

Improving Australia's development through a high performing and high equity schooling system: How do we make it happen?

**CEDA NSW Lunch
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Address by Dr Lisa O'Brien, CEO, The Smith Family

It's a great pleasure to be here and to speak with you about a topic that we at The Smith Family see as crucial to Australia's economic and social wellbeing now and into the future, and one which resonates with the focus of CEDA, namely *how do we achieve a high performing and high equity schooling system?*

I particularly welcome the fact that we have a diversity of businesses and industries represented here, as well as government and the not-for-profit sectors, as we all have a shared interest in this question and our collective efforts will undoubtedly be required as part of the solution.

I'd also like to thank our hosts, the Nous Group, and given their recent important role in the Commonwealth Review of School Funding, it's particularly appropriate that they are hosting this lunch. The Smith Family believes the Review of Funding is a key part of the solution for how we might achieve a high performing and high equity schooling system and I'll return to the Review later.

I'd like to do three things in my discussion with you today. Firstly, I'd like to give you a bit of background on The Smith Family. Secondly, discuss some of the data which highlights the need for urgent action on our schooling system. And finally share some thoughts on how we might achieve better educational outcomes for children and young people and the role that the various sectors might play in this. I'm also very much looking forward to getting your thoughts on how we might work together in this area.

So beginning with The Smith Family. The Smith Family, as you may know, is a national charity which was established 90 years ago this year. Across our long history, we have always been focused on supporting Australians in need. This year, following a strategic review, we have refined our vision and mission in order to maximise the impact of our work. Our new vision is a clear one – *a better future for young Australians in need* and our mission is *to create opportunities for young Australians in need by providing long-term support for their participation in education*. Fundamental to our work is the belief that *every child deserves a chance* to realise their potential, no matter what their financial or socio-economic circumstances or background.

To help us fulfil our mission, our *Learning for Life* program provides financial support for young people's educational essentials, supportive relationships with a *Learning for Life Worker* and sponsor, as well as access to a range of learning support and mentoring opportunities. This support begins with early-learning programs in the pre-school years to help children make a smooth transition to school, continues right through the primary and high school years in order to keep young people engaged and achieving at school, and then helps them make successful transitions to further education, training or employment, including tertiary study. Our



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approach recognises that parents are critical in helping young people to participate in education and that some parents may need support to build their own skills. We offer parents tools to support the development of their children's early numeracy and literacy, as well programs to support their own digital and financial literacy skills. Central to how we work are extensive partnerships with government, corporates, educational and other community organisations.

The Smith Family works in 97 communities across Australia and in the 2010-11 financial year we supported over 117,000 children and their parents/carers. This included supporting over 33,000 on a long-term *Learning for Life* educational scholarship.

So hopefully from this description you can see how relevant and important a high performing and equitable schooling system is to the work of the contemporary Smith Family.

I'd now like to turn to some of the data which highlights the need for urgent action on our schooling system. Some of you may be familiar with this data, others may be less so. Either way, grounding our understanding of where we are as a nation by looking at some of the data, is an important step in us being able to have a collective understanding of the nature and extent of the problem facing Australia.

Let me begin by quoting the executive summary of the *Schooling challenges and opportunities* report written last year by the Nous Group, the Melbourne Graduate School of Education and the National Institute of Labour Studies, for the Federal Review of School Funding. It provides an excellent high level overview. It begins by noting that:

Australia's school system is among the better performing systems in the world. Taken as a national average, our children at age 15 are scoring relatively well on mathematics, literacy and science tests compared to their counterparts around the world.

It goes on to note that:

This overall result however is not as strong as it has been in the past and masks a wide degree of variability within our education system. That variability relates to educational outcomes, and to equity – that is, the degree to which people from all backgrounds are able to realise their potential in school.

The report goes on to identify the reason why Australia is doing well 'on average': *the answer is because there is a sizeable proportion of schools that are producing very good results, a large number of schools that are not and a group in the middle that helps balance this out.*

What the report particularly notes is [that] *what is striking (in Australia) is the strong correlation between the performance of a child and the average SES of all students that attend their school. In other countries, including 'high equity' countries like Finland and Canada, such an effect would not be evident.* This goes to the heart of whether young people in Australia – regardless of their backgrounds - are able to realise their educational potential.

So let's dig a little deeper and look at some of the differences in educational outcomes being achieved by different groups of young Australians to get a more concrete sense of how equitable our schooling system currently is. If we look first at the primary years and take the 2011 Year 5 NAPLAN results as a starting point, we see that 31% - or 1 in 3 - Indigenous students were below the national minimum standard for reading, compared to 5% or 1 in 20 non-Indigenous students. Now while neither figure is acceptable in a nation such as Australia given the fundamental importance of reading to educational achievement, the problem is further compounded by the significant gap between the two groups.

If we look at the Programme for International Student Assessment (PISA), it shows that Australian students aged 15 years scored significantly above the OECD average on digital reading, with only Korea outperforming us. However Australian students in the highest SES scored 84 points on average above students in the lowest SES. And this difference equates to about two and a half years of schooling.

And finally to Year 12 completion rates. These are significantly lower for Australian students from low SES than for students from high SES – 56% compared to 75%.

These statistics give life to the important conclusions that the Nous Group report made regarding the educational outcomes being achieved by young Australians. And they are also some of the statistics that we at The Smith Family are aiming to contribute to improving. These statistics, amongst a range of others, identify a major problem confronting Australia. In summary:

1. Our educational performance has declined since 2000, while over the same period, the performance of a number of our neighbours has improved.
2. There are significant numbers of young Australians not achieving key educational outcomes.
3. The link between student background and educational outcomes is more pronounced in Australia than in other comparable high performing countries.

As leaders of a diverse range of businesses and organisations, I'm sure you are very aware that the key to Australia's economic and social wellbeing, now and into the future, is a highly educated population. This is the foundation for ensuring Australia is able to meet the challenges and opportunities of a highly volatile global economy. It's also the key to the ongoing social cohesion that has been so central to our nation. As Australia's population ages and some of our international competitors improve their educational performance, harnessing the potential of all young people will be essential if the economic prosperity Australia has long enjoyed is to continue. Yet as the above data highlights, Australia's future prosperity is not guaranteed.

So having identified the urgent need to improve the educational outcomes being achieved by young Australians, for their own wellbeing, and that of Australia as a whole, let me turn to three of the key components that The Smith Family sees as part of the solution to addressing the problem before us.

Firstly, it is fundamental that we as a nation set ourselves the collective goal of an educational system which is both high performing by international standards and characterised by high equity. This is key to the economic and social development of Australia. We need to care about this goal both as individual citizens and from our respective sectoral perspectives, as it is in our overall best interests that all young people are able to maximise

the contribution they make to the community. There is ample evidence that young people who have poor educational outcomes are more likely to experience unemployment and poorer health outcomes and rely more heavily on income support payments.

Secondly, as part of achieving this goal we must reform the way our schools are funded. The Smith Family, and many other organisations, believe that through the recent Commonwealth Review of School Funding, the important first steps in this regard have been taken. The Review recommended a funding model that takes account of both the individual and school level factors known to impact on educational outcomes, such as SES, indigeneity, remoteness, as well as the concentration of disadvantage – the last being highlighted in particular in the *Nous* report to the Review. For those young people who are in schools in highly disadvantaged communities, there are fewer bridges to the wider networks and resources that are important in supporting employment and educational pathways. The proposed funding model would channel resources to where they are most needed, and The Smith Family believes that it is a critical part of achieving the goal of lifting Australia's educational performance.

Finally, of equal importance to the quantum of resources available to individual schools, is how these resources are spent. Education is the responsibility of the community as a whole and not schools alone. And The Smith Family's practical experience and ongoing research confirms that strong school-community partnerships, in which schools, families, governments, business and community organisations work together – are a central pillar for improving the educational outcomes of disadvantaged children and young people. We see such partnerships as key to ensuring all young people achieve their potential and are able to contribute to their own and the community's wellbeing. There's growing evidence too that not-for-profits can play an important facilitating role in maximising the impact of these partnerships.

The Smith Family believes that the size of the equity challenge facing Australia, the increasing complexity faced by schools with high numbers of disadvantaged students, and the clear need for schools to be able to leverage resources, skills and support from the beyond the school system, demands strong, long-term and genuine school-community partnerships. A number of such partnerships approaches are currently being implemented around Australia, and The Smith Family is playing a lead role in a number of them, including in Wyndham and Gippsland in Victoria and in the Swan area of Western Australia. It is these types of multi-layered and comprehensive partnerships which we see as a key plank to achieving a more high performing and equitable schooling system.

So in conclusion, The Smith Family would argue that there is considerable evidence to suggest that Australia's schooling system is not performing as well as we as a nation need it to. In particular, it is not as strong as it has been in the past and aggregate data masks a wide degree of variability within our education system. That variability is not in the best interests of Australia's economic and social wellbeing, now or into the future.

The Smith Family has identified three key components to addressing this situation:

- Firstly, a national commitment to a high performing schooling system that is characterised by high equity.



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- Secondly, a school funding system which directs resources to where they are most needed and takes into account the individual and school level factors known to impact on educational outcomes.
and
- Finally, comprehensive school community partnerships which involve government, business, and not-for-profit organisations are a key platform at the community level for improving educational outcomes.

The Smith Family believes that the time for joint action involving governments, business, and the community and educational sectors to improve Australia's educational performance is now. And we look forward to working with other sectors to improve the educational outcomes of young Australians. It is not only in their individual best interests, but it's undoubtedly in our collective best interests.