

## **The Path out of Poverty**

### **A snapshot of poverty as it presents in the City of Casey and a way forward.**

It has long been accepted by people working in various sectors, that education is the path out of poverty. While the definition of poverty may vary, the fact that many school aged children attend school without the correct uniform, books and other educational requirements is most certainly a disadvantage and contributes to their inability to fully participate in their educational program.

Further to this, most children from low income families often miss out on any costly extracurricular events such as camps and excursions, as families experiencing financial hardship are not able to afford these additional costs. Consequently, children from disadvantaged backgrounds are further disadvantaged as they miss out on team building, confidence and self esteem building opportunities and subsequently the opportunity to improve performance and motivation to excel in their education. Feedback from support workers assisting families also suggest, that the State Government assistance for children to attend camps can vary from school to school, with some schools having an excellent approach to assisting families and others limiting the assistance sometimes to every second year. Further information on the criteria for this fluctuation in eligibility was not available.

The City of Casey has the highest number of primary/secondary school children in Victoria. Each year hundreds of requests are received for financial support to purchase basic needs such as uniforms, school books and other educational resources from families experiencing financial hardship. Last year a total of 791 students from 364 families were assisted by the two Community Information & Support Services with \$75,870 worth of education costs. This does not include assistance offered by other agencies such as St Vincent de Paul.

Needless to say the ability to respond adequately to this demand is extremely limited as funding is restricted to the amount community organisations can raise throughout the year. Agencies work together as much as possible to extend support with organisations such as the Community Information & Support services working with other Emergency Relief agencies and school support service to ensure as much as possible, assistance to families is maximised. However, it is extremely difficult to keep up with the demand as both financial and staffing resources are stretched to capacity.

The average cost of sending a primary school child to a public school in the City of Casey is estimated at \$1,053 and a secondary school student \$1,400 this amount increases for VCE units and for students entering first year of primary school and year 7 of secondary school.

Each year the demand for assistance increases not only in numbers but also in the amount requested as schools require students to have as part of their basic kit additional expensive items, including requirements such as lap top computers at the cost of \$1,300.

At CNCISS we have introduced several programs that are aimed at preventing problems that lead to financial disadvantage. These include a financial literacy program and a relationship strengthening

program. However, we have also directed energy into supporting local primary and secondary school students with the resources they need to get the full benefit of the educational program that is available to them. In fact most of our fundraising events and external donations are directed to this cause unless otherwise required. We recognise increasing educational opportunity is ultimately one of the biggest factors to preventing the poverty cycle and reducing dependence on welfare and experiencing long term financial disadvantage.

A report from the Smith Family (2016) highlights the importance of school attendance for children from disadvantaged backgrounds in furthering their educational and future opportunities. *“School attendance is critical for academic achievement, particularly for children from disadvantaged backgrounds...Academic achievement declines as school absence rates increase. Absences are related to achievement in numeracy, reading and writing, not only in the year when a child is absent, but in future years as well.”* (p.5 and 16, Smith Family 2016)

However if students do not have the resources they need to fully participate, they cannot keep up with the curriculum, they feel left out and often ostracised and in some cases experience bullying not only by other students but also teaching staff. Consequently their education experience will not be a positive one, they will fall behind and start to disengage and this may result in increased absenteeism. As found by the Smith Family 2016, *“Children from low socio economic backgrounds have poorer school attendance rates than students from high socio economic back grounds”*(Smith Family 2016, p.5)

The City of Casey is the most populated municipality in Victoria and this population continues to grow rapidly. Young families are moving in to new estates as quickly as they are being built. The current population in Casey is more than 332,980 with an estimated population of 514,800 by 2041. Unfortunately, disadvantage indicators by Local Government Area 2011 indicate that Casey also has the highest number of people (29,150) living in poverty and the highest number of children (8,543) living in poverty in Victoria. (Phillips et al, 2013) While it may be expected that the municipality with the highest population would also experience high numbers in other areas, including disadvantage, it could also be expected that the very best response to this disadvantage would be available.

Figures available from Centrelink confirm high numbers of people in the City of Casey reliant on welfare benefits as their primary source of income compared with other municipalities.

- The highest number of people with a Health Care Card (only issued to people on low incomes) - almost 10% of the Casey population.
- The highest number of people receiving Family Tax Payment A & B
- The highest number of people receiving Single Parenting Payment
- The second highest number of people receiving Newstart payment

Across the City of Casey emergency relief agencies assist thousands of households experiencing poverty each year with requests for food, health needs and other basic essentials. In the calendar year 2017 more than 5,000 people approached community organisations for financial help. Assistance in the vicinity of over \$375,253 was provided in Emergency Relief funds and goods by the CISS's alone. Agencies are struggling to meet this demand, with budgetary restrictions and limited capacity of support workers to respond to particularly complex and high need cases requiring expert assistance and advocacy in an attempt to overcome situations of financial hardship that are being experienced.

At CNCISS there is evidence that this financial disadvantage/poverty is passed on generationally. There are many clients now coming to our organisation and presenting in financial hardship that were the children of clients coming 20 years ago and in fact seeking assistance with educational costs for their children, the grandchildren of the original clients. At CNCISS we consider that programs that can assist children to embrace their education are imperative in breaking this cycle. The research undertaken by NATSEM at the University of Canberra (Phillips et al 2013), found that existing educational attainment of older family members were significant in influencing the poverty rates for families and that children living in poverty were less likely to complete higher levels of schooling. *“Poverty rates for children (and adults) are strongly related to the education level of the family. ...children who live in poverty are less likely to complete high school and have poor nutrition.” (Phillips et al 2013, p21 and 23)*

The 2016 ABS census of population statistics for Casey indicate that of a total population of 231,456 persons in Casey aged 15 and over, 94,706 have achieved year 11 level of schooling or less and a further 15, 674 did not state education level attained. That is almost 50% of the population 15 and over.

In addition to this the 2016 census data indicates that of 83,063 total households in Casey, 45.1% were surviving on a weekly income of \$1,416 or less and 18.8% were surviving on \$740 or less, confirming the fact that there are a lot of households struggling financially in Casey.

The cost of housing in Casey is one of the single greatest contributors to financial pressure. In particular, private rental costs are excessive as there is a dearth of stock available. Many households are paying well in excess of 50% of income on housing, with some paying up to and over 80% of income. The report undertaken by NATSEM found that income poverty and rental stress were indeed well established measures of disadvantage.

Further variables contributing to educational disruption include family breakdown and family violence of which the City of Casey once again experiences the highest numbers in the State. This disruption not only means disruption to the family stability, but can often result in changing of schools for children at a time when maintaining stability in their life is so important. *“Moving schools has a negative impact on students, particularly those from disadvantaged backgrounds.” (Smith Family 2016, p.5)* A change in school will provide further change for those children and often result in the need for new uniforms, text books and other resources, so they can ‘fit in’ to their new environment and participate in the education program available. Family breakdown is one of the biggest contributors to financial hardship and indeed financial hardship is one of the primary causes of family breakdown, so very often affordability of new school items is difficult for these families, further disadvantaging their school aged members.

With such high numbers of welfare recipients in Casey, it is imperative that we direct energy and resources into programs and support to assist younger members of the community so that they may avoid the poverty cycle. The longer a student can be encouraged to stay in the education system, the greater chance they have of gaining employment and avoiding dependence on welfare and support services. *“Young people who attain year 12 have a greater likelihood of continuing further study, entering the workforce and being employed throughout most of their adult life” (Lamb et al 2015)*

*Conversely, young people who do not complete Year 12 are at risk of a lifetime of economic and social disadvantage.” (Smith Family 2016, p.10)*

To provide adequate assistance to students from families experiencing financial hardship it is ideal to ensure that assistance is available until the student has completed year 12. Choice of elective subjects that are of interest to the student is also an important factor to children achieving good results and consequently completing their education. Consistent assistance throughout primary and secondary school would encourage students to continue to be engaged, stimulated and interested in their education. Research and existing programs providing long term assistance to disadvantaged students confirm that consistent financial support throughout primary and secondary school improves the educational outcomes of disadvantaged children and significantly improves opportunities post education. *“Two key principles for positively influencing the outcomes achieved by disadvantaged children and young people are early intervention and long-term support.”(The Smith Family 2016, p.14)*

By providing greater support and assisting students to complete year 12 level, there is a greater chance that those children will go on to obtain employment or pursue further education opportunities that would create greater employment opportunities at a later stage. A true Path out of the Poverty cycle.

There is a plethora of information supporting the theory that education is the path out of poverty. However, we continue to see hundreds of families in the City of Casey requiring assistance so that their children will have the basic needs/resources to participate in their education program.

In 2012 the then Victoria Auditor General Alan Tudge, presented a speech, on a better path out of poverty and dependence on welfare and the importance of education in achieving this. *“Educational attainment is an important predictor of an individual’s future employment, health and welfare prospects.” (Victorian Auditor General, 2012)*

In 2003 CNCISS established an Education Assistance Program with the first donation of \$500 from a local Opportunity shop. At the time this was considered a substantial donation and we wanted to achieve something substantial with it. Five families were assisted that year and there began the Education Assistance program in the north of Casey and since that time 1000s of students have been assisted. This year fundraising efforts and donations have reached \$30,000 with over 250 students assisted. Cranbourne ISS established a similar program and has experienced similar demand from local families.

While community organisations continue to direct energy into raising funds to meet this need, the underlying question should be, why is education at a public level so expensive? If basic public education and all the costs associated with it were covered by the public school system, students from all background would be on a level playing field, community organisations could direct funds at other unmet needs in the community, support workers would have more time to spend with other vulnerable and disadvantaged clients in crisis and maybe, just maybe there would be a cost saving to the government at welfare levels.

For the City of Casey, there is also an immediate need to consider community services responding to financial disadvantage and the need to ensure that these services are keeping up with the rapid

growth. Programs such as Social Work, Financial Counselling and Financial Capability that work intensively with households to assist them to overcome crisis and prevent further hardship are currently stretched to their limit and urgently need increased resources to cope with demand.

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GRAPHIC DESIGN

Illustration concepts for Casey North CISS

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## **ACRONYMS**

CISS – Community Information & Support Service

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NATSEM – National Centre for Social & Economic Modelling

## REFERENCES

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