

# CORRECTED VERSION

## RURAL AND REGIONAL SERVICES AND DEVELOPMENT COMMITTEE

### Subcommittee

#### Inquiry into retaining young people in rural towns and communities

Alexandra — 12 April 2006

#### Members

Mr B. P. Hardman  
Mr C. Ingram

Mr J. M. McQuilten

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#### Witness

Mr B. Coppinger, chief executive officer, Central Ranges Local Learning and Employment Network (affirmed).

**The CHAIR** — Welcome, Bill. Thank you for coming to present to us today. Could you please give us the name of your organisation and your position in that?

**Mr COPPINGER** — My name is William Angus James Coppinger. I am the chief executive officer of the Central Ranges Local Learning and Employment Network (LLEN). We cover the shires of Macedon, Mitchell and Murrindindi. I represent about 130 odd members across those communities, and I am here today making a presentation on that organisation's behalf.

**The CHAIR** — Would you mind giving us your presentation and then we will ask you some questions.

**Overheads shown.**

**Mr COPPINGER** — I have a few prompt notes just for myself, and there are one or two slides that may be of relevance. I wanted to use it that way if I could. What I have to do today is to organise two or three thoughts we have on the focus of the terms of reference of the committee, and I understand those to be that you are looking at factors that influence young people in deciding whether to remain or leave, whether to return to rural communities, and you are looking for some suggestions about strategies and directions and trying to put things into those contexts.

First, just a few words about the factors that influence people whether to stay or leave. I am going to take a broader swipe across the three shires, the district that we notionally call the Central Ranges LLEN. There are a range of presentations of other members and stakeholders and partners of our organisation today that will be very specific on some of the things happening very locally. I will touch on a couple of those things, but more on the broader context of the issues affecting young people and the strategies that relate to them. That is how I have organised the thinking today.

In broad terms we are talking about a combination of access and opportunity. It is not necessarily specifically about young people but about the communities they live in, the economies, the labour markets, the opportunities they have across a broader spectrum than just so-called youth issues. I will be touching on some of those things.

I wanted to drive home one of the underpinning concepts of what I will present today, and that is the assertion, and much of the research over the last 10 years suggests, that there has been a genuine collapse in the full-time labour market, specifically the 15 to 19-year-olds, which is the prime brief of the local learning and employment network.

The number of jobs available that require little or no skills has significantly declined. That was not the case when — I say this politely — everyone in this room was entering the work force. It was certainly not my case. I had the opportunity and I applied for a Commonwealth Bank exam, a public servants exam and a few other bits and pieces. I had all sorts of opportunities. I think even the speaker before said he went to university because it was expected and it looked like fun. That is not the current market that young people or youth anywhere face today. That is the first assertion.

As a result of that collapse, unskilled young people are now much more likely to be unemployed than was the case 20 years ago. Employers are increasingly under pressure to employ immediately skilled people. They will operate in very competitive industries with very low margins and certainly work with new business production processes. The notion of that long honeymoon, of developing some skills, getting mentored, getting involved and getting into the work force is not the case. That is one of the drivers of what we are going to say today.

Just to state some of the obvious: this slide shows what the migration of young people across the three shires that I work in looks like. We do a lot of research of what we call the statistical local area level, so we can talk about Murrindindi west and Murrindindi east, we can talk about Mitchell north and Mitchell south, and we can talk about the three statistical local areas within Macedon. Mitchell north has a slightly flatter line than the rest — you will see that purple line in the middle — and has flattened out pretty much because of the movements of young people in relation to the Puckapunyal army base and the large numbers that move in and out, as often many more come in one year than leave, and vice versa.

The trends are identical across every shire. We are clearly and unequivocally a source community for other communities. We are not a destination when it comes to the way we define young people. That is pretty much from the 15-year-olds onwards to the 25-year-olds, even up to 30 years of age. You will notice the two peaks on the slide. The highest peaks are in fact the 44-plus age bracket. So these communities experience a common and

sustained phenomena — that is, from about 15 or 16 the message is, ‘If you want a job or an education, you leave’. I am going to compare that to some of the descriptions of the local labour markets to talk about not only what some of the push and pull factors are but what opportunities may exist.

**Mr INGRAM** — Can you just let us know? So there are three there that have really pronounced dips?

**Mr COPPINGER** — Yes.

**Mr INGRAM** — Which areas are they?

**Mr COPPINGER** — The second is Murrindindi. I can actually give you the number. One of the two SLAs in this shire has both far and away the largest migration — there is 60 per cent in that cohort that disappear. That impacts on communities in a whole range of ways: on the work force to the social fabric to the ability of organisations to have students in them, and all those sorts of things. So the south and the north relate to Mitchell, Romsey, Kyneton; and balance relates to Macedon; and the west and the east relate to the Murrindindi shire.

Over 40 per cent of 15 to 24-year-olds leave across the shire on average. Mitchell north has the lowest youth migration. I want to do a contrast here. There is both a positive and negative in staying and leaving. I am having my bet both ways here. Mitchell north has the lowest migration rate of young people, but only 20.3 per cent of the population over 17 go on to any further study. So we are talking about just on one in five. I talked about access, availability and awareness earlier. There is 7.9 per cent who go on to university and 12 per cent go on to TAFE. In terms of the amount of effort and focus that goes into certain educational programs, clearly the results are an unequivocal disconnect.

In Murrindindi west the highest migration of youth, as I said and it was not a bad guess, was almost 60 per cent. It is 60 per cent of young people leave the area in the 20 to 24-year-old age bracket. In many other LGAs and SLAs around the state, these movements are ameliorated by a range of factors that ameliorate that change. We are providing young people effectively to all other markets. We are not getting the same return that many others are, and that can be as simple as having a La Trobe University, or a Dookie campus, or something.

Yes, Shepparton loses many, but it often gains many. So we are talking about a different community to Benalla, Mildura, or Warrnambool. We lose them and we do not get them back. In terms of provisions — I am really focusing on some of the push factors here — and in terms of access to what young people can do to perhaps take advantages of local opportunities, we have limited provision in vocational education and training. In fact, 85 per cent of all that provision across our three shires is at the very lowest levels — at the pre-entry or vocational level.

**Mr INGRAM** — What is AQF?

**Mr COPPINGER** — AQF is the division or the standard or levels of education and training. They are the qualifications framework for Australia. So you can equate levels 1 and 2 effectively to years 11 or 12, or entry-level vocation. Levels 3 and 4 are the sort of technical certificate, diploma, degree, post-graduate and upwards towards the higher levels. That itself is another factor that bears heavily on a young person’s decision to either remain and maximise what opportunities they have, or clearly impacts perhaps on a younger family’s decision as to whether they will make an area home, set up a business and move in.

I do not want to blind you with this, but we also have some very detailed knowledge. I do not expect you to read this, but I want to just to make the point that the last sentence in each of those dot points across the three shires and I think the seven or eight SLAs have one thing in common. There are some really good news in some of these areas about youth unemployment and changes in trends, so I am not trying to paint an entirely negative picture. But in terms of the push and pull factors, we are also seeing in the youth population a minimum of a doubling of disability and support pensions between the four or five years across the board — in some cases, it is tripling. There are definitely large increases in single parents: they are doubling. The disability support pension is doubling across the board.

**Mr INGRAM** — Is that with cheaper rent?

**Mr COPPINGER** — Yes. So there are some structural issues as well about the community itself, and what it can do on its own to generate opportunity. The point I am making here is that good data input means better

decisions are able to be made. That is one of the things that I will talk about in a moment in terms of recommendations for the region.

Small is clearly beautiful in many cases. We have no reason to either praise or criticise any particular organisations or project, because the LLEN itself is really just a construct of all the other stakeholders. We are in effect a strategic planner across the region. There have been two things that I have had the pleasure to be able to observe. Given the difficulties that some of these communities face, and given the difficulties that Murrumbidgee west has, Murrumbidgee west has massive youth migration. That in itself is not necessarily a bad or a good thing, but it is the conditions on which that migration occurs, whether or not that is a voluntary thing or whether that can be corrected if it needs to be.

On the positive side of the coin, there are two projects which are both run in conjunction with the local high schools and Berry Street Victoria which is doing an outstanding job. The first one is called Alexandra Real Connections program. It is basically a community commitment. You may have already heard a presentation on it, so I will not labour on it. I will say independently that we think that is an outstanding project and it really shows some promise in what communities, schools and other partners do to focus on the needs of their young people and to do something about it. It is not simply saying, 'We will put a finger in the dyke and try to stem the flow'. It is about being a little bit more proactive.

In terms of the factors influencing young people deciding whether or not to return, obviously the same sorts of themes can be said in reverse. The things that push may also be the things that stop you from coming back. But in terms of growth, there is growth — and then there is growth!

I am simply saying that in the southern ends of some of these shires, we have very fast and rapidly growing communities, but the answer is not simply, 'Well, that is good because they are growing', but it is, 'Where are the opportunities and who are they for?'. At national level, when we look over the last 10 or 12 years, depending on what figures you look at, yes, there has been massive job creation, but it is the type of jobs that have been created and who is able to access those jobs.

There are 850 000 jobs in the study we have sourced and the vast majority of them are less than what one would understand to be the 38-hour week and certainly less than what the average income would be — so sessional, part-time — when you combine that with the statements we made a little bit earlier about the collapse in the youth labour market you get the notion of a perfect storm forming, which is not news to many rural and regional people, but it clearly shows in the data we have here.

I also want to make a broad statement about the job-readiness of the communities in which these young people find themselves. You may have heard me use this phrase a number of times in different forms but whatever side of politics you sit on, we have had 15 or so years of sustained economic growth in the country, yet between 1991 — and I have also got 2001 figures but I just pulled this out because it was easier, I could not find the 2001 as well, the trend maintains, the figures I have on this slide, below, are actually 2004 figures but the table is not showing the 2001 statistics — the relative positioning of the three shires we are talking about in terms of the percentage of their population that is job-ready has actually declined, or at very best relative to other communities.

That is not to say that current standard of living and opportunities are not good, but there is a longer-term trend working against sustaining the current benefits we have. The point I make here is 9.9 per cent of Mitchell's population is non-job ready. That was 3.8 per cent in 1991. So what is it in 10, or 12 or 15 years of sustained economic growth that has tripled the percentage of the adult non-job ready in a community? These are the points we make about potential disconnects between the different sectors and perhaps sometimes atomised activities that on the surface look great but long term do not have all the players in the right place to pull in the right direction.

The next slide is headed 'Destinations'. I will make some observations about some of the great stuff that is happening with our young people and some of the opportunities they do have. Compared to the state we have got 11.3 per cent of students completing year 12 who are employed full-time compared to a state average of 8 per cent, so we are appreciably above the state average in young people completing education and getting jobs. In fact, work and genuine work is a real focus for many of the communities across these shires and that is a very good result, as 13.4 per cent of students were in a traineeship compared to a state average of about 10 per cent.

An interesting figure is that less than one-third of students enter university across those three shires compared to almost 43 per cent, or a bit more, and we have actually dropped, so again the comments previously about access to,

and awareness of, is one thing but also the realities of what is possible given the communities, given the socioeconomic barriers and opportunities here in place. That is substantially lower than perhaps one would expect.

About 21 per cent enter a Certificate 4 level which I would class as a high-skilled, technical access to longer-term jobs compared to a state average of 18.1 per cent and 5.3 per cent completing year 12 are unemployed, higher than the state average. The point I make here is that it has improved double the state trend, so while we are higher, we have basically come from a much lower base, but the drop in youth unemployment has been 0.6 of 1 per cent on the 2004 data, and the state average is 0.3. We are coming from a lower base, unemployment is not as good as it should be but it is actually improving better than the state average, so there is clearly a focus on unemployment that shows and is reaffirmed in some of those earlier figures, but there is also clearly some disconnects.

This next slide is a chart that shows, of the 12 schools across our region, where different young people go and what their pathways are. I am only trying to show you this purely from the point of view of complexity. The point of argument is not about which school it is, it is just about the enormous variation even within communities or across a region that is, relatively, facing similar issues.

The green section in the overhead is those that go to university so at this school more than 60 per cent go into university or a diploma, more than 70 per cent automatically go 'bang'. At this school it is not quite 15 per cent. They might be 30 kilometres apart. When we start to talk about what are the strategies, what are the needs, it is Venus and Mars for a whole range of reasons.

Then we also look at the yellow section, which is for apprenticeships and in some areas extremely high. All of them though have grown so there is a recognition and a better connection between local industry opportunities and there has been a lot of work done, we think across the last three or four years, to broaden the scope of what is positive, but nevertheless this points out massive variation in terms of what drives young people out and what potentially brings young people in to these communities.

**Mr SETTLE (Principal, Kilmore International School)** — Those are all government schools are they?

**Mr COPPINGER** — They are all schools, so that includes, not exactly all of the data but they are comparable — that includes independent and catholic.

**The CHAIR** — Does it include Kilmore International School, because John is the principal of Kilmore International School!

**Mr COPPINGER** — No, it does not — everyone but!

**Mr SETTLE** — I'll have to talk to you!

**Mr COPPINGER** — Yes, and I am happy to talk to you, too. You have made my day.

I am quoting Jack Keating from his time at the Royal Melbourne Institute of Technology but he is now at Melbourne university. The notion of a pathway, or the notion of what we used to be able to do 30 years ago: we would do a course, do another course, get a job. Of the graduate destination surveys, pretty much for the 90s which RMIT and Melbourne did, only 34 per cent or 1 in 3 that entered a course have a straight path to a career, one-third drop out within the first year, 20 per cent change their study location which is significant for those that either try the urban experiment or try the rural experiment; 1 in 5 do not finish where they start, and one-quarter actually change the course.

**Mr INGRAM** — Is there any data on that drop out of university or tertiary to compare it to urban?

**Mr COPPINGER** — Yes, but who can get at it and when — that is the issue, but the short answer is yes, there is. I cannot quote it to you but I am aware of it.

**Mr INGRAM** — Higher or lower?

**Mr COPPINGER** — No — I cannot quote it. The broader question here when we talk about recommendations and things in terms of pathways and what rural communities need to do is it is important to understand that it is a relatively complex issue, about what the opportunities and what the barriers are. Finally, in terms of strategies and recommendations, clearly our position is focusing on the opportunity, not the deficit. The

easiest response to the committee's terms of reference is to say, 'Keep raising the school age level, make it difficult to get out, do not improve transport' and I do not mean that in a disrespectful way.

**Mr McQUILTEN** — Get a ball and chain?

**Mr COPPINGER** — Yes — it is very easy to answer your question, but the broader question is to accept that you have undertaken an extremely difficult and complex brief, and to do that we need to be very clear about what a whole range of drivers are and to focus purely on 'the youth' sector would be to miss the broader issue about local, regional, social and economic development, and how they interact with the needs of young people and how meeting the needs of those younger people in the community will long term provide a sustainable connection and a sustainable environment for the communities we are talking about. So they are inextricably linked — that is my assertion.

The role of local government is critical in terms of planning, in terms coordination and support of many things at the local level and that is really one of the LLEN's buzz words. It is about coordination and synchronisation but based on evidence. Area local governance, the structures that we may set up and support — not necessarily deliver — but to oversee a government's wishes may look very different from the traditional sort of command and control structures we have in local bureaucracies at the moment because often at the local level it is fiefdoms fighting one another more often than a place getting what it needs as a whole place. So the role of state and local government in my view is critical.

With respect to place-based planning and funding models, we are one of many groups that are on the Mitchell south place-based management project. That is an outstanding initiative in my view because it is genuinely looking at the whole picture. It is struggling with the data sets it needs and the skills sets it needs to take on that question. So when we talk about youth it is integrated into all the other conversations, and that is a critical thing for me.

Also, when we are talking about rural and regional the notion of equity comes up, equity to me means discrimination; equity to me is not about resourcing everyone equally so that no-one has enough to do anything, it is genuinely recognising that you are resourcing something to address it and that you resource things in a way, whether it is school funding — and we heard about the cost structures for TAFE or CEACA or whatever — where you recognise that because of transport, because of distance, because of thin labour markets, because of small populations there is a business case to say that if that outcome is to be achieved, you have to positively discriminate for a period of time.

We have to measure that and clearly monitor it or we stay with the status quo. In a lot of these very small communities without access to the regional centres it is one thing to say it is only 2½ hours from Dookie to Melbourne, but if you are 17 you may as well be on the moon. We know about the apprenticeship shuffle at 5 o'clock in the morning across all these roads here. When you live in Alexandra your course is at Kangan Batman TAFE in Broadmeadows and your apprenticeship is in Diamond Valley — it is not going to happen no matter how you go. That is why we see these really high concentrations in areas that you would not expect geographically, looking at a map.

In summary it is about some home-grown opportunities. There are projects that look at re-engagement of young people who are out of the system. One of them is a community-based VCAL system. It has re-engaged 70 people, who were out of the education and training system for 12 months or more, through an alliance of schools, TAFEs and health centres. That is again another good locally-supported project, but it is able to use resources from all sorts of sectors. They all agreed on an action and they went after it locally. That message of local determination is critical.

Here is another one just to give you a point about what a little bit of awareness can do in the school sector. A school-based new apprenticeship alliance was formed last year between all 12 schools across our region. We did a survey in one town, I will not say which town, and we found that something like 50 per cent or 60 per cent of the kids of school-leaving age were involved in some sort of part-time work, yet only something like 3 per cent of them had had any sort of formal credit or recognition or integration as part of the education and training. We just picked a number out of the air and said, 'Wouldn't you think that about 5 per cent of that number, it would be reasonable to say, could probably be in some form of school-based new apprenticeship?'. We just picked a number. We managed to get each of the principals to commit \$2500 and we matched that \$2500, so the schools had access to a \$5000 cash pot that they could use.

I think you would agree that the currency in schools is teachers' time. It boils down to who has got time to do what. Day to day they are massively overloaded with delivery, so we tried to do something. We said, 'There are some dollars. You get the best person and the best support you can in place to encourage young people to look at combining some of the things they are doing', because in many cases these people were working more than 15 hours part-time. I do not know about you, but if they are at school full time and working more than 15 hours, they are starting to do school in their spare time, the other way around. With a little bit of alignment — in the previous year we had 50 kids across the region involved in school-based new apprenticeships. That grew to 134 last year. Many of them basically then entered into long-term positions with local employers. It opened schools' eyes, it opened employers eyes. It was nothing magic; it was about the locals finding enough time to sit down together and say, 'What are we going to do about this?'.

There is a challenge and an opportunity there. Seven of the 12 schools had new co-ordinators and it was pretty much new to them, and that does not include the 110 kids from Mansfield which is in part of this school cluster while not in the region, and they are recognised statewide as one of the leaders. They are able to do both. They are able to have the male student with the highest ENTER score of any school in the state, and they are also able to have the largest percentage of kids on school-based new apprenticeships. They do not see them as either/or. It is all part of the one big picture, and that is pretty powerful model they have up there.

In closing, for us it is about links. If we are going to have globally competitive local businesses, it is about the skills that our businesses are able to acquire and the time they are able to acquire them in. We need to understand that the labour market is nowhere near what it was 15 years ago in respect of entry for young people, and that needs creative amelioration.

We need perhaps shallower and longer-term pathways than a, 'You are finished, now get in' approach because with every one of those transitions you lose a percentage every time, and it is ameliorated by transport, distance and cost in the communities we live in here. Lifelong learning is basically about some of the connections between higher education, TAFE and adult community further education in terms of opportunities. In a nutshell that is our take on some of the push-and-pull factors for young people in the region. I hope that has made a little bit of sense and I am happy to answer questions.

I wanted to show you this overhead to finish off. It is a map of what a young person interacts with on any given day in terms of jurisdiction. So you have got state, commonwealth and local programs; you have schools, DHS, all sorts of things, so in terms of the space that the practitioners are working in, it is an extremely complex environment. My solution to that — and here is a range of things that go into the community service organisations as well — involves five dot points: there should be some sort of federation of accountability; local partnership networks should be strengthened where possible to build on existing structures.

We are not about new structures; in most cases I think we have got most of the infrastructure. There is a presentation of some issues around broadband and things like that, but generally speaking if we had the opportunity and the range to use what we have a little bit differently and there was some regulatory and financial air cover, I think many times the locals would come up with some solutions. Local accountability for the outcomes I think is the way you would oversight that as a state government; and clearly, local government involvement and state government coordination is critical. They are the five suggestions in terms of things that would form policy from our point of view. Thank you.

**The CHAIR** — Thank you very much, Bill. We are going way over time, but that was really thorough.

**Mr COPPINGER** — It was too important not to, I am sorry.

**The CHAIR** — That was very good and you gave us a lot of background to the points you wanted to make so that was fantastic. Thank you very much for taking the time to do that and coming in again to present. You will get a copy of the transcript in two weeks or so. You can correct typographical errors but not matters of substance.

**Witness withdrew.**