving very hard. Many people live on the fringe and in regional areas across our region that do not have connectivity. If they do not have connectivity, they do not have access to knowledge, they do not have access to courses, they do not have access to updates and they lose touch with agencies and communities, which can lead to mental health and other issues. So much of the work we have done is about updating connectivity in a lot of the black spot areas and ensuring that our regions are connected and viable to live in, where they have got access to internet and phone services.

Ms ADDISON: How far does your region go? We have obviously looked at the regional centre of Bendigo a lot today. That is my first question, and I will have a supplementary one. How big is your region? Where do you go to?

Mr RICHARDSON: Loddon Campaspe extends from Gisborne, so Macedon Ranges to peri-urban, right up what we would call the Calder corridor, up through Castlemaine—so Alexander, Bendigo—then up to Echuca, up to the river, the wedding capital of Australia.

Ms ADDISON: Is it?

Mr RICHARDSON: Yes.

Ms ADDISON: Learning something new today.

Mr RICHARDSON: Then further west, over into Loddon, and then down to Central Goldfields, which is Maryborough.

Ms ADDISON: So in a guess, Rochester is in the mix?

Mr RICHARDSON: Rochie is in the mix, yes.

Ms ADDISON: Let's just take Rochester, as someone who used to drive to Hay a lot as a kid, up through that corridor. What are the disadvantages for someone living in Rochester, when we talk about transport and we talk about connectivity to Bendigo? You look at Bendigo: bright lights, big city, lots of opportunities in Bendigo. How would that compare for a young person in somewhere like Rochester—which is very small, for those of us who have not spent a lot of time in Rochester. It would be a fundamentally different experience, wouldn't it? When we talk about the disadvantages of being regional, like Bendigo, there is an additional level, would you say, of disadvantage in even smaller centres?

Mr RICHARDSON: Yes. There is evidence that there is disadvantage with access to further education, not necessarily disadvantage with some primary and secondary education, because I think the recent Merlino report has shown that the outcomes for rural areas are actually greater than in regional cities. That is because the schools, whether there are five students in them or there are 25, still get the same resources and there is a lot more community wraparound in those schools. It is when they then choose to go on to further education, whether it is VCAL or tertiary studies, that travel is an issue, transport is an issue, housing becomes an issue,

distance becomes an issue, there is not enough connectivity. If they are studying in the cloud or online, connectivity can be an issue. And there is evidence that we are observing that there is less non-skilled work per capita in the regions than what there is in the metro. So even if they were to want to just leave and go and get a job, there does not tend to be the range and the depth of non-skilled work to go and immediately work in those rural and regional areas as there is in metro. You often think it is the other way around, but evidence is suggesting that it is patchy and it is region by region, but there are not necessarily those opportunities.

We tend to find in the larger hub cities like Bendigo they will go to further studies in places like Geelong and Melbourne. That is their stepping stone. That is their biggest city. If you live in Rochie, going to Melbourne is pretty intimidating. It is unfriendly; it is congested; it is costly. So they are the students that tend to come to—

Ms ADDISON: The Bendigos and the Ballarats; yes.

Mr RICHARDSON: Yes, the Bendigos, the Ballarats, Warrnambool—another good regional centre with a university base down there. Again, they are close enough to get back to the footy team, the boyfriend, the girlfriend, the part-time job at the milk bar—whatever—so you tend to get that scaling up.

Ms ADDISON: Have you got any suggestions of what the Government could be doing to provide more support for those rural young people as opposed to just regional young people?

Mr RICHARDSON: I think, coming back to Sarah's question around connectivity, it is being able to have greater connectivity at a higher gig speed—which is again part of the regional partnerships digital plan—and having greater connectivity such that you can download and have faster speeds to be able to study online.

I think the universities are certainly challenged financially in sustaining campuses in regional Victoria. There is no doubt about that model. I think everyone that is out in the regions—FedUni, Deakin Uni, La Trobe Uni—is all struggling for numbers and sustainability under the Federal model, but the opportunity there for the State Government is certainly around extending the TAFE network and providing opportunities for TAFE to run satellite campuses and satellite services, working closely with the Skills Commissioner in identifying where there are real job skills needed and providing directed funding in those important areas, whether it be mining, whether it be agriculture, to make sure there is a match between capability and employers' requirements.

The CHAIR: Thank you very much, Dave.

Witness withdrew.