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## SUBMISSION

### Review of the Socio-Economic Status Score Methodology

February 2018

The Australian Parents Council (APC) is pleased to make this submission to the National School Resourcing Board on the Review of the socio-economic status score methodology.

#### Summary of key points

1. **No changes should be introduced that will damage the diversity, affordability and accessibility of schooling currently available**
2. **The APC cannot make a 'blind' recommendation without knowing the financial implications for each non-government school**
3. **The review should consider a number of important points that affect the assessment of parents' ability to pay**

#### Submission

1. **No changes should be introduced that will damage the diversity, affordability and accessibility of schooling currently available**

The overriding concern of the APC is that the diversity, affordability and accessibility of school options available to parents is preserved.

Changes to the SES funding model, or the adoption of any other model, that result in higher fees for parents at non-government schools, or affect school fee uncertainty, will have a negative impact.

It will not only create difficulties for those with children currently in school but will also impact on the decisions of parents choosing a school. As parents plan family budgets accounting for the duration of their children's schooling (for two children, a minimum of fourteen years), the impact could be felt for many years to come.

It is important to preserve diversity, affordability and accessibility of schooling because it is a strength of the education system in Australia.

Parents want the right to choose the best school for their children. They are their first educators and know them best, so are best placed to make this decision.

This choice is in line with Article 26 of the Universal Declaration of Human Rights, which states that, 'parents have a prior right to choose the kind of education that shall be provided to their children'.

This requires a diversity of schooling options for families, entitled to exercise this right without undue financial or other penalty being imposed on them or their children by any government and/or education provider.

All children have the right to an equitable share of government funding for their schooling, wherever they go to school.

As a parent organisation, we call on the review to ensure it provides a fair and equitable distribution of government funding to our schools for the benefit of all our children, that preserves the current accessibility, affordability and diversity of choice, and to make these changes transparent and understandable for families.

## **2. The APC cannot make a 'blind' recommendation without knowing the financial implications of changes on each non-government school**

To make a fully-informed judgment on changes to the calculation of SES or any alternative assessment models, requires knowledge of the financial implications they will have on school sectors, and on each individual school.

Additionally, any changes which affect the privacy of a family's financial position need to be understood and communicated to parents and schools.

As a parent organisation, we simply do not have the detailed information or the capacity to understand the impact of significant changes to the calculation of the SES for each school.

Therefore, it is impossible for us to call for sweeping changes as if they result in diminished funding for our schools, we will in part be responsible.

So, the APC can only reiterate its recommendation that no changes be made that negatively affect school fees, to preserve the diversity, affordability and accessibility of our schooling choices.

## **3. The review should consider a number of important points that affect the assessment of parents' ability to pay**

The APC recommends the following points be considered as part of the review.

### **Strengths and limitation of the current SES measure**

- The strength of the SES measure is that it applies to every school in Australia and school systems are able to redistribute according to their particular schools' needs.
- The current determinants and their weightings are arbitrary and not based on any analysis.
- The location of a school, particularly in metropolitan areas, does not necessarily reflect the reality of differential capacity of parents to pay fees. There are many pockets of families with low incomes living in high SES areas, who sacrifice much to pay school fees, yet it is assumed that they have the same capacity to pay.
- Parents in non-government schools have always majority-funded capital development so a school's resources should not be taken into account when determining its community's capacity to pay for recurrent costs of educating its students.
- The ability for a school's SES to be independently reviewed and altered must be preserved.

### **Possible alternative methodologies or refinements**

- The inclusion of family size, which impacts on school choice and ultimately on a family's capacity to pay school fees, should be included in any refinement.

- Mesh blocks may be a better reflection of capacity as they are smaller units and would capture the nuances of income distribution within communities.
- The use of ATO data on the calculation of the SES is unknown but may well be an option, however, for parents, any change that may increase fee contributions would be worrying. Additionally, ATO data is based on annual personal taxable income so may not truly reflect a family's capacity to pay school fees, especially over a period of years.
- Any data collection from parents should be de-identified.
- Schools tasked with data collection for the purpose of assessing their government funding, should be adequately resourced to do this.

### **Frequency of updating measures**

- As parents' addresses are collected by schools each year, this data could be provided to DET annually and geocoded with the income data, however that is collected. The SES score review for a school, however, should not be less than three-yearly intervals as it is critical that there is funding stability, so they can forward plan. Additionally, parents plan family budgets accounting for the duration of their children's schooling (for two children, a minimum of fourteen years) and introducing school fee uncertainty will not only create difficulties for those with children currently in school but will also impact on the decisions of parents in choosing a school.
- A review of the SES methodology should be conducted at regular intervals into the future.

### **Timeframe for possible implementation**

- Appropriate and broad consultation will be necessary prior to any changes. We do not believe that this can be achieved in time for schools and systems to implement the changes before their budgets (and hence, school fees) are determined for the 2019 school year.
- Assistance for parent organisations to present any changes in a way that all parents will be able to understand will be required.

### **More about the Australian Parents Council**

The APC is a non-denominational, non-party political organisation. We advocate for parents with children in non-government schools (Catholic and Independent) and for Australia's parent population more generally. Our interests and activities extend down to early learning and up to post-school transitions, and to the ongoing support of Parents Australia Incorporated which we established as a national charity and deductible gift recipient in 2011.

The work of the Australian Parents Council over many years, and of Parents Australia Incorporated more recently, has contributed to the improvement of children's educational experiences and outcomes, progressive reforms in schooling, and the social capital of school and Indigenous communities throughout Australia.

As declared in APC's constitution, it promotes, fosters and advocates for the primary purpose of education as the development of the child physically, intellectually, emotionally, spiritually and morally; and that children who have particular needs must have these needs met. Article 26 of the Universal Declaration of Human Rights states that, 'parents have a prior right to choose the kind of education that shall be provided to their children', and this requires a diversity of schooling options for families, entitled to exercise this right without undue financial or other penalty being imposed on them or their children by any government and/or education provider. Additionally, we believe all children have the right to an equitable share of government funding for their schooling.