

CORRECTED VERSION

RURAL AND REGIONAL SERVICES AND DEVELOPMENT COMMITTEE

Inquiry into retaining young people in rural towns and communities

Bairnsdale — 23 May 2006

Members

Mr B. P. Hardman

Mr R. G. Mitchell

Mr C. Ingram

Chair: Mr B. P. Hardman

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Research Officers: Dr P. Chen, Ms C. Tischler

Witness

Mr H R J Ellis, Chairperson Eastern Victorian Group Training, chairman of Planet Youth Mentoring Scheme, East Gippsland (affirmed).

The CHAIR — Welcome Henrie. Under the powers conferred on this committee by the Constitution Act and the Parliamentary Committees Act this committee is empowered to take all evidence at these hearings on oath or affirmation. I wish to advise all present at these hearings that all evidence taken by this committee including submissions is under the provisions of the Constitution Act and the Parliamentary Committees Act granted immunity from judicial review. I wish to advise that any comments made by witnesses outside the committee's hearing are not protected by parliamentary privilege. We are an all-party parliamentary committee hearing evidence today in the inquiry into retaining young people in rural towns and communities.

Would you please state your full name and address and the name of the organization you are representing.

Mr ELLIS — My name is Henrie Robert James Ellis, and I am here representing Eastern Victorian Group Training, which is a group training company based in Bairnsdale. I am also the Chairman of Planet Youth Mentoring Scheme for East Gippsland and had vast experience over 35 years with the Department of Education and Training Victoria.

The CHAIR — Henrie, your evidence will be taken down and will become public evidence in due course. If you could please provide us with your opening remarks for about 10 minutes or so and then committee members will have some questions for you following that.

Mr ELLIS — Thank you very much for the opportunity to address the Rural and Regional Services and Development Committee. Let me comment first, as I was asked in the documentation to comment on the appropriateness or otherwise of the terms of reference. Given the dimensions of the issue, they seem quite appropriate and they give the scope to define the dimensions of the issue and allow enough latitude to propose approaches and strategies to alleviate the drift of young people away from rural areas.

However, let me be quite clear that migration of youth, out migration, has always happened in rural areas. What has brought it into sharp focus have been some factors such as the impact of economic restructure, an aging population, and a centralisation of government services, to larger provincial centres and to Melbourne, which amongst other things have impacted on employment prospects for youth, and most particularly, I believe, the poor and indigenous youth. In this part of Victoria, I suspect leaving for the big smoke, is a rite of passage for many young people who have the desire, the capacity and the means to leave.

Many young people however, cannot leave, let alone avail themselves of the limited opportunities which may exist. In many parts of rural Victoria and here in East Gippsland young people have borne the brunt of economic restructure. While the employment situation for young people is claimed to be at it's best in decades, the fact is that many young people are in casual, part-time, low paid positions with no career or training prospects. As you are also aware, the further you are from the major centres of population, the education, participation and completion rates decline. This is due to many factors, not the least access to educational and training opportunities. The situation with respect to indigenous young people is hardly encouraging, and I would also say in many respects, absolutely shameful.

I know you have heard a lot of the factors that influence young people to leave or remain in rural communities, so I will just briefly mention them. They are well known, there are countless research papers and they are amply illustrated by research, not just in Victoria and Australia, but at our local level through our Local Learning and Employment Network. However, a lot of these factors act in concert and it is very, very difficult to single them out, although some are more significant than others. Well why do young people leave and you have heard it is lack of employment opportunities, lack of training opportunities, lack of higher educational opportunities, family and relationship issues and lack of essential infrastructure -- such as transport, access to entertainment, et cetera, et cetera.

There is another one I think we need to comment on, it is also this rite of passage. It is about sense of adventure, the attraction of the metropolis and many young people I have talked to that is part of their thinking. Is there a better world out there? Well why do young people remain? The obvious one is the social glue factor, family, friends, support networks, sporting and social affiliations, what we also call a sense of place and connectedness. The other reason is the reverse, poverty and straightened circumstances even if he or she wanted to go they cannot.

Suitable employment and training opportunities you are aware of, for some instances it is the cost of living and the cost of education. The other one is lifestyle – this is my place I like living here, this suits me. Well why do young people return and you have heard all the reasons? If you are from the bush and you are educated in Melbourne you

are more likely to return and that is the social glue factor and it relates to lifestyle. There are also many young people we know who do not finish their tertiary education, are uncomfortable with city life, they have not got the support networks. Sometimes people return for employment opportunities and more rarely, suitable training opportunities. Here, we are lucky that we have SEMEC and Forestech where in these particular industries people do come to our area, seeking those training opportunities.

Why do they not return? Many of them have developed a new sense of place, they have made new relationships and have new friends, many of them have better rewards. They have higher pay, access to transport, arts and entertainment. Many do not return because they know of the reduced access to and lack of adequate and relevant education and training and work opportunities, and also the lack of access to infrastructure. Well what strategies do we need to employ? Easy to say harder to do – greater investment in post compulsory education, increased payments for vocational training and aligning training more closely with employment opportunities. I read *Maintaining the Advantage*, and *Skilled Victorians* and many of the policies there have great applicability to rural and remote Victoria.

However, let me say in passing that I believe that the implementation of some federal and state policies leaves a lot to be desired. I am concerned about the new federal Australian Technical Colleges, it seems to be fraught with difficulties and dangers and no matter how well intentioned it appears to be it seems a pragmatic approach in duplicating existing resources. Frankly, the money would have been better off being pumped into TAFE. I also do not exempt from criticism the new proposed state funded technical education centres, a key initiative of state government. We, here in Bairnsdale one of the four centres is proposed for Berwick. Concern has been raised in many quarters about the location, the rationale for the same, when the needs for Gippsland could have been met by siting one in the Latrobe Valley.

The other one we need to do is increase apprenticeship wages. While there is some evidence that employers often pay above the award wages and other incentives to apprentices to retain good staff, it appears to be more of a phenomenon in the metropolitan area than out here in the bush. You have to have also employer incentives that go with that, but there is some research that says it would only improve the situation at the margins. Regional economic development policies to attract industry and creating new employment you heard about putting these emphases into niche industry, existing industries and creating new industries. That is the real big picture stuff. You also at the same time need to create opportunities for rural youth to create and implement employment and education ventures for themselves, concentrate on enterprise education. Everybody bangs on about it, but very little is done, and I do commend the federal government for having such an emphasis on enterprise education.

We also need community building with youth oriented infrastructure and services and here special mention, and I heard it before, must be made of the Gippsland Educational Precinct in Churchill. In essence a one stop shop for young people for education and training. I think it is a wonderful idea and it should be replicated across the state. We also need, as best we can, to celebrate the contribution of young people in our rural communities and arrest attrition rates in apprenticeship training, especially in trades in rural areas. The attrition rates are disgraceful. We need to increase resources to the LLENs which have for the most part, with not much funding, provided and created programs to address out migration and promote new strategies, and I commend the local Gippsland East Local Learning and Employment Network for the wonderful work they have done.

Self interest here in a sense, but it does have an outcome. Support mentoring programs in schools, other educational providers and industry. A plumbing apprentice should be talking to an experienced plumber, not just his master, to use the old fashioned term. He should have a significant other friend that he can link up with. Address retention rates in rural schools, and I know it is done in the north east, it is worth trying across the state, mobile skills training centres, on a semi-trailer visiting the remote schools, giving opportunities to young people to try a trade and get a taste of vocational areas. Also ensure that the VCAL program is strengthened. It has been one of the great success stories and there are some indications though that some schools are not providing the resources to VCAL programs that they should be, and diverting those resources to other programs in schools.

Every kid is worth a dollar, let us say \$1 in some schools, VCAL has been funded at 50 cents.

Final remark, a warning, there is dark side to retaining young people in rural areas without the infrastructure and the support. The dark side, is higher rates of unemployment youth suicide and drug and alcohol abuse. Just in time, casualised employment amongst other things. I will repeat it – many country towns and municipalities now see it and the knowledge that our young people are integral to the future and well being of their communities. The

unnecessary loss, we always have loss, about migration, diminishes the economic, sporting, recreational, cultural life of rural Victoria, failure to acknowledge it, let alone take action on the issues, is a sad reflection on our priorities as a society. Thank you.

The CHAIR — Thank you Henrie, it is obvious you are very passionate about this issue.

Mr ELLIS — I just talk loudly, that is all.

Mr INGRAM — You mention that schools are not providing the resources to VCAL. It is an issue it seems to be funded, but not necessarily fully funded, so schools have to find their resources and sometimes that is not there, and I would throw the VET stuff in with that as well. There seems to be problems there with the funding, so could you expand on that a bit more?

Mr ELLIS — Well there are problems with the funding, but it is more a problem with perception, and I will give you an example. Ben probably knows I have been involved with Country Education Project for many, many years. We had a seminar last year and I listened to a small secondary college principal, saying if I had the choice between running VCE physics and VCE units in work related schools, he or she knew would run, she said it would be physics. The public perception out there is that that is worthwhile, so in terms of parity of esteem, in terms of outcomes, there is this big dissonance and Dr Richard Teiss from the University of Melbourne has always commented on this that there is still the public perception out there that if every child is exposed to VCE academic units, there is a greater reward. There is still the perception, although with the skill shortage now we are finding otherwise, that if you train as a plumber you will probably own half of Bairnsdale, which some of them do.

Basically you can see that, but in terms of the allocation there is basically a dollar allocation value for each young person under the student resource program and you would think that if there are 50 kids and who are worth \$1, would get \$50 for the VCAL program. No, that is in some schools, and I have to be careful here, at some schools that is not happening and the reason for that is that schools and principals decide the curriculum program of the school. They can say well, yes, we will put more money into physics chemistry for four or five kids because it is good for the status of the school, rather than fully funding with the money that is in your school resource program, work related skills or personal development units at VCAL. Now it does not happen in all schools, but I worked, in the last couple of years, for the Gippsland region in promoting VCAL in schools. No names, no pack drill, but it happened the resources were diverted away from VCAL to the more academic areas.

The CHAIR — Henrie, I think we have heard previously that the VCAL funding should be higher from government, but I think you are also saying that those students who are doing VCAL the full amount that the school be funded for that student should be actually put into a VCAL course rather than the little bit extra they get for having VCAL and you seem to be saying that perhaps that extra funding is going into other areas.

Mr ELLIS — Into other areas, yes. Now that is the business of the school and under present policies that is their business, but I think it is a short sighted decision, and that is all I am saying it is short sighted. They are capable, the principal and all school council are capable of doing that. The other thing too, it is not so much the pie, it is how you divide the pie up. I am a realist you just cannot put money into programs and schemes unless you can predict fairly clearly what those beneficial outcomes will be because the history of education and training is littered with student schemes. It is – it is littered with student schemes, so what you want to get as politicians is the best bang for your buck and the best social and economic outcomes.

Mr INGRAM — There is an amount of duplication at the moment, you mentioned that with VET the Australian Technical Colleges may appear to be doing mainly in school based apprenticeship type models, and TAFE covering some of it, and the VCAL courses, it seems to be all working in the same area, but the coordination seems to be duplicated?

Mr ELLIS — The coordination is, look local, state and federal governments really need to talk. I was thinking on driving down, for unfunded superannuation liabilities at the federal level, we have the future fund. The fund for the future, where is the fund for the future for young people? Why can we not get together and talk, why are we in the ridiculous situation that of Australian technical colleges, technical education centres, excellent facilities in many schools for VET in schools, excellent programs, and I must commend the East Gippsland Institute of TAFE, luckily no-one is here because they would be surprised to hear me say it – of the very real attempts they have with their outreach program to reach out to rural and remote communities. At the moment I suspect this whole business because of the skill shortage is getting out of control. I really suspect we are not getting

long term planning. It is not a matter of being political, it is a matter of being realistic. What is the best policy, but first of all they have got to talk and the minister at the federal level and the ministers at the state level, really need to come not just through the normal mechanisms, but come to a forum and a massive planning session to look at the future. I am afraid it will catch up with them.

This is just like employment, Just in Time, this is just in time policy making and what do we have? The phenomenon of overseas migrants, guest workers, we are going down the path of the European economic community. We are bringing in people to cover shortages. Look in Ballarat, MaxiTrans Industries, yet they put off Australian workers. It is not a matter of being racist, it is just a matter of stating the facts. Let us have a properly coordinated approach.

The CHAIR — Any further questions? Henrie thank you very much, you will get a copy of the transcript in about two weeks time, and you may correct will receive a copy of the transcript in two weeks' time or so. You may correct any typographical errors but not matters of substance.

Witness withdrew.