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Regional inequality in Australia

Submission to the Senate Standing Committee on Economics

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Overview of The Smith Family

The Smith Family is a national charity founded in 1922 to improve the lives of disadvantaged children in Australia. Almost a century on from its founding, it is now the nation's largest children's education charity.

Our vision is a better future for young Australians in need. Our mission is to create opportunities for young Australians in need by providing long-term support for their participation in education. This mission is founded on the belief that every child deserves a chance.

Our mission guides every element of our work, including program development and delivery, research, advocacy and fundraising. The Smith Family delivers programs in each state and territory in Australia, in over 90 communities, including many regional and rural communities.

In 2016-17, The Smith Family supported more than 151,000 children, young people, parents, carers and community professionals through its programs. Over 120,000 children and young people participated in programs run by The Smith Family. This includes almost 39,000 children and young people participating in our largest program, *Learning for Life*, a long-term education scholarship.

In 2016-17, The Smith Family's total income was approximately \$100 million. Around 70% of this funding comes from private donations from individual supporters, corporate partners, universities, trusts and foundations, and bequests. There are over 230 partnerships helping to sustain our programs. Only a quarter of The Smith Family's income is sourced from different levels of government.

As part of our leadership and collaborative work in the sector, The Smith Family is a member of a number of organisations and represented on a number of advisory groups and boards, including the Community Council for Australia.



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1. Introduction

The Smith Family welcomes the inquiry into the indicators and impact of regional inequality in Australia. This inquiry is important, as we can do more to ensure our regional communities thrive. From the perspective of The Smith Family, providing quality education and employment opportunities to young people who grow up in regional Australia is central to this.

In line with the Terms of Reference, this submission focuses on the related issues of education, building human capital and enhancing local workforce skills.¹ By improving the educational offering in regional Australia, we can enhance our human capital, and in turn enhance local workforce skills and capabilities. Building up regional human capital means supporting more young people to complete Year 12, creating better career and study pathways for students after school, and providing better support for school staff.

Undoubtedly there is educational inequality between regional and non-regional Australia. Recent data shows that a significant proportion of young Australians living in regional, rural and remote communities, are not achieving key educational milestones. These trends start during the early years and continue through school to post-school transitions. It also appears that gaps in achievement between young people living in major cities and other parts of Australia increase as young people move through school. These trends were identified by Emeritus Professor Dr John Halsey in his report prepared for the Commonwealth Department of Education's Independent Review into Regional, Rural and Remote Education (RRR Review), released 13 April 2018.

There are relatively small differences between the proportions of children who are developmentally on track when they start school, based on their geographic location. The exception is children living in very remote communities, only 55.5% of whom are meeting key milestones when they start school.² By Year 7 however, the difference in NAPLAN performance is over 7% between provincial and metropolitan students and around 20% between metropolitan and remote students.³ By age 19, there is a 14.3% difference in Year 12 completion between those living in major cities and those in inner regional areas, with the gap further increasing with remoteness.⁴

Similarly, there are concerning gaps in participation in university and vocational education training (VET) for young people living in regional areas. Participation in higher education by age 24 is considerably greater for major cities than other areas of Australia (48.5% for major cities and 29.4% for outer regional areas).⁵ For those who start university, a higher proportion of those living outside of metropolitan areas drop out prior to completion (34.7% for those from remote areas).⁶ Conversely, the VET participation rates for 20-24 year olds in inner regional, outer regional and remote areas is over 25%, compared with 15.7% for major cities.⁷

This submission focuses primarily on the programs and policies that can improve the educational performance and outcomes of regional students, including ways to provide better post-school pathways to work, training or further study. The Smith Family would welcome the chance to discuss the below examples with the Committee at a public hearing or other suitable opportunity.

¹ Terms of Reference (e), (f) and (g) respectively.

² Lamb S, Jackson J, Wastab A, & Huo S (2015), *Educational opportunity in Australia: who succeeds and who misses out*, Centre for International Research on Education Systems, Victoria University, for the Mitchell Institute: Melbourne.

³ As above.

⁴ As above.

⁵ As above.

⁶ As above.

⁷ As above.



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2. Delivering education in regional Australia

There are identifiable strengths to delivering education and VET in regional Australia, as there are challenges. These are summarised as follows.

Strengths of education in regional communities

- The positive sense of community identity and inclusion that encompasses local students, parents, schools and other members of the public.
- Strong, longstanding local and regional networks that can facilitate greater information sharing and collaboration between service providers. These networks can also promote innovation tailored to local need.
- Attendance at local schools by multiple generations of family members, which can create deep relationships and personalised knowledge between families and staff.
- The capacity of new and emerging ICT to improve the learning experience of regional students and better overcome geographical distance.

Challenges

- Comparatively limited curriculum in schools and weaker connection to post-school pathways for students.
- More limited access to wider range of supports and other related social services for children, young people and their families, including alternative schooling options for families.
- Difficulty in attracting and retaining teaching and support staff at local schools, leading to problems with human capital development and workforce capabilities.
- Prohibitive cost of VET and university education for families in regional areas.

Within this broader context of delivering education in regional Australia, there are viable policy options that allow targeted services to be delivered, playing to the strengths of local communities whilst addressing the challenges. We explore these in the next section.



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3. Addressing educational and employment inequality in regional communities

The Smith Family believes that addressing educational and employment inequality for our children and young people in regional Australia involves the following:

- a) strengthening their foundational skills throughout school,
- b) providing better career pathways for them after school,
- c) supporting them to better understand and undertake tertiary study, and
- d) delivering services tailored specifically to local community need.

There are a range of exemplar initiatives that can achieve the above, which the Committee can consider. The Smith Family currently offers various early intervention initiatives to children and young people in our regions in order to improve their education journey and break intergenerational cycles of disadvantage. These initiatives play to the strengths of delivering education in regional Australia whilst also minimising the challenges as much as possible. These are described below to highlight what is possible.

Strengthening foundational skills throughout school

Critical to ensuring that students in regional Australia complete school and move on to post-school education and training is that they begin developing foundational skills, such as literacy and numeracy from an early age all the way through to secondary schooling.

Additional specialist support, particularly in the primary years, is important to ensure regional students do not fall behind, because achievement in these areas is predictive of later school completion. Programs supporting students to learn at home are important in complementing efforts in the classroom. For example, The Smith Family's *student2student* program supports many hundreds of students a year, including in regional and rural communities. The program is an early intervention peer reading program, targeting students in Years 3 to 8, who are up to two years behind in their reading. It matches them with trained reading 'buddies' who are good readers and at least two years older. The pair connect over the phone or online, two to three times a week for an 18-week period. The student reads to their buddy from books provided by The Smith Family, and appropriate to the student's reading level. Given the program happens over the phone or online, the reading buddy can come from outside the student's local community.

This program is efficiently designed, tailored to student need and very effective. Annual evaluations of the program show that students improve their reading level, enjoy reading more and are reading more frequently following participation in the program. *Student2student* supports improvements in the reading and engagement in learning of children from regional and rural communities. It could be further expanded with additional support and investment.

Improving understanding of career pathways

It is important to provide young people from regional and rural areas with the opportunity to discuss career opportunities and pathways in a safe and supportive environment. It helps them to set goals and to take the necessary steps to achieve them, and plays a critical part in supporting educational engagement, Year 12 completion and post-school participation in education and employment.

The Smith Family's *itrack* mentoring program does this for around 1,000 Year 9 to 11 students per year, including many from regional communities. This program matches students with a supportive adult, who provides advice and guidance about workplace, study and career opportunities. The mentoring relationship is developed online through weekly chat sessions for approximately an hour a week, for around 18 weeks. The program helps students extend the networks of advice that they can draw on, at a key point in their lives.

The Smith Family draws volunteer mentors from our corporate and community partners. They are trained and supervised to ensure their support of students is high quality. Because the program is online, students from regional areas can access a large and diverse pool of support from a range

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of locations, including metropolitan areas. This helps overcome geographical distance. Annual evaluations of the program show that it motivates students to try harder at school, inspires them to go onto further study, and increases students' knowledge on what steps to take to achieve their career goals.

Programs such as *itrack* are cost-effective and adaptable to many regions. The service infrastructure can be rolled out efficiently to support more students in regional areas if additional support and investment were available.

Supporting students to understand and undertake tertiary study

Supporting more regional students to attend tertiary education will require a range of strategies and approaches. Research noted by the Victorian Regional Policy Advisory Committee⁸ identified a number of gaps in current state programs and interventions. These gaps include 'the integration of financial support with other interventions to improve aspiration, particularly improved parent and community engagement'. It is likely that similar gaps exist in other states and territories. While a number of universities offer scholarships and support for young people from non-metropolitan areas or disadvantaged backgrounds, more can be done overall.

The foundations for tertiary study are often laid early, as young people develop and move through school. Increasing the proportion of regional young people participating in tertiary study requires targeted programs that do not just focus on the later years of high school, but offer early, sustained support. The Smith Family offers a long-term scholarship program, *Learning for Life*, to low-income families to support their children to achieve educationally, including to complete Year 12 and university or TAFE studies. The program is currently supporting around 39,000 low-income young people in communities across Australia, around half of whom are from non-metropolitan areas. Around 20 per cent of these young people are from Aboriginal and Torres Strait Islander backgrounds. Around 1,500 young people are undertaking tertiary study through the *Learning for Life* program.

Parental engagement and high expectations are core principles of the program, with families entering into a Partnership Agreement with The Smith Family regarding a shared goal of their child achieving educationally. The program has three components:

- a modest biannual payment to help families cover education-related expenses, such as books, uniforms and excursions.
- a *Learning for Life* coordinator (The Smith Family staff member) who works with the family to support their child's long-term participation in education.
- access to a range of shorter programs that begin in the early years and continue through to tertiary level. They include literacy and numeracy programs, learning clubs, mentoring and career activities, for example the *student2student* and *itrack* programs referred to earlier. These shorter programs target different stages of a young person's life as well as providing support to their parents around digital and financial literacy skills.

Students can begin on the program in the first year of school and continue through to the completion of tertiary study. This long-term support provides continuity over the various stages and needs that the young person and their family will experience. As young people move into the tertiary years on scholarship, they are able to access mentoring, careers advice and networking opportunities with a range of corporate and industry partners.

Learning for Life is achieving strong educational outcomes through providing integrated, long-term support for young people and their families. Four out of five young people are in work or study 12 months after leaving the program. Such initiatives can make a considerable contribution to enhancing the educational and post-school outcomes of young people living outside of

⁸ Research into educational aspiration for regional Victoria, 2013, Regional Policy Advisory Committee.

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metropolitan areas. It is a strong example of the benefit of early and sustained intervention in the lives of disadvantaged children, young people and their families.

Delivering services tailored to local community need

We can improve how educational services are tailored to local community need. This includes better responding to the aspirations and interests of regional children, young people and their families. One particularly effective approach is to use brokers. Brokers identify and facilitate the work of local partners in delivering targeted, integrated services in high-need communities.

The main benefit of this approach is that it delivers local, customised solutions within a nationally consistent policy framework. It also delivers the following specific advantages:

- *Independence:* the role of brokers is to facilitate local community partners to provide integrated services. As such, brokers have an independence from direct service delivery and are better able to focus on holistic educational outcomes derived from the program. They can be more objective in measuring and evaluating successful and unsuccessful local initiatives, and can effectively allocate resources to programs that are having a positive impact on the ground.
- *Multi-tasking capability:* brokers perform multiple roles. They **connect** local partners and ensure collaboration across different organisations. They **research** the needs and aspirations of local children and young people. They **communicate** effectively, helping to articulate a shared mission and mutual objectives between different organisations, and clearly defining service roles and responsibilities. They **enable** new, innovative, ambitious service design by sharing research and leading practice across groups and regions, enhancing local capabilities. Lastly, they **evaluate** the outcomes of local services within the overarching 'big picture' policy framework.
- *Relationship building:* brokers work to forge close, deep and durable relationships with schools and organisations in the local community. This includes ensuring that community organisations have multiple ties within the school, not just with the principal. Relationships are built with key staff such as VET coordinators and careers officers. Brokers also look to maximise the value of pre-existing, longstanding relationships within the school and the community.
- *Accountability and impact:* using brokers helps funders shift away from traditional methods of reporting and accountability, which tends to be input and output focused. Instead, brokers are accountable to funders and other stakeholders for services delivered overall, and outcomes achieved for the community. The emphasis on actions and outcomes, rather than compliance, provides a more conducive context for delivering targeted local services with flexibility and suitable autonomy.

There are two leading examples of the broker model.

The first example is using schools as community hubs. Some schools in regional and rural communities function as hubs of community engagement, including sites of multiple service delivery focused on improving the educational and wellbeing outcomes of students. This approach plays to the strengths of regional communities regarding longstanding relationships and greater community cohesion. Some hubs focus on the early years and primary school, while others focus on high school and post-school transitions.

Child and Parent Centres, such as those in Western Australia as well as similar models in other states, see early learning centres located on school grounds, including in non-metropolitan areas, helping parents to access a range of education and other supports for their children and family from an early age. These Centres also support more positive school transitions, including for highly

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disadvantaged families. They have an important role to play in improving the educational outcomes of children and young people in regional and rural areas.

Similar hubs could be adapted and rolled out to additional regional communities to further improve the post-school transitions and pathways for students and their families. Such an approach would be consistent with key findings in the RRR Review.⁹ Regional students and families tend to have low levels of support in understanding and accessing university and VET opportunities. Costs tend to be prohibitive as well. Tailored programs delivered via a broker to regional communities can help ensure young people do not fall through the cracks or miss quality opportunities after secondary school.

In facilitating services, brokers collaborate closely with schools and utilise the knowledge and networks of a range of local organisations including employers, chambers of commerce, charities and other member-based community groups. Service partners in individual communities can identify the gaps preventing better post-school transitions, such as an over-emphasis on university programs versus relevant TAFE programs, or an overall lack of knowledge of different career pathways. Partners can work with local employers to create, for instance, practical work experience opportunities, career awareness seminars, student business competitions or new apprenticeship programs. This helps link students' secondary studies to post-school opportunities and helps them understand the relevance of their schooling to life beyond secondary education.

Expanding this approach requires a comprehensive plan for meeting priority student needs, ensuring effective coordination of services and supports in schools, and improved capacity for school principals and staff. There is potentially a strong role for non-government organisations in coordinating these hubs, given their experience in undertaking needs analysis, planning and implementation in response to those needs, as well as their ability to harness a range of community and corporate networks and support. To succeed, hubs need to be well coordinated and appropriately resourced over time.

The second example is the Australian Government's *Communities for Children (CfC)* initiative, funded by the Department of Social Services. The Smith Family is one of the 'facilitating partners' for CfC. The program aims to provide holistic and sustained support for children's development and wellbeing. In collaboration with the facilitating partner, local stakeholders and service providers determine required education, health and community services according to the need of the community. In 2016-2017, The Smith Family worked with 28,955 participants across 9 CfC sites nationally. Almost 20,000 children and young people were in the program, including 4,645 Aboriginal and Torres Strait Islander participants. The Smith Family worked with 62 community partners to deliver 82 early intervention and prevention projects. Our *Learning for Life* programs are also offered at eight of the nine sites.

Ultimately, proper and sustained delivery of services via a broker model can deliver a range of positive outcomes, including:

- improved attendance, literacy and numeracy levels,
- higher student wellbeing including engagement in school and community, and
- parents and young people having enhanced confidence in their futures.

However, these outcomes take years to achieve, and require maintaining commitment and investment from government and other stakeholders over several years. This is critical to the viability of the programs. Effective post-school transition schemes require a lasting relationship with schools and students in order to build a strong pathway to training, work or further study.

⁹ Including the importance of transitions into and out of school, building trust between schools and communities, including better school/business partnerships, see RRR Report p 9 – 10, 20.



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4. Other policy settings to help reduce educational and employment inequality

In addition to the programs outlined above, The Smith Family would encourage the Committee to consider the following policy options as well:

- a) encouraging greater flexibility by universities in learning pathways,
- b) improving induction and support for educational leaders and graduates, and
- c) establishing a national clearinghouse for education research.

These options are further outlined below.

Improved flexibility amongst universities

Given the geographical distribution of Australian universities and the costs involved to regional, rural and remote students in attending them, universities should be strongly encouraged to provide more flexible learning options, in order to increase the proportion of these students commencing and completing tertiary education.

Outreach by universities to regional and rural areas helps young people to understand the benefit of university education. The Smith Family is already working in this space to make learning more flexible for students. For example, we have a partnership with Flinders University in South Australia to engage school communities in Port Augusta and Whyalla via the *River Journey* program. This program is an aspiration raising initiative that enables young people to explore career and education pathways for their futures. The program includes the promotion of access pathways and potential university offerings that can be pursued through Flinders University, both in their respective communities and in Adelaide. Such initiatives help students better understand what is on offer and provide face-to-face opportunities for their questions to be answered. There is potential for expansion of such initiatives.

Using ICT to maximise the potential for students to learn remotely can also contribute to increasing the number of students in rural areas completing tertiary study. Online study could be complemented by blocks of face-to-face learning in regional or metropolitan areas. Ensuring that there are a broad range of learning supports for young people studying in this way, and that they feel part of a network of students connected to academic and support staff is important, in order that they do not feel isolated, overwhelmed or demotivated.

Universities can also make a significant contribution to regional communities in ways which extend beyond them functioning as an educational institution for young people. They can also provide internships or training placements for students from a range of disciplines, including health, allied health and counselling in these communities. There is also a significant contribution that universities can make in undertaking action-based research and partnering with schools in regional, rural and remote communities in ways that address shared objectives.

Improving leadership, induction and support for staff

The Smith Family supports the Country Education Project's recommendations¹⁰ regarding the development of targeted induction and support programs for educational leaders and new graduates working in regional, rural and remote areas. The broad ranging role that educational leaders fulfil within these communities, the potential challenges they may face, including isolation, requires strong initial preparation and ongoing high quality and accessible professional development and support. Establishing and/or supporting the development of formal and informal networks between leaders in these communities can also play a part in enhancing retention and capability and ultimately positively impact on student outcomes. A focus both for induction and ongoing support should include principal wellbeing.

¹⁰ Rural Education Framework Discussion Paper, 2016, Country Education Project.

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Similarly, preparing and supporting new graduates to take on roles in regional communities, requires strong preparation during their undergraduate study and then holistic induction and ongoing professional development, mentoring and networking once they commence employment in these communities. Ongoing professional development, mentoring and wellbeing support should also be provided as teachers move through their careers. While some of this can be done on-line, the value of “face to face” opportunities is also important, as these provide the opportunity to build deeper relationships that can be drawn on for support.

Practical initiatives, such as providing teachers in remote areas with the opportunity for a second uplift of furniture and possessions after six months within the community, as opposed to a one-off uplift when they first move there, could help create a greater sense of permanency for these staff. If staff have not worked in such areas before they may have a very limited awareness of what is available there, hence what they should consider taking. The opportunity to have a second uplift could help address this and contribute to staff feeling more settled and at home in remote areas.

A combination of additional support and practical measures can help ensure that regional Australia retains the local workforce skills it needs in its schools.

Establishing a national clearinghouse for education research

There is currently no systemic way in Australia for sharing evaluation and research efforts in education, including for regional areas. Other areas of public policy have developed Clearinghouses for sharing knowledge and good practice in ‘what works’ and ideally what ‘does not work’. Other areas have also developed formal processes for accrediting evidence-based programs (for example CfC detailed earlier). Yet these approaches are absent nationally in education, despite important contributions from organisations such as the NSW’s Centre for Education Statistics and Evaluation. The lack of a national clearinghouse contributes to significant inefficiencies and a reduced likelihood of effective and scalable initiatives being developed and implemented across Australia, including in regional, rural and remote areas. The end result is potentially wasted resources but even more critically the failure to implement initiatives that positively impact on young people’s educational outcomes.

The Smith Family would urge the Review to consider how a national clearinghouse could support improvements in educational outcomes for young people from regional communities. It could help facilitate more efficient and effective use of resources. An important contributor in more effective support for young people from regional, rural and remote areas is to ensure that there is data available to understand how young people from these diverse communities are progressing educationally. Aggregate data at national or state/territory levels can ‘hide’ important differences across communities. As part of considerations regarding what data should be made publicly available at the level of regional areas, The Smith Family would urge that the Review also consider the value of a Unique Student Identifier so that the progress of students from all areas, including regional areas can be better understood and supported.

The RRR Review recommended a ‘national focus on regional, rural and remote education, training and research’ including a commensurate taskforce or commissioner. A clearinghouse could act as a store for evidence of what works to improve educational outcomes, including for different groups of young people and under what circumstances, and would be a vital complementary body to any taskforce or commissioner per the RRR Review report.

5. Conclusion

Education is the great enabler in tackling inequality and disadvantage. Children and young people in regional areas, including rural and remote areas, deserve the same opportunities and career pathways as their counterparts in our metropolitan areas. Whilst there are a range of challenges in addressing educational and employment inequality in regional Australia, with suitably designed and delivered initiatives, these challenges are surmountable.

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As outlined above, there are several options proven to succeed, given sustained commitment and investment from governments, business and philanthropy over several years. These options focus on early intervention to break cycles of disadvantage and to help children and young people in need create a better life for themselves. With a greater focus on improving regional educational programs and support, we can strengthen regional communities and ensure they have the skills, workforce and resources to thrive into the future.

The Smith Family looks forward to seeing the final report from the Committee, and is happy to expand on this submission at public hearings or other suitable consultations.