

AUSTRALIAN COUNCIL FOR THE DEFENCE OF GOVERNMENT SCHOOLS

PRESS RELEASE 636#

Privatisation of Education has Proved Expensive, Corrupting Failure.

The privatisation of the TAFE sector has proved an abject failure for corporatisation of education. Private, profiteering providers can fail; lose a lot of public money; go bankrupt; and leave students in the lurch. Public education institutions, which are about education, not profit for investors, do not go bankrupt.

Accountability for wasted public money? Investors go to law, or forget it.

Labor and Liberal governments have both believed the false rhetoric of the corporate sector, and insisted on throwing good, taxpayer money – after bad. But it turns out that at least one Labor politician was involved.

There is some evidence that politicians themselves have profited in privatisation at the expense of the public sector. The millions made by Kevin Rudd's wife from the privatisation of the employment 'industry' in the 1990s is a case in point.

The recent collapse of the private TAFE provider 'Vocation' has turned up some interesting tidbits. The possibility of legal action, not only against Vocation itself (which has no money) but of its directors has revealed the following facts:

The collapse of Vocation, once worth more than \$770 million, left more than 12,000 students across Australia in the lurch. The downfall of the company, previously chaired by the former Labor treasurer John Dawkins, exposed a growing problem in private education.

See 'Vocation directors in line of legal fire' *Australian Business Review*, January 2-3 2016, p. 21.

John Dawkins, a son of the Western Australian squattocracy, was responsible for the undermining of free tertiary education and introduction of the HECS scheme in the 1980s. It may be poetic justice if he is now held PERSONALLY responsible for the collapse of his corporate education brainchild. Meanwhile, the best the current government can do, is throw more good taxpayer money after bad – recruiting expensive 'executives!

<http://www.smh.com.au/national/education/tafe-nsw-government-to-spend-up-to-2-million-recruiting->

executives-20160104-glzebt.html#comments#ixzz3wVE01hrX

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