

Youth Retention:

Value of post secondary education in regional settings

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Prepared by



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Introduction

The focus of this report is on the benefits of youth retention and attraction to the region by the presence of a growing tertiary and research sector. Growth in the young demographic of the Mid North Coast is needed, not just because it is a major gap in the region's age profile, but that the youth are valuable human capital and have the capacity to significantly add to the region's economic capital.

A snapshot of the current Mid North Coast 'youth' (defined as 15-24 years old throughout the report) is provided, including: level of workforce and education engagement, unemployment, the decline in youth from the region, and the industries employing youth. Statistics have also been compiled to examine the region's Aboriginal and Torres Strait Islander (ATSI) youth population to demonstrate engagement levels in TAFE and university and how much higher the participation rates are in university towns like Armidale (University of New England) and Lismore (Southern Cross University) by the young indigenous.

The profile of the region's youth will clearly demonstrate that the Mid North Coast 15-24 year olds are engaging far less with post compulsory education and full time employment than the New South Wales averages and other regional towns with university presence. There are larger gaps in participation within the Aboriginal and Torres Strait Islander youth – although technical institution participation (e.g. TAFE) is above the national average, the university attendance is well behind.

Throughout this report, the 'Mid North Coast' region is defined as the local government areas of: Greater Taree, Port Macquarie-Hastings, Kempsey, Nambucca, Bellingen and Coffs Harbour.

Mid North Coast youth profile

How many?

There are currently 26,374 youth residing in the Mid North Coast region – a decline of 9,535 from 2006¹. The Mid North Coast has a significantly lower proportion of youth compared with other age groups in the region (Figure 1).

Youth in the Mid North Coast represent 10.7% of the region’s population – significantly less than at a state level, with NSW having a 13.3% youth population (Figure 1). There are 614 more males than females within the Mid North Coast (51.2% males and 48.8% females)². The disproportionate spread of youth between NSW and the Mid North Coast highlights the concern of youth retention in our region and this is common in many regional areas.

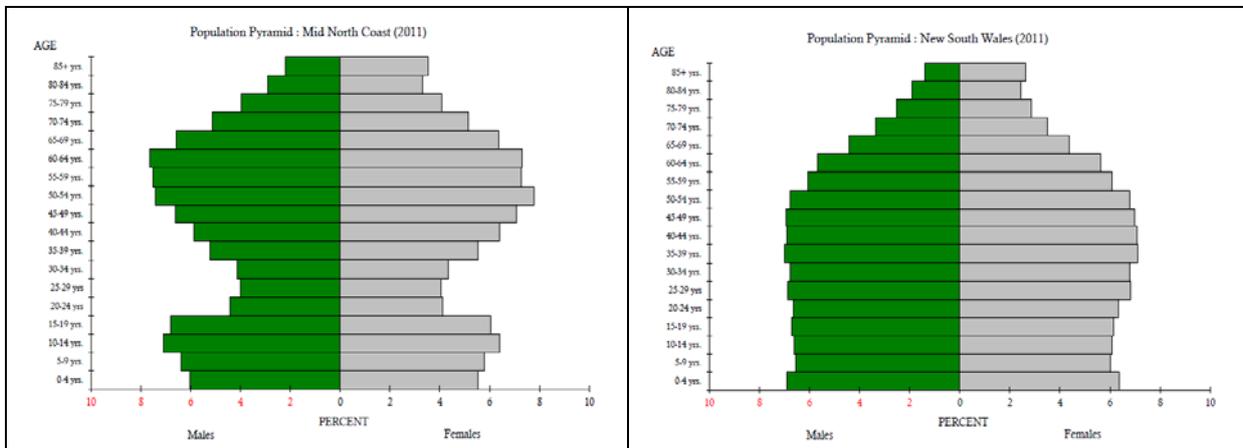


Figure 1. Population pyramid graphs for Mid North Coast (LHS) and New South Wales (RHS) based on 2011 Census of Population and Housing

In 2011, 22.5% of the 15-24 year olds out-migrated, or left the Mid North Coast. The 5-14 year old bracket (the region’s soon-to-be youth) has seen strong positive migration in 2011, with 7.1% net internal migration. This level of migration by the 5-14 year olds ranks the Mid North Coast as the 5th highest in the nation³. This will increase the demand for youth services in the future but also increase the opportunity for significant retention of youth with tertiary study and post graduation employment in the region.

¹ Australian Bureau of Statistics (ABS) 2006 and 2011 Censuses of Population and Housing

² Australian Bureau of Statistics (ABS) 2011 Census of Population and Housing

³ National Economics and Australian Local Government Association, 2013, State of the Regions 2013-14

Indigenous youth

The story is very different within the Aboriginal and Torres Strait Islander population in the region. Currently, 57.4% of the indigenous community in our region are less than 25 years old, with 19% of them in the 15 to 24 year bracket (Figure 2). The indigenous population is also growing at a much faster rate than the total population of the Mid North Coast. Between 2006 and 2011 the indigenous population grew at a rate of 5.1% per annum compared with around a 1% Mid North Coast population growth.

The Mid North Coast is home to 7.3% of the New South Wales indigenous population⁴.

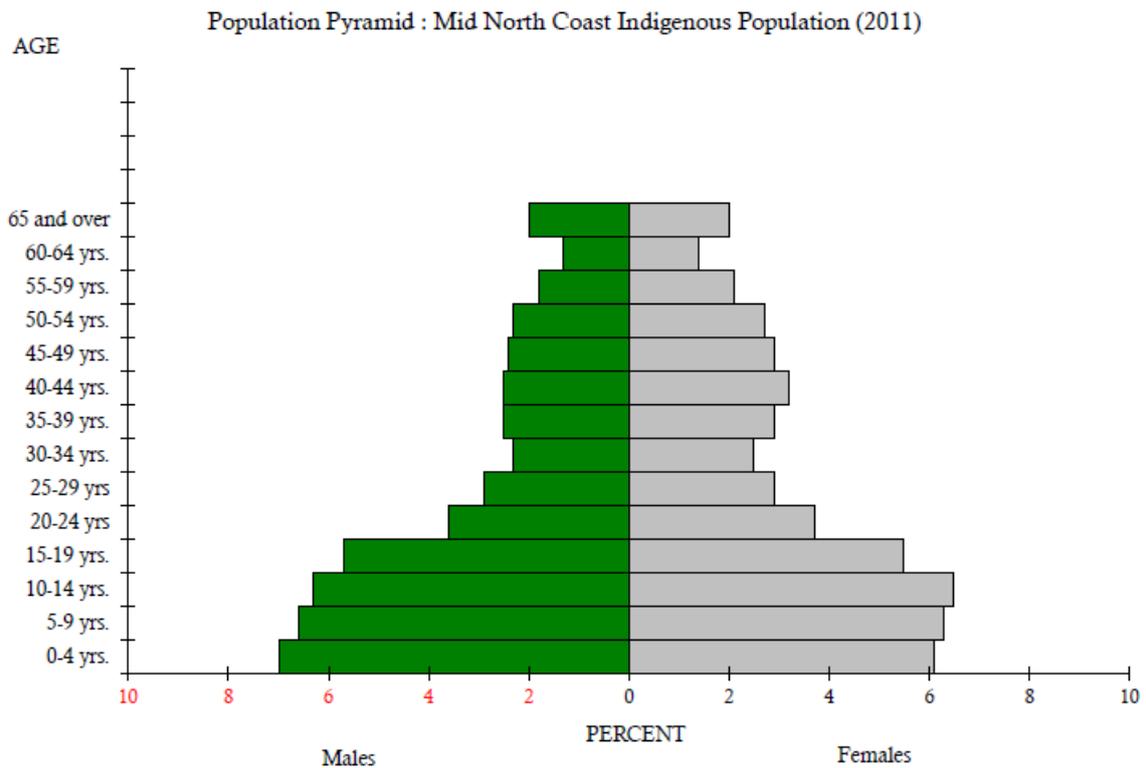


Figure 2. Population pyramid for Mid North Coast Indigenous population based on 2011 Census of Population and Housing

⁴ Australian Bureau of Statistics (ABS) 2006 and 2011 Censuses of Population and Housing

What doing?

In 2011, 14.8% of 17 year olds in the region were participating in higher education, which is only just below the non-metropolitan NSW rate of 16.1%. However, the New South Wales result is 26.6% of 17 year olds going to university⁵. With increasing access to higher education in the region and with universities targeting increased participation by the socially disadvantaged, this gap between university participation by school leavers in our region will improve.

In 2006, youth represented 14.6% of the Mid North Coast workforce (11,015 jobs). This has dropped in 2011 to 13.4% of the workforce, with 10,639 jobs⁶. While the unemployment rate in the region is 6.4%⁷, the youth unemployment rate (15-24years) is much higher at 17.4% (compared with a NSW youth unemployment rate of 11.5%)⁸.

As at June 2009, 11.1% of Mid North Coast youth were receiving unemployment benefits – this result is more than double the New South Wales rate (5.4%) and above the non-metropolitan NSW result (7.8%)⁹.

There is also a higher incidence of young people with severe disability in the Mid North Coast – almost double the national average for young Disability Support Pensioners (15- 24 years); 0.41% in Mid North Coast and 0.24% Australia)¹⁰.

The Mid North Coast working population is distinguished by its higher proportion of people working shorter hours. The average hours worked per week for the Mid North Coast is 20.8 which compares with Australia at 24.6 hours per week¹¹. In 2011, one quarter of the Mid North Coast workforce worked less than 25 hours per week (Figure 3)¹².

⁵ Public Health Information Development Unit (PHIDU) 2013, Social Health Atlas of Australia: Data by Local Government Area (www.phidu.gov.au)

⁶ Australian Bureau of Statistics (ABS) 2006 and 2011 Censuses of Population and Housing

⁷ Department of Education, Employment and Workplace Relations (DEEWR) Small Area Labour Markets (SALM), March Quarter 2013

⁸ Department of Education, Employment and Workplace Relations (DEEWR) 2013, Labour Force Region Area Profile (www.lmip.gov.au)

⁹ Public Health Information Development Unit (PHIDU) 2013, Social Health Atlas of Australia: Data by Local Government Area (www.phidu.gov.au)

¹⁰ National Economics and Australian Local Government Association, 2013, State of the Regions 2013-14

¹¹ National Economics and Australian Local Government Association, 2013, State of the Regions 2013-14

¹² Australian Bureau of Statistics (ABS) 2011 Census of Population and Housing

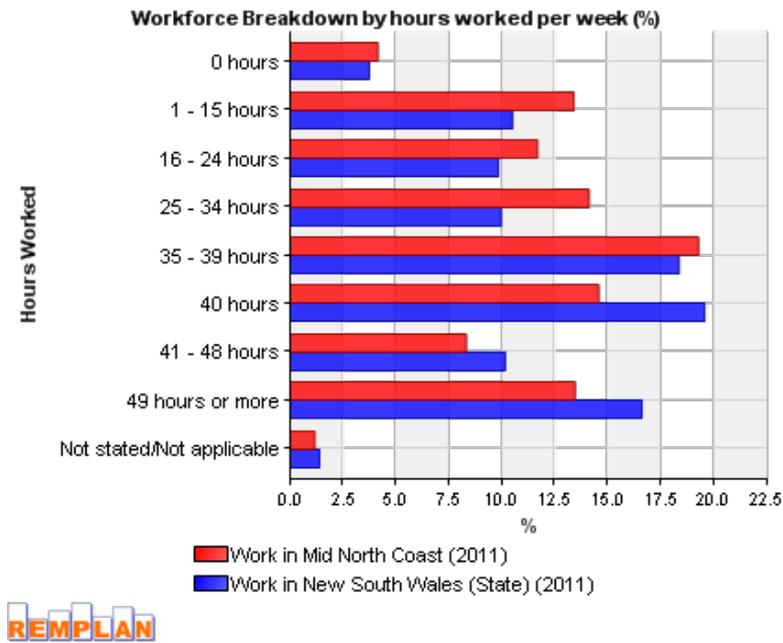


Figure 3. Mid North Coast and New South Wales % of workforce by hours worked per week

More than half (54.6%) of the youth workforce in the Mid North Coast are employed by the Retail Trade and Accommodation & Food Services sectors (Table 1). These two industry sectors also are the sectors with the highest proportion of their workforce being in the 15-24 year old category (Table 2) and also rely on a high proportion of part-time and casual workers¹³.

Table 1. Top 5 Industry Sectors employing youth in the Mid North Coast¹⁴

Industry Sector	No. of 15-24 year old workers (2011)	% of youth workforce
Retail Trade	3,180	29.9%
Accommodation & Food Services	2,632	24.7%
Health Care & Social Assistance	832	7.8%
Manufacturing	782	7.3%
Construction	642	6.0%

¹³ Australian Bureau of Statistics (ABS) 2011 Census of Population and Housing

¹⁴ Australian Bureau of Statistics (ABS) 2011 Census of Population and Housing

Table 2. Top 5 Industry Sectors with the youngest workforce in the Mid North Coast¹⁵

Industry Sector	% of workforce aged 15-24 years (2011)
Accommodation & Food Services	34.4%
Retail Trade	27.6%
Other Services	16.1%
Information Media & Telecommunications	15.8%
Manufacturing	14.9%

There are 6.9% of the population attending secondary school in the region (Table 3), or 17,000 students who, over the next few years, will become our 20 'some-things'. Furthermore, they will be making decisions and participating in further education and employment.

Table 3. Population attending educational institutions - Mid North Coast, 2011¹⁶

Institution	Number of population	% of population
Pre-school	4,535	1.8%
Infants & Primary	19,647	7.9%
High School	17,062	6.9%
Technical & Vocational (inc. TAFE)	6,436	2.6%
University	4,176	1.7%

¹⁵ Australian Bureau of Statistics (ABS) 2011 Census of Population and Housing

¹⁶ Australian Bureau of Statistics (ABS) 2011 Census of Population and Housing

University and Technical Institute participation and comparisons

Young people’s intentions to attend universities are influenced by their locations – 63% of metropolitan young people intend to enrol in higher education, only 39% in provincial areas and 32% in remote areas¹⁷. The 2011 Census found that 1.7% of the Mid North Coast population are attending University or other Tertiary Institutions, with a significantly higher participation by females – more than double (1,326 males and 2,850 females).

The region’s youth university participation is well behind the New South Wales rate – 5.7% compared with 19.8%. This highest rate of youth university participation within our region is Coffs Harbour (9.5%) which is influenced by the larger university presence in Coffs Harbour. The lowest rate of university engagement occur in Kempsey (3.0%) (Figure 4)¹⁸.

When regional university towns like Lismore and Armidale are examined, the participation by youth is significantly higher than other areas. In Lismore, 18.2% of youth are at university and in Armidale the rate is more than double the national average at 42.4%. The Mid North Coast does however have a higher TAFE participation compared with New South Wales (9.6% compared with 8.2%) (Figure 4)¹⁹.

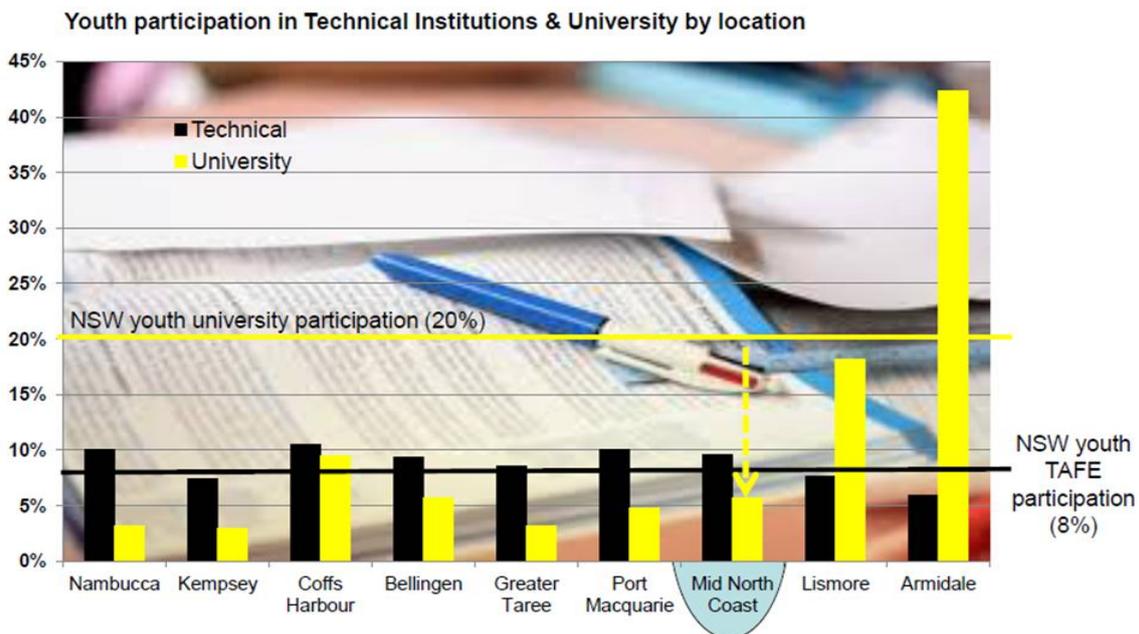


Figure 4. Youth (15-24 years) participation in Technical Institutions and University expressed as a % of the youth population (prepared using data from the 2011 Census)

¹⁷ Australian Council for Educational Research (ACER), 2010, Australian Regional Higher Education: Student Characteristics and Experiences

¹⁸ Australian Bureau of Statistics (ABS) 2011 Census of Population and Housing

¹⁹ Australian Bureau of Statistics (ABS) 2011 Census of Population and Housing

Indigenous participation

With the Mid North Coast region home to 7.3% of the state’s indigenous population, there are significant opportunities to increase aspiration, university participation and employment outcomes for the indigenous youth. Not only is there a very high proportion of the indigenous population under 25 years old (57%), this group in our community are also more likely to stay within the region as they age.

The level of Technical college (e.g. TAFE) participation by the indigenous youth in the region is 9%, on par with the NSW indigenous youth rate and above the national rate of 6.4% (Figure 5). The highest level of Technical college participation by the indigenous youth is within the indigenous area of Coffs Harbour/Nambucca/Bellingen with 12.4%. Overall, 2.8% of the region’s indigenous youth are participating in university study – around half the rate of NSW (5.3%). Towns with universities present have a much higher rate of indigenous youth engagement – for example, in Armidale 16.4% of indigenous youth are attending university (Figure 5)²⁰.

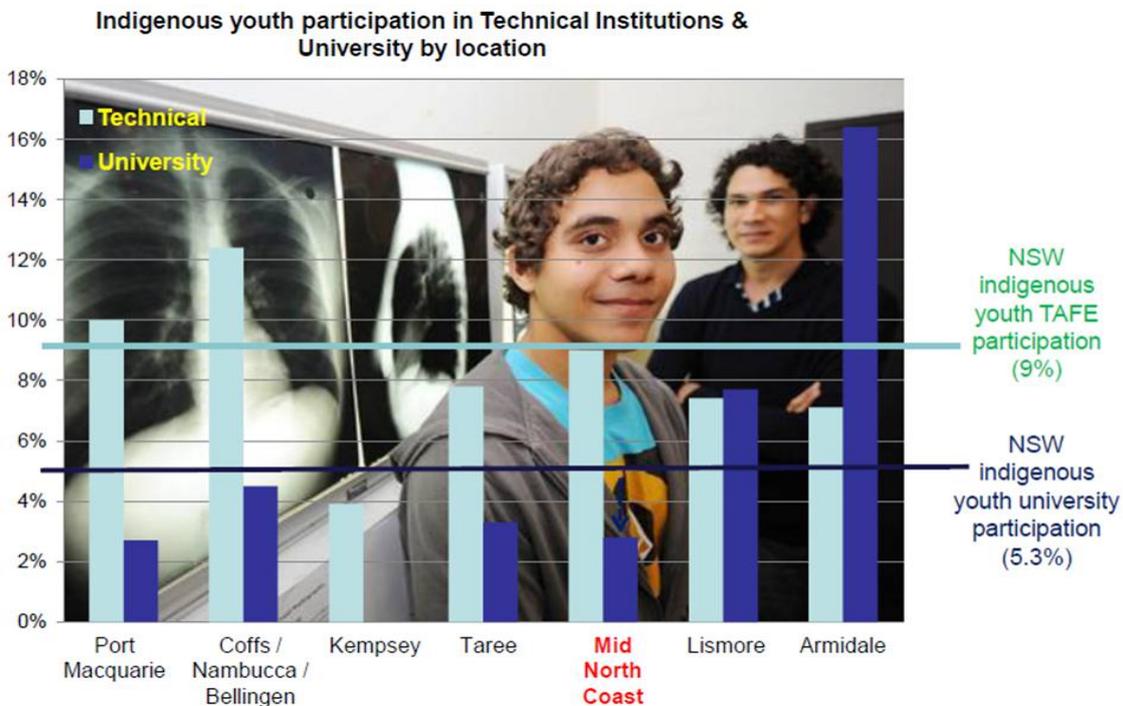


Figure 5. Indigenous youth (15-24 years) participation in Technical Institutions and University expressed as a % of the indigenous youth population (prepared using data from the 2011 Census)

The level of post school education in the region has been increasing across all education levels (Certificates, Diplomas/Advanced Diploma, Bachelors, Postgraduate Degree, and Graduate Diploma/Certificate). In 2011, 19% of the region’s population held Certificate level qualifications and 6.6% a Bachelor degree (Figure 6). In 2011 there were 2,680 residents in our region with

²⁰ Australian Bureau of Statistics (ABS) 2011 Census of Population and Housing

Postgraduate level degrees (1.1% of the population) – the state average is over three times that figure at 3.5%²¹.

As the tertiary enrolments, capital investments, research funding and output grow over time in the Mid North Coast, there will be an attraction and demand for those with higher degree’s (e.g Masters and PhD) to our region. Thereby closing this gap in the level of postgraduate degree qualified people in our region compared with the state. Having stated that, there has been a strong 9% per annum increase in the proportion of the population with post grad degrees between 2006 and 2011.

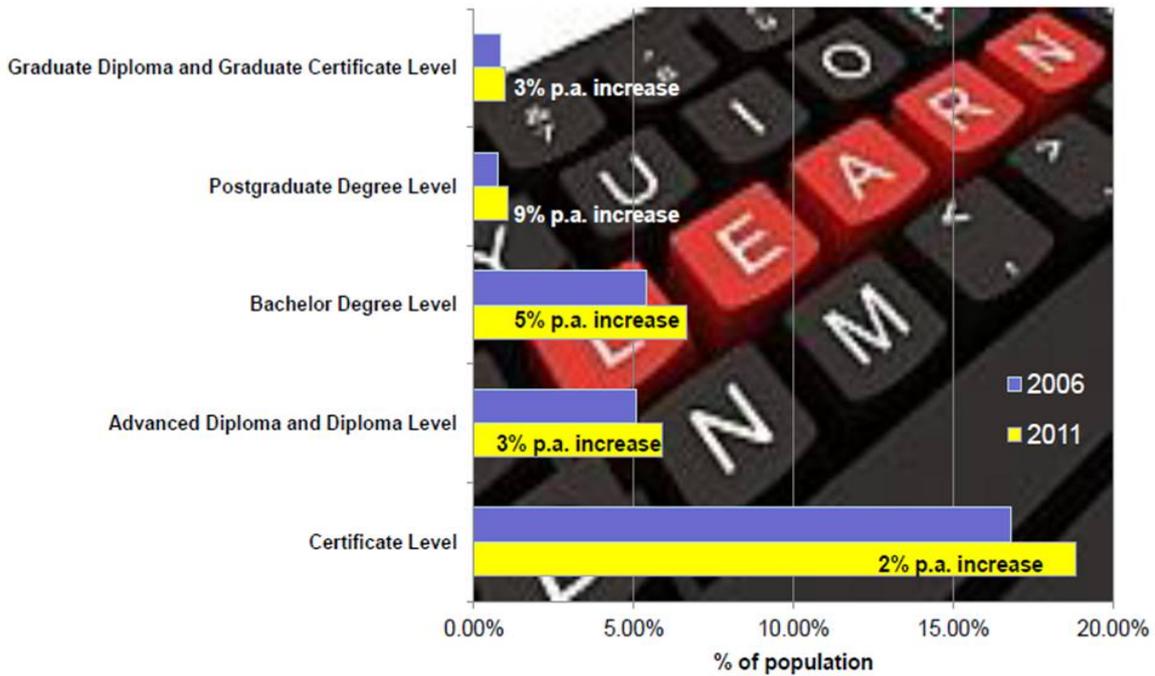


Figure 6. Highest Level of Education for Mid North Coast 2006 and 2011 (prepared using data from the 2006 and 2011 Censuses)

²¹ Australian Bureau of Statistics (ABS) 2011 Census of Population and Housing

Youth retention in university towns

Examples from close to home on the increases in the youth population for university study and employment after graduation are presented from Southern Cross University (SCU) and Charles Sturt University (CSU).

Southern Cross University found that 28% of all graduates who were employed within 4 months of graduating gained employment within the geographic footprint of SCU and a further 30% were employed in regional New South Wales (Figure 7)²².

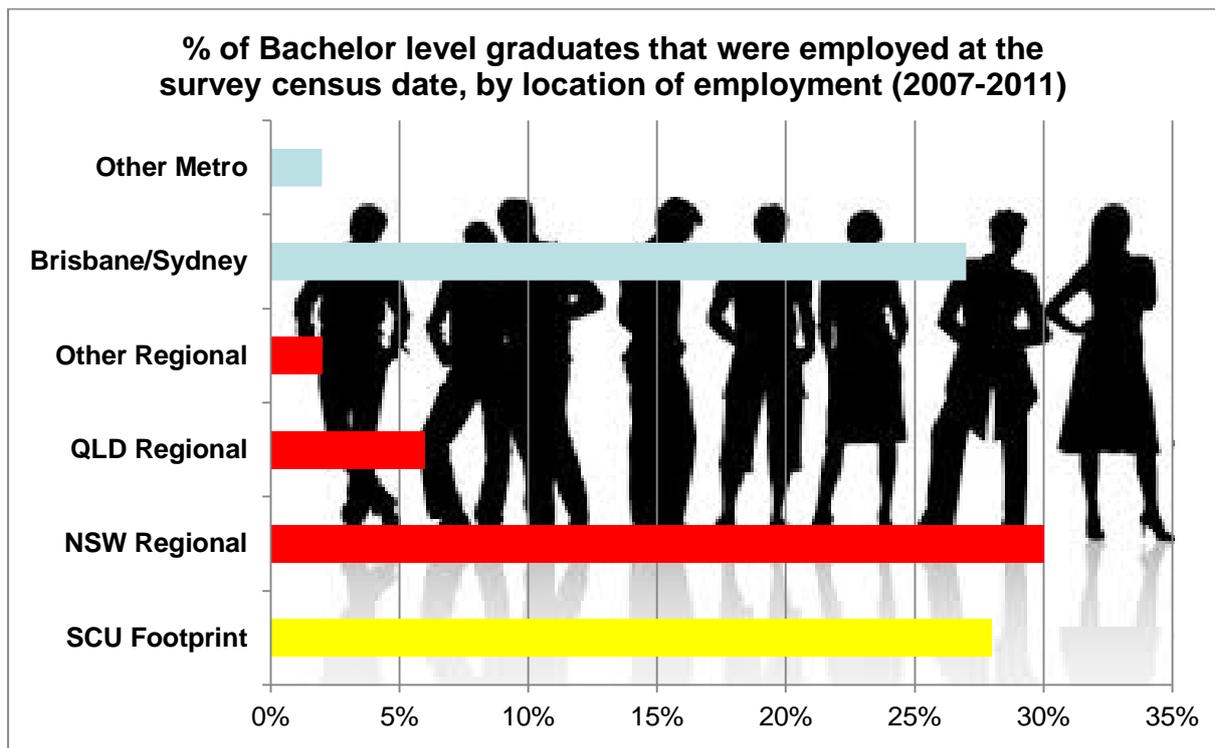


Figure 7. Percentage of Bachelor level graduates employed within 4 months of graduation by location of employment²³.

²² Regional Universities Network (RUN) 2012, Southern Cross University: Economic Impact of the Universities in the Regional Universities Network (www.run.edu.au)

²³ Based on Regional Universities Network (RUN) 2012, Southern Cross University: Economic Impact of the Universities in the Regional Universities Network (www.run.edu.au)

Based on 2010 data of Graduates, CSU found that 77% of graduates who were originally from a rural or regional area commenced employment after graduation in a rural or regional area. There were variances between the disciplines with 100% of natural and physical science graduates remaining in the regions and only 53% of creative arts graduates (Figure 8)²⁴.

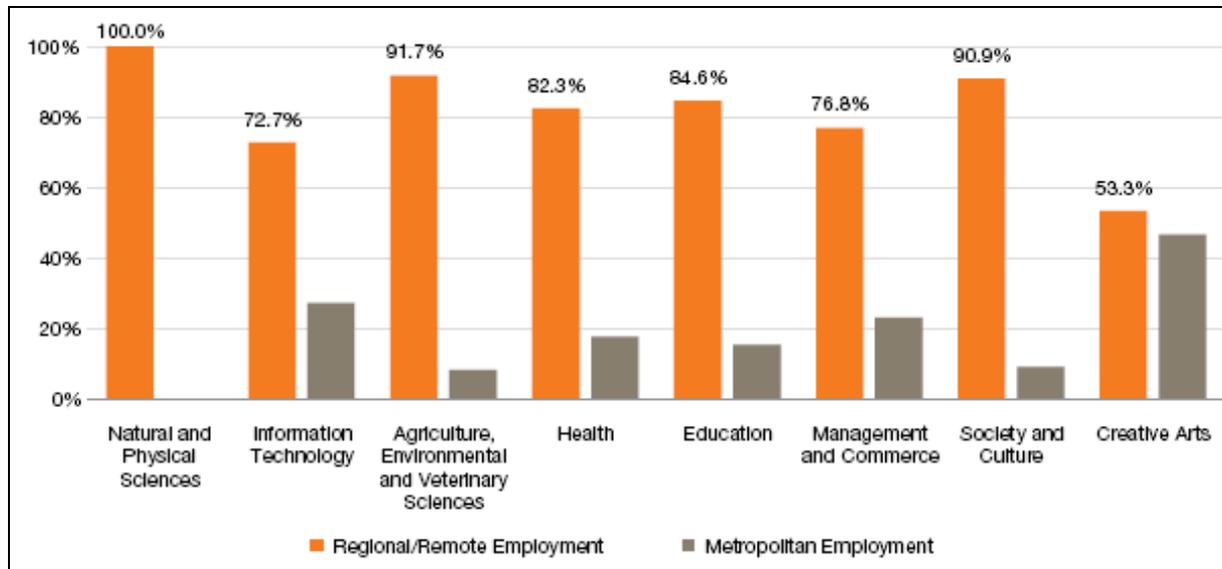


Figure 8. Destination of Charles Sturt University Rural Graduates (2010)²⁵

²⁴ Charles Sturt University, 2010, Growing our Communities: Charles Sturt University's Regional Development Report 2010

²⁵ Charles Sturt University, 2010, Growing our Communities: Charles Sturt University's Regional Development Report 2010

University economic flow-on benefits

Modelling using REMPLAN v3 (Regional Economic Modelling & Planning) showed that every 20 additional full time jobs in the Education & Training sector on the Mid North Coast support the creation of an additional 9 jobs in the region – mainly in Retail, Accommodation & Food Services, Health Care and Other Services. The Western Research Institute report that Charles Sturt University has an employment multiplier of 1.59 (i.e. for every 10 university jobs, another 5.9 are created in other sectors in the regional economy)²⁶, for the Mid North Coast the multiplier is 1.45.

The economic output multiplier for all of Charles Sturt University activity has been calculated at 2.22 by the Western Research Institute (i.e. for every \$1m of increased output by the university, there is a total economic output increase by the region of \$2.22m). Modelling by Regional Development Australia Mid North Coast, using REMPLAN v3, reports that the output multiplier for the Education & Training sector on the Mid North Coast is 1.889 – that is, for every \$1m output by the university in our region there is an overall increase in output of \$1.889m.

²⁶ Charles Sturt University, 2010, Growing our Communities: Charles Sturt University's Regional Development Report 2010

Other benefits from increased university and youth participation

There is a large and diverse range of benefits to regional development through increased youth engagement with local tertiary education, however there is not the scope in this report to describe in detail, or with case studies, all the benefits.

Universities are significant financial and social institutions and provide much educational, research, economic, cultural and social opportunities which would not otherwise be available in the region²⁷.

Universities are acknowledged as one of the most important assets for building regional innovation systems and the development of regional economies since Silicon Valley²⁸.

Some of the additional benefits include:

- Development of knowledge economy in the region.
- Increased opportunity for new product development.
- Innovation stimulus for the region as the qualifications of the population increase and the volume of research activity increases.
- Provision of additional cultural, sporting and physical infrastructure in the region.
- Provision of educational opportunities for disadvantaged communities.
- Developing cultures of lifelong learning.
- Widening the employment base of the region and providing opportunities for employment and retention of graduates.
- Industry collaboration to increase innovation, patents and operational efficiencies.
- Extra visitors to the region spending money (e.g. graduation ceremonies and residential school attendance) and supporting the local economy.
- Development of social networks and human capital resources.
- Industry formation and job creation.

²⁷ Business/Higher Education Round Table (BHERT) 2001, The Role of Universities in the Regions, BHERT, Melbourne

²⁸ Kim J.H., 2008, The role of universities in the regional economic development in Korea, Masters Thesis