

INAUGURAL JAY WEATHERILL ORATION



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EARLY LEARNING: A NEW PROVINCE FOR ECONOMIC POLICY

Introduction

For governments to be relevant to people's lives, people must believe they bring value to their lives.

Successful governments provide solutions to problems, share some of life's risk, or help shape a broader context in which people can be happy.

Conservative philosophy dictates that the best thing governments they can do for people is to get out of their way.

This scores nicely with the neo-liberal orthodoxy of our time, which suggests that small governments, which by nature mean reduced burden on revenues and thus taxation, allow people to go about their lives.

Individuals so it is said can make decisions based on self-interest and ultimately get what they deserve.

This approach to politics - privileging individual interest has been in the ascendance recently.

It has been applied to the workplace, with more Australians in casualised and insecure work.

It has led to stagnating real wage growth.

It has been applied to public services, which targets supports to fewer and fewer Australians and fails to address issues of entrenched social disadvantage.

Insecurity is now a defining characteristic of modern Australian society. Adverse consequences of this approach have been many, and they are linked.

Mental illness – of which one in five Australians at any given time suffer – unleash toxic stresses at home with affect the development of children with lifelong negative consequences.

There are more Australian children living in poverty, and more older Australians living their final days isolated and unsupported.

Suicide is the leading cause of death in our young people children as young as 10

One third of aboriginal children who die take their own lives

The neoliberal agenda, which was once legitimised for its promise of a stronger economy, has produced low growth cycle unevenly distributed with rising levels of social dislocation

This is not a healthy picture of a modern society.

But during the current pandemic, attitudes to the role of government have changed. People's vision of government as the source of security has been renewed.

People now want, and expect, governments to step up, be active and intervene in their interests

Government can be an expression of unity and security.

Where Governments have stepped up and accepted this responsibility, they have been rewarded at the ballot box

This represents a point of inflection for Labor. The political environment should suit a Party whose instinct is to accept responsibility and act assertively in the public interest

But Labor cannot just regurgitate the policies and approaches of yesterday. Times have changed. Technological advances and the disruptions and uncertainties it has brought provides the background against which any reform agenda must be considered.

A new program for Labor

The outcome of 2019 Federal Election posed many questions for Labor some of which I explored with Craig Emerson in our Election Review

Reflecting on my parliamentary career and the present challenges facing Labor the challenges we outline in the Review have not receded

The different threads that make Labor's identity must, to borrow from Curtin, be interwoven into a coherent story that resonates with the great mass of the people of Australia

Today I want to sketch out one possible vision for Australia which I believe can achieve this.

But first a word about what motivates me - I have been part of the Labor Party my entire adult life.

It is part of me.

I watched my father, George, who passed a few months ago, represent working people through his union I saw him to fight for those who suffered from the abuse of power

He taught me to respect and listen to working people.

This impatience with injustice has never left me.

I saw my mother Joy, a talented, intelligent, and creative woman who we also lost just a few weeks ago live in an era in which talented, intelligent, and creative women were not allowed the freedom to realise their potential.

The quest to remove the barriers to women realising their dreams will always remain with me.

My present role gives me an opportunity to pursue focus on a policy agenda in a way which is simply not possible in government

Ever since the thinker in residence Canadian Neuroscientist Fraser Mustard and Reggio Emilia Educator Carla Rinaldi opened my eyes to the possibilities of early childhood reform – this topic has been an abiding passion

But beyond my personal convictions

I firmly believe that the Australian Labor Party would be elected at the next federal election on a commitment to make Australia the best place in the world to be a parent, and the best place in the world to grow up.

The electorate would respond to a platform that reduces pressure on families and put children at the centre of our national project.

Such a platform would bring economic security to Australian families - and raise a generation of Australians capable of building a great and prosperous society.

I believe family policy – and specifically reform to early years system - is the economic and social agenda that our nation is looking for

We could craft a policy program that:

- takes pressure off families,
- addresses one of the great sources of widespread inequality, namely gender inequality,
- offer us a direct means of addressing one of our great national disgraces. namely entrenched aboriginal disadvantage; and
- raises the general level of capability of all our citizens lifting national productivity thereby prosperity.

In one policy agenda we could:

- remove the false dichotomy between social and economic policy,
- build a bridge across Labor's disparate constituencies; and
- could unite and powerfully activate women.

All this could be described in a way that is:

- as meaningful to suburban Australia as to those of living in the bush,
- as compelling to the female Chief Executive as it is the casual hospitality worker; and
- as important to a pregnant mum as to her tradie husband.

But consideration of how we can achieve this begins with a reflection on the path that lead us to this present moment.

Politico-economic context: How did we get here?

For over a quarter of a century, the Left has been looking for a coherent economic narrative equal to its vision for an equal, empathetic, vibrant, diverse society.

Two forces have been at play.

The anxiety and insecurity of the individual was caused by the dislocations of whole industries and the loss of the jobs that families and communities relied upon for their economic security and social connections.

The ascendancy of neoliberalism - the notion that the market could solve all problems - and that intervention was pointless or made matters worse - held sway.

In the face of rising insecurity and anxiety we have not done enough to challenge the economic orthodoxy of our generation.

As Greek economic Yanis Varoukakis described, economics has become the new secular religion, replacing science as the new divine order.

We started describing public policy in exclusively economic terms.

As the late British-American historian Tony Judt lamented, we stopped arguing for policies because we believed they were right,

The more we used the language of economics to argue for human-centred public policy, the more our electoral proposition appeared limited to a better version of the same product.

This limited our capacity to deliver the critique of neoliberalism it deserved, nor did we develop an accessible and attractive alternate vision.

It also fed into deep distrust of politics and politicians because they all sounded the same and fed into the idea that they were complicit with the forces which were causing the dislocation. This fuelled the rise of parties of the populist right and left.

The demand for public services – mental health, aged care, childcare, public housing – has increased dramatically, but we remain committed to the thinking that left Australians feeling as though they need to fend for her or himself.

Australia urgently needs a viable to repair the social damage caused by the dislocations caused to families and communities by technological change and the consequences of globalism and an ascendant ideology which constrains our willingness to respond

Attempts to subordinate society to a market economy in Australia have been successful because an alternative vision has not been effectively advanced.

To do so, we need a different intellectual and public policy framework; one that is both economically sound, and socially consequential.

As I will argue early learning reform is the seed from which we meet this challenge.

Early learning as economic reform

Our understanding of the importance of the early years is relatively new. Advances in neuroscience as it relates to the early years over the past thirty to forty years have been phenomenal.

As the connection between neuroscience and the early years became increasingly apparent, so did our fascination with and commitment to neoliberalism.

The systems, policies, and services which influence early learning in Australia are, by consequence, reflect a failed neoliberal model.

The modern childcare system was conceived as a child-minding service when subsidies replaced direct government funding. At the time, the system was designed with the central goal of encouraging parents to return to work.

Learning opportunities for children was a secondary consideration.

Childcare became part of our market society, though admittedly a mixed market which also includes not-for-profit and community-run centres.

Educators were commodified and made to work in insecure, poorly remunerated, conditions. This is true of all workers in the 'care economy' in which salaries reflect the market – rather than social – value.

The market does not value their work highly, but the social value of providing early learning and care to our young people is incredibly high.

Too many highly profitable centres do not meet standards consistent with the National Quality Framework.

There is a 30 per cent turnover amongst childcare workers, which disrupts important relationships between educator and children, because of inadequate working conditions.

Early learning in Australia is unaffordable to many families, and of inadequate quality for many Australian children.

The current system does not reflect the importance of the early years to a child's lifelong success, nor does it do justice to the importance of early learning to our national competencies on which a secure and prosperous future will be founded.

When you become more familiar with the brain story – and the importance of the early years to learning, health, and emotional trajectories – the underlying deficiencies in our early learning systems become even more unacceptable

And this is before you consider a universal, high quality early learning system is an imperative of every modern economy.

Quarantined from any market-institutionalisation and de-commodified, early learning would ironically make a far greater contribution to economic growth.

Growth is influenced by three factors, known as the 'three Ps': population, participation, and productivity. Each would benefit from high-quality, universally accessible early learning, in both the short and long term.

The low-hanging fruit of economic growth in Australia is workforce productivity, which remains a gendered issue in Australia.

Although the workforce participation gender gap is closing in Australia, it is doing so more slowly than in other developed economies.

The gendered issue of participation also influences the second of the three Ps: productivity.

Australia has one of the highest levels of female education attainment, but one of the highest levels of part-time work in the OECD. Our most educated workers do not participate in the workforce for during their most productive years.

With early learning so critical to lifelong learning and emotional trajectories, the quality and accessibility of our early learning system today informs workforce productivity tomorrow.

And in Australia, as in all developed economies, there will be less manual or automated roles tomorrow, and more jobs that require executive skills with higher levels of emotional intelligence.

The other 'P', population, is highly problematic for Australia.

Fertility rates in Australia fell to a record low in 2019, at 1.66 babies per female – although I suspect there long periods of time in lockdown with little else to do may have inspired a spike in 2020 or 2021, with fertility in Victoria a particular beneficiary!

Australia's declining fertility has in the past been offset by high migration levels, but it remains unclear when, and to what extent, Australia's migration program will return to pre-COVID norms.

An important consideration when deciding to have children or expand the family, is whether the family could afford to raise more children. Reducing or removing costs of early learning would encourage larger families, with obvious implications for population and economic growth.

A world-leading, universally accessible early learning is exactly what economic reform should be in modern society and developed economy.

Other developed nations have moved strongly in this space.

There is a reason why Japan - in 2019 - Canada, and the United States this year have all announced substantial reforms and additional investments to make preschool and childcare universal and of a high standard.

If Australia continues to ignore this important area of public policy, we will fall farther behind.

As well as these compelling macro-economic drivers of growth, the microeconomic story is as important.

Universality would increase demand for early learning and create jobs for educators. Serious reform would necessitate better qualified and remunerated educators who would demand more secure conditions.

This would, alongside necessary reforms to other sectors which collectively contribute to the caring economy

The greater employment in the caring economy and the greater career opportunities for second income earners, would increase the disposable income to those with a high marginal propensity to spend leading to an additional wave of economic activity.

An economic reform agenda that creates jobs, expands the size and capability of the workforce with benefits for each of the main drivers of economic growth, makes excellent political and economic sense.

This is what 21st century economic reform looks like – because for Labor, economic reform must have a social consequence.

But increasingly we are understanding that important constraints on economic growth are caused by the failure of social systems.

Social policy is therefore the new province for economic reform.

Social policy: the new province for economic reform

'Economics' has an interesting etymology. It comes from two Greek words: 'eco', meaning home, and 'nomos' meaning accounts.

Initially, economics was about the family accounts. In Ancient Greece, as today, economics was a study of the relationship between ends and means.

But whereas contemporary economics is largely neutral between ends, in ancient economic theory, an action is considered economically rational only when it contributed to a praiseworthy end.

There is merit in such an approach. After all, the economy is designed to serve society. What other purpose could it possibly serve?

For Labor, an economic reform agenda must also respond to a second criteria: will it result in praiseworthy social ends? In other words, what society will we encourage through economic policy?

It is important that we promote an economic agenda designed to achieve praiseworthy social ends – and early learning is socially consequential.

We have a critical role to describe the purpose of economic policy, and how it contributes to praiseworthy ends: equality, in the Fabian sense, of power, wealth, and opportunity; wellbeing; solidarity; justice; emancipation; security – both economic and physical.

These broad objectives are relevant to all Australians. And we must talk about them in a way that makes all Australians feel the Labor Party is relevant to them.

If we fix our objective on making Australia the greatest place in the world to grow up, and the greatest place in the world to be a parent, our narrative will speak to the overwhelming majority of Australians

Universal access to high-quality early learning will bring greater choice and economic security for many Australian families.

It is consistent with a movement focussed on 'bringing something better to people, better standards of living, greater happiness to the mass of the people.'

A universal policy framework and appeal to many Australians will not, however, come at the cost of our commitment to the people with specific barriers to full participation in Australian society.

The emancipation of the individual has seldom been won through the action of a single person acting alone.

Emancipation of the individual, particularly those have been marginalised because of their class, gender, sexual orientation or ethnicity, invariably relies on collective action.

Early learning as economic reform has a broad appeal, whilst also furthering the specific interests.

It would serve the interests of **working people**

A universal, high quality, place-based early learning system is not achievable without a just wage and secure working conditions.

And it is our unions, such as United Workers Union and Australian Education Union and the Australian Nursing and Midwifery Federation , who represent many of the early educators and nurses and midwives and those who train and skill them to educate nurture and care for generations of young Australians.

It would promote **gender equality**. It would be emancipatory, giving greater choice to more women, and remove important, lifelong impediments to an economic security and professional advancement.

Early learning reform would drive greater **equality**. Currently, 21.7 per cent of Australian children enter primary school in a state of development vulnerability.

Although not entirely deterministic, trajectories are well established at this point. A universal system would benefit all Australian children, but particularly those more susceptible to developmental vulnerability ironically the very families who are less likely to use our current childcare system

Whilst redistributive measures remain an important instrument to achieve actual equality, the extent of the intervention required would be dramatically reduced if all Australian children enter primary school with high levels of intellectual, social, and emotional development.

A world-leading, universal system of early learning is an enlightened form of **social justice**.

In Victoria, where three and four-year-old preschool is universal, participation of children known to Child Protection in Early Start Kindergarten has increased from around 20 per cent in 2014 to 42 per cent in 2020.

This is significant because evidence shows that by year three, students who attended preschool are 15 to 20 weeks ahead of those who did not and by the age of 16, students who attended two years of preschool have significantly higher scores in Mathematics and English.

The best way of addressing problems is at their source, positively influencing lifelong trajectories.

Early learning reform offers its best hope for **aboriginal** people. We will not close the gap without it.

Catherine Liddle from SNAICC, the national non-government peak body in Australia representing the interests of Aboriginal and Torres Strait Islander children, asserted during Reconciliation Week:

“For Australians to truly embrace reconciliation, we need to stop and look around us and ask: how can we better support Aboriginal and Torres Strait Islander children and families?”

Targeted funding in Victoria supports and the *Koorie Kids Shine at Kindergarten* campaign have resulted in sustained increases in participation for both three and four-year-old Aboriginal children.

Our vision for early learning must emphasise the importance of place, which brings autonomy and pride through developing distinct, community led early learning, within a broad and universal framework.

Early learning is socially consequential economic reform. It will advance our political, economic, and social project.

It will mean more Australians will be better supported to focus on the most important job they will ever have namely the raising of their own child

For those who may deride this agenda as too heavily focussed on social issues to the detriment of economic policy I say this is what 21st century economic policy looks like

It is no longer tariff reform or the deregulation of the financial market; those are the economic imperatives of the 1980s and as important as they were, they are not of contemporary relevance today.

The economic imperatives of today involve the reordering of the work life balance to overcome the barriers to economic participation and future prosperity

The complexity of executing on this agenda should not be underestimated. It involves reform across agencies and levels of government. It also involves what has hitherto been regarded as the private domestic sphere of parenting.

But the prize is huge and the ambition of the agenda should no deter us.

Conclusion

An adequately funded, world-class early learning system is the foundation of a healthy society. It is the rock upon which all other policies are built.

The choice is stark.

If we continue to permit the gap to remain between what we know and what we do:

- Australian children will be denied the opportunity to develop emotionally and intellectually, to realise their potential.
- Australian families will continue to struggle with economic insecurity.
- Australian women will continue to face unnecessary barriers to professional and personal freedom.
- Australia as a nation will struggle to compete as a nation with those who have invested more heavily in children

Or

- Australian children flourish,
- Australian families thrive,
- Australian women realise their full potential,
- The Australian nation will prosper.

Early learning illuminates the progressive project in the 21st century.

It is human-centred and forward-looking.

It is exactly what economic reform looks like be in modern society and a developed economy.

And it is an opportunity for our Party to grasp