

OUTCOME 1	OUTCOME 2
Reduced current and emerging skills and capabilities gaps to improve life and work readiness.	Increased economic inclusion, resilience and workforce adaptability.

To access in-depth information about the other outcome in the Education & Employment Impact Area, visit lmcf.org.au/our-impact/education-employment

Challenge

Education inequality of opportunity is concentrated in areas of entrenched socio-economic disadvantage.

Socio-economic disadvantage remains a key influence on educational opportunity at every stage of learning in Australia.

Australia has a stronger link between performance and socio-economic status than the average member country of the Organisation for Economic Co-operation and Development (OECD). Socio-economically disadvantaged students attend fewer hours of early childhood education, have lower attendance at school, are more likely to leave school early, and are less likely to go to university.¹

By the age of 15, students in the bottom socio-economic quartile can be almost three years behind those in the top quartile.² Nearly 60 per cent of the most disadvantaged students in Australia are in schools classed as disadvantaged – well above the OECD average and substantially higher than in any comparable OECD country.³ Disadvantaged schools have larger teaching shortages, fewer educational materials and offer a smaller curriculum.⁴

There are distinct pockets of entrenched intergenerational disadvantage in Melbourne.⁵ School results are spatially inequitable: where someone attends school affects the quality of their education and life opportunities. A recent study of the National Assessment Program – Literacy and Numeracy (NAPLAN) results shows Melbourne's socio-economically advantaged suburbs are dominated by schools ranked above-average—only four per cent of schools are considered below-average—while in disadvantaged areas such as Dandenong, Broadmeadows and Brimbank, schools ranked below-average dominate.⁶

Education and training systems are not keeping pace with the rapidly changing nature of work and the needs of employers.

World Economic Forum research has identified the emergence of a technology driven 'Fourth Industrial Revolution' which is transforming the nature of work. Education systems have not been designed to foster the types of skills and capabilities needed

to navigate the complex environments and multiple careers being catalysed by technological change.

The basic model of education has been largely static in the face of changes in the broader economy. Many young people are being left behind, and this challenge will only intensify into the future.⁷

There is a growing body of international and national research that suggests young people are not adequately prepared for the rapidly changing nature of work. Capabilities such as collaboration, resilience and creativity, alongside communication and entrepreneurial skills, are increasingly being sought by employers. Analysis carried out by the Foundation for Young Australians found that since 2012 demand for digital skills has increased by more than 200 per cent, critical thinking by more than 150 per cent, creativity by more than 60 per cent and presentation skills by 25 per cent.⁸

The Vocational Education and Training (VET) system is a pathway of choice for many socio-economically disadvantaged learners. However, in Victoria, enrolments of apprentices and trainees have fallen by 23.6 per cent⁹ despite projections that demand for skilled workers will continue to exceed demand for workers with university degrees.¹⁰ The recent review of Australia's Vocational Education and Training system recommended clearer secondary school pathways and greater access for Australians experiencing disadvantage.¹¹

Australia has a rapidly ageing population and many older workers and learners also face difficulties transitioning between industries. For older Australians, learning has the potential to extend working life, to assist in career transitions to more age-friendly job roles and to maintain health and wellbeing. However, opportunities for work-related learning and formal education reduce significantly beyond the age of 55, potentially leaving older workers vulnerable to early exit from the workforce. While there has been significant growth in internet use among senior Australians in recent years, there is still a very large group on the wrong side of the digital divide. Where older workers are offered training, it is likely to be skewed towards higher skilled workers.¹²

To access employment opportunities, the education and training system will need to provide the right skills for new entrants to the labour market and those workers re-skilling for new roles.¹³

Our Response

The 2018 Review to Achieve Educational Excellence in Australian Schools, placed a high priority on equipping every child to be a creative, connected and engaged learner in a rapidly changing world, which provides impetus to test new approaches.¹⁴ Much of the recent national and international research covers the skills and competencies gap and we want to understand how this is affecting the most vulnerable members of our community.

There is an opportunity to test the growing number of report recommendations and design 21st-century education models and systems. Lord Mayor's Charitable Foundation wants to focus on how technology and pedagogies can unlock opportunity and reduce educational inequalities. An innovative, place-based collaborative approach to nurturing community support around schools and other educational institutions would be of interest to the Foundation.

The Foundation's support is focused on:

- **Projects and initiatives that prioritise 21st-century skills and capabilities.**
- **Demonstration projects of wrap-around support that creates clear senior secondary school pathways and career exposure, particularly to emerging industries.**
- **Community collaborations and industry partnerships for better school-work transitions.**
- **Research to better understand the issues and inform policy advocacy that addresses the root causes and drivers of education inequality.**

The Foundation will consider other activities that address this outcome.

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Endnotes

- ¹ <http://www.mitchellinstitute.org.au/wp-content/uploads/2015/10/Factsheet-1-Effects-of-socioeconomic-status.pdf>
- ² Australian Council for Educational Research (S. Thomson, L. De Bortoli, and S. Buckley), 'PISA in brief : highlights from the full Australian report : PISA 2012 : how Australia measures up', p. 21, 2013
- ³ [SVA perspectives - Education](#)
- ⁴ https://ceda.com.au/CEDA/media/General/Publication/PDFs/CEDA-How-unequal-Insights-on-inequality-April-2018-FINAL_WEB.pdf
- ⁵ <https://www.theguardian.com/australia-news/datablog/ng-interactive/2019/apr/19/inequality-in-australia-an-interactive-map-of-disadvantage>
- ⁶ [Mapping schools' NAPLAN results: a spatial inequality of school outcomes in Australia](#), Crichton Smith, Nick Parr, Salut Muhidin (2018)
- ⁷ <http://www.mitchellinstitute.org.au/wp-content/uploads/2017/03/Preparing-young-people-for-the-future-of-work.pdf>
- ⁸ https://www.fya.org.au/wp-content/uploads/2016/04/The-New-Basics_Update_Web.pdf
- ⁹ <https://www.ncver.edu.au/research-and-statistics/publications/all-publications/apprentices-and-trainees-2018-december-quarter-australia/apprentices-and-trainees-2018-december-quarter-victoria>
- ¹⁰ <https://www.afr.com/news/policy/health/employers-want-trade-skills-not-bas-20190613-p51xgw>
- ¹¹ https://pmc.gov.au/sites/default/files/publications/strengthening-skills-independent-review-australia-vets_1.pdf
- ¹² <https://ala.asn.au/wp-content/uploads/2011/02/The-ageing-population-report-FINAL-WEB.pdf>
- ¹³ https://ceda.com.au/CEDA/media/General/Publication/PDFs/CEDA-How-unequal-Insights-on-inequality-April-2018-FINAL_WEB.pdf
- ¹⁴ https://docs.education.gov.au/system/files/doc/other/662684_tgta_accessible_final_0.pdf