

RESEARCH SUMMARY

Education and employment in Hobsons Bay

Young people who are not fully engaged in education or work (or a combination of both) are at greater risk of unemployment, cycles of low pay and employment insecurity in the long term.

What do we know about education and employment in Hobsons Bay?

Education

The level of educational qualifications and participation in education within the population helps understand the economic opportunities and socioeconomic status of an area.

According to the ABS¹, 56.4 per cent of Hobsons Bay residents have completed Year 12, compared to the Greater Melbourne figure of 59.4 per cent.

The proportion of residents with a bachelor degree or higher is increasing over time. In 2006, 16.1 per cent of Hobsons Bay residents had a bachelor degree or higher, and this increased to 21.1 per cent in 2011 and 26.1 per cent in 2016. This is related to changes in the labour market which demands greater skills than in the past.

Younger people are more likely to have post school qualification, as shown in Figure 1. More than 40 per cent of 25 to 44 year olds have obtained a bachelor degree or higher, and the proportion declines with age. This is true of both bachelor degrees or higher, and diplomas and certificates. However, older people are more likely to have obtained diplomas and certificates. For instance, 21 per cent of 65 to 74 year olds have a diploma or certificate, and 13 per cent have a bachelor degree or higher.

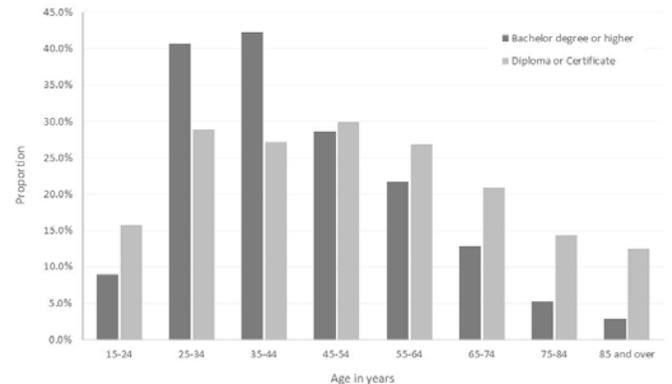


Figure 1: Proportion of the population with a post school qualification, by type and age, 2016

Hobsons Bay has a higher rate of residents with no post school qualifications (40.1 per cent), when compared to the Greater Melbourne (38.6 per cent). However, the proportion is decreasing over time as more people go on to tertiary education.

In 2016, 1.4 per cent of Hobsons Bay residents were enrolled in TAFE, compared to 1.8 per cent across Greater Melbourne. Participation in university was also lower than the Greater Melbourne figure (4.8 per cent compared to 6.4 per cent).

Labour force status

Labour force status (i.e. whether people are employed, unemployed or not in the labour force) can be influenced by the level of education, where people are in their life cycle, and the employment opportunities available.

Hobsons Bay had an unemployment rate of 6.5 per cent in 2016, similar to Greater Melbourne (6.8 per cent). This differs across the municipality with Laverton having an

¹ Unless otherwise stated, data in this section are sourced from ABS, Census of Population and Housing

(2016), compiled and presented in profile.id, <https://profile.id.com.au/hobsons-bay>

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unemployment rate of 10.9 per cent and Newport East 4.5 per cent.

Around 58 per cent of unemployed persons in Hobsons Bay were looking for full time work, and the remaining 42 per cent were looking for part time work.

The majority of those employed were in full time work (60 per cent) and 31.8 per cent were employed part time.

The labour force participation rate in Hobsons Bay was 62 per cent, similar to the Greater Melbourne figure. A total of 32.2 per cent were not in the labour force (i.e. they were retired or not looking for work).

Of total households in Hobsons Bay with children aged less than 15 years, 16 per cent did not include a person in employment (approximately 1,372 families), higher than the Victorian rate of 13 per cent but less than the 17 per cent recorded for the North Western Melbourne Priority Employment Area (DEEWR, 2012).

Just over half (51 per cent) of the people leading lone parent families are not employed, higher than the Victorian rate of 47 per cent, but less than the North Western Melbourne rate of 55 per cent (DEEWR, 2012).

The unemployment rate has generally been rising across Western Melbourne since 2016. However Figure 2 shows that the increase has not been as apparent in Hobsons Bay. In June 2018, the unemployment rate in Hobsons Bay was 5.9 per cent, compared to 8.4 per cent across Western Melbourne (Dept of Jobs and Small Business, 2018).



Figure 2: Unemployment rate, Hobsons Bay and Western Melbourne, Dec 2010 – June 2018 (Dept of Jobs and Small Business)

Labour force disengagement varies by age, generally increasing with age. In 2016, 9.5 per cent of 15 to 24 year olds were disengaged from the labour force. This rises with age to reach 34.9 per cent of 55 to 65 year olds and 80 per cent of persons aged 65 years and over. Disengagement results from a variety of factors and for younger people can result in poorer employment outcomes throughout the life cycle.

Industry and Occupation

Between 2011 and 2016 the number of employed residents in Hobsons Bay increased by 6.4 per cent. Limited office accommodation across the municipality creates a barrier to attracting investment from professional services industries, despite a highly skilled local white collar work force.

There was a major change in the industry of employment, as shown in Figure 3. In 2011, manufacturing was the main employment industry for Hobsons Bay residents. More than 4,460 residents were employed in manufacturing, accounting for 11.3 per cent of total employment. However structural changes in the manufacturing sector across Australia

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have impacted employment levels. In 2016, the number of Hobsons Bay residents employed in manufacturing had declined by 27 per cent to reach 3,236 persons (7.7 per cent of employed persons). A key challenge for the future will be to identify skills gaps for local industry and ensure residents have the necessary skills to take advantage of further job opportunities.

In 2016, Hobsons Bay residents were more likely to be employed in health care and social assistance (10 per cent), retail trade (9 per cent), education and training (8.9 per cent), professional, scientific and technical services (8.6 per cent) and construction (8 per cent). All these industries recorded increases in the number of employed persons between 2011 and 2016.



Figure 3: Industry of employment, 2011 and 2016

Figure 4 shows that professionals continues to be the most common occupation for Hobsons Bay residents, accounting for 24.7 per cent of employed persons. This is similar to the figure for Greater Melbourne. Between 2011 and 2016, the number of professionals and managers in Hobsons Bay grew by 15 per cent and 23 per cent respectively, far outstripping the growth of all employed residents.

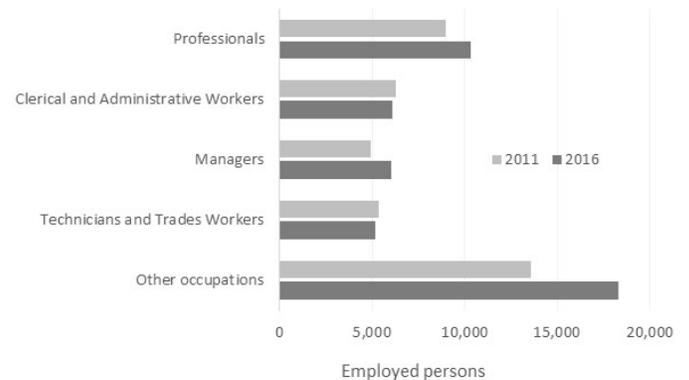


Figure 4: Occupation, 2011 and 2016

How people travel to work is dependent on job location, access to public transport and other life style circumstances e.g. combining school drop offs with travelling to work. Of those Hobsons Bay residents employed, 72 per cent work outside of the municipality and a further four per cent have no fixed place of employment (e.g. trades persons, sales workers). Most people travel to work by car as driver or passenger (64.5 per cent) followed by train (16.2 per cent). Only 1.4 per cent cycled and 1.1 per cent travelled by bus. Areas with no rail stations tended to have higher proportions of residents travelling to work by car.

Income

Income is also an indicator of the health and wellbeing of the population. Having an adequate level of income increases access to services, facilities and resources to maintain wellbeing.

As shown in Table 1, the weekly household incomes across the lowest to medium highest level income groups in Hobsons Bay are fairly consistent, with the highest income group having the greater percentage of households.

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Table 1: Income quartiles in Hobsons Bay, 2016

Quartile group	Proportion
Lowest (\$0 to \$740)	23.1
Medium lowest (\$741 to \$1,416)	22.7
Medium highest (\$1,417 to \$2,394)	24.4
Highest (\$2,395 and over)	29.7

A substantial proportion of Hobsons Bay households have low income levels. A total of 4.5 per cent have weekly gross incomes below \$300 per week. At the other end of the spectrum, a substantial proportion of households have a high income. A total of 8.3 per cent have incomes in excess of \$4,000 which is similar to the Greater Melbourne figure.

On par with Victoria, 17 per cent of the Hobsons Bay working age population was in receipt of an income support payment (DEEWR, 2012), primarily Newstart (2,274 residents) and Single Parenting Payment (1,086 residents) (Centrelink, 2011).

What government policies affect education and employment?

International

The International Covenant on Economic, Social and Cultural Rights (1966) aims to ensure the protection of economic, social and cultural rights. These include the rights to:

- work
- form and join trade unions
- social security
- equal treatment of men and women
- an adequate standard of living
- health, education and cultural freedoms

Commonwealth

The Australian Government is responsible for making laws and determining policy in relation to (amongst other things) the economy, innovation and industry, industrial relations, social services, pensions and the national education curriculum.

In relation to employment, the Commonwealth Department of Jobs and Small Business is responsible for policies and programs that help Australians find and keep employment and work in safe, fair and productive workplaces.

The 2018-19 Budget included increased support for mature age workers and job seekers, those in transitioning industries, as well as additional funding for the Transition to Work service to help more young people into work.

To support workers, the Fair Work Commission was established by the Government to act as an independent body to carry out a range of functions under the *Fair Work Act 2009*. This includes elements such as providing a safety net of minimum wages, employment conditions and enterprise bargaining.

In relation to education, headed up by the Department of Education and Training, from 1 January 2018, the Australian Government's *Quality Schools* package was implemented with the aim of increasing school funding by one billion dollars every year for the next ten years.

The Government has also established the *Review to Achieve Educational Excellence in Australian Schools*, led by Mr David Gonski AC, to advise how to support quality education in Australian schools.

In addition, the 2018-19 budget saw additional funding to support Science, Technology, Engineering and Maths (STEM).

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Following the Review of Funding for Schooling ('the Gonski Review'), five state and territory governments (including Victoria) signed the National Educational Reform Agreement in 2013. Under the 'Gonski Plan', all schools are funded according to the individual needs of their students and what is required to educate them to a high level. Gonski 2.0 (Through Growth to Achievement) was published in May 2018. The details are currently being finalised with a view to publication in 2019.

State

The Victorian Government is responsible for making laws and determining policy in relation to education (excluding universities) and setting directions for employment and economic growth.

In relation to employment, the Victorian Government has established Jobs Victoria which consolidates all Victorian Government employment services into one system, making it easier for jobseekers to access the help they need to get work.

JobsBank is also available for long-term jobseekers with complex needs, working with businesses and individuals to support employment outcomes.

The State Government provides a Business in Transition Support (BiTs) which is a program for employees facing retrenchment and for business owners during the restructure.

In relation to education the State Government has the Department of Education and Training 2017-21 Strategic Plan. This plan sets the vision for the state in relation to early childhood development, primary and secondary school and vocational training. The Plan is delivered via four approaches: service and funding reform; workforce strategies and practices;

partnership and innovation; and organisation reform.

The Education State is the Victorian Government's overarching education policy. It covers early childhood services, school building and school funding, as well as establishing new targets that will measure students' development.

The 2018-19 budget indicates 28 new schools will be built in the fastest growing parts of the state and upgrades will be made to 134 existing schools.

The 2018-19 budget also includes free TAFE for 30 non-apprenticeship courses and 18 courses that provide pathways to apprenticeships across the state.

Regional

Economic Development Strategy for the West of Melbourne 2017, developed by the West of Melbourne Economic Development Alliance (WoMEDA), aims to provide employment strategies for the western region with a key focus on employment hubs (Footscray, Sunshine, and Werribee)

WynBay Local Learning and Employment Network (LLEN) is funded by the Victorian Government. It forms strategic partnerships to improve the education, training and employment outcomes for young people across Hobsons Bay and Wyndham.

Local

The Hobsons Bay Economic Development Strategy 2015-20 outlines the key themes and objectives that guide Council's work in supporting the growth of the local economy. Key themes include business support and engagement; investment attraction and facilitation; community-led economic

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development; sustainability; and learning, connectivity and innovation.

What is Council's role in relation to education and employment?

The role of local government is to provide services and infrastructure for the local community and plan for future needs.

Through its economic development functions, Council plays an active role in enabling business activity across the municipality (and in the wider western region) through a range of projects, programs and advocacy work aimed at supporting the local economy.

Examples of activity include:

- business workshops
- the Hobsons Bay Business Excellence Awards
- funding and support to local trader associations
- visitor information services
- investment facilitation and attraction services
- networking opportunities for businesses

In addition, Council has a role to play in coordinating and collaborating with a wide range of education, business and community partners to ensure a holistic approach to building capacity and meeting the needs of the local business community to create a culture of learning and innovation. In relation to education Council runs a range of early year's education programs. Youth services provide support to link young people with education and employment services. Libraries and community centres also play a key role in supporting lifelong learning and facilitating programs such as homework clubs.

Updated 2018

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