



AUSTRALIAN PARENTS COUNCIL Inc.

The national federation of organisations representing parents of students attending non-government schools to achieve choice, quality, equity and voice

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Response to the Review of Funding for Schooling: Emerging Issues Paper

Introduction

In December 2010 the Australian Parents Council (APC) submitted to the Review of Funding for Schooling a paper entitled *Fairness and the funding of schooling in Australia*. That paper represents APC's substantive submission to the Review Panel.

This response to the *Review of Funding for Schooling: Emerging Issues Paper* is provided as a supplementary submission which responds to specific sections of the Emerging Issues Paper. The statements in bold type in this paper are excerpts from the Emerging Issues Paper and APC's responses follow.

While acknowledging that the purpose of the Emerging Issues Paper was to bring into the public arena issues that surfaced during the Panel's consultations process, it is somewhat unfortunate that the issues were not tracked or spoken to within the context of the Review's terms of reference. It is also difficult to provide comments on the emerging issues without having been provided with some sense of the Panel's thinking around them, or the weight that the Panel was giving to them.

We therefore believe it to be essential that the Review Panel provide a further preliminary paper for consultation with stakeholders prior to submitting its final report to the Australian Government.

Key Messages

The important role of parents and the community in schooling was highlighted, and it was suggested the review should consider how to better resource schools to build stronger and more meaningful relationships with parents and the community.

- APC was extremely disappointed in the content and quality of the section of the Emerging Issues Paper that dealt with community and family engagement. While the Review received significant input from several parent organisations on this issue that input was distilled into a perfunctory half page that focused primarily on how hard it supposedly is to achieve the objective.
- Researchers such as John Hattie have found the intrinsic characteristics a student brings to school, along with parental expectations and encouragement, to be responsible for about 60 per cent of the variance of the student's schooling achievement. Teachers contribute about 30 per cent and schools and peers around 10 per cent (Hattie, 2002).
- A significant body of both international and Australian research has found correlations between parent/family engagement in children's education and indicators such as:
 - ✓ improved school readiness

- ✓ higher retention and graduation rates
 - ✓ enhanced cognitive development and academic achievement
 - ✓ higher motivation and greater ability to self-regulate behaviour
 - ✓ better social and relationship skills.
- The policy focus in Australia for school reform aimed at improving student outcomes has centred on schools and teachers.
 - If the funding of schooling is to maximise schooling outcomes for all students it must provide for and enable systematic, integrated and sustained approaches to parental engagement, particularly in schools serving students from disadvantaged backgrounds (Weiss et al. 2010, p.3).
 - *APC calls for the establishment of an annual pool of funds to be made available to school communities on application, through parent organisations, for projects and programs to engage parents in active participation in their children's schooling in accordance with the National Framework for Family School Partnerships.*
 - *The Review really does need to achieve something significant with this issue and APC looks forward to continuing to inform the development of the Panel's final recommendations.*

Some preferred to preserve the current roles of the Australian Government and the states and territories, but have them operate under a common framework which could include the consolidation of multiple funding sources but which would require the agreement of state and territory governments.

- Any funding model for schooling in Australia should be uniform in its application across all states and territories and be based upon an agreed real, up to date average recurrent cost of educating a student in a government school.
- The Australian and state and territory governments should enter into contractual cost sharing arrangements to provide adequate public funding for all Australian school students in a way that provides some consistency.
- The Australian Government must continue to fund schooling directly. Withdrawal of the Commonwealth's 40 years of support for school education would herald a return to the bunker mentality in the states and territories, with an inevitable decline in the level of support for diversity and choice which the non-government sector has promoted and achieved over the years. It would also lead to a diminution in the level of national co-operation on policy and outcomes which a small population country such as ours needs to constantly build and sustain.
- APC believes that the consolidation of funding sources through the COAG National Partnerships regime has been a failure. Delivery of Australian Government funding through that mechanism has been inconsistent between states and territories. In many instances non-government schooling authorities have been required to 'compete' with government schools for funding on an inequitable basis.
- We would therefore view any attempts to 'consolidate multiple funding sources' with great alarm, particularly if use of something like the national partnerships model was to be proposed.

Many argued that any discussions of quality schooling had to recognise teacher quality and effective school leadership as the greatest determinants of educational success.

- APC agrees with this statement in so far as it applies to the *in-school* elements of schooling.
- In the development of schooling policy in Australia there has been a tendency to focus almost exclusively on research findings pertaining to in-school elements of schooling.
- As mentioned earlier in this paper the intrinsic characteristics a student brings to school, along with parental expectations and encouragement, have been found to account for about 60 per cent of the variance of his/ her schooling achievement.
- Parental capacity to influence and enhance the intrinsic characteristics a student brings to school cannot continue to be ignored in discussions about quality schooling.
- Prioritising improvements in the levels of parental engagement with the schooling of their children, starting from very early childhood, must be included as a future focus for the funding of schooling.

Key Themes

Equity of educational outcomes

The panel would welcome views on how trade-offs between competing priorities for the available schooling resources could be accommodated.

- Talk about the possible need for trade-offs between competing priorities for available schooling resources is premature.
- Approximately \$40 billion is invested annually in schooling yet, to the best of our knowledge, an efficiency audit in respect of how federal, state and territory funds allocated to schooling are spent has never been formally conducted.
- An investigation into how much of the money allocated by governments to schooling actually reaches classrooms, how much is diverted into other areas such as bureaucracies and research that has no useful outcomes and whether such funds are in fact being usefully and efficiently applied should precede any seeking of trade-offs.
- The Building the Education Revolution program highlighted the fact that large amounts of money can be wasted by government bureaucracies and APC is of the opinion that general recurrent funding expenditure processes would not be exempt from wastage and inefficiency.
- If bureaucracies use an inordinate percentage of funds in their administration this should be revealed and the funds diverted to the schools they serve.
- In an article published in The Australian Financial Review on 17 August 2010, John Daley and Ben Jensen from the Grattan Institute argued that Australia spends more per student on school education than the average for Organisation of Economic Co-operation and Development countries, but the spend has not been well targeted.
- It is possible that sufficient funds might already exist within education to meet a significant proportion of currently unmet schooling needs and it is therefore imperative that a forensic audit is conducted to ascertain how efficiently Australia's education dollar is being spent.

The panel believes that a commitment to equity means that differences in educational outcomes should not be the result of differences in wealth, income, power or possessions; it is not meant to suggest that all students are the same or will achieve the same outcomes. This aspiration aligns with the OECD's definition of equity in education.

- While APC agrees this is an admirable aim the reality is that in a meritocratic democracy such as Australia it is unlikely that school funding can ever be allocated in a way that will completely eliminate such factors as determinants of schooling achievement.
- The Australian Government must retain a direct role in the funding of schooling, within a funding regime that enables it to be a driver of schooling innovation and reform. A key element of schooling innovation and reform is a continual endeavour to improve the schooling outcomes of cohorts of disadvantaged students.
- Equity in school funding will not be achieved if the approaches of the states and territories continue to be piecemeal and inconsistent.

Recurrent funding

A suggested alternative to measuring SES on a geographical basis was the use of individual student-specific information on parental income, occupation and education.

- The student, not the school, must be the focus for the allocation of funding for schooling.
- The student, not the school, should thus, to the extent possible, be the focus for determining differentiated *per capita* funding levels for all students.
- APC may be supportive of bringing the measurement of parental capacity to pay for schooling back to a point as close as possible to the family, providing this can be achieved within a transparent methodology that is agreed by all stakeholders to provide reliable, consistent and comparable data across the government and non-government schooling sectors and achieves same in such a way that does not intrude unreasonably upon the privacy of individual parents and students.

SES Funding Model

This could involve looking at, for example, approaches that would specify a common funding amount for all students, with additional support attached to students with greater educational needs. This type of approach was put forward as a way of better targeting funding to schools and within schools to support students. The panel would welcome comments on this issue.

- APC fully supports such an approach, which we believe could be achieved within the existing SES model if it was appropriately resourced and provided the amount deemed as a common funding amount for all students was considered fair and that the methodologies used to identify the levels of additional support required for additional education needs at both the individual and school level were seen to be rigorous, consistent, fair and equitable.
- Any proposals for change must be defensible as improving on the current model.

AGSRC

The use of the AGSRC as a suitable measure for determining funding for all students was also questioned. Government schools tend to enrol a higher proportion of students from low SES backgrounds and students with high educational needs, which can be resource intensive. As a result, it was argued some non-government schools benefit from high-demand characteristics of the student population in government schools. This was seen by some as inequitable.

- A valid total average cost of educating a child in a government school must be identified.
- Evidence indicates that the current derived figure, the AGSRC, is moving further away from actual government school recurrent cost to the point that it is currently little more than a notional figure derived with a primary focus on accommodating government budgets, rather than ascertaining the real cost of schooling.
- States and territories do not provide details of education spending located in other portfolios and by excluding items of expenditure on schools are currently able to manipulate their average government school recurrent cost figures to suit their budget purposes.
- The contention that ‘some non-government schools benefit from high-demand characteristics of the student population in government schools’ is a simplistic generalisation which ignores the facts that:
 - ✓ many non-government schools service very disadvantaged student cohorts
 - ✓ increasing numbers of students with high learning needs are moving into the non-government sector and
 - ✓ inadequate government funding levels for students with high learning needs in the non-government sector means that the parents of many such students are effectively denied the choice of a non-government school for their children.

Capital funding

The panel welcomes other views on the most appropriate ways to fund expenditure on infrastructure and maintenance of new and existing schools, including the potential to consolidate capital funding with other sources of funding. As with other areas of need identified in the consultations, trade-offs between competing priorities will need very careful consideration in the review.

- Per capita recurrent and other funding directed towards meeting the learning needs of students and capital funding to support the provision of safe and appropriate learning environments are meeting very different schooling needs.
- Capital funding must remain as a discrete category of funding for schooling in the non-government sector. APC would strongly oppose its consolidation into other sources of funding, as has occurred with Federal funding to the government sector.
- The Building the Education Revolution program provided a significant, albeit short term boost to the capital programs in non-government schools.
- A continuing high level of investment in capital facilities for non-government schools is required to enable the sector to meet ongoing enrolment growth.
- The Department of Education, Employment and Workplace Relations has forecast that non-government school enrolments will continue to grow which will impose sustained pressure upon the sector to provide new schools and facilities.

- The cost of building new schools is already becoming prohibitive in the non-government sector, particularly for those smaller schools and communities where parental capacity to contribute to capital works is limited.
- The comparative effectiveness of providing capital funding by way of direct grants, interest subsidy or low interest loan schemes should be explored to maximise the value of capital assistance provided by governments to the non-government schooling sector.

Support for students with special needs and students with disability

The panel welcomes views on alternative funding models to support the educational requirements of students with special needs and students with disability.

- Australian Government program-specific funding to address particular issues and schooling improvements identified by governments should be maintained.
- APC notes the ongoing efforts to achieve a common definition of disability across Australian schooling jurisdictions. It is essential that this can be achieved soon so that the Panel's work in respect of students with disabilities can be appropriately informed and guided. Any definition/s of disability used to allocate funding should be based not only on medical diagnosis but also on functional and contextual capacity.
- The non-government schooling sector's share of such funding for students with disabilities should be calculated and paid to the appropriate non-government school authorities for distribution according to the project rules and aims.
- Payment of monies via state and territory governments with the expectation of fairness and consistency of allocation for non-government school student needs does not appear to be feasible without specific direction of dollar share.
- Major funding increases should be provided for children with disabilities attending non-government schools, adopting as a benchmark the (real) average government school recurrent cost for educating a child with disabilities in a government school (which has been calculated to be approximately three times the cost of educating a mainstream student).
- There should be a pool of funds made available for additional infrastructure required to accommodate students with disabilities such as modifications to environments, equipment storage, additional support staff, etc,
- A coordinated across-government strategy is essential to provide for the broad range of resources and services required by children and young adults with disabilities. The cost of those resources and services should not have to be borne unfairly by the education budget. The health and disabilities sectors, for example, should be expected to take the burden off schools in instances where schools are required to provide non-education specific resources and facilities to support their students. This principle should be applied in respect of both recurrent and capital funding.
- It is unrealistic to expect mainstream schools to be able to accommodate the needs of all students with disabilities. Additional funding to develop and sustain specialist schools staffed by highly skilled practitioners plus support classes for children with disabilities is an essential element of disabilities funding.

It is imperative that the Review achieves something significant for students with disabilities, particularly in the non-government sector, that puts a stop to unfair disadvantage in respect of government resourcing and provides their parents with genuine choice in schooling.

Governance and leadership

It was generally acknowledged that educational outcomes are not influenced by funding alone, and that funding is primarily an enabler of educational outcomes. Research has consistently shown that the interactivity of relationships between principals, teachers, students, families and the broader community are fundamental to achieving stronger educational outcomes.

- This issue is addressed in the very first section of this paper and in our December 2010 *Fairness and the Funding of Schooling in Australia* submission

Potential options for further consideration

The panel welcomes views on how a funding model could enhance school governance and leadership, and in turn strengthen educational outcomes.

- While this issue is not perceived by APC to be at the crux of funding issues, we nonetheless believe that unless formation of and support for parents is provided nothing exciting is likely to happen in this area.
- Many parents are drawn into serving on school boards and other important school committees. A focus on developing parents in respect of engaging positively with their children's schooling will therefore most probably result in an up-skilling of the parents going forward into those roles.

Additional comment

While it is not directly referred to in the Emerging Issues Paper, APC is aware that there is some likelihood that the notion of a resource index could be brought to the table as a proposed element of a new funding model. We wish it to be noted that:

- The shortcomings of the previous Education Resource Index cause APC to view any such proposal with considerable caution and we would need to be convinced that a resource index could be constructed in such a way that:
 - ✓ There was no disincentive to private effort and
 - ✓ The definition of 'resource' was transparent and consistent across sectors;
- State and territory governments determine schooling budgets, but technically their discretionary funding and capital resources comprise the full extent of the state or territory's financial resources. We are caused to wonder how any calculation of 'school resource' could therefore be fairly and consistently applied across the sectors.

References

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