

## CHAPTER 7

### EDUCATION AND TRAINING

*Education is fundamentally important to the life chances of individuals and plays a key role in social and economic mobility from generation to generation.<sup>1</sup>*

7.1 Education and training are critical pathways into employment and social participation and a means of escaping poverty. Education is also critical to creating economic growth, generating higher standards of living and creating the basis of a socially cohesive society:

Education is absolutely crucial in terms of future employment. People with low levels of education are more likely to be unemployed and to be unemployed for longer. But a good education also leads to the development of personal strengths, personal skills and self-esteem, which develops resilience throughout the whole life course and cannot be underestimated in its importance.<sup>2</sup>

7.2 The relationship between education and poverty is 'one of double jeopardy: not only are the poor unlikely to participate in all levels of the education system to the same extent as the advantaged, but their experience in education is less likely to result in favourable outcomes'.<sup>3</sup> This 'double jeopardy' perpetuates the cycle of poverty.

7.3 This chapter discusses the impact of poverty on educational attainment and the means to improve educational outcomes for low income students.

#### **The relationship between education and poverty**

7.4 There is much evidence that clearly demonstrates the impact of poor educational attainment on the risk of poverty. Table 7.1 shows that poverty rates among those aged 15 years and over decline sharply as educational qualifications increase, with the risk among those with university education being less than half that for those with no post-secondary qualifications.

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1 *Submission 108*, p.6 (AEU).

2 *Committee Hansard 30.4.03*, p.68 (Anglicare Victoria).

3 Foster L & Hawthorne L, 'Poverty, Education and Training', in Fincher R & Nieuwenhuysen J, *Australian Poverty: Then and Now*, Melbourne University Press, 1998, p.204.

**Table 7.1: Estimated poverty rates by highest education qualification for persons aged 15 and over (using half average income)**

	1990	1995	1996	1998	2000
No post secondary qualifications	12.1	12.2	13.0	13.6	14.7
Still at school	14.2	11.9	16.0	16.1	14.0
Diploma, certificate, trade qualifications	8.7	9.8	10.2	10.6	10.5
Bachelor degree or higher	6.0	7.4	6.8	8.1	6.0

*Source: Harding, Lloyd & Greenwell, p.14.*

7.5 While poverty rates for graduates have remained fairly constant in the 1990s, those with no post-secondary school qualifications have seen their poverty risk increase from 12.1 to 14.7 per cent.<sup>4</sup> The high risk of poverty for people who leave school early and/or who do not acquire further education is due to the restricted employment opportunities available to those without qualifications and the greater risk of unemployment. As ACOSS noted, over the last decade, there has developed 'a labour market where secure full-time jobs are increasingly being rationed to those with the highest skills...people with limited formal education and vocational training are disadvantaged'.<sup>5</sup>

7.6 The restructuring of the labour market, the shift to a professionalized economy and emergence of the 'new economy' have had significant impacts on the level of skill required by employers. Employers are demanding higher skill levels to meet the challenges of changes in technology, relevant personal attributes and the capacity to be quickly productive. Even at entry level, many jobs now require higher levels of educational attainment with year 12 completion now being considered as a basic requirement.

7.7 At the same time there has been a shift away from unskilled or semi-skilled work with these jobs becoming increasingly scarce. The Queensland Government, for example, noted that skilled employment rose from 38 per cent of total employment in 1980 to around 58 per cent in 2000.<sup>6</sup>

7.8 Low educational attainment and lack of training is also reflected in unemployment rates. In 2002, people who have not completed secondary school had

4 Harding A, Lloyd R, & Greenwell H, *Financial Disadvantage in Australia 1990-2000: The persistence of poverty in a decade of growth*, Smith Family, 2001, p.14.

5 *Submission 163*, p.118 (ACOSS).

6 *Submission 129*, p.10 (Queensland Government).

an unemployment rate of 6.2 per cent, while people with a bachelor degree had an unemployment rate of 4 per cent.<sup>7</sup> In addition, those who have not completed secondary school have a much higher likelihood of becoming long-term unemployed once they are unemployed.<sup>8</sup>

**Table 7.2: Level of highest education attainment of people aged 15-64 years, by labour force status, 2002<sup>a b</sup>**

<i>Labour force status</i>	<i>Unit</i>	<i>Bachelor degree or higher</i>	<i>Advanced diploma/ diploma</i>	<i>Certificate III or IV</i>	<i>Certificate I, II or nfd</i>	<i>Year 12</i>	<i>Year 11 or below</i>	<i>Total<sup>c</sup></i>
Employed	%	85.5	78.5	83.1	61.8	71.1	56.5	70.3
Unemployed	%	2.4	4.0	3.6	8.4	5.4	6.2	4.8
Not in labour force	%	12.1	17.6	13.3	29.8	23.6	37.3	24.9
<b>Total</b>	'000	<b>2 296.1</b>	<b>949.4</b>	<b>1911.1</b>	<b>129.7</b>	<b>2565.7</b>	<b>4 954.0</b>	<b>12806.0</b>

**a** At May. **b** School year estimates include some people with certificate I & II qualifications.

**c** Includes people who never attended school & those whose highest level of educational attainment could not be determined.

nfd = not further defined

*Source: Report on Government Services 2004, p.B.16*

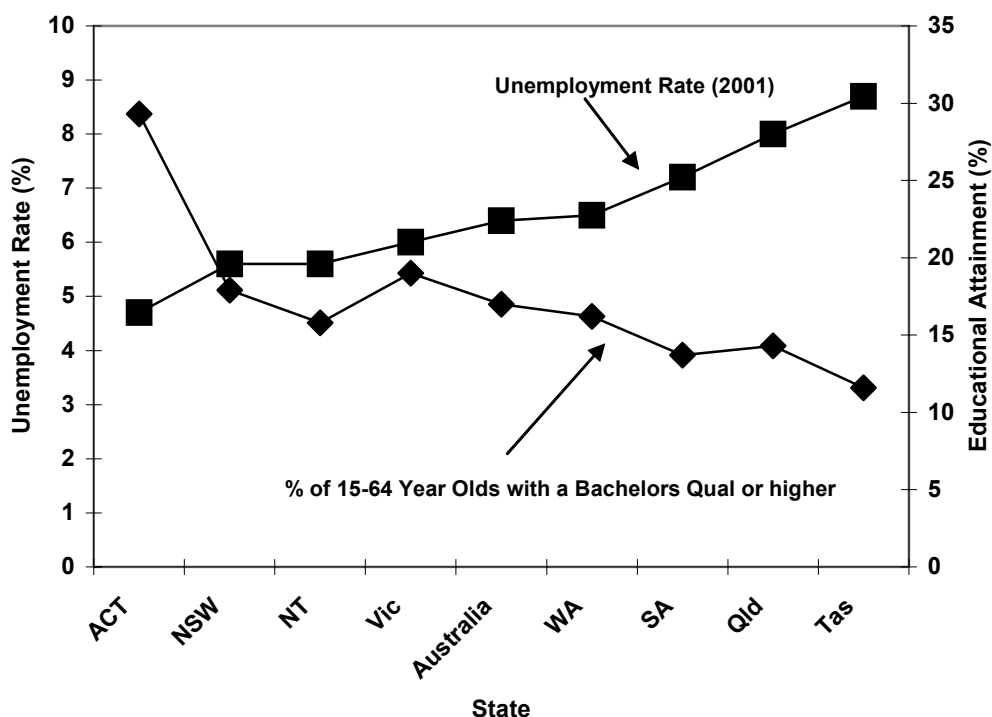
7.9 Studies by the Business Council of Australia reveal the long-term impact of leaving school early. The Council found that seven years after leaving school, approximately 7 per cent of those who completed year 12 were unemployed. But for early school leavers, unemployment is a likely prospect: after seven years, 21 per cent of young men who left school in year 9 were unemployed; and 59 per cent of young women who left in year 9 were also unemployed.<sup>9</sup>

7.10 While completing school provides some protection from poverty, those who obtain tertiary level qualifications are least likely to be unemployed and at a risk of poverty. The attainment of tertiary level qualifications and the impact on employment was illustrated by the National Tertiary Education Union (NTEU). Figure 1 shows that those Australian States and Territories with the highest levels of educational attainment have lower unemployment rates and a higher proportion of the population earning above average incomes.

7 SCRGSP (Steering Committee for the Review of Government Service Provision), *Report on Australian Government Services 2004*, Productivity Commission, p.B.16.

8 *Submission 163*, p.118 (ACOSS).

9 *Submission 169*, Attachment 1, pp.8-9 (Mission Australia).

**Figure 1: Educational Attainment and Unemployment Rates**

Source: *Submission 178*, p.4 (National Tertiary Education Union).

7.11 The data clearly shows the negative relationship between educational attainment and the unemployment rate and that 'while it might be argued that people with higher educational qualifications are more mobile and prepared to move to those States with the best employment opportunities for graduates (which probably explains the ACT's outcome) there is little ambiguity that there is strong negative association between the unemployment rate and higher education attainment'.<sup>10</sup>

7.12 Studies of earnings provide a further measure of the impact of educational attainment. ACOSS indicated that on average, completing 12 years of education or a TAFE qualification raises people's earnings by around 10 per cent, while tertiary qualifications boost earnings by around 40 per cent.<sup>11</sup>

7.13 The Department of Family and Community Services (FaCS) also provided details of outcomes for those with different levels of educational attainment. This reinforces the evidence received by the Committee and clearly indicated the impact on earnings: in 1997-98, those with a degree or higher earned \$946 per week while those with less than year 12 earned \$602 per week.<sup>12</sup> The NTEU added that data shows a

<sup>10</sup> *Submission 178*, p.3 (NTEU).

<sup>11</sup> *Submission 163*, p.119 (ACOSS).

<sup>12</sup> *Submission 165*, p.19 (FaCS).

strong association between educational attainment and average income levels in the States and Territories. For example, Tasmania with 11.6 per cent of the population holding a bachelor degree has the lowest Average Weekly Earnings in Australia of \$788.8, while NSW, with 17.9 per cent of bachelor-holders, has AWEs of \$901.6.<sup>13</sup>

7.14 It is clear from this discussion that educational attainment is a significant factor in determining the risk of poverty faced by an individual. It is also clear that those living in poverty experience poor educational outcomes. Studies of literacy and numeracy levels and retention and participation rates provide an indicator of the impact of poverty on educational outcomes.

### ***Literacy and numeracy***

7.15 Achievement in literacy and numeracy are of crucial importance to a young person's educational outcome and consequently their chance of completion of secondary school, entry to university or to TAFE. In each case those with low attainment experienced strong disadvantage.<sup>14</sup> For example, research found that literacy and numeracy achievement in year 9 has the strongest influence on tertiary entrance performance.<sup>15</sup> Achievement in literacy and numeracy has also been linked to a range of labour market outcomes:

Making a successful transition from school to full-time employment, the type of occupation obtained, and earnings are positively related to literacy and numeracy. Conversely, persons with lower literacy and numeracy levels are more likely to be outside the labour force or unemployed, and to experience longer periods of unemployment...The demands in the workplace for, and rewards associated with, increasing levels of literacy and numeracy are likely to continue due to factors such as globalisation, technology change, and changes in employment and work organisation.<sup>16</sup>

Literacy and numeracy are also essential for effective communication and participation in society.

7.16 Australian school children generally perform well in international comparisons of literacy and numeracy, with the exception of Indigenous students. However, it was found that in Australia the gap between those achieving the highest level and those at

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13 *Submission 178*, p.4 (NTEU).

14 Travers P, 'Inequality and the futures of our children', in Fincher R & Saunders P, *Creating unequal futures? Rethinking poverty, inequality and disadvantage*, Allen & Unwin, 2001, pp.123-24.

15 Smyth C, Zappala G & Considine G, 'School to adult life transitions through work and study: A select review of the literature', Background Paper No. 4, Smith Family, p.5.

16 Rothman S & McMillan J, 'Influences on Achievement in Literacy and Numeracy', Longitudinal Surveys of Australian Youth, Research Paper 36, ACER, October 2003, p.2.

the lowest level was amongst the largest.<sup>17</sup> The Australian Education Union (AEU) concluded:

[The OECD] study also again emphasised the link between socio-economic background and achievement. The conclusion is clear. Both equity and the national interest require public policy to be directed towards improving the performance of those with lower achievement. These are generally those from poor financial backgrounds and they are predominantly attending public schools.<sup>18</sup>

7.17 A survey conducted in 1996 by the then Department of Education, Training and Youth Affairs provided data by subgroups. The results for reading in Table 7.3 clearly show the impact of socio-economic status.

**Table 7.3: Results of sample reading standards, 1996**

	<b>Percentage not meeting the standard</b>
<b>Year 3</b>	
Total of sample	27
Language background other than English	38
High socio-economic background	12
Medium socio-economic background	28
Low socio-economic background	38
<b>Year 5</b>	
Total of sample	29
Language background other than English	44
High socio-economic background	13
Medium socio-economic background	29
Low socio-economic background	53

*Source: Literacy Standards in Australia, DETYA*

7.18 Research on numeracy also indicates that socio-economic background has an influence. Persons from lower socioeconomic backgrounds display lower than average

17 The Program of International Student Assessment (PISA) survey conducted by the OECD. *Submission 108*, p.8 (AEU).

18 *Submission 108*, p.8 (AEU).

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numeracy achievement in all levels of school from kindergarten to the final year of secondary school and into adulthood.<sup>19</sup>

7.19 In April 1999 the Commonwealth, State and Territory Education Ministers endorsed new National Goals for Schooling. In relation to literacy and numeracy it was agreed that when students leave school they should have:

attained the skills of numeracy and English literacy; such that, every student should be numerate, able to read, write, spell and communicate at an appropriate level.

To help support the achievement of the National Goals, a National Literacy and Numeracy Plan was endorsed calling for a coordinated approach to improving literacy and numeracy standards and consisting of key inter-related elements. The development of benchmarks and the reporting of nationally comparable benchmarking data are important parts of the National Plan.

7.20 The benchmarking results for literacy and numeracy are reported in the annual National Reporting on Schools, though results are not currently provided by socioeconomic status. However, work is being undertaken so that disaggregated reporting (including by socioeconomic background) will be implemented in time for the 2005 school year.<sup>20</sup>

### ***Retention and participation rates***

7.21 Retention and participation rates of students from low income families show the impact of poverty. Beyond the compulsory school age of 15 years (16 in Tasmania) retention rates fall. Government policy since the 1980s at both the Federal and State and Territory level has been directed at improving school retention rates and there have been improvements in retention rates to year 12. In 1985, year 12 retention rates were 46.4 per cent. The rate rose significantly throughout the 1990s to 70 per cent in 1997 and 75.4 per cent by 2001.<sup>21</sup>

7.22 Following difficulties with the measure of retention rate, the Commonwealth developed a method for estimating the proportion of students who complete year 12. In 2002, year 12 completion rates in Australia were around 69 per cent. This varies across jurisdictions with the Northern Territory having a year 12 completion rate of only 41 per cent.

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19 Rothman & McMillan, p.5.

20 [www.dest.gov.au/schools/literacy&numeracy/](http://www.dest.gov.au/schools/literacy&numeracy/). Additional Information, Department of Education, Science and Training, 24.2.04.

21 Yenchen D & Porter L, *A Just and Sustainable Australia*, Melbourne, September 2001, p.26; SCRGSP, p.3.32.

7.23 Disaggregation of completion rates by socioeconomic status clearly show marked variations from low to high socioeconomic status. Completions by students from low socioeconomic backgrounds (63 per cent) are significantly lower than for students from high socioeconomic backgrounds (80 per cent). Rates for low socioeconomic completions ranged from 71 per cent in Queensland to 18 per cent in the Northern Territory.

**Table 7.4: Year 12 estimated completion rates, by socioeconomic status and gender, 2002 (per cent)<sup>a b</sup>**

	NSW	VIC	QLD	WA	SA	TAS	ACT <sup>c</sup>	NT <sup>d</sup>	AUST
<i>Low socioeconomic status deciles</i>									
Male	57	57	65	45	49	55	..	15	56
Female	70	71	77	54	68	75	..	22	79
All students	63	64	71	49	58	65	..	18	63
<i>High socioeconomic status deciles</i>									
Male	74	75	78	78	80	86	76	<b>Na</b>	76
Female	80	88	80	84	95	95	83	<b>Na</b>	84
All students	77	81	79	81	87	90	79	<b>Na</b>	80
<i>Total</i>									
Male	61	64	69	59	69	64	75	36	63
Female	72	79	76	69	79	82	81	47	75
All students	66	71	73	64	69	73	78	41	69

**a** The ABS IRSD has been used to calculate socioeconomic status on the basis of students' home addresses. Low SES is average of three lowest deciles and high SES is average of three highest deciles. **b** Data are estimates only. **c** ACT has only medium and high SES deciles. **d** Small increases in estimated resident population can cause significant fluctuations in the data. As a result, high SES rates for the NT are unreliable and have been combined with medium SES rates. **na** – Not available.. Not applicable

*Source: Report on Government Services 2004, p.3.49.*

7.24 Year 12 completion rates show that males are more likely to leave school early. There is a difference in male and female completion rates by location with male completion rates being 20 per cent lower than females in 'other rural and remote' areas and 10 per cent lower in capital cities. This is, in part, explained by the fact that males are more likely than females to leave school to do an apprenticeship. Completion rates were higher in capital cities than other areas.<sup>22</sup>



7.25 VCOSS also stated that the rate of early school leavers 'is particularly high in Victorian metropolitan areas of low socio-economic status: 30 per cent for girls and more than 40 per cent for boys'.<sup>23</sup> Other research indicates that the percentage of male non-completers from lower socioeconomic backgrounds had increased from 35 per cent to 44 per cent between the early 1980s and the mid 1990s.<sup>24</sup>

7.26 Indigenous youth, truants and homeless youths, and young people born in Australia are almost twice as likely to leave school early compared to those born outside Australia.<sup>25</sup> Students are also more likely to leave school early if their parents lack tertiary education, if their parents work in semi-skilled or unskilled manual occupations, and if their parents' incomes are relatively low. Government schools have a higher rate of early school leavers than do non-government schools.

7.27 Some students who leave school early proceed to other educational options. However, a large number of young people who leave school early do not proceed to further training or education. For example, of those who left school in the year to May 2002, 67.8 per cent of year 12 leavers went on to post-school education and training and only 31.0 per cent of early school leavers undertook further study.<sup>26</sup>

7.28 The number of students entering higher education has expanded; however, the proportion of people from lower socioeconomic backgrounds has remained stable over the last decade. In 1991, 14.7 per cent of domestic students were identified as people from lower socioeconomic backgrounds. In 2001, the participation rate was similar, 14.6 per cent. This is well below the defined population reference point of 25 per cent.<sup>27</sup> There is also evidence of a similar trend in participation in vocational education, albeit less sizable.<sup>28</sup>

## **Conclusion**

7.29 There is clear evidence that improving educational attainment protects against the risk of poverty with the risk of poverty for those with a university qualification being less than half that for those with no post-secondary qualification. Literacy and numeracy is a key indicator of the likelihood of a person completing school and moving on to gain a post-secondary qualification. Students from low socioeconomic

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23 *Submission 118*, p.15 (VCOSS).

24 James R, *Socioeconomic Background and Higher Education Participation: An analysis of school students' aspirations and expectations*, DEST, April 2002, p.6.

25 Smyth et al, p.5.

26 *Report on Australian Government Services 2004*, p.B.10.

27 Senate Employment, Workplace Relations and Education References Committee, *Hacking Australia's future*, November 2003, p.60.

28 James, p.7.

backgrounds still lag behind in this area, to their great disadvantage. The Committee considers that it is imperative that students at risk of poor outcomes be identified and additional funds be made available to improve their literacy and numeracy skills.

### **Recommendation 21**

**7.30 That the Commonwealth work with State and Territory education departments to identify those students who are at most risk of poor literacy and numeracy attainment and provide additional funding to enhance literacy and numeracy programs so as to meet the national literacy and numeracy goals.**

### **Recommendation 22**

**7.31 That the National Report on Schooling in Australia provide the results of literacy and numeracy benchmarking by socioeconomic group.**

7.32 There have been significant improvements in both year 12 completion rates and participation in post-school education. However, there remains worrying evidence that students from lower socioeconomic backgrounds are failing to move into higher education and training. Of most concern is the large number of teenage boys who fail to complete year 12.

7.33 The following discussion looks at each of the three stages of education – early childhood education, school and post-school – and what role poverty plays in reinforcing educational disadvantage.

### **Poverty and early childhood education**

7.34 The impact of poverty on education starts early and is exhibited in many ways. For example, research indicates that poverty in early childhood can lead to impaired cognitive development.<sup>29</sup> Behavioural difficulties, isolation and exclusion can be found in pre-school age children from low income families. The Committee received evidence of many factors that contribute to this, ranging from family conflict to financial stress which impacts directly and indirectly on children through their parents' experiences and behaviour. Young children from low income families may not have access to educational toys or books. Parents may not read to their children because they do not have the time or the ability. As a result children from low income families are not prepared for the important transition from home to school and are therefore at risk of having a poor experience from their first encounter of school. This may continue to colour their experience of school for many years.

7.35 The barriers that many children from low income families face can be overcome and access to early childhood education can have a significant and lasting impact on outcomes for children. QCOSS stated that 'early schooling can contribute by helping

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29 McClelland A, 'No child...' *Child poverty in Australia*, Brotherhood of St Laurence, 2000, p.16.

overcome the initial handicaps of poverty or a disadvantaged social or cultural environment...Foundation skills for social and economic participation are developed from early childhood and throughout the school years'.<sup>30</sup>

7.36 The AEU also pointed to research findings which stated:

preschool has a positive effect on intellectual and social skills, independent of background, when centres provide quality in terms of physical surroundings and adult/child interactions;

preschool improves children's ability to think and reason as they enter school, enabling them to learn more in the early grades. Even if the IQ advantage fades (this was not conclusive), their learning accumulates and their success keeps them 'on track' toward high school completion;

for children from very deprived socioeconomic backgrounds, preschool makes a difference in intellectual progress and the acquisition of positive attitudes and motivation to succeed in school.<sup>31</sup>

7.37 Mission Australia put a very strong view in support of early intervention:

Mission Australia is convinced that the development of adequate early intervention and prevention strategies available at the known steps of social and economic disadvantage and at significant life transition points would significantly reduce the impact of poverty for many Australians.<sup>32</sup>

7.38 While attendance at preschool is recognised as important in preparing children for school, not all Australian children attend preschool. In 2002-03, the attendance at preschool in the year immediately before commencing school was high (83.5 per cent). However, only around 17 per cent of children aged 3 years attended preschool in that year.<sup>33</sup> Research indicates that those not attending are often from disadvantaged families and regions.<sup>34</sup>

7.39 NCOSS argued that 'universal access to early childhood education is vital'. This view was supported by many witnesses who pointed to the need to improve access to early education so that children are ready for, and can participate fully in, formal primary schooling. However, there is a lack of a consistent approach across the States and Territories to early childhood education, particularly the funding and cost of services. In some States, preschool education is not part of the public school system

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30 *Submission 160*, p.8 (QCOSS).

31 *Submission 108*, p.9 (AEU).

32 *Committee Hansard 4.8.03*, p.1215 (Mission Australia).

33 *Report on Australian Government Services 2004*, pp.14.9-10.

34 *Submissions 108*, p.9 (AEU); *163*, p.121 (ACOSS).

and fees are imposed. This results in large differences in affordability across the country, with hourly fees ranging from as little as 28 cents in the Northern Territory to \$1.95 in NSW in 1999-2000.<sup>35</sup>

7.40 NCOSS stated that the differences in affordability are largely explained through differences in the level of investment by State and Territory Governments. Quoting from the NSW Commission for Children and Young People, NCOSS submitted:

NSW invests a total of \$150.90 per child for child care and preschool, comparing unfavourably with the average investment made by other States and Territories of \$350.74. While this can partially be explained by the fact that NSW has not taken the initiative of providing a free year of preschool for all 4 yr olds, NSW also contributes considerably less to other forms of child care per child than a number of other States and Territories do.<sup>36</sup>

7.41 It was also noted that Australia has lower than average rates of expenditure on preschool education, spending 0.1 per cent of GDP compared to the OECD average of 0.4 per cent.

7.42 NCOSS concluded, 'unless the level of state and territory expenditure in key areas such as early childhood education is monitored and influenced, the capacity of the Commonwealth to alleviate poverty through taxation and Centrelink payments will be hampered. Just as there are National Goals for Schooling, it is time to adopt national goals for preschool education'.<sup>37</sup> Another researcher went further and stated:

No doubt the weakness of early learning in Australia undermines universal student achievement and fosters an 'underclass' of students who are less likely to benefit from education in the later years. By rendering early learning more dependent on private finance and private cultural resources than is the case in most other OECD countries, it magnifies the potential for social difference in educational attainment.<sup>38</sup>

7.43 For many children from disadvantaged backgrounds, the attendance at preschool may not be enough to ameliorate the impact of poverty. Many organisations provide early intervention programs which have a broader approach. One such program, the Queensland Pathways to Prevention Program provided by Mission Australia, is aimed at preschool age children, their families, schools and community. The Program is designed to help children make a successful transition from home to school. A suite of early intervention programs have been developed and implemented within a

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35 *Submissions* 133, p.6 (UnitingCare Australia); 143, p.5 (NCOSS).

36 *Submission* 143, p.5 (NCOSS).

37 *Submission* 143, p.5 (NCOSS).

38 Marginson S, *Pathways to Failure: The Educational Disadvantage of Children from Low-income Families*, The Ronald Henderson Research Foundation, Monash University, 2002, p.10.

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community development framework in a highly disadvantaged community in Brisbane. Approximately 300 children took part in the project in 2002.

7.44 The project attempts to increase knowledge, improve skills and build resilience in the community. One component of the program, the Family Independence Program, aims to create a stimulating home environment that is harmonious and conducive to learning through the provision of culturally sensitive services. School based programs aim to enhance children's communication and social skills and to build strong, equitable relationships between families and schools that empower parents to participate actively in their children's education.

7.45 Mission Australia indicated that the project had made very good headway in working towards reduction of risk factors leading to abuse and neglect. There has been a reduction in childhood behaviour problems; it has improved parenting skills; it has strengthened community networks and achieved better outcomes for children and families in accessing other services, and generally, it has improved the integration of early childhood, child protection and family support services in the local area. School outcomes show improvement in language and skills of participating children.<sup>39</sup>

7.46 Governments have also targeted early childhood. FaCS stated that the establishment of a Task Force on Child Development, Health and Wellbeing recognised the importance of early childhood and the need to address children's issues coherently across many different parts of the Commonwealth. The Task Force will oversee the development of a National Agenda for Early Childhood which will highlight national direction for action in three key areas: child and maternal health; early learning and care; and child-friendly communities.<sup>40</sup>

7.47 In October 2003, the Task Force released a paper on feedback from its consultation paper. Participants called for greater coherence between early learning and care services. Parents without paid jobs also commented that cost was a significant barrier to formal early learning programs. There was strong support from the education sector for a nationally consistent approach to early education and care.<sup>41</sup>

### ***Conclusion***

7.48 Investment in early childhood education and intervention programs can have a lifelong impact on children. It provides an opportunity for children to access services that will best prepare them for school. Children from disadvantaged backgrounds can gain crucial skills through intervention programs which lessen the impact of poverty.

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39 *Committee Hansard* 4.8.03, pp.1209-15 (Mission Australia).

40 *Submission* 165, p.17 (FaCS).

41 Task Force on Child Development, Health and Wellbeing, *Towards a National Agenda for Early Childhood – What you told us*, October 2003, p.6.

The Committee considers that investment in early childhood education will benefit all: children, parents, and the community generally.

### **Recommendation 23**

**7.49 That the Task Force on Child Development, Health and Wellbeing develop as a matter of urgency a national program for early childhood education.**

### **Recommendation 24**

**7.50 That the Commonwealth, in conjunction with the States and Territories, develop initiatives to improve participation in early childhood education.**

### **Recommendation 25**

**7.51 That the Commonwealth, in partnership with the States and Territories, develop and contribute to the funding of early childhood education.**

### **Recommendation 26**

**7.52 That the Task Force on Child Development, Health and Wellbeing develop and implement special literacy programs for parents wanting to develop the skills to assist their children with early childhood learning.**

## **School education**

7.53 Those children entering school from low income families face considerable barriers. Family dysfunction and social exclusion adversely impact on children in school. Children feel isolated, suffer poor self esteem, exhibit disruptive behaviour and may become truants. Anglicare Victoria noted:

Kids coming from low-income families are much more likely to be affected by issues such as poor mental or physical health, unsuitable housing and conflictual family relationships. It is really hard to learn if what is going on in your mind is the fight that your parents had that morning; it is really hard to concentrate on what you are meant to be doing at school.<sup>42</sup>

7.54 When money is tight, there is not very much left for low income households to invest in the education of their children. The Smith Family submitted that low income households spend about \$11.10 per week on education while high income households spend \$51.30.<sup>43</sup>

7.55 Lack of financial means results in children, at the most extreme, coming to school hungry. Unfortunately, this is not an uncommon occurrence. Disadvantaged

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42 *Committee Hansard* 30.5.03, p.68 (Anglicare Victoria).

43 *Submission* 172, p.32 (Smith Family).

children are also excluded from participating in many school activities such as excursions, sports activities, school camps and educational events presented at schools by outside organisations for a fee.

Max is 12 years old and attends a public coeducational high school. He had not attended any of the school discos or after hours activities arranged during the year and when he refused to attend the end of year party the teacher became concerned. She referred Max to the school liaison officer (social worker) who asked why he did not participate in social activities. Max informed her that the only clothes he had to wear were his school uniforms, that he was too embarrassed to attend and feared being bullied.

*Submission 112, p.12 (Australian Society of Social Workers).*

### ***Educational costs***

7.56 Many witnesses pointed to the costs of public education and the widespread enforcement of 'user pays'. This was seen as an additional burden for low income families and a barrier to children's participation in education programs. In a study undertaken by Anglicare Tasmania, people on low incomes were asked about the major triggers for financial stress. Anglicare stated that it was surprised to find that the costs of public education were a large cause of stress.<sup>44</sup>

7.57 The school costs that parents found most difficult to afford were uniforms, excursions and camps, fees and books:

[It is] sometimes hard buying the uniform, [with] pants \$50 each. (What do you do?) Save money for the uniform. Otherwise they won't go to school if they don't match.

Camp? They've never been with the school, we have never been able to afford it. They can't take part in everything. It makes them and me feel bad.<sup>45</sup>

7.58 The financial cost of students varies but Knox City Council provided this example:

The average cost I am seeing for a year 7 student is probably about \$1,100 to start off. A family that is living on a pension cannot do it...Uniforms, books, the school camp – okay, they do not need to go on the school camp but, again, if you do not go the school camp, you are ostracised in year 7, right from the word go. You are on the back foot.<sup>46</sup>

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44 *Committee Hansard 2.5.03, p.216 (Anglicare Tasmania).*

45 *Submission 98, p.24 (BSL).*

46 *Committee Hansard 1.5.03, p.151 (Knox City Council).*

7.59 The Salvation Army Southern Territory stated increasing fees and charges at public schools had resulted in many more families experiencing hardship. The Salvation Army also noted that schools were using collection agencies to pursue parents for outstanding money.<sup>47</sup> In Queensland, evidence was received that when a family could not afford book hire for their children, the textbooks were taken back until the money is paid. St Vincent de Paul indicated that at one school alone some 50 students, whose parents had not been able to pay book hire, did not have books until the Society interceded and paid the hire charge.<sup>48</sup>

7.60 Other organisations also indicated that they helped parents with the costs of educational needs. Knox City Council advised that \$30,000 had been allocated to educational needs of children in the Knox area in 2001-02. However, while demand for assistance was increasing, the amount available for distribution had decreased because a major funding source had disbanded; as a result not all families were able to be assisted.<sup>49</sup>

7.61 In some States, students from low income families receive government financial assistance for school costs. In Tasmania the Student Assistance Scheme, a means-tested grant scheme, offsets all levy costs faced by parents enrolling their children in full-time education. Forty per cent of government school students in Tasmania accessed the scheme in 2002 as did 14 per cent of students at non-government schools.<sup>50</sup>

7.62 The Brotherhood of St Laurence submitted that low incomes families who participated in its Life Chances study indicated that subsidies were inadequate. In Victoria, while most children in low income families attended government schools and received an Educational Maintenance Allowance, half the low income families found it difficult to afford school costs. In 2003, the allowance was \$254 for secondary students and \$127 for primary school students. The allowance is split between parents and the school.<sup>51</sup>

7.63 Anglicare Victoria commented that children from families who struggle with annual start up costs, voluntary fees and affording school activities 'feel very much excluded from their class' and concluded that the impact on these children 'cannot be underestimated in terms of their experience of school and whether or not it is a

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47 *Submission* 166, p.19 (Salvation Army Southern Territory).

48 *Committee Hansard* 4.8.03, p.1170 (SVDP).

49 *Submission* 138, p.12 (Knox City Council).

50 *Submission* 185, p.21 (Tasmanian Government).

51 [www.det.vic.gov.au](http://www.det.vic.gov.au)



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positive experience...Experience of school is, I think, an absolutely crucial issue in terms of kids staying at school.<sup>52</sup>

7.64 In order to improve participation of students, it was suggested that there is a need to restrict the use of fees in school and to increase the level of financial assistance to low-income families with children. This would reduce the negative impact of fees and costs on school participation and on family living standards.

### ***Breakfast clubs for schoolchildren***

7.65 Nutrition is another area where poverty impacts on school children. Children go to school without breakfast because parents do not have the time to ensure that their children have breakfast before they go to school or they do not know what constitutes a nutritious breakfast. Children also miss breakfast because the family cannot afford food. A recent study by Anglicare provides an indication of the extent of the problem. More than half the families with children in the study reported that they didn't have enough to eat with one in five families indicating that this occurred 'often'. 41.8 per cent of the surveyed families indicated that their children went hungry, with 7.6 per cent indicating that their children had gone without food for a whole day in the last 12 months.<sup>53</sup>

7.66 The impact on children of poor nutrition includes not just health consequences but a range of psychological/behavioural, learning and academic consequences:

- higher levels of aggression, hyperactivity and anxiety as well as passivity
- difficulty getting along with other children;
- increased need for mental health services;
- impaired cognitive functioning and diminished capacity to learn;
- lower test scores and poorer overall school achievement;
- repeating a grade in school; and
- increased school absences, tardiness and school suspension.<sup>54</sup>

The AEU stated 'it goes without saying that if you are hungry you are not too good at learning how to read, and sometimes you need to deal with the first problem'.<sup>55</sup>

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52 *Committee Hansard* 30.4.03, p.69 (Anglicare Victoria).

53 Anglicare, *Food Insecurity – A Welfare Agency Perspective*, November 2003, p.22.

54 Anglicare, p.20.

55 *Committee Hansard* 30.4.03, p.72 (AEU).

7.67 The Committee heard that breakfast clubs are run in many areas. In Victoria, for example, there are clubs run by the AEU and CFMEU and funding is provided by St Vincent de Paul for other clubs. St Vincent de Paul also assists groups to provide school based breakfast programs in other States, for example, with the Red Cross in the Hunter region of NSW. The United Kingdom has been providing breakfast clubs in schools through the Food in Schools Healthier Breakfast Club project.<sup>56</sup>

7.68 Some programs are community based but many schools are also recognising the need to ensure that children have breakfast. Some schools have brought forward lunch times so that children can have brunch. Other schools provide breakfast as part of their before school programs. However, the AEU stated that the move from funding provided through the disadvantaged schools program to an emphasis on literacy and numeracy decreased the flexibility of schools to provide certain programs.<sup>57</sup>

7.69 Children need adequate nutrition to ensure that they are alert and ready for school and have improved educational outcomes. Unfortunately, many children bring to school their family problems whether it be lack of income or disadvantage because of drug or alcohol issues or mental illness. The Committee supports programs which not only provide breakfast through breakfast clubs but also support families in providing for their children. The Committee considers that as lack of food has such an impact on the school life that nutrition programs should be integral to school services.

### **Recommendation 27**

**7.70 That the Commonwealth provide funding to establish school breakfast programs in disadvantaged areas.**

#### ***Quality of education***

7.71 Witnesses also noted children from low income families are likely to receive a lower quality of education than students from wealthier families. For example, lack of access to home computers is a major educational issue for children from low-income families. The Smith Family stated that the unequal access to and usage of information and communications technologies (ICT) is compounding disadvantage for some as:

...having access to ICT is becoming central to being able to fully participate in the economic, social, political and cultural spheres of society. Access to ICT also influences participation in education/lifelong learning and access to services.<sup>58</sup>

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56 *Submissions* 108, p.6 (AEU) and 214, p.1 (SVDP Lower Hunter Region); *Committee Hansard* 30.4.03, p.72 (AEU and SVDP Victoria) and 29.5.03, p.577 (SVDP). For information on the UK program see [www.educationextra.org.uk/breakfast\\_clubs/](http://www.educationextra.org.uk/breakfast_clubs/).

57 *Committee Hansard* 30.4.03, p.72 (AEU).

58 *Committee Hansard* 27.5.03, pp.387-88 (Smith Family).

7.72 Studies by the Brotherhood of St Laurence and The Smith Family found that low income families had lower levels of access to the Internet compared with medium income families and high income families with one parent households being the least likely to have access to the Internet. Although most schools have computers, access to these is often limited and so they do not necessarily compensate for lack of access at home. Without access to a computer at home and the Internet, students are at a disadvantage in terms of access to information, skill development and the ability to meet educational expectations. As a result, poverty leads to considerable exclusion and loss of opportunity for a large number of children.<sup>59</sup>

I now have a son who is in high school and I feel he is greatly disadvantaged because I cannot afford to own a computer. There was a situation only recently at my son's school when the computers were down. It affected my son handing in his assignment on time as school was his only resource, whereas if I could have afforded to have my own computer I feel this would not have happened. I often feel that in the education system the low-income families are forced to keep up with the Joneses, so to speak, otherwise your children will suffer. It should not be that way.

*Committee Hansard 4.8.03, p.1173 (Julie).*

7.73 The Smith Family concluded that 'finding ways to increase the home access of low-income families to the Internet should therefore remain a policy priority for all sectors (government, private and nonprofit) aiming to bridge the digital divide'. The Smith Family stated that there should be a focus on reducing the cost of ICT and ensuring that programs which provide appropriate parenting support emphasise the importance of having home access to computers and the Internet.<sup>60</sup>

7.74 It was also argued that the introduction of information and communications technologies has the potential to allow institutions to push costs onto students, for example, by the substitution of online for face-to-face delivery and the substitution of internet data sources for library holdings. As a result, 'such cost transfers have the potential to force economically marginal students and families out of formal education, and need to be monitored closely'.<sup>61</sup>

7.75 There is evidence that the educational opportunities and outcomes of students are affected by the educational levels of their parents and the socioeconomic background of other students at the school. Parental education is strongly associated with factors

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59 Taylor J & Fraser A, *Eleven Plus Life chances and family income*, Brotherhood of St Laurence; *Submission 172*, p.13 (Smith Family).

60 *Submission 172*, p.78; *Committee Hansard 27.5.03*, p.388 (Smith Family).

61 Marginson, p.14.

such as the home literacy environment, parents' teaching style and investment in resources that promote learning.<sup>62</sup>

### ***Public education***

7.76 The need for a strong public education system as a means of combating poverty was supported by many witnesses. However, it was argued that the declining investment in education, the increasing movement of Commonwealth resources from public to private education and the expansion of the private school sector was a further educational disadvantage for children from low socioeconomic backgrounds.

7.77 Witnesses pointed to the generous funding support of non-government schools by the Commonwealth. The Brotherhood of St Laurence stated that by 2004, government schools which educate about 70 per cent of Australia's children, will receive only about one-third of Commonwealth funding. The Brotherhood concluded 'this is an extremely inequitable distribution of federal government resources, reinforces divisions based on wealth, and displays little commitment to building equitable educational outcomes for all young Australians'.<sup>63</sup>

7.78 UnitingCare Burnside commented that there was a resource gap between public and many private schools and it is also evident between schools in the public sector. Private schools and public schools in more affluent areas enjoy high levels of resources as they can combine government funding with substantial resources from parents, whether through fees, voluntary contributions and/or fundraising. Schools in low socioeconomic areas must almost completely rely on public funding, there being much less scope to draw on parental resources whether monetary or social. Schools in very disadvantaged areas cannot offer the same conditions and environments as other schools.<sup>64</sup>

7.79 The AEU stated:

The resource differences between schools have become more critical. The introduction of the SES model by the Commonwealth is increasing the gap between some very well resourced private schools and some very poor public schools. Policies of choice and diversity have become linked to buying the level of school resourcing that parents can afford. There is an increasing concern among parents about the socioeconomic milieu of a school and an increasing tendency for schools to become polarised in terms of the communities they serve...then you have the additional factor of the hollowing out of those schools, because those parents who can afford it move into private schools. The more difficult the school is, the more

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62 *Submission 163*, p.120 (ACOSS).

63 *Submission 98*, p.24 (BSL).

64 UnitingCare Burnside, *Because Children Matter: Making a case for addressing child poverty in Australia*, June 2003, p.34.

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pressure there is on the parents who can afford it to move out, leaving the school with a harder and harder group of students.<sup>65</sup>

7.80 The problem is compounded for schools in disadvantaged areas as they tend to have higher numbers of students with learning and behavioural problems. These schools then become branded as low performing schools and are increasingly seen as 'sites for the concentration of social and educational disadvantage'.<sup>66</sup> Schools with this reputation and facing an over-representation of children with special needs or programs without adequate resources, are unlikely to be able to offer the same level of education or even the same equity of expectations, for their students.<sup>67</sup>

7.81 The AEU stated:

There is very little incentive for schools to give much attention to the people who are in need of the most attention. Therefore, poverty, disadvantage and equity are issues at a school level, not just an individual level. It is possible to talk of impoverished schools. These are schools with large numbers of students experiencing financial hardship, lower literacy and other academic achievement, a greater number of disengaged or alienated students and more students with high needs but less capacity to raise funds locally. They then become hard to staff schools. There is an accumulation and compounding of problems. We need programs directed at those schools suffering the greatest accumulations.<sup>68</sup>

7.82 Anglicare Victoria noted that private schools are well resourced, but 'are not obliged to consider the needs of students with disabilities, learning difficulties or economic or cultural disadvantage. Where such services are provided it is at a cost to the user'.<sup>69</sup> UnitingCare concluded:

One result of these factors operating together is that the capacity for public schools in vulnerable communities to create an enriching and stimulating educational environment for all students is diminished. In short, the NSW community is witnessing a move more towards a tiered educational system. In this system some students (often those who are already advantaged in other ways) enjoy an excellent school and learning environment while those at the bottom end are more likely to have a less enriching education at comparatively poorly resourced public schools.<sup>70</sup>

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65 *Committee Hansard* 30.4.03, p.70 (AEU).

66 Marginson, p.6.

67 Marginson, p.12; *Submission* 108, p.8 (AEU).

68 *Committee Hansard* 30.4.03, p.70 (AEU).

69 *Submission* 89, p.14 (Anglicare Victoria).

70 McClelland, p.34.

7.83 Witnesses also stated that the reduced overall funding of schools by both the Commonwealth and State Governments has increased schools reliance on voluntary fees and other charges. Voluntary fees place a significant demand on family budgets. Families on low incomes find it difficult to pay voluntary fees with the non-payment of fees compromising many children's and young people's education.<sup>71</sup>

***Programs to improve educational outcomes***

7.84 The need to provide equitable access to education and training to Year 12 has formed the basis of government policy at both the Commonwealth and State and Territory levels. A range of programs and pilot projects have been introduced. These include improving institutional funding and funding arrangements, building stronger community relationships and piloting initiatives designed to identify and support students at risk of leaving school early with no future plans. The introduction of vocational education and training in schools and school-based apprenticeships has also improved retention rates.

7.85 For example, the Tasmanian Government's *Equity in Schooling* policy encompasses five goals: improve access and attendance; increase access and participation in the curriculum; increase retention at school; encourage parent participation; and improve attainment and success at school.<sup>72</sup>

7.86 The Queensland Government has recently announced reform of the education and training systems. These reforms are aimed at accelerating progress towards an 88 per cent completion target, re-engaging young people at risk and ameliorating the factors that contribute to departure from learning. The Government stated that the 'reforms contrast with the Commonwealth approach of increasing funding to non-state schools at the expense of state schools'.

7.87 The reforms will include new laws making it compulsory for young people to stay at school until they finish Year 10 or turn 16, whichever comes first. Young people will then be required to participate in education and training for a further two years until: they have gained a Senior Certificate; gained a Certificate III vocational qualification; or turn 17. Exemptions will be provided for young people who enter full-time work after they have completed Year 10 or turned 16. These changes will take effect for students who enter Year 10 in 2006.

7.88 The Queensland budget has allocated \$745.4 million for vocational education and training in 2002-03 to build a job ready workforce with relevant up to date skills. This includes funding for the *Youth Access Program* to support some 2200 students at risk of not completing secondary school in the 2002 and 2003 school years.<sup>73</sup>

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71 *Submission* 118, p.15 (VCOSS).

72 *Submission* 185, pp.21-22 (Tasmanian Government).

73 *Submission* 129, pp.10-11 (Queensland Government).

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7.89 Despite these initiatives, witnesses voiced concern that more remained to be done. The Tasmanian Government stated that 'despite targeted programs, the relatively poor performance of students from backgrounds of poverty has not improved'.<sup>74</sup>

7.90 The AEU stated that over the last decade public policy has tended to move away from improving equity. It submitted that policies have been implemented which:

- at the Commonwealth level, rolled Disadvantaged Schools Program and other equity programs into 'literacy funding';
- have left public schools inadequately funded and reliant on 'voluntary fees';
- have given large increases to private schools, especially the more wealthy;
- have encouraged competition and choice between educational institutions which in turn can discourage schools from taking students that may not enhance their image;
- have failed to address the need to ensure a national commitment to universal access to public preschool education;
- have increased the personal costs of Higher Education and in some cases, TAFE;
- have made both Austudy and ABSTUDY less adequate and more difficult to obtain;
- have seen the number of Indigenous students at Universities fall between 1997 and 2000; and
- have made Australia more dependent on private education expenditure.

7.91 The AEU recommended that the Commonwealth through MCEETYA initiate a national strategy to achieve the social justice elements of the National Goals for Schooling and that this include specific strategies in relation to differences arising from students' socioeconomic background.<sup>75</sup>

7.92 ACOSS stated that policies directed at improving prospects for people moving out of poverty need to be directed at improving educational outcomes at every stage of a young person's development. Greater equity in educational outcomes will overcome the inter-generational poverty and unemployment experienced by many people.

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74 *Submission* 185, pp.21-22 (Tasmanian Government).

75 *Submission* 108, pp.13, 20 (AEU).

7.93 The National Education and Employment Forum (NEEF) has made a range of recommendations to increase the educational and employment outcomes of disadvantaged groups. These include:

- collaborative work towards targets for higher educational outcomes for young people who are disadvantaged and for geographical areas of concentrated disadvantage;
- increased investment in education to an average level of OECD spending as a percentage of GDP;
- increased access to supports and option for young people through education;
- recognition of the importance of early childhood learning;
- increase access to information and communication technology;
- increase in the quality of teacher education;
- develop specific priorities and targets for Indigenous education.<sup>76</sup>

7.94 The Business Council of Australia stated that the challenge is to put concerted and coordinated effort into providing:

- all young people with the opportunity to access education and training to Year 12 or equivalent through school or vocational education and training, including apprenticeships and traineeships, or through adult and community education;
- support to all young people who need guidance to help them decide an appropriate option to make the move from school to further education or training or work;
- young people, who leave school early, with the opportunity to return to education and training through flexible qualifications and programs; and
- young people with access to careers advice and job search training.<sup>77</sup>

7.95 Welfare organisations are also directing attention to improving educational outcomes through a variety of mechanisms, including direct aid for individual students such as provision of school clothing and books, and more comprehensive intervention programs. The Smith Family's *Learning for Life* program is one such program

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76 *Submission 163*, p.123 (ACOSS).

77 Business Council of Australia, *The Cost of Dropping Out: the Economic Impact of Early School Leaving*, January 2003, p.11.



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providing financial assistance, educational support for students and their families, and mentoring. Since its beginning in 1988, the program has been implemented primarily for school and tertiary education, but now, through a number of demonstration projects and pilots, it is being extended into the preschool and early childhood areas as well as into critical life transitions, such as the very important transition from school to work.<sup>78</sup>

7.96 The Committee heard of many programs to provide direct assistance. For example, St Vincent de Paul's school-bridging program provides financial assistance for the transition from primary to secondary school and from secondary school to tertiary education. It is particularly focussed on non-metropolitan areas where there are additional travel costs, computer costs etc for students.<sup>79</sup>

### ***Conclusion***

7.97 The Committee considers that there is an urgent need to combat educational disadvantage. Low educational attainment is not only a major cause of poverty but also children from disadvantaged backgrounds face significant barriers to educational achievement.

7.98 Children from disadvantaged backgrounds often cannot fully take part in school. They may suffer from feelings of isolation and be disruptive. Lack of means results in exclusion from school activities and access to vital resources such as computers. Students are arriving at school without breakfast, making them less able to participate in normal school activities.

7.99 Schools in disadvantaged areas have fewer resources to provide already disadvantaged students. Student outcomes are poorer and these impact adversely on future employment prospects.

7.100 Policy initiatives that focus on the most disadvantaged students in our schools are important to breaking this cycle of social disadvantage and poverty.

7.101 Initiatives through the TAFE sector can provide students with an alternative to school from completion of year 12.

### **Recommendation 28**

**7.102 That the Commonwealth provide additional funding for schools based on the socioeconomic profile of the school community to improve services provided to disadvantaged students.**

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78 *Committee Hansard* 27.5.03, p.379 (Smith Family).

79 *Committee Hansard* 30.4.03, p.73 (SVDP Victoria).

**Recommendation 29**

**7.103 That the Commonwealth work with the State and Territory Governments to develop effective policies and identify successful programs that improve retention rates of young people in danger of leaving school early and re-engage early school leavers to return to education at school or TAFE; and to provide additional support for those programs.**

**Recommendation 30**

**7.104 That the Commonwealth provide additional funding for the TAFE sector aimed at providing support for those students wishing to complete their school education in TAFE institutions.**

**Poverty and access to tertiary education**

Lack of income is an important determinant of educational participation at the post school level, and in higher education in particular. The increasing cost of higher education and the inability of most students to access income support schemes such as youth allowance, Austudy and Abstudy and the low level of payments made to those who are able to access these schemes sends the wrong message to potential students from poorer families who aspire to higher education.<sup>80</sup>

7.105 Research also indicates that income levels are an important determinant of participation in higher education. Students from low income families are less likely to participate in higher education and the lower the income, the more unlikely the progression to higher education. For example, Tasmania has the lowest AWEs and the lowest higher education participation rate.<sup>81</sup>

7.106 Evidence submitted by FaCS indicated that between 1992 and 1999 there was a 20.9 per cent increase in the number of students from lower socioeconomic backgrounds at university, though the share of places at university during this period remained fairly constant, between 14.4 and 14.7 per cent. FaCS suggested that this 'is likely to reflect the opportunities generated by overall increased number of university places'.<sup>82</sup>

7.107 NUS disagreed, stating that the figure of 14.7 per cent was 'well below the population reference value used by DEST of 25 per cent. This means that Australians

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80 *Committee Hansard* 1.5.03, p.113 (NTEU).

81 *Submission* 178, p.6 (NTEU).

82 *Submission* 165, p.17 (FaCS).

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from lower socioeconomic backgrounds have about half the likelihood of attending university as Australians from medium or higher socioeconomic backgrounds.<sup>83</sup>

7.108 Other witnesses also argued that students from lower socioeconomic groups were still underrepresented at universities and pointed to the significantly larger number of students from medium or higher socioeconomic backgrounds. NUS for example, noted that a study of Monash University students found that only 11 per cent of students from government schools receive ENTER (Equivalent National Tertiary Education Rank) scores of 90 or more. By contrast, 51 per cent of private school students achieved this score or above.

7.109 A recent study of socioeconomic background and education participation noted that 'this degree of inequity has remained relatively stable for over a decade, despite extensive equity initiatives across the system as a whole'. Other findings included that students from lower socioeconomic backgrounds are less likely to gain admission to the nations most prestigious, traditional universities.<sup>84</sup>

7.110 The poor success rate of students from lower socioeconomic backgrounds impacts not only on the individual student but reinforces inequity and leads to greatly increased stratification of higher education. Anglicare Victoria stated that high rates of failure among poorer students, both at school and in the struggle for tertiary entrance tend to depress aspirations for university 'thus partly reserving higher education to upper socio-economic status groups through a process of discouragement and self-exclusion'.<sup>85</sup>

7.111 The perceived cost of higher education appears to be a major deterrent for students from lower socioeconomic backgrounds. Many students do not believe that their families can afford to support them at university and that they would have to support themselves.<sup>86</sup>

7.112 Proposed changes to higher education funding and continued poor levels of income support were also seen as deterring students from lower socioeconomic backgrounds and from other disadvantaged groups from seeking university education.<sup>87</sup>

7.113 Recent studies have found that high levels of university students seek loans to cover costs and the majority of students undertake paid employment to support

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83 *Submission* 130, p.12 (NUS).

84 James, p.ix.

85 *Submission* 89, p.15 (Anglicare Victoria).

86 James, p.x.

87 *Submission* 163, p.121 (ACOSS).

themselves while at university. Other issues such as eligibility criteria for Youth Allowance and Austudy and lack of access to Rent Assistance for those receiving Austudy also impact on students seeking to undertake higher education. (See Chapter 12 for a further discussion of student issues.)

7.114 High levels of HECS debts also deter potential students from low socioeconomic backgrounds from taking up tertiary study. While HECS debts do not have to be repaid until a certain level of income is earned, students from lower socioeconomic groups may be averse to taking on such a debt when already faced with the prospect of financing living costs while undertaking study.

7.115 Student unions also noted the low participation rates of students living in regional and remote communities.<sup>88</sup> As a percentage of all commencing students in 1997, at the national level students from rural and isolated backgrounds had a low rate of access (18.3 per cent) relative to their population share (24.3 per cent).

7.116 Students from rural and regional areas face more barriers to accessing higher education with cost a major deterrent. Their lower socioeconomic background means that they have less capacity to meet university fees and charges and in many regional areas part-time employment is not available. Students from rural and regional areas are more likely to attend local campuses but due to shortfalls in funding many courses may no longer be available. In such instances, students will either have to leave their communities to attend other campuses and incur greater expenses or forego a higher education altogether. Those enrolling at campuses in major cities often encounter minimal social and support networks. Coupled with inadequate income support the transition from rural life to that in a large city is extremely difficult.<sup>89</sup>

7.117 In addition, higher education is seen as less personally relevant by rural or isolated students, particularly those from lower or medium socioeconomic backgrounds. As NUS stated, they are likely to have less 'push' factors for them to attend university arising from the perceived value of a higher education amongst their families and communities.<sup>90</sup>

7.118 James concluded, 'the relatively low higher education participation rates of people from lower socioeconomic backgrounds, and the apparent resistance of these participation rates to equity programmes, presents a major challenge for education policy'.<sup>91</sup>

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88 *Submissions* 64, p.4 (UTSSA); 130, p.15 (NUS).

89 *Submissions* 64, p.5 (UTSSA); 130, p.15 (NUS).

90 *Submission* 130, p.16 (NUS).

91 James, p.xi.

***Conclusion***

7.119 Although there has been an improvement in the number of students from low socioeconomic backgrounds gaining entry to higher education institutions, they still remain under-represented. Poor high school success rates mean that fewer disadvantaged students gain tertiary entry. The perceived high costs of a tertiary education including HECS debts, act as a significant deterrent. Students who must fully finance their living costs while completing their study and who have little financial support from family face a particularly difficult time in surviving while undertaking tertiary education.

