



everyone's family

Review of the UN Sustainable Development Goals

**Submission to the Senate Standing
Committee on Foreign Affairs, Defence and
Trade**

March 2018



Overview of The Smith Family

The Smith Family is a national charity founded in 1922 by a group of business men 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.



The importance of SDG to social policy settings in Australia

The Smith Family welcomes the opportunity to provide a submission on the UN Sustainable Development Goals (SDG). The SDG is an international commitment made by Australia to a new sustainable development agenda, but it has direct implications for domestic policy settings. They exemplify how international and domestic policy development are now intimately connected. Minister for International Aid and Development Concetta Fierravanti-Wells recently remarked that the SDG speak to Australian values as they are a 'contemporary manifestation of the fair go'.¹

The Smith Family offers programs and services aimed at breaking the cycle of disadvantage and poverty via education. We believe education is a great enabler for all children regardless of their background. Education offers the best chance for children and young people in poverty and disadvantage to create a better future for themselves. Educational outcomes in Australia are strongly related to factors such as where a person lives and their family background. This is demonstrated in the following key statistics:

- One in three children in Australia's most disadvantaged communities are developmentally vulnerable in one or more key areas when starting school. This gap in educational achievement only worsens with age.²
- Only 60% of young people from the lowest socio-economic background complete Year 12 compared with around 90% of children from the highest socio-economic background.³
- Post-school, 41% of 24 year olds from the most disadvantaged backgrounds are not fully engaged in work or study, compared to 17% from the most advantaged backgrounds.⁴

Ensuring all students, particularly those from disadvantaged backgrounds, have access to high quality education from the early years is key to addressing the above trends, and fits well with Australia's commitment to the SDG.

Our submission focuses on the goals of reducing poverty (Goal 1), offering quality education (Goal 4) and reducing inequalities (Goal 10). Consistent with the Inquiry's Terms of Reference, it outlines:

¹ Minister for International Development and the Pacific, Senator The Honourable Concetta Fierravanti-Wells, 'Keynote Address: 2nd Australian Sustainable Development Goals (SDG) Summit', 13 March 2018, http://ministers.dfat.gov.au/fierravanti-wells/speeches/Pages/2018/cf_sp_180313.aspx.

² Australian Government, *Australian Early Development Census National Report 2015: A snapshot of early childhood development in Australia*, Department of Education and Training, Canberra, 2016.

³ Lamb, S, Jackson J, Walstab A & Huo S, *Educational opportunity in Australia in 2015: Who succeeds and who misses out*, Centre for International Research on Education Systems, Victoria University, for the Mitchell Institute, Melbourne, 2015.

⁴ Lamb, S, Jackson J, Walstab A & Huo S, *Educational opportunity in Australia in 2015: Who succeeds and who misses out*, Centre for International Research on Education Systems, Victoria University, for the Mitchell Institute, Melbourne, 2015.

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- the potential benefits and opportunities for Australia in the domestic implementation of the SDG,⁵
- governance structures and accountability measures required for an integrated national approach,⁶
- performance monitoring of implementation to allow effective review of Australia's performance by civil society,⁷ and
- examples of international best practice.⁸

Examining the strategies for achieving the SDG can continue a national discussion about what fairness and equality mean for Australia in the 21st century. We have major social policy challenges that require greater shared commitment and effort across government, civil society and business if we are to arrest intergenerational disadvantage and inequality. A total of 1.1 million Australian children and young people live in poverty and the number is rising.⁹ Inequality, especially wealth inequality, is more pronounced in the last five years.¹⁰ Significant numbers of adult Australians are living in poverty, particularly single parents, those experiencing long-term unemployment and people with a disability.¹¹ Similarly, many Australians are struggling to find quality, secure employment in a rapidly changing labour market, with young people and women having the highest rates of underemployment.¹² Combatting these challenges requires a concerted, long-term, multi-partisan policy response. The SDG, and this Inquiry, can help stimulate such a response.

By the time this Inquiry reports at the end of 2018, Australia will have about a decade to achieve the SDG. Successfully meeting the individual targets requires a rethink of how all sectors of the country work together to deliver positive and lasting change. Four major elements are required:

- a holistic, integrated and coordinated policy response across different levels of government,

⁵ Terms of Reference (b).

⁶ Terms of Reference (c).

⁷ Terms of Reference (d).

⁸ Terms of Reference (h).

⁹ Social Poverty Research Centre & Australian Council of Social Services, *Poverty in Australia 2016*, <https://www.sprc.unsw.edu.au/research/projects/poverty-in-australia-2016/>.

¹⁰ Sheil, C, & Stilwell, F., 'The ABS is wrong: inequality is getting worse in Australia', University of New South Wales Newsroom, 18 September 2017, <https://newsroom.unsw.edu.au/news/social-affairs/abs-wrong-inequality-getting-worse-australia-0>; Clarke, C., 'RBA Governor says inequality getting worse, contradicting Scott Morrison', ABC News, 27 July 2017, <http://www.abc.net.au/news/2017-07-26/rba-says-inequality-getting-worse/8746594>.

¹¹ Social Poverty Research Centre & Australian Council of Social Services, *Poverty in Australia 2016*, <https://www.sprc.unsw.edu.au/research/projects/poverty-in-australia-2016/>.

¹² Australian Bureau of Statistics, 'Spotlight on Underemployment', 6202.0 – Labour Force, Australia, November 2016, <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/6202.0Main%20Features5Nov%202016>.

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- open and meaningful collaboration with Australia's civil society and business community every step of the way,
- consideration of national policy strategies in key portfolios, and
- more sophisticated measuring and reporting on progress against individual targets.

Australia will need a substantive acceleration of effort to meet the SDG. In the latest updates to the UN SDG Index, Australia was ranked 26th overall, behind France (10th), Japan (11th), UK (16th) and New Zealand (20th) but above the US (42nd).¹³

Social policy priorities and the SDG: benefits and opportunities

Australia's commitment to the SDG create overarching, long-term targets to guide social policy development between now and 2030. These targets are welcomed, and should guide our national social policy priorities, supported by necessary strategies, collaborative frameworks and adequate resources. The fact that these goals are non-binding should not diminish their significance to public policy development, or limit our ambition about what we can achieve over the next decade as a nation. The individual targets associated with each goal are ambitious in scope. For example, Australia is aiming to achieving the following in social policy:

- *Goal 1 – Poverty reduction:* Reduce by at least half the proportion of men, women and children of all ages living in poverty in all its dimensions.
- *Goal 4 – Quality education:* Ensure all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.
- *Goal 10 – Reduced inequality:* Progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average.

This is just a sample of the targets Australia should focus on achieving. The SDG includes important and equally ambitious targets within these and other goals, regarding major issues like economic, political and social inclusion for all people¹⁴ and increasing the number of young people and adults who have relevant skills, including technical and vocational skills, for employment and entrepreneurship.¹⁵

Successfully meeting the targets will mean Australia has created a fairer, more equal and more inclusive society, particularly for those Australians from disadvantaged backgrounds. It will be a stronger and more resilient nation both economically and

¹³ Sustainable Development Solutions Network & Bertelsmann Stiftung, *SDG Index and Dashboards Report 2017: Global Responsibilities – International spillovers in achieving the goals – Compact edition.*

¹⁴ Sustainable Development Goal 10 - Reduced Inequalities.

¹⁵ Sustainable Development Goal 4 – Quality Education.



socially. With this end in mind, the long-term pursuit of these targets can act as a catalyst to help government focus on breaking intergenerational poverty and disadvantage for children and young people in Australia. Australia could begin to arrest rising inequality, make major inroads into alleviating poverty and expand access to high quality education and training to ensure Australia's young people find satisfactory and dignified work. However, it will require rethinking how governments develop policy, collaborate across society and measure progress.

Rethinking social policy design to deliver on the SDG: structures and accountability

Australia's public institutions can be more effectively calibrated to implement the SDG, and to fully utilise the expertise, experience and perspective of Australia's charities, and civil society more generally. A business as usual approach to policymaking will see Australia fall short of multiple targets by 2030. The Inquiry should consider how public policy can be better designed, delivered and measured.

As a starting point, we would welcome a national framework from the Federal Government about how the SDG will be implemented over time. This should include a clearer understanding of how different Commonwealth Departments will work together to deliver against the SDG. For instance, the Departments of Prime Minister and Cabinet and Foreign Affairs are coordinating the implementation of the SDG, and have nominated lead and supporting agencies for specific goals. The 2017 Foreign Affairs White Paper sets out Australia's SDG commitments in the aid and development space¹⁶, but more public information is required to better understand the role of lead agencies in driving whole-of-government domestic responses. This includes for instance the Department of Social Services (DSS) in implementing Goal 1 – No Poverty and Treasury in implementing Goal 10 – Reduced Inequality. Public information could, as a starting point, include how departments are utilising strategies, projects or programs to deliver against individual targets. It could also build on the work that is underway to develop Australia's first Voluntary National Review on the SDG. Such an approach will support engagement with civil society and business on the SDG and greatly assist intergovernmental coordination on relevant policy development.

The Council of Australian Governments (COAG) will also need to work more effectively to deliver against respective targets. Implementation of the SDG should be a priority consideration for COAG. COAG is due to review the operation of the existing COAG Councils in 2019, and it would be prudent for it to consider whether to create a standalone council monitoring SDG implementation.¹⁷ The role of Australia's local government is also

¹⁶ Specifically Chapter 6, 2017 Foreign Affairs White Paper, <https://www.fpwhitepaper.gov.au/foreign-policy-white-paper/chapter-six-global-cooperation/promoting-sustainable-development>.

¹⁷ Guidance on COAG Councils, Commonwealth State Relations Branch, Department of Prime Minister and Cabinet, August 2016, Sections 2.4 – 2.5, <https://www.coag.gov.au/coag-councils>.



important, and some of Australia's major cities are already evaluating their performance against the SDG. For instance, last year the City of Melbourne completed an assessment of how its strategies and plans deliver against the SDG.¹⁸ The City of Sydney has *Sustainable Sydney 2030* which aligns its major projects and programs with the SDG.¹⁹ Designing and delivering the right solutions requires working across all levels of government, as well as drawing on expertise outside government.

Whilst intergovernmental cooperation is important to deliver on the SDG, it will be incomplete unless there is a reciprocal and open relationship with civil society - including charities, universities and philanthropic foundations – as well as with business. The charity sector, in providing quality social services to the community, is pivotal to Australia being able to meet its commitments. Leading practice for social policy can be drawn from what is already occurring on the ground via charities. Australia's business community will also have a crucial role in SDG implementation. Key players in major sectors of the Australian economy have already endorsed the SDG, including AGL and Optus, both of whom are major corporate partners of The Smith Family.²⁰ The Second Australian SDG Summit held in March this year, which brought together civil society, business and government, is a timely reminder of the SDG's relevance to and impact on our country and the depth and breadth of interest in seeing Australia successfully meet the targets.

Social policy strategy and the SDG: performance, measurement and review

Meeting the SDG will require action plans in key portfolio areas, to ensure public policy development has a long-term focus and framework. This Inquiry affords an important chance to think more holistically about the value of national strategies for tackling pernicious problems like poverty and rising inequality. Currently our social policy settings lack overarching vision and goals across multiple levels of government. Implementing the SDG can contribute to remedying these deficiencies. For instance, a national strategy to combat poverty levels across Australia could be developed in full collaboration with civil society and business. It could draw on best practice examples from the community where service delivery is already making a difference to people's lives, and encourage creative and more innovative policy development.

The development of national strategies on social policy would also offer a unique opportunity to shift the type of policy conversations we are having in Australia. For example, it can help spark a national conversation not just about how to help those in poverty, but also to examine why poverty occurs and what more can be done to arrest

¹⁸ City of Melbourne, *Annual Plan and Budget 2017-18*, <http://www.melbourne.vic.gov.au/sitecollectiondocuments/annual-plan-budget-2017-18.pdf>; City of Melbourne, *Opportunities and Recommendations Report 2017*, <http://www.melbourne.vic.gov.au/sitecollectiondocuments/sustainable-development-goals.pdf>.

¹⁹ United Nations, 'Sustainable Sydney 2030', <https://sustainabledevelopment.un.org/partnership/?p=2192>.

²⁰ Global Compact Network Australia, 'Current Members', <http://www.unglobalcompact.org.au/about/our-members>.



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poverty levels generally. We can start to consider more substantively the structural social and economic barriers that produce poverty, inequality and disadvantage.

Equally, there are important lessons that can be absorbed from comparable jurisdictions abroad when considering the feasibility of national strategies and other policy frameworks. For instance, in February this year, the New Zealand Government introduced legislation aimed at addressing child poverty, acknowledging the importance of the SDG.²¹ The Bill includes the development of a child wellbeing strategy and measures for how success will be determined and reported on, both in the short and long-term. Australia need not reinvent the wheel on leading social policy but rather learn from the practice and progress of neighbours and allies alike and adapt to our own particular circumstances and governance arrangements. This is in addition to adopting leading domestic practice as outlined above.

Improved measurement of major social challenges, like poverty, should be part of any more holistic effort to meet the SDG. For instance as ACOSS has pointed out, when it comes to poverty we do not as yet have a national benchmark by which we can consistently measure the extent of poverty.²² Standardised and accepted measurements will help Australia to tailor the right set of policies to address major social challenges and more effectively track progress over time. Civil society can work with government in developing suitable measurement tools. The Australian Bureau of Statistics (ABS) has supporting responsibility for delivery against several goals, including Goal 1 – No Poverty, and is already working with the UN Statistical Commission.²³ The ABS already does crucial work on better understanding disadvantage via the Socio-Economic Indexes for Areas (SEIFA), which ranks areas in Australia according to relative socio-economic advantage and disadvantage. There is an obvious opportunity for ABS to leverage its responsibility in this area and to consider partnerships with experts outside government in developing national measurement tools in pursuit of the SDG.

Conclusion

There is widespread interest in this Inquiry and an expectation that it can lead to better discussion about the best way to deliver against the SDG. Government has the opportunity to harness the goodwill in civil society, as well as the expertise, in order to make the next decade a productive one in addressing major national social policy challenges.

²¹ *Child Poverty Reduction Bill – a background summary*, https://www.beehive.govt.nz/sites/default/files/2018-01/Child%20Poverty%20Reduction%20Bill%20backgrounder_0.pdf ; Child Poverty Reduction Bill 2018, https://www.parliament.nz/en/pb/bills-and-laws/bills-proposed-laws/document/BILL_76267/child-poverty-reduction-bill.

²² Social Poverty Research Centre & Australian Council of Social Services, *Poverty in Australia 2016*, <https://www.sprc.unsw.edu.au/research/projects/poverty-in-australia-2016/>.

²³ Australian Bureau of Statistics, '2030 Agenda on Sustainable Development', 27 February 2018, <http://www.abs.gov.au/websitedbs/D3310114.nsf/Home/2030+Agenda+on+Sustainable+Development>.