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Education

For regional Australia to thrive, we all need the chance to access skills and training.

The economy is changing. Our traditional industries of agriculture, viticulture and forestry are adapting to a changed climate, increasing mechanisation and global economic trends. At the same time, other industries are growing. We already know our region has critical shortages of allied and mental health professionals. Demand for disability, child and aged care is increasing every year. Local manufacturing and renewable energy offer huge opportunities. But in regional Australia, our chances to access education and training are often limited. As a result, our education levels lag behind those of our city cousins. We need better opportunities to gain the skills needed for our region to thrive.

Policy Paper

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Regional Australians have fewer opportunities to access education and our life outcomes suffer as a result

There are fewer opportunities to access education in regional Australia

Affordable and good quality childcare is often difficult to access in regional Australia. There are fewer places available than in the cities (even accounting for population)ⁱ, and in places like Mansfield and Murrindindi, around 22 per cent of people rate access to childcare as poor (double the national average)ⁱⁱ.

It's also expensive. Low income households spend up to 31 per cent of their weekly income on childcare compared to just 11 per cent for higher-income householdsⁱⁱⁱ. This hits regional Australians disproportionately. In Indi, just 20 per cent of families with school-aged children send their kids to childcare^{iv}.

Higher education is also harder to access. The Government's **Napthine Review** into rural, region and remote higher education found that there are **fewer tertiary education opportunities** in regional Australia than in the cities^v. It found that the Government's cap on university places means there is **unmet demand** for tertiary qualifications in regional Australia.

Those regional students who do pursue higher education face **high financial barriers**. Relocating to study can double the cost of a degree, adding \$25,000-\$30,000 a year to live away from home^{vi}. Beyond money itself, people from regional Australia are more likely to drop out of uni for **health and stress** reasons than their city peers^{vii}.

Educational outcomes are lower in regional Australia than in the cities

The Napthine Review found a significant **education gap** between rural and regional Australians, and our city cousins. **NAPLAN results are poorer** in regional Australia in all areas and across all year levels^{viii}. **School completion rates** are 80 per cent in the cities, and just 64 per cent in outer regional areas^{ix}.

This disparity plays out even more once students leave school. Regional Australians make up 27 per cent of working-aged people but just 22 per cent of higher education enrolments, and 10 per cent of PhD completions^x. In fact, we are **less likely even to apply** for higher education, or to accept a place if we are offered it^{xi}.

However, those of us who do obtain higher qualifications often do better than our city peers. Recent university graduates who come from regional and remote Australia are more likely than their city peers to **secure employment** and on average get paid \$2000 more.

Clearly, **we have much to offer**, if only more of us were given the opportunity.

Investing in people through skills and training is crucial to the future of regional Australia

Investment in education is critical for regional development

If we want our regional towns to have **thriving economies** long into the future, we need to be investing in education. I'd love to see a world in which every working parent in Indi can get access to **affordable and good-quality childcare**. In which our kids don't have to go to Melbourne to get a qualification or a job. And for those that do, I'd love to see them able to come back and find **good jobs in our region**. But for that to happen, we need to be investing in our most precious asset: our people.

We know that seven in ten graduates from regional universities go on to **work in a regional area**^{xii}. That's why we need more places for people to study in regional universities like Latrobe and Charles Sturt University in Albury-Wodonga. We also know that the best way to develop the skills needed for our vineyards, dairy farms, mental health services and aged care facilities is to **train people locally**. That's why we need well-funded and **locally-targeted skills training** like through providers like Wodonga TAFE, GOTafe Wangaratta and Mansfield Adult Continuing Education.

Investing in education is good for people and good for the economy

Enabling people to access education improves their chances at a **good job and a rewarding career**. The unemployment rate for people with a Certificate III or above is half that of people without^{xiii}. On average, a person with a bachelor's degree will earn 50 per cent more over their lifetime than someone with an advanced diploma.

This economic dividend also pays off for society as a whole. Cutting the **higher education gap** between the cities and regions in half, would add \$11 billion to the national economy every year. If we closed the **schooling education gap** between cities and regions we'd add \$56 billion to the national economy.

We also know that **investing in childcare** is one of the best investments a society could make. If we decreased the out-of-pocket cost of childcare, it could add \$11 billion to the national economy every year, enable thousands of parents to get back to work, and provide a substantial educational benefit to hundreds of thousands of children^{xiv}.

The message is simple: **people are our best asset. We should invest in them.**

I have a plan to provide every regional Australian a fair chance of accessing education

I will work to:

1. Increase access to regional universities and support for regional students

Increasing the number of places at regional universities would not only attract young people to regional centres, but would mean more locals could obtain tertiary qualifications. Students from regional Australia should be provided greater support to transition to higher education.

In August 2019, the Napthine Review outlined 33 actions the Government should take to increase access to higher education for rural and regional Australians. Since then, I have been advocating for that suite of **recommendations to be implemented in full**. I'm pleased that the Government has introduced some of these:

- A new **tertiary access payment** of \$5000 to help students who relocate for study;
- A **Regional Education Commissioner** to oversee the implementation of the strategy;
- **Increased places** at regional universities.

2. Increase availability of tertiary courses suited to regional workforce needs

For many people, technical training will be a better option than university. But we need to ensure that **training providers based locally are well resourced to provide the skills opportunities that people actually need**. That means:

- **New course offerings** that bridge the gap between VET and higher education like 'apprenticeship degrees' and higher education degrees focussed on practical learning and skill development;
- Innovative programs that **introduce school students to technical training** options like the successful 'Mansfield Model' where high-school students can study a Certificate II in Agriculture whilst still at school;
- Opportunities for **ongoing adult education** so people can continue to upskill throughout their life;
- Courses that are **targeted to local workforce needs** like mental health, disability care, agriculture, renewable energy and bushfire recovery and landscape restoration.

3. Increase funding for the Local Schools Community Fund

The LCSF was a \$30 million grant scheme providing funding **for small-scale funding for projects in local schools**. Each electorate was allotted \$200,000 and Federal MPs were asked to establish local advisory committees to assess and recommend applications. In Indi, we secured funding for 16 projects under this scheme.

But we had **71 submissions totalling \$1.1 million in Indi; that means we were 550 per cent oversubscribed**. Many of these projects had merit but were unable to be funded because of the funding cap. I'm calling for a **second round of funding for the LCSF so that more schools can benefit** from positive local projects.

4. Increase access to high-quality childcare in regional Australia

Lowering the out-of-pocket costs of childcare for low-income families would not only deliver huge education benefits to those children, but enable thousands of parents, mostly women, to enter the workforce.

Through the Parliamentary Budget Office, I've costed a policy to increase the maximum childcare subsidy from 85 per cent to 95 per cent, tapering off as family income rises. This change would **cost around \$1 billion a year, but would add \$11 billion to the national economy**, improve education outcomes for kids, and increase workforce participation for women^{xv}. At a time of massive unemployment like this one, reforms like this become critical to our recovery.

Finally, the Government uses the Community Child Care Fund to provide additional support to small or rural childcare providers that would otherwise not be viable. And yet in Indi, there are several providers on the brink of viability and several towns where no childcare is offered because it is not viable. The Government must **bolster the Community Child Care Fund to ensure every community in regional Australia has access to childcare**.

References

ⁱ Productivity Commission, Volume 2: Childcare and Early Childhood Learning, 2015, p. 424

ⁱⁱ Regional Wellbeing Survey, University of Canberra, 2018

ⁱⁱⁱ Productivity Commission, Report on Government Services 2020

^{iv} Australian Bureau of Statistics, Child Education and Care, Australia, June 2017

^v National Rural, Regional and Remote Tertiary Education Strategy, Final Report, 2019

^{vi} National Rural, Regional and Remote Tertiary Education Strategy, Final Report, 2019, p. 20

^{vii} National Rural, Regional and Remote Tertiary Education Strategy, Final Report 2019, p. 24

^{viii} National Rural, Regional and Remote Tertiary Education Strategy, Final Report, 2019, p. 26

^{ix} National Rural, Regional and Remote Tertiary Education Strategy, Final Report, 2019, p. 14

^x National Rural, Regional and Remote Tertiary Education Strategy, Final Report 2019, p. 13

^{xi} National Rural, Regional and Remote Tertiary Education Strategy, Final Report 2019, p. 13

^{xii} National Rural, Regional and Remote Tertiary Education Strategy, Final Report 2019, p. 40

^{xiii} National Rural, Regional and Remote Tertiary Education Strategy, Final Report 2019, p. 15

^{xiv} <https://grattan.edu.au/news/childcare-wont-remain-free-after-the-pandemic-but-it-should-be-reformed/>

^{xv} <https://grattan.edu.au/news/childcare-wont-remain-free-after-the-pandemic-but-it-should-be-reformed/>
