



DEVELOPING WESTERN SYDNEY AND THE ROLE OF COMMUNITY COLLEGES AUSTRALIA

DATA REPORT

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Prepared for

Community Colleges Australia



Independent
insight.



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insight.



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Executive Summary

Western Sydney has poor access to jobs and large areas with high levels of socioeconomic disadvantage.

Global trends towards knowledge intensive employment mean there is a need for businesses in Western Sydney to have access to a workforce with a diverse range of skills.

Community Colleges Australia (CCA) providers are active in Western Sydney and help vulnerable and disadvantaged communities overcome barriers to skill development and employment opportunities.

CCA providers offer courses and training that can directly increase employability, such as accredited VET, as well as courses that encourage community participation and personal development, such as non-accredited training, lifestyle and cultural learning.

The latter can be particularly important for people faced with intergenerational unemployment, workforce disengagement and other forms of disadvantage.

The NCVER and Census data for Western Sydney shows income increases with education, especially for those from disadvantaged backgrounds, including non-English speaking.

From this data analysis it would appear that CAA providers would be helping to increase people's employability, boost social capital, and assist in economic development of Western Sydney.

However, producing quality statistics from the administrative data of CAA providers will help to quantify and understand the benefits of the sector in Western Sydney. Improving the statistics on the activities of CAA providers is an area where further effort is required.

At a strategic level, there are efforts to increase the number of jobs in Western Sydney, and residents' access to jobs in other parts of the city. These include the *Three Cities and 30-minute city* model being championed by the Greater Sydney Commission, and the Western Sydney City Deal between commonwealth, state and local government.

As well, large projects such as the Western Sydney Airport and associated North South Rail Link, and the West Metro will shape the region and improve job access in Western Sydney.

CCA providers will help Western Sydney's population benefit from this planned economic development by equipping them with better skills for employment.

CAA providers appear to have more success at engaging with some cohorts than more mainstream providers. These cohorts include Indigenous people, culturally and linguistically diverse people, those with a disability, and people at the older and younger of the age profile.

1. Introduction

Community Colleges Australia (CCA) is the peak body that represents and provides services to community owned, not-for-profit education and training providers. CCA providers help vulnerable and disadvantaged communities overcome barriers in terms of skill development and employment opportunities.

The capacity of people to access training and jobs, and thereby improve their financial outcomes, is linked to their level of social and human capital. The capacity of communities to develop human capital is increasingly relevant in the context of a rapidly growing Western Sydney.

Vulnerable and disadvantaged communities face the most barriers to mainstream training and skills development opportunities. They are also particularly vulnerable within the workforce due to having typically low skill occupations.

There is also a rapid skills obsolescence, with vocational training providers often struggling to adapt their curricula at the required pace. And the ageing population is expected to exacerbate skills shortages.

In a knowledge economy, businesses need access to a workforce with diverse skills.

As such, workforce development will be a critical part of Western Sydney's economic development.

This report examines some high level indicators (including National Centre for Vocational Education Research and Census data)to help understand the current economic geography of Western Sydney, human capital development and CCA related training activities.

For the purposes of this report, Western Sydney is defined as the local government areas of:

- Penrith;
- Blacktown;
- Cumberland;
- Liverpool;
- The Hills;
- Hawkesbury;
- Parramatta;
- Wollondilly;
- Campbelltown;
- Blue Mountains; and
- Canterbury Bankstown

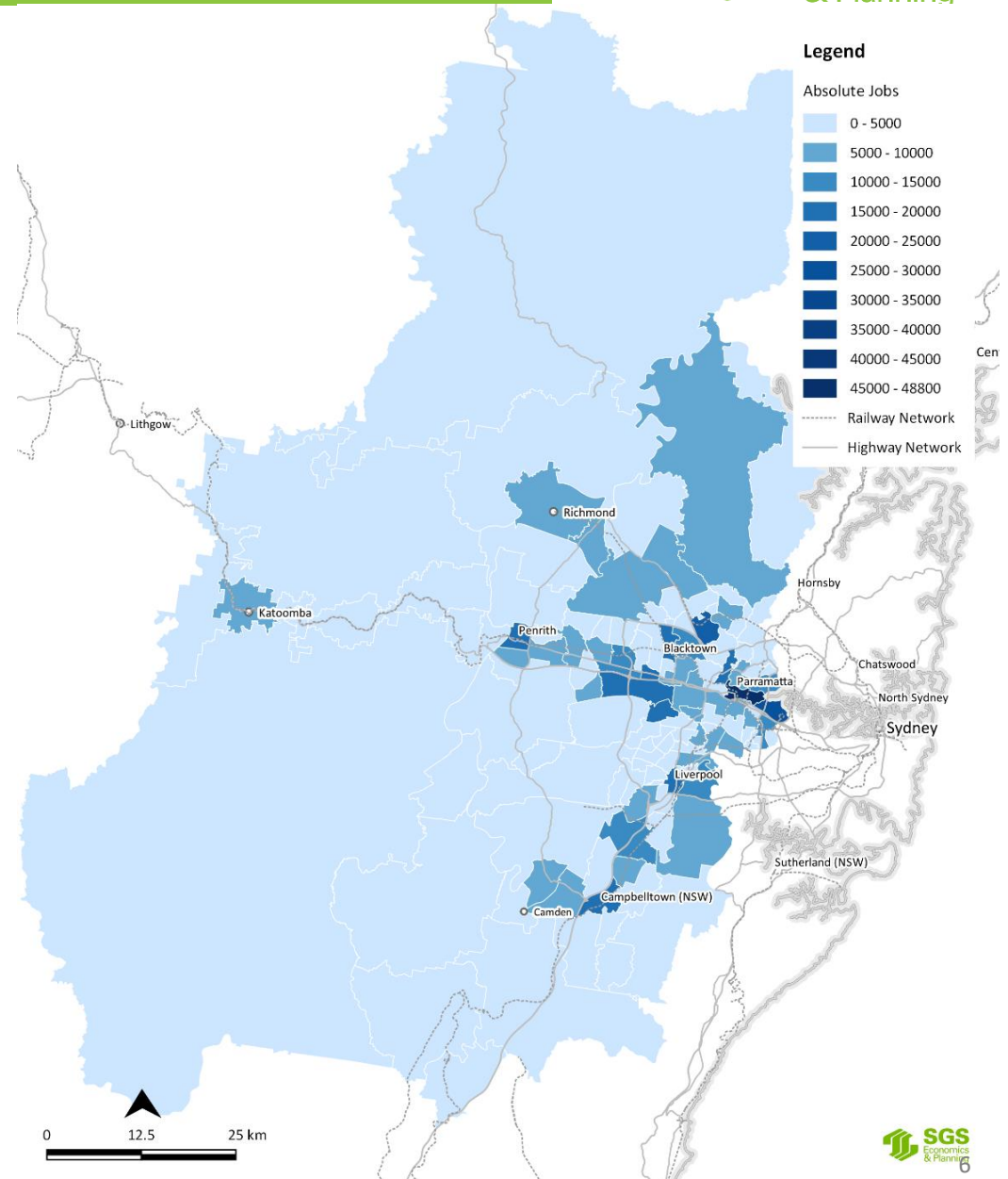
2. Western Sydney jobs

Western Sydney contains 370,200 jobs (15% of Greater Sydney). There are large employment concentrations in Blacktown, Penrith, Parramatta, The Hills and Liverpool.

Manufacturing has been the key employer in Western Sydney and while advanced manufacturing is resilient, a long-term decline in employment in this sector is apparent.

For Western Sydney this has not been sufficiently counterbalanced by growth in employment in other sectors, including the elsewhere fast-growing professional service sectors. As a result, jobs growth is not keeping pace with population growth.

This means there is a need to travel outside of Western Sydney for employment.



2. Western Sydney jobs

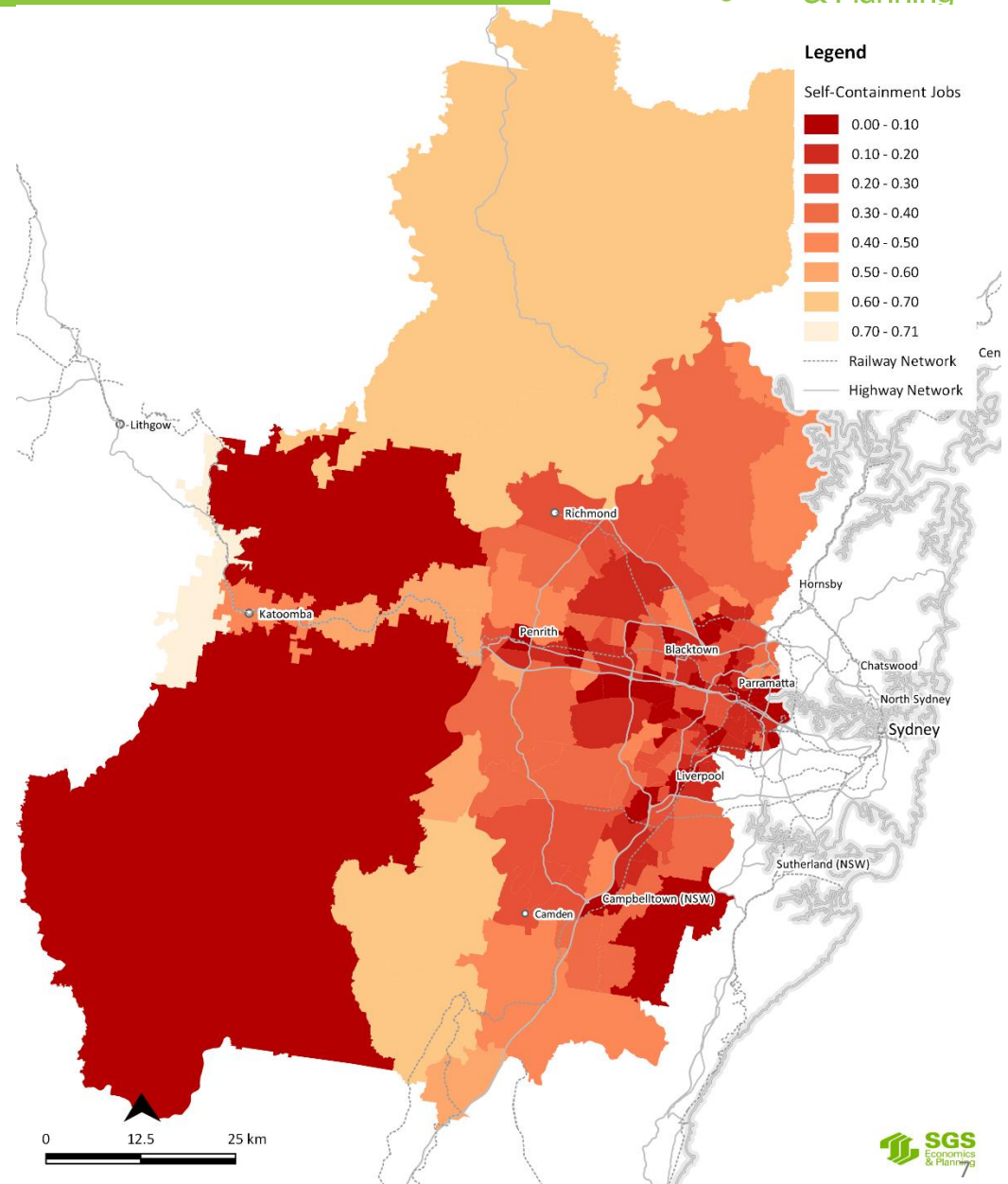
46% of workers travel to jobs outside Western Sydney.

This map presents the level of self containment for each Statistical Area 2 (SA2) (which is roughly the size of a suburb) in Western Sydney. A self containment of 1 means there is one local job for each worker.

The map shows there is low job self containment across much of the area.

This is not a significant issue, as long as travel is not a barrier to finding employment.

However, travelling to jobs outside of Western Sydney is challenging.

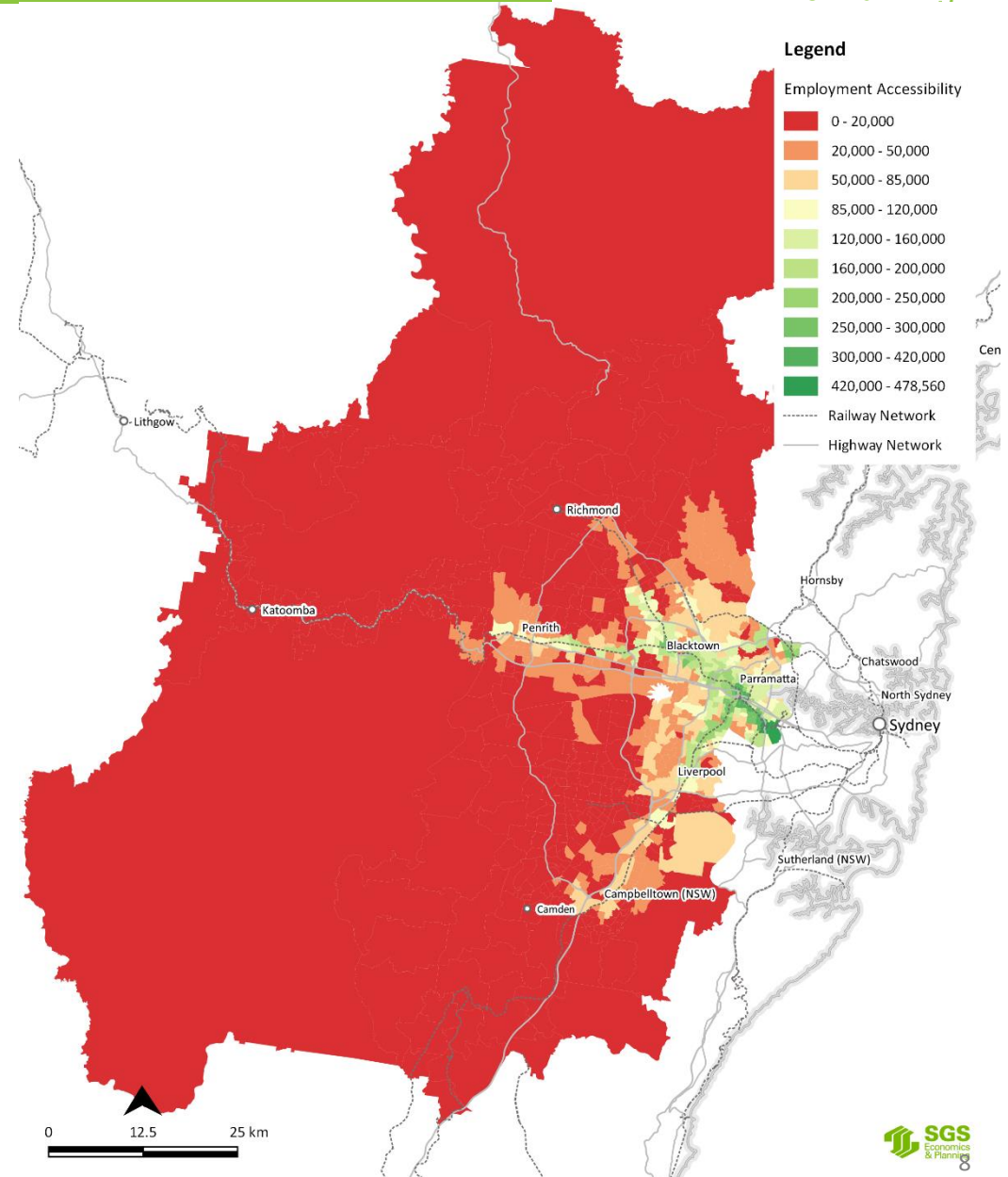


2. Western Sydney jobs

This map presents the number of jobs which can be accessed within 30 minutes (by either car or public transport) in morning peak from each SA2 in Western Sydney.

Aside from some areas along the rail corridors, much of Western Sydney has poor access to jobs.

Poor access to local jobs or long travel times to reach jobs elsewhere in Greater Sydney is linked to the level of socioeconomic disadvantage.



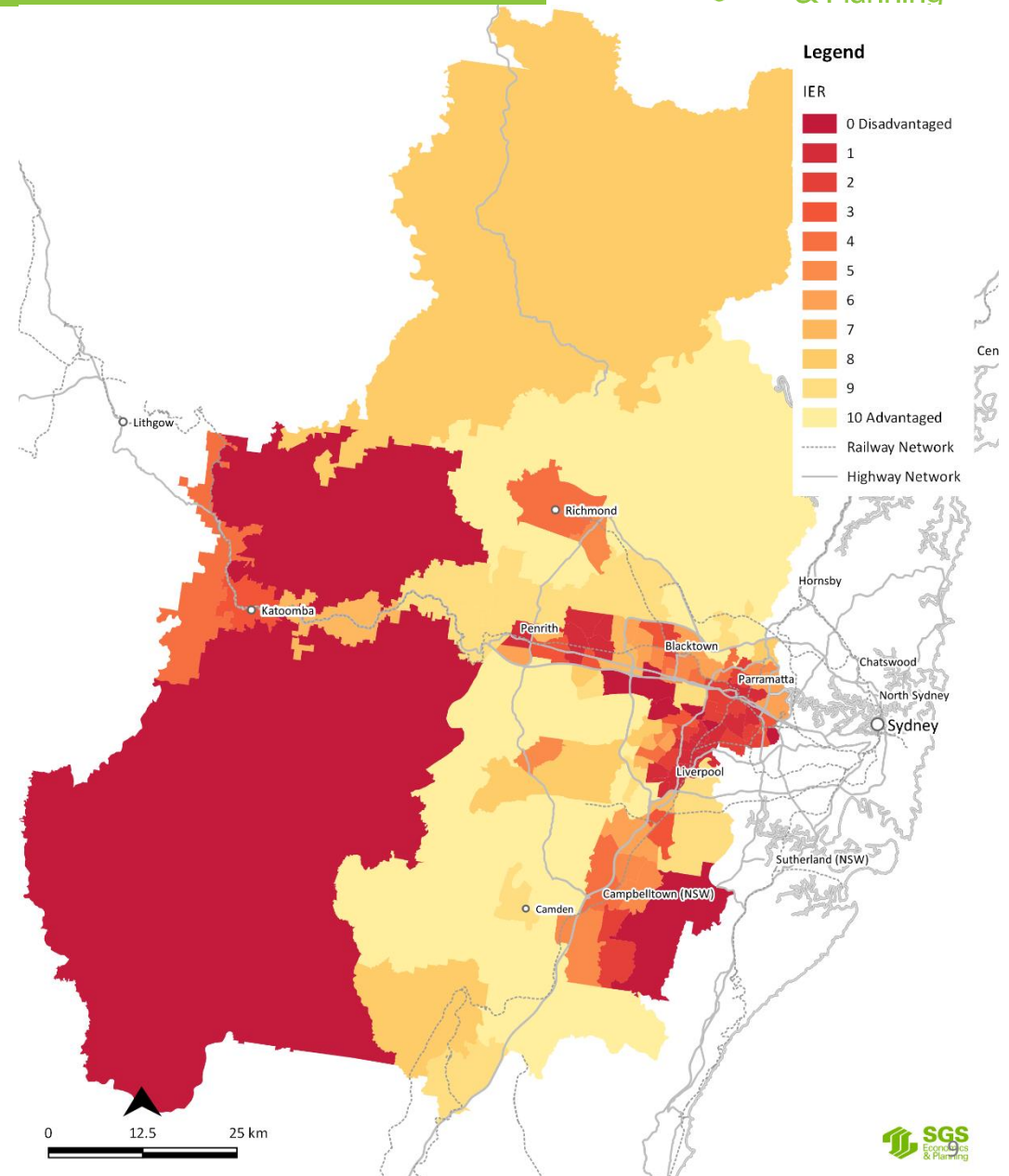
3. Western Sydney disadvantage

SEIFA (Socio-Economic Indexes for Areas) is a statistic developed by the Australian Bureau of Statistics that ranks areas according to their relative socio-economic advantage and disadvantage. SEIFA is based on information from the five-yearly Census.

The IER (Index of Economic Resources) summarises variables relating to the financial aspects of relative socio-economic advantage and disadvantage.

Areas with higher scores have relatively greater access to economic resources than areas with lower scores.

Western Sydney has many areas which have low IER scores. Particularly in The Oaks, Picton, Badgerys Creek, Blue Mountains and surrounding Campbelltown.



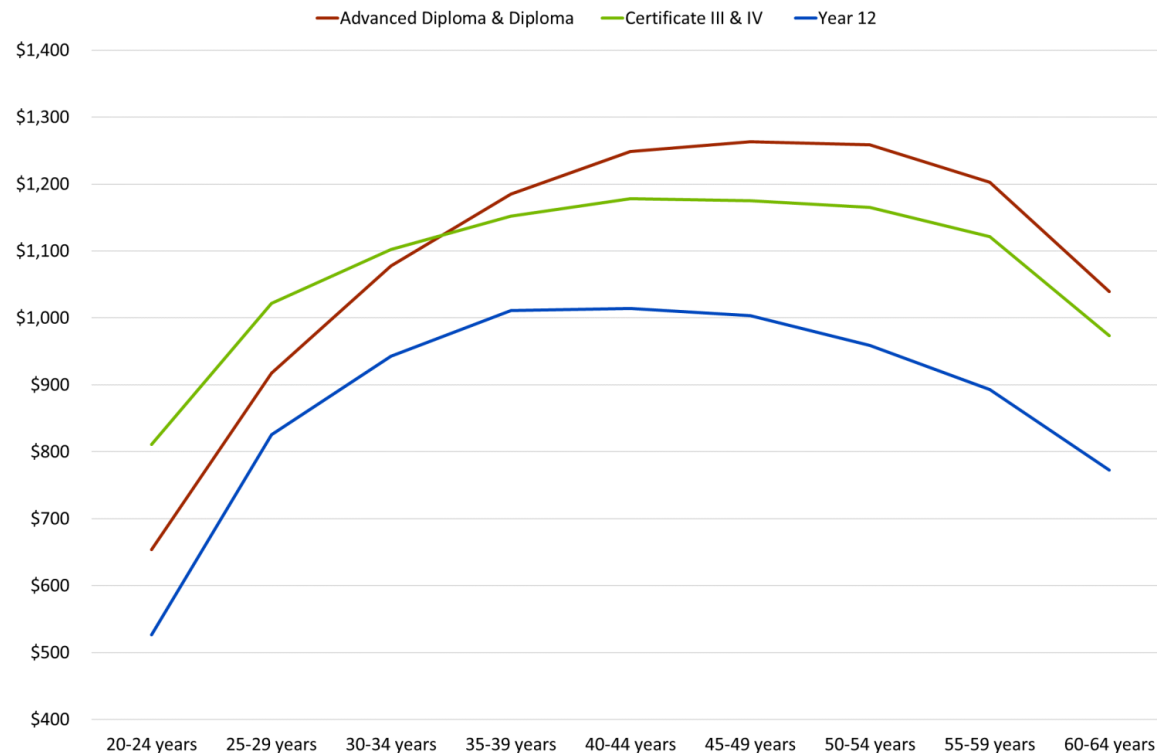
4. Lifetime labour income

Human capital comprises the knowledge and skills which enable a worker to contribute to a firm's production and earn a wage. An individual's human capital can be expanded by formal education and on the job experience gained by workers.

An important concept in economics and social policy, human capital can be used to understand many key fields including growth in GDP, labour market outcomes and the distribution of income across society.

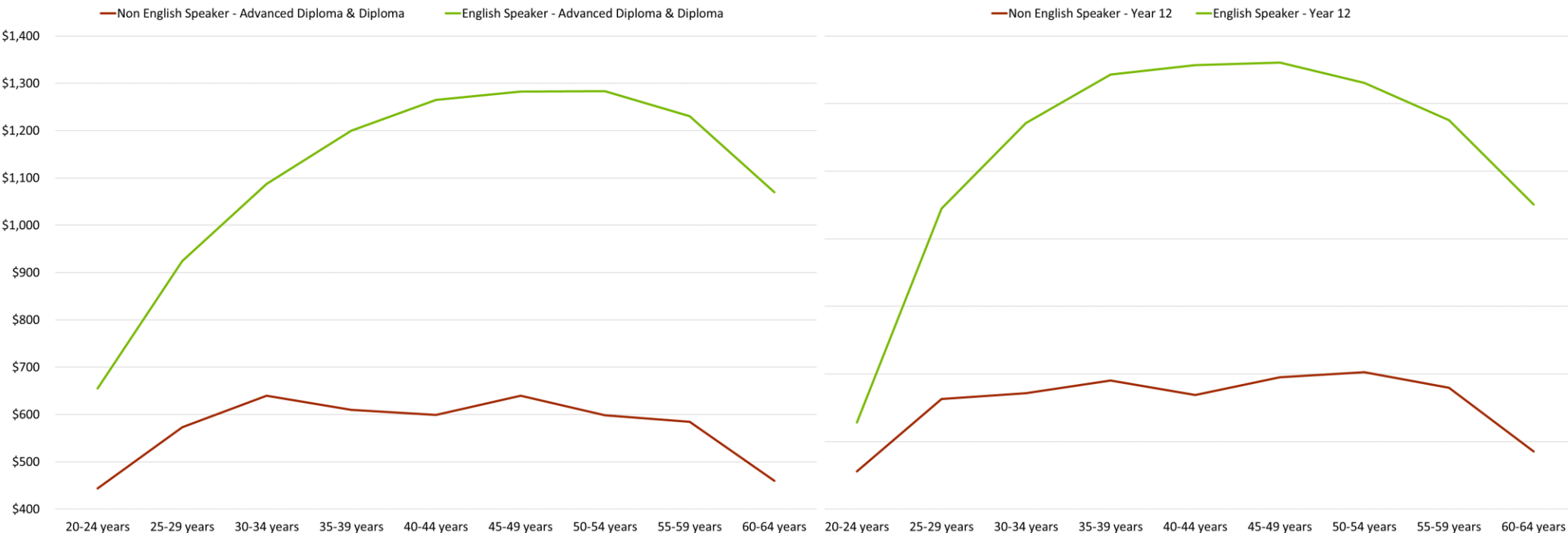
Using the Census we can see how people's income increases over time. Census data is used so we can break it down into different cohorts:

- Educational levels
- Proficiency in Spoken English



4. Lifetime labour income

The Census data shows that people living in Western Sydney, with poor English skills (based on the Census Proficiency in Spoken English variable), have lower lifetime labour income. This is consistent for people who have a Advanced Diploma & Diploma or people whose highest level of education is Year 12.



4. Lifetime labour income

CCA providers deliver a range of educational courses, from personal development to job skill training, according to the differing needs of end users.

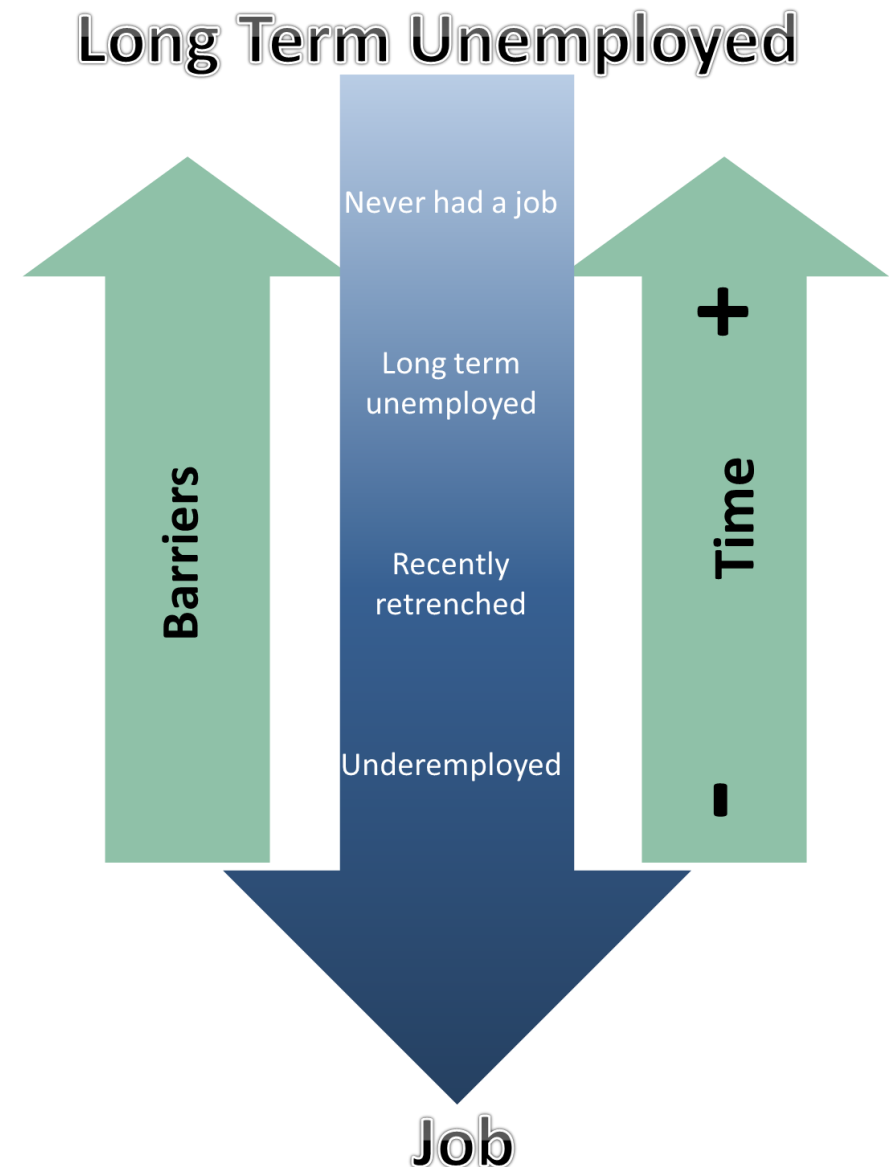
Some courses directly increase employability, while others would have a more subtle impact on the chances of finding a job. This is explained in figure on this page.

At the far end of the spectrum, most detached from the workforce, are the long-term unemployed and their dependents, who face the biggest barriers to receiving skills development and employment opportunities.

These clients require the greatest level of support to gradually gain confidence, overcome any discriminatory barriers while at the same time expanding their skills and experience. This will help increase income for people by equipping them with better skills.

However, obtaining insights from administrative data of CAA providers is difficult. So it is challenging to fully understand where along this continuum CAA providers are most active. Improving the statistics on the activities of CAA providers is an area where further effort is required.

The next section uses NCVER and Census data for Western Sydney to gain some insights into benefits of CAA providers.



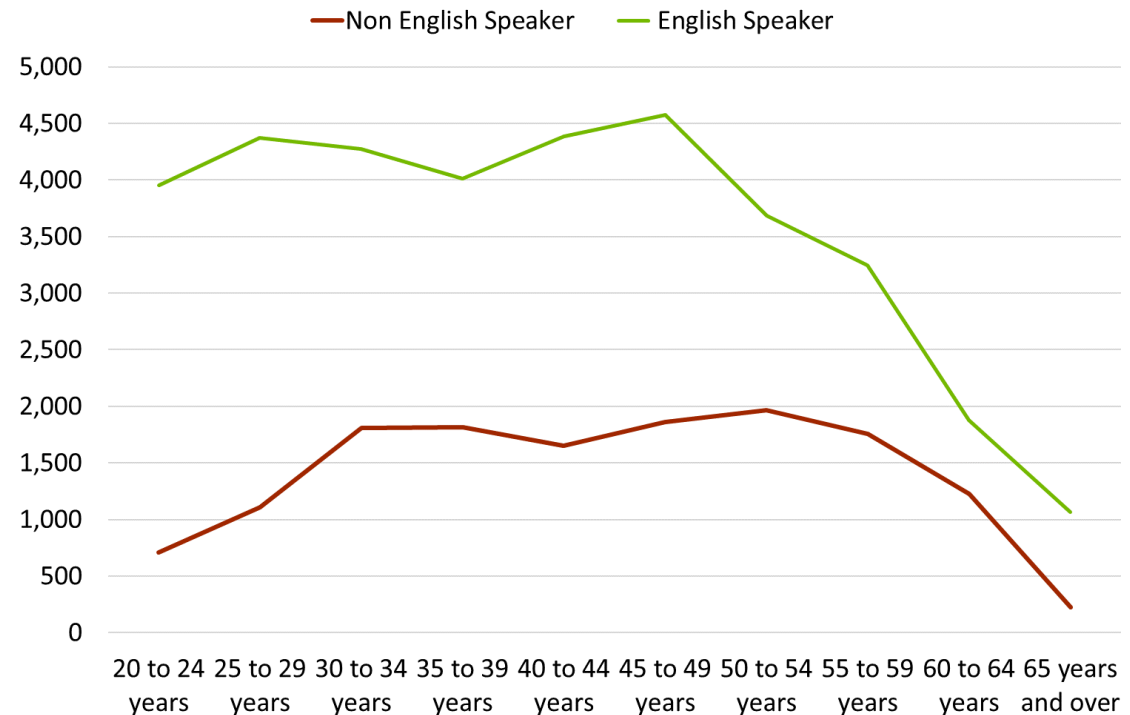
5. Student enrolments

The NSW Department of Industry has provided data which depicts NSW-funded training activity in the postcodes identified as Western Sydney. It covers information for all providers – TAFE, Private and Community and all the qualifications funded under the Smart and Skilled program.

It shows CCA providers' engagement with non-English speakers. This chart presents the number of courses completed by non-English speakers, with the number of English speakers as a comparison.

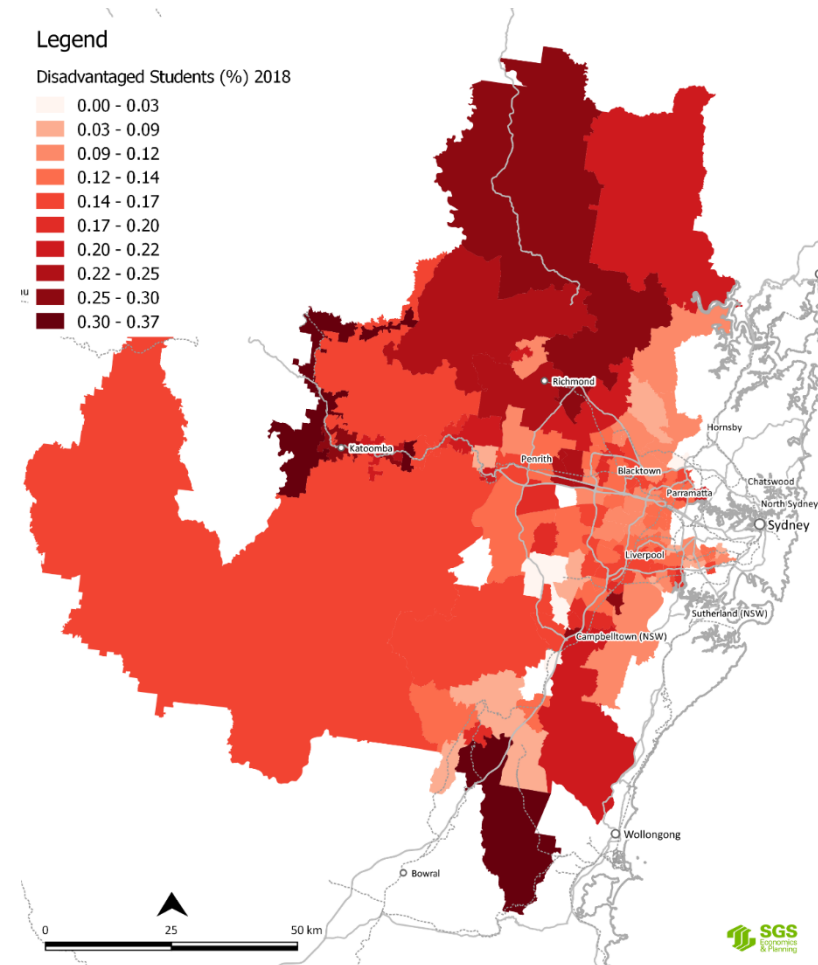
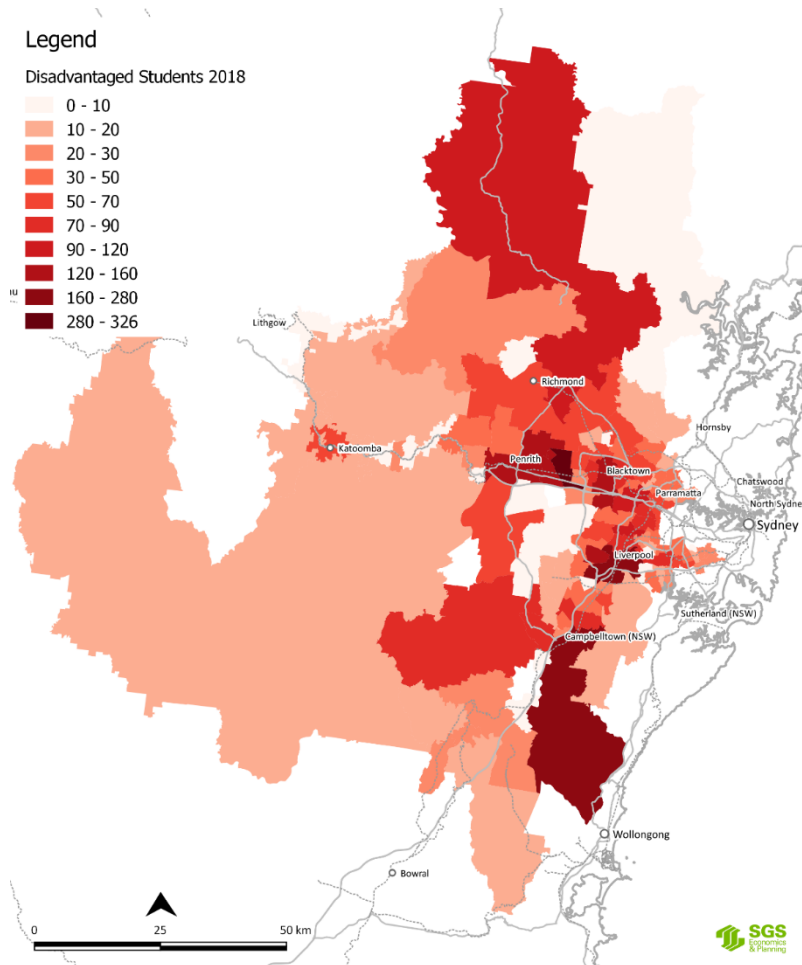
The difference between the number of non-English and English speaking enrolments declines for older age groups and is largest for 20-30 year olds.

This reflects the important role CCA courses have in encouraging community engagement and personal development for older cohorts.



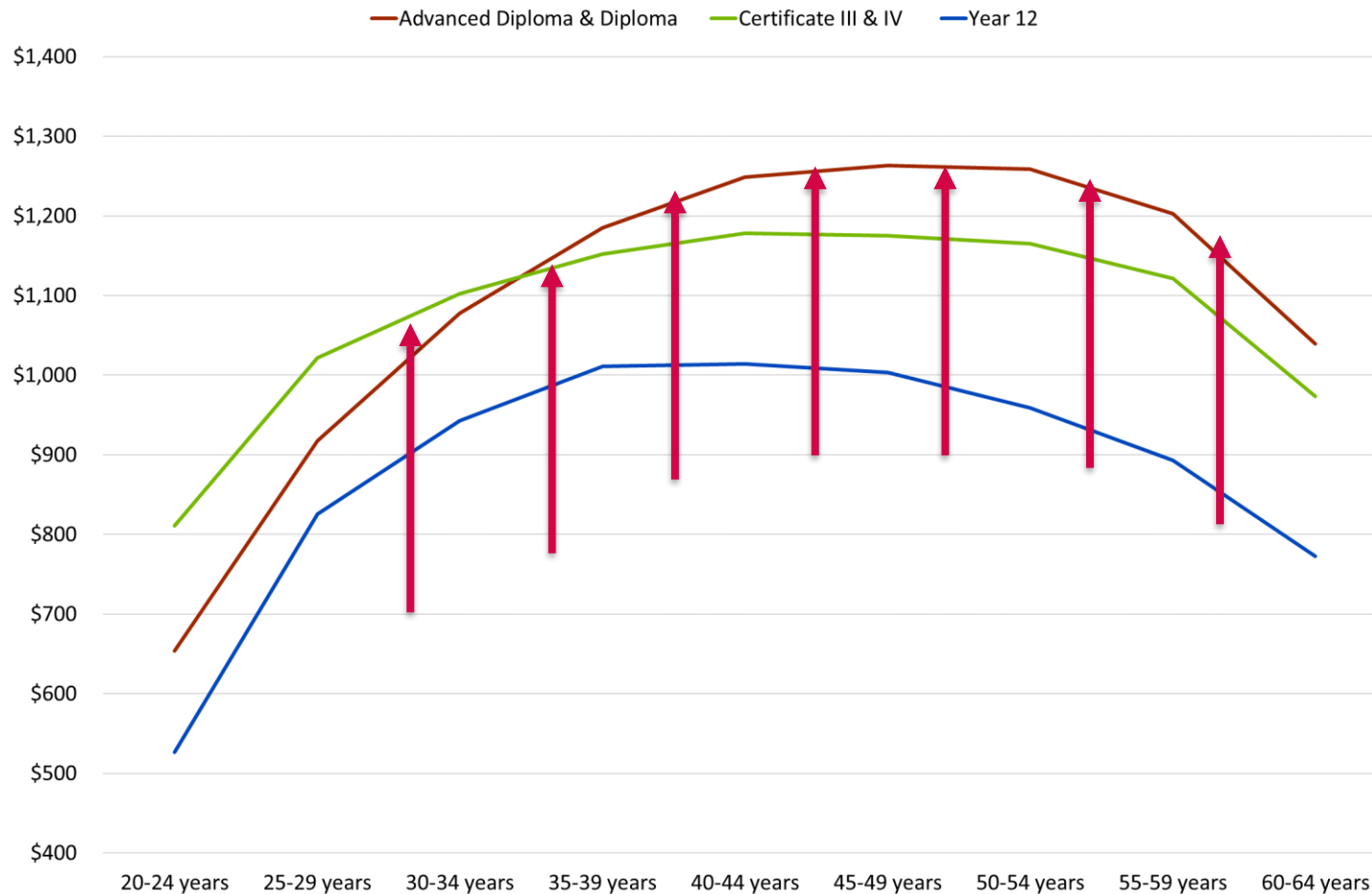
5. Student enrolments

This map shows the number (based on place of enrolment) and percentage of all students of those classed as disadvantaged. There are concentrations of disadvantaged students in the Blue Mountains, Campbelltown and the north west around Richmond.



5. Student enrolments

As shown previously, income increases with better skills and the value of additional education is even more important for disadvantaged groups. CAA providers would be helping to increase people's employability, boost social capital, and assist in economic development of Western Sydney. CCA providers will help Western Sydney's population benefit from planned economic development (discussed in the following slide) in the area by equipping them with better skills for employment.



6. The future of Western Sydney

There are efforts to increase the number of jobs in Western Sydney. These includes the *Three Cities and 30-minute city model* being championed by the Greater Sydney Commission and the Western Sydney City Deal between commonwealth, state and local government.

There are also large city shaping projects such as the Western Sydney Airport and associated North South Rail Link and the West Metro. All of which will improve job access in Western Sydney.

CCA providers will help Western Sydney's population benefit from the planned economic development in the area by equipping them with better skills for employment.

