

Introduction

Thank you Martin for that very kind introduction.

I (too) would like to acknowledge the Traditional Owners of the Lands on which we are meeting today, the Gadigal people of the Eora Nation. I pay my respects to Elders past and present, and acknowledge any Aboriginal and Torres Strait Islander People here today.

It is an absolute honour to be invited to present the 2018 Spann Oration.

I am well aware of the outstanding achievements of those who have preceded me and am feeling slightly daunted by being invited to join such impressive company.

However, as I have always been a huge supporter of those who chose a career in public service, I embraced this opportunity as one where I could, if nothing else, acknowledge and thank you all for the outstanding job you do.

I am always surprised that more people don't chose the path to public service. And I am well aware that some do not hold the profession in the highest regard.

My father, for example, who was certainly a man of strong opinions, was one.

Despite this, or perhaps because of this, I was drawn to public service and spent many years working for the NSW Government.

I certainly enjoyed my time in the public sector and frequently recommend to young people who want to contribute to our society, to consider spending time in the public sector.

Just recently I heard the term "tri-sector ninja" to describe someone who has worked for government as well as in commercial roles and the not-for-profit sector. I never really thought of myself as a "ninja" but having spent time in all three sectors, I do think it gives you a valuable breadth of perspective.

Tonight, I am however going to focus my remarks on the government and non-government sectors.

As you know, I started my career as a medical practitioner and my early years of practice were spent as an intern and a resident medical officer in the NSW health system.

When thinking back on about my medical career, I realised quite early on that I wanted to be involved in broader planning and delivery initiatives that helped a wide range of people.

This was brought home to me one rainy night as a 24-year old medical intern, 6 months into my first year of practice.

I was doing a term at a small metropolitan community hospital that still had a 24-hour casualty. There were just 2 of us covering the hospital and casualty for the whole weekend and we slept in shifts. On that particular Saturday evening, my colleague, Jeremy, a 2nd year resident offered to cover first while I grabbed some sleep – this was about 12 hours into a 56 hour shift.

I was deeply asleep when the phone rang. The sister from casualty was yelling, 'We have an arrest - you need to get down here - now.'

Even though our small hospital had 24-hour casualty, ambulances knew not to stop and would take serious patients straight to the teaching hospital just a few kilometres up the road. They knew that the community hospital was staffed by 2 junior doctors and we had neither the facilities, nor the capacity, for any serious emergency.

But a group of young men didn't know any better and when their mate had a severe asthma attack, they threw him in the car and drove him to our door.

By the time I ran down stairs, this young man was in respiratory arrest and Jeremy, who was more experienced than me, had started CPR. But it is very hard to ventilate an asthmatic without intubating.

Fortunately, Jeremy had done a term of Anaesthetics. I'll never forget that moment as he held the man's head trying to put the tube into his trachea - when the young man started to regain consciousness, his head reared up, and he nearly bucked off the bed. I threw myself on top of his legs to stop him falling from the trolley onto the hard floor.

When he recovered, and I did also, I thought, this is not patient care at its best in metropolitan Sydney.

Thankfully we were able to help, and the young man, who was not much older than us, survived.

I am also pleased to report, that not long after that incident, casualty was closed.

But I am sure many of you know exactly how difficult those service closure decisions can be when you have local stakeholders who want their community A&E to stay open, and don't fully understand either the cost or the risks to quality service delivery.

A few years later my resident training was over and I was deciding which clinical path to follow, this experience and others like it were very much front of mind.

I've always been very solutions focused. I look to outcomes and the best way to get from A to B, which processes are needed and how that can be leveraged broadly. I felt I should apply these skills to patient care.

And so I chose a career in Medical Administration and started the Fellowship programme. In the course of my training I worked in a range of roles in hospital management, public health, epidemiology and policy work in the Department of Health. I also spent 6 months seconded to the health minister's staff.

Once I finished my Fellowship training which included my MBA, I took a job in medical administration at Prince of Wales hospital where I worked for a number of years.

My time in public service gave me invaluable experience I still draw on today as government relations and stakeholder management is a big part of my role. These early lessons around the need to work across government and sectors and the importance of collaboration are still with me today.

All of you here have this knowledge and may take it for granted, but many people don't understand our systems of govt and how they interface with the political system, or how to work with and across government.

Through my public service work, I have had direct experience of the creativity, resilience and diligence of the people who make up the Public Service. I recognise your resolute commitment to delivering better social and economic outcomes for the people of NSW.

Today's public service needs to be innovative, strategic AND reactive. It must be solutions and outcome-focused, as well as highly accountable. It has to work within the constraints of a watchful media, regular Ministerial reshuffles and competing demands.

You have my admiration and my deep respect.

As a citizen and consumer of services in NSW, I have been hugely impressed with recent achievements – particularly in consumer-focused service delivery.

I was very taken with the establishment of Service NSW in 2013. This was a huge step forward in delivering customer centric services. Enabling over 1000 different State Government transactions all in one location, is most certainly making it easier to get things done.

As I understand it, Service NSW was established with a clear focus on the changing nature of relationships between the state and its citizens. It was seeking to improve the

quality of service provided to citizens; to increase transparency in decision making and; to take a more innovative approach to policy and service delivery. It was also, in part, a response to the trend of declining public trust in government.

At the core of the design of Service NSW is a system with outcomes for the end user in mind, rather than the ease of the agency or department responsible for the service.

The business model also has potential for increased productivity, with a focus on shared services and driving efficiency. Enabling these outcomes has been helped by the advances in technology, a focus on evidence-based approaches and the effective use of data.

I believe that this approach is a win-win for both service users and for governments themselves.

But it also makes me optimistic. Can we take the approaches and lessons learned through great initiatives like Service NSW and apply them to the resolution of deeply entrenched and complex social problems.

And I remain optimistic, even in the face of some deeply gloomy evidence about the ongoing nature of intergenerational poverty in Australia, which I will now touch on.

In October this year, the Productivity Commission released a timely report on inequality in Australia. In an address to the National Press Club, the Chair of the Productivity Commission painted a complex picture of social mobility in Australia.

This was not measured just in terms of income, but taking into account a wide range of demographic and household related factors. The good news in Peter Harris' message was that generally, current policy settings are beneficial for the vast majority of Australians.

But he also set a challenge for those of us involved in public policy making. As we look to a fourth straight decade of uninterrupted economic growth, he challenged us to consider why it is that so many Australians feel they have missed out.

He also called out the weaknesses of current systems for the citizens who remain 'stuck' in the bottom deciles of social mobility. And it is these individuals, families and children who are, not surprisingly, my main focus for today.

There is irrefutable evidence about the relationship between education and later life outcomes. The relationships between health, employment and longer-term financial stability are well known.

The Mitchell Institute released a report last year which showed that the lifetime fiscal and social cost of leaving school before Year 12 is close to \$1 million per student.

In addition to the 'hard' outcomes, a 2014 UK study, using data gathered through the UK Longitudinal Household survey, looked at the psychological effect of differences in education.

It found that higher levels of education are associated with a wide range of positive outcomes – including better health and wellbeing, but also higher social trust, greater political interest, lower political cynicism, and less hostile attitudes towards immigrants.

This 'education effect' is both robust and relatively stable over time, with little variation in the surveyed population across a range of 25 years.

So it would therefore seem self-evident that policy should focus on ensuring that children at risk of poor educational outcomes get the support that they need to achieve in education. Getting this right would indeed constitute transformative policy development.

Yet sadly in Australia today, despite the availability of universal access to education, it is still the case that children's development and health inequities are deeply entrenched in our society. This is all the more unacceptable as not only is this unjust but it is also preventable.

And, just so that we are all on the same page regarding the magnitude of this issue in Australia today, there are 1.1 million children and young people growing up in poverty. This is a massive number for a country as wealthy as ours.

By the time these children start school, clear inequities are already apparent, with 17% of children in disadvantaged communities developmentally vulnerable on two or more domains of the Australian Early Development census. This compares with less than 7% of the most advantaged school entrants.

These inequities track forward through school into adulthood, contributing to a trajectory of complex and compounding challenges in life.

50% start secondary school without foundational literacy and numeracy skills, 44% do not attain Year 12 and 40% of 24-year-olds are not in full time study or employment.

For First Nations children, the situation is even more urgent.

It is not acceptable that the conditions into which people are born and grow up, determine their life outcomes. For those of us concerned with social policy and social cohesion, we must urgently address this anomaly.

On a personal level, some time back I realised that I had a passion for supporting our most vulnerable.

I started on a voluntary basis, helping to set up a small drop-in centre for homeless women in King's Cross. This was a formative experience and very hands on. It was great to be able to help in such a practical and direct way.

But again, I was drawn back to thinking about the bigger picture. How do we support women and children in need, at scale? How to develop systems and processes that deliver measurable results.

I also realised I wanted to work with mission focused organisations with a strong social purpose. Ultimately this thinking lead me to my current role at The Smith Family which I took up in 2011.

To help provide a little background on the great organisation I have the privilege to lead, I want to take you back to 1922 and, just as now, it is approaching Christmas. A group of five weary businessmen stopped at the Woolpack Hotel in Parramatta.

Over their cool drinks, a lively discussion ensued about the gifts their children would get for Christmas. This led them to talk about poverty – and in particular the extent of child poverty in Sydney.

Some of the men didn't think the problem was as big as the others claimed. so they agreed they'd research it, and then come back together to share their findings.

Their investigations confirmed poverty was rife. Not too long after that the five of them turned up at an orphanage with sweets and gifts and a grateful Matron was looking for a name for the boys to thank.

"They can thank Smith", said one of the businessmen. "Yes" agreed another, "Smith, we're all Smiths here."

Of course our organisation has changed dramatically since then, but some things have stayed the same, namely:

- Poverty remains a huge problem in our country;
- The Smith Family still helps children in need;
- We research the problem we seek to solve, and use evidence to craft our solution;
- And, we continue to promote humility in the act of giving.

However there is one vital element which has changed significantly. The Smith Family's support is no longer welfare oriented.

Today, The Smith Family is singularly focused on education as a driver and enabler of intergenerational change. Our programs are well embedded in 94 communities in every State and Territory. We work constructively with parents, carers and

communities, because they are the context in which children thrive, or not. The resources and opportunity structures available to children as they grow up will have a major influence on their educational outcomes.

We underpin our work with some key evidence-based policy principles. These are:

- Early intervention and long-term support;
- Parental engagement in a child's learning; and
- High expectations for all students.

We also have:

- A 'beyond school' approach, complementing but not duplicating what happens in school;
- We have partnerships with families, schools, community organisations, business and governments to enable our work and lastly,
- Something that I have particularly championed, a strong outcomes focus

Our work aims to break the cycle of intergenerational poverty through supporting the education of children living in disadvantage.

The Australian Institute for Health and Welfare in its 2017 report on Welfare in Australia looked at groups most likely to experience deep and persistent disadvantage. They are people who are; living in public housing, dependent on income support, who are not in employment, or are lone parents, have education levels at Year 11 or below, and are Aboriginal or Torres Strait Islander people experiencing disadvantage.

Data also clearly shows that the children of these households are at highest risk of poor educational achievement. These are the demographics of the families that The Smith Family works with.

It is surprising to me that deeply entrenched and persistent disadvantage is still a feature of our society today, despite having been the focus of some great minds and record expenditure on what is broadly termed 'welfare' in Australia.

So I'd like to pose a question. Despite knowing what the risk factors are, and having at least some evidence about what works and under what circumstances, why have we continually failed to change the trajectory of long-term disadvantage in Australia?

Sadly, the silver bullet eludes us still, however I am very happy to share my observations about some of the causes of this conundrum.

Firstly – it's all about systems. Harvard Professor Paul Bataldon made the point that 'every system is perfectly designed to get the results it gets'.

Therefore we should be looking at how disadvantaged and vulnerable people access service systems and whether those systems are actually working in a way that optimises their chances of success.

One of the notable features of the list I just shared, of groups most likely to experience persistent disadvantage, is that these characteristics are not mutually exclusive.

Disadvantage is dynamic and destabilising. Complex problems compound. Unanticipated events or costs can be a tipping point into deep crisis.

We need to think differently about getting information and service support to these families. They should be considered in Digital Government approaches for easy access to information and targeted, personalised support.

However, digital strategies also need to address digital inclusion. If this doesn't happen, well we run the risk of exacerbating social exclusion.

A second observation is that federalism doesn't work for disadvantaged people.

I'm not advocating for abolishing federalism, although there are moments when I have thought that it could be a solution. While I understand the issues and politics that gave rise to our current structures of government, that was a long time ago.

Today we need to think differently and look at the interplay between services and legislation.

If we look again at the factors associated with deep disadvantage, we find some are the responsibility of the State, and some sit with the Commonwealth. But the people who use or are impacted by those services don't, and shouldn't have to differentiate.

In general, government procurement and delivery of services occurs in a vertical. Government will procure or deliver a housing, education or health program, focused on a specific set of portfolio-related outcomes.

Part of the reason for this is simply because it's organised in that way. Another often-cited rationale is about having sufficient control of expenditure. While I recognise the need for fiscal rectitude, it is eminently clear that current approaches are not realising value for money in the long term.

The reality is that people don't experience disadvantage or use service systems in the 'vertical'.

And so, we need to bring together organisations that are delivering complementary services and reduce barriers to participation for vulnerable groups.

Here's where we look to the example of Service NSW and ask how can we make sure that people can access the right support at the right time to address their short and longer term needs?

My third observation is that short term solutions don't work.

The work of Nobel Laureate James Heckmann is often quoted in relation to the benefits of investing in early childhood.

The positive impact of early years support on later child health and development inequities, has become increasingly clear. We know from early childhood research that brain architecture develops through an ongoing process commencing at a young age. So intervening early makes good sense.

But Heckmann's work clearly demonstrates that for disadvantaged children, the best return on investment occurs when support starts early and is sustained across the course of their school lives.

Some early childhood initiatives that have shown promising early results, have then experienced 'fadeout' when children start school. However the skills gap for disadvantaged children widens through their schooling years for a range of complex and intersecting reasons.

So, we need long term solutions and support to address these issues.

Linked to this focus on short term thinking, is the urge to move to the next big announcement. I would consider this to be completely at odds with the premise of continuous capacity and capability-building based on data and feedback.

Over many years I have watched promising programs or initiatives be swept away only to be replaced by the **new** solution or initiative. Worse still, is the lack of regard to the lessons learned about process or outcome from previous iterations.

This is not to say that we should not seek new policy and service delivery solutions. We absolutely need to keep building on our evidence base and trying new approaches to improve outcomes. But we should ensure that we build on what works and layer and share evidence over time.

I often wonder whose interests the great new policy announcement serves. Is it always in the interests of those that the policy targets?

Fourthly, we are not very good at enabling childrens' voices in policy and program design. Our approaches treat children largely as passive and invisible; they assume that children take no action to influence household circumstances.

However there is substantial evidence to demonstrate that is not so. Children in poverty have significant agency and act in various ways to ease the financial strains they feel they impose on their parents' lives and finances.

A joint initiative of The Social Policy Research Centre, in partnership with the NSW Children's Advocate, the NSW Department of Education and The Smith Family, last week released a report on material deprivation and social exclusion among young Australians.

It finds that children and young people have high levels of understanding and awareness of their situation and what might be done to address it. Young people can identify also those items that contribute to their sense of wellbeing, belonging and inclusion.

When we are designing policy and programs targeting children, we should be including what we know is important to them in these processes.

My last observation is one about which I am deeply passionate. We need to get better at data.

In releasing the Productivity Commission report into inequality, Peter Harris noted the value in longitudinal data sets, but he lamented that we have so few of them. I share this view!

Over the last eight years, The Smith Family has been on a journey to track our impact. 44,000 children receive our long term financial and programmatic support. We track each student's school attendance rates, their individual advancement to Year 12, and their circumstances a year after they leave our program. We do this through the use of a unique student identifier.

Our long-term tracking means we have now developed some predictive capability.

This year we released a report which shows the link between students' school attendance, and their longer-term outcomes such as participation post school, in work or study. These sorts of data, aligned with input from children and their families can provide clarity as to how best target our support.

If a relatively small organisation such as ours can make these linkages, imagine the predictive power that could be harnessed through aligning data across the nation. That should be our future, but it feels to me like we have gone backwards in our national approach to these issues.

I lament the loss of the COAG Reform Council which measured our progress against agreed national targets and outcome areas.

I am aware of the NSW Human Services Outcomes framework. It is good, rigorous work. I am also aware of the Victorian and the South Australian versions and wonder could we do better at aligning.

So, what is the way forward? In my view, Australia is unlikely to make substantial inroads in intergenerational welfare dependence, unless we adopt national goals for reduction of poverty and inequality.

We already have a national commitment to the United Nations Sustainable Development Goals (SDG) creating overarching, long-term targets to guide social policy between now and 2030.

The fact that these goals are non-binding should not diminish their significance to public policy development. Nor should they limit our ambition about what we can achieve over the next decade as a nation.

Australia has adopted goals to:

- Reduce by at least half the proportion of men, women and children living in poverty; and
- Achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average.

The SDG includes important and equally ambitious targets within these and other goals that have the potential to change outcomes for children in this country.

If we successfully meet the targets it will mean Australia has created a fairer, and more inclusive society, particularly for those from disadvantaged backgrounds. We will be a stronger and more resilient nation, both economically and socially.

Australia could begin to arrest inequality and make major inroads into alleviating poverty. We could expand access to high quality education and training to ensure Australia's young people find satisfactory and dignified work. However, it will require radical rethinking around how governments develop policy, collaborate across society and measure progress.

As I said at the beginning, I remain optimistic. I know of some of the good work being done here in NSW through initiatives like Their Futures Matter, and of early steps to align service use data with the Commonwealth. I encourage you to push harder on whole of system initiatives such as these.

So, how can organisations such as The Smith Family help? We are keen to share what we have learnt and be a positive force in supporting better outcomes. We are a strong,

constructive and influential advocate for disadvantaged children and young people, with a distinct voice in the public policy debates that matter.

We are led by values but driven by empirical evidence and research. We are secular, non-partisan and have close relationships with governments, oppositions, and major organisations in the business and community sectors.

We are able to not only talk to the statistics of child poverty, we can also talk to the first-hand experiences of those struggling every day.

We can illustrate the challenges of growing up poor, the deprivation and the exclusion.

I believe it is our moral obligation to magnify their voices, and relay their experiences to inform policy and service delivery change.

There is still much more to be done for these children and their families. But I believe together, we can make a very real difference.