



COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

SENATE

SCHOOL FUNDING SELECT COMMITTEE

Development and implementation of national school funding and reform

(Private)

TUESDAY, 18 FEBRUARY 2014

CANBERRA

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SENATE

SCHOOL FUNDING SELECT COMMITTEE

Tuesday, 18 February 2014

Members in attendance: Senators Back, Jacinta Collins, McKenzie, O'Neill, Urquhart, Wright.

Terms of Reference for the Inquiry:

To inquire into and report on:

The development and implementation of national school funding arrangements and school reform, with particular reference to:
(a) the implementation of needs-based funding arrangements, from 1 January 2014, for all schools and school systems, including:

- (i) Commonwealth funding, methods for the distribution of funds, funding arrangements and agreements with states and territories, as well as related accountability and transparency measures,
- (ii) funding arrangements for individual schools,
- (iii) the extent to which schools can anticipate their total future funding and links to educational programs in future years,
- (iv) the consequential equity of educational opportunity between states and territories, schools and students,
- (v) progress towards the Schooling Resource Standard, and
- (vi) the implementation of schools reforms,

(b) how funding arrangements will meet the needs of all schools and individual students, including Indigenous students, students with disability, small schools, remote schools, students with limited English, and students from socially and economically disadvantaged backgrounds;

(c) the Government's proposed changes to the Australian Education Act 2013, related legislative instruments and their consequences;

(d) the economic impacts of school education policy;

(e) the Government's consideration of expert findings, research, public consultation and reports in the development and implementation of school policy, including the selection of experts to provide advice on education policy; and

(f) any related matters.

WITNESSES

COOK, Mr Tony Robert, Associate Secretary, Early Childhood, Schools and Youth, Department of Education..... 1

HEHIR, Mr Martin Thomas, Deputy Secretary, Schools and Youth, Department of Education..... 1

COOK, Mr Tony Robert, Associate Secretary, Early Childhood, Schools and Youth, Department of Education

HEHIR, Mr Martin Thomas, Deputy Secretary, Schools and Youth, Department of Education

Committee met at 10:34.

CHAIR (Senator Jacinta Collins): Welcome. I declare open this private hearing for the Senate Select Committee on School Funding. I welcome you all here today. While this is a private briefing, a Hansard transcript of the proceedings is being made for the information of committee members. I note that there are other officers from the department present. I must advise the witnesses that it is not the intention of the committee to publish or present to the Senate all or part of the evidence you are about to give. However, you need to know that it is within the power of the committee to do so and that the Senate has the authority to order the production and publication of any undisclosed evidence. You should also note that an individual committee member may refer to in camera evidence in a dissenting report to the extent necessary to support the reasoning of that dissent. However, we would try to seek your view on any such proposed disclosure.

Before the committee starts taking evidence, I remind all witnesses that in giving evidence to the committee they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee and such action may be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence to a committee. I remind committee members that the Senate has resolved that an officer of the department of the Commonwealth or of the states shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked to the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. If a witness objects to answering a question, the witness should state the ground upon which the objection is taken and the committee will determine whether it will insist on an answer having regard to the ground which is claimed. Officers of departments are also reminded that any claim that it would be contrary to the public interest to answer a question must be made by a minister and should be accompanied by a statement setting out the basis of that claim.

Thank you for providing the committee with an advance copy of your opening statement and I now invite you to make an opening statement, after which the committee will ask questions.

Mr Cook: Thank you. It is a brief statement for the information of the committee just to update the committee of recent activity, particularly in relation to schools funding. From 1 January 2014, Commonwealth recurrent funding to all schools and systems in Australia is based on needs based funding arrangements contained within the Australian Education Act 2013. This means that all schools and systems have their Commonwealth funding determined by the act's provisions, which reflect a per student price of educating a student coupled with six loadings to target disadvantage for students from low-socioeconomic backgrounds, Aboriginal and Torres Strait Islander students, students with a disability, students with a limited English proficiency, students within small schools and students in regional and remote schools.

All state and territory governments and the national non-government school peak bodies have been advised through an exchange of letters in December 2013 of these funding arrangements, which cover the period of the current budget forward estimates. This includes the reinstatement of \$1.2 billion at the Mid-Year Economic and Fiscal Outlook which allowed for payment for the six loadings and base funding for government schools in Queensland, the Northern Territory and Western Australia for the next four years.

Commonwealth funding is provided directly to states and territories for government schools. Each jurisdiction has budget flexibility to allocate funds within the schooling sector, consistent with the previous Australian government's arrangements. Commonwealth funding to Catholic systemic schools is also paid through states, with state Catholic education commissions having the flexibility to allocate funds within their schooling sector.

For independent schools, Commonwealth funding will also flow through to the state but will be directly attributed to the school according to the Commonwealth's needs based funding model. In the case of an improved independent system authority, the Commonwealth funding will also flow through to the state and then to the independent system authority, who can redistribute it in accordance with its own needs based funding model. The first payment to states and territories for schools and their jurisdictions was made on 7 January 2014. Funding for non-government schools will generally be paid 50 per cent in January, 25 per cent in July and 25 per cent in October, which includes any enrolment adjustments. Funding for government schools will be provided to states and territories on a monthly basis. This is consistent with practice of previous governments.

Prior to the first payment in January, approved authorities received a provisional advice notification on 29 November 2013 that provided details of the Commonwealth portion of the annual entitlement under the Australian Education Act for each school they operate. This advice allowed schools and systems to have sufficient funding certainty to plan for the 2014 school year. Any schools or systems that have questions about their funding are, as always, able to contact the department. The final determination of funding entitlements, again, as always, will be made after the 2014 school census data is available later this year. At this point, if any outstanding issues cannot be resolved through the normal process, a formal review process can also be initiated, again, consistent with past practice.

Commonwealth recurrent funding has been assured for the period 2014 to 2017. For arrangements beyond 2017, the government has committed to working cooperatively with the states and territories and the non-government sector to deliver sensible and stable funding and will draw on planned review processes for loadings and indexation scheduled to occur during 2014 to commence discussions with states and territories on funding arrangements to apply from 2018. Those scheduled review processes are consistent with decisions by the previous government as well. This will include working with state and territory and non-government educational authorities to develop appropriate funding for students with disability that is needs based and will support the level of adjustment provided for a student in accordance with the Disability Standards for Education 2005. States, territories and non-government authorities were advised of the government's intention to begin these planned review processes for the loadings and indexation in January 2014. Authorities were also advised of the government's commitment to recognising the responsibility of states and school systems for the operation and management of their schools, including determining the distribution of funding to their schools.

The Australian government is committed to pursuing the national interests of achieving a world-class education system that equips Australian school children to succeed in an increasingly competitive world. It is committed to working with all key stakeholders to address the reform challenges facing schools and to reducing the regulatory burden in the education system. In related accountability and transparency, the Commonwealth is committed to restoring the balance between Commonwealth and state responsibility regarding school education and to respect the states' role of regulating and managing schools within their own jurisdictions. States and territories are currently required to report achievement in line with the Council of Australian Government targets, including through national reporting of performance data. This will not change; it will be retained. However, the government will also work with states and territories and the non-government sector to identify opportunities to streamline existing data collections and reporting requirements where possible.

In a 'student first' policy, the government committed to amend the Australian Education Act to reduce regulatory burden and to ensure that states and territories remain responsible for schools and that non-government schools maintain their independence and autonomy. The government is committed to ensuring that future arrangements with all states and territories are directed towards achieving better education outcomes. It will work with educational authorities to deliver reforms in four areas, the four pillars, which the evidence shows have a positive impact on student outcomes: quality teaching, principal autonomy, engaging parents in education and strengthening the curriculum.

CHAIR: Thank you very much. Committee members will probably have questions across quite a range of areas. I propose to start my questions with respect to some of the issues that you have raised in this statement and then we might move beyond there, if senators want to give me an indication as to who would like to be next. I suggest that Senator Wright follow me, then Senator McKenzie and then we will move around to the other senators. I want to go firstly to your statement about the reinstatement of \$1.2 billion at the Mid-Year Economic and Fiscal Outlook. Is there one element of that paragraph missing saying that those funds were to be made available to Queensland, the Northern Territory and Western Australia for the next four years had they agreed to the conditions in the model?

Mr Cook: Sorry, but you will have to help me with the question again.

CHAIR: You used the word 'reinstatement' with regard to the \$1.2 billion at the Mid-Year Economic and Fiscal Outlook. My understanding of the Mid-Year Economic and Fiscal Outlook was that it provided such funding provisional on those states signing up to the model. Is that not the case?

Mr Cook: My understanding from the advice we have received from Treasury was that in that statement and, subsequently, in PEFO, which explained that the not-for-publication explanation that was in the original economic statement in August and which totalled \$1.2 billion went back into consolidated revenue. That was my understanding of what Treasury had indicated. So I guess I cannot comment on what the previous government might have then done in terms of agreements or otherwise with those three states.

CHAIR: I am not asking you a hypothetical; I am asking you on what conditions it was originally provided for in MYEFO? Was it not the case that, at least at that point in time, that money was provided for those states that signed up to the model?

Mr Cook: What went in MYEFO was the funding that would equate under the previous government for schools that were part of the funding agreement. That is correct. That calculation is based on the formula in the act and the loadings that would have applied to Queensland, Western Australia and the Northern Territory.

CHAIR: So that formula included, for example, the \$2-for-\$1 contribution, correct?

Mr Cook: That formula only applies to the act. The act is only about Commonwealth funding.

CHAIR: Okay, so it does not stipulate the proposed contributions from state and Commonwealth.

Mr Cook: Correct. That is only a funding calculation.

CHAIR: Okay. It leads to what I think is a fairly critical question at the moment, particularly in my mind after I have seen the Australian Education (Participating States and Territories) Determination 2014, is how many classes of states we currently have. Do we have participating states that we propose be subject to this determination, other participating states for reasons unknown not subject to this determination and non-participating states?

Mr Cook: We have two classes—participating states and non-participating states—as defined in the act.

CHAIR: So why does this determination not include all of the participating states as defined in the act—principally Victoria and Tasmania?

Mr Cook: Victoria and Tasmania have not actually signed bilateral agreements. Within the scope of the act, a participating state has signed the National Education Reform Agreement and has also signed a bilateral agreement to accompany the NERA. Victoria and Tasmania have not signed a bilateral agreement.

CHAIR: Have not or have not yet?

Mr Cook: There was a date. The date was by the end of 2013, and they have not signed a bilateral agreement. There has not been a countersign between governments in relation to a bilateral agreement.

CHAIR: Okay. So that inability for them to be subject to this determination has what consequences?

Mr Cook: The consequence is they are a non-participating state. They have been advised of that in letter correspondence between ministers. What that means in terms of the act is that the minister determines what level of funding those two states will receive. The minister's determination for those two states as well as other non-participating states, which are Queensland, the Northern Territory and Western Australia, is to apply the funding model to those particular states. So they are effectively receiving funding as if they were participating states but, in terms of the mechanism of the act, they are defined as non-participating states because they do not meet the requirements of a participating state in the act: you are a signatory to the NERA and have also agreed and signed bilateral agreements.

CHAIR: From the Commonwealth's point of view, what then distinguishes those states from the non-participating states?

Mr Cook: Which states are we talking about now?

CHAIR: What is the distinction between Victoria and Tasmania as compared to Western Australia, the Northern Territory and Queensland?

Mr Cook: There is no distinction in the sense that they are all non-participating states. The reason that Victoria and Tasmania are non-participating states is, again, that they do not meet the requirements under the act to have signed both NERA and a bilateral agreement.

CHAIR: A bilateral agreement signed by a particular date?

Mr Cook: That is right.

CHAIR: What was the date again?

Mr Cook: It was in the act itself; I think it was by 1 January 2014.

Mr Hehir: That is correct.

CHAIR: All right. For all other purposes, from the Commonwealth's point of view, there is not a distinction in the amount of funding that they will receive given the—in your words, but in my view incorrectly stated—'reinstatement' of \$1.2 billion. But for school students in those states I am assuming—and correct me if I am wrong, please—that the states of Victoria and Tasmania are still honouring their commitment to the contributions that were agreed to.

Mr Cook: That is my understanding for those states: that over the four-year period they will be meeting, from state funding, the contribution they had discussed with the previous government. That is my understanding.

CHAIR: Despite not having a signed bilateral agreement?

Mr Cook: That is right. They have a NERA, and part of the NERA had a funding schedule attached to it, so my understanding is that the Victorian Minister for Education, for example, publicly said that they will continue to meet that commitment. But, again, for the purposes of the act, to be defined as a participating state they have to have signed both the NERA and the bilateral agreement.

CHAIR: So what is covered in the bilateral agreement?

Mr Cook: Certainly the funding schedule. The bilateral agreement is made up of three parts: the heads of agreement, the funding schedule—which actually outlines on a year-by-year basis what the funding contribution will be to both the government sector and the non-government sector—

CHAIR: Now you have me confused, because there is a heads of agreement for Victoria, isn't there?

Mr Cook: That is right, but the heads of agreement is not the total bilateral agreement; the heads of agreement is the high-level document that the previous government developed to sign with states and territories. So they signed two things: they signed a heads of agreement, which was a high-level document, and they signed the NERA.

CHAIR: Which included the funding schedule.

Mr Cook: There was effectively an exchange of letters. What happens then is that that exchange of letters is turned into part 2 of the bilateral agreement, which is the funding schedule, effectively.

CHAIR: Which they have essentially already signed as part of the NERA.

Mr Cook: The exchange of letters—that is right. Then part 3 was the implementation plan, so part 3 was outlining, in terms of the National Plan for School Improvement that the previous government had identified, what the state or territory was going to do around each of those areas of reform.

CHAIR: So then the Commonwealth currently has no implementation plan for Tasmania and Victoria—is that so?

Mr Cook: That is right: there is no bilateral agreement, which includes all those three parts as a single document. The thing that particularly was missing was the implementation plans; that is correct.

CHAIR: Okay. And we have implementation plans for New South Wales?

Mr Cook: That is correct.

CHAIR: Who else do we have participating? South Australia.

Mr Cook: New South Wales, South Australia—

CHAIR: The ACT.

Mr Cook: The ACT—three.

CHAIR: We have those implementation plans—okay. So that the committee can understand these various aspects of—

Mr Cook: Just one correction—sorry. We do not have agreed implementation plans. I will have to take it on notice, but I understand that Tasmania may have sent an implementation plan in—possibly during the caretaker period—which was never agreed to by the previous government. But I have to take that on notice. I just want to check to make sure I am correct.

CHAIR: During whose caretaker period?

Mr Cook: During the caretaker period of August last year, so there was no minister to sign an implementation plan. I would have to go back and just confirm that.

CHAIR: Could that be the only thing that is holding up them having a bilateral agreement?

Mr Cook: That was the previous government then, so the new government's view about bilateral agreements or otherwise is the decision of the new government.

CHAIR: Yes, but if the act requires a bilateral agreement by 1 January 2014—

Mr Cook: Agreed between both governments.

CHAIR: agreed between both governments—and if during caretaker there was the incapacity to sign that and a new government failed to reach agreement, that could be one reason why there is no such bilateral agreement. Is that right?

Mr Cook: It could be. I will take the timing on notice, as I just took that one to clarify when it happened for Tasmania. The question for an incoming government is that the bilateral agreement was based on a previous government's priorities.

CHAIR: So what of all of this is currently publicly available?

Mr Cook: In terms of heads of agreement? I am pretty sure they are all available on the COAG website, but again I would have to take it on notice.

CHAIR: Would you expect to find a New South Wales heads of agreement on the COAG website?

Mr Cook: The normal practice would be that when heads of agreements and bilateral agreements are countersigned between both governments—which involve first ministers, as it did in this case—then they would normally be found on the COAG website. I must admit I have not looked at the COAG website recently and so I would have to check that.

CHAIR: I do not want to waste anyone's time, but what I would like for the committee's purposes is to have all the relevant data available to the committee on what agreements are in place. Some of this may or may not be publicly available, and, to the extent that it is not, the committee will want to frame a request for further information.

Mr Cook: Certainly the NERA is publicly available; but—short of someone jumping on an iPad now—we can certainly make the information available. We are happy to take it on notice.

CHAIR: Does that also include the implementation plans for New South Wales, the ACT—

Mr Cook: They would be part of the bilateral agreement, which I am assuming is public on the COAG website, but, again, we can take that on notice.

CHAIR: You have also taken on notice the Tasmanian—

Mr Cook: The timing around that—that is correct.

CHAIR: It would depend on whether there is a yet-to-be-agreed implementation plan for Tasmania. I am assuming you will have some difficulties providing us with that if it has not been agreed.

Mr Cook: Again, we will take it on notice and we will see if the document exists. I honestly cannot recall whether it came in or not.

CHAIR: If Tasmania or Victoria choose not to honour the commitments on the NERA, where does that leave us?

Mr Cook: That is a little speculative. All that I am aware of is—and as recently as yesterday the press was reporting—that Tasmanian and Victorian ministers have committed to the funding over the period that they agreed to with the previous government. That is my understanding.

CHAIR: I am not asking you to speculate, but I am asking for advice on this. Were we to have a change of government in Victoria and a new minister determines that they are not going to honour the commitments in the NERA, where does that leave the Commonwealth?

Mr Cook: The Commonwealth has been very clear that in terms of Commonwealth funding the commitment is for four years. The Commonwealth has been very clear that from 2014 to 2017 the funding envelope will match the funding envelope of the former federal government, and that is what is demonstrated through MYEFO.

CHAIR: I understand from the point of view of funding from the Commonwealth. Perhaps we would have been in a different world if non-participating states had been provided funding—and we will get to under what conditions. Essentially, I am trying to understand what this determination actually achieves? It doesn't help us secure the arrangements under the NERA or guarantee the funding those states committed to. What does the determination achieve if it cannot capture the two states for which we have agreed contributions under the NERA?

Mr Cook: The determination talks about Commonwealth funding, as it always would do, and that determination makes it very clear that the Australian government is committing to implementing for the next four years the loadings and the student prices identified in the act. As I indicated, in terms of those two states—Tasmania and Victoria—I can only speak about their ministers' public comments. The ministers have said they will match the commitment which was outlined in the National Education Reform Agreement that their first ministers had signed.

CHAIR: Is the Commonwealth in a stronger position around that matching for states that have signed a bilateral agreement or not?

Mr Cook: In terms of the act, the act refers to relevant agreements, and the relevant agreements are the National Education Reform Agreement and the bilateral agreements. I am not sure whether it is a stronger position. In terms of the National Education Reform Agreement those two states have signed. I guess the issue really becomes whether they are participating or non-participating states to a large degree. That is the differentiation, I guess. But in terms of Victoria and Tasmania, I do not think there is any notion of stronger or weaker from the Commonwealth's perspective around their state contribution over the four years. They are simply defined as non-participating states under the act because they have not met the conditions to be participating.

CHAIR: Even though they are all senses at this point in time participating.

Mr Cook: The minister has deemed that in terms of their funding they would get the funding that is reflected through the models in the act. I do not think it is a notion of Commonwealth being stronger or weaker, I think it is purely about the fact that they signed NERA and my understanding is that both those states have indicated that in terms of the NERA they will continue to provide that level of funding from a state perspective that they indicated.

Mr Hehir: It is probably worthwhile noting that the relevant arrangements that are referred to in the act, the minister has to have regard to or cannot being inconsistent with various points in the act, is actually in relation to the calculation of Australian government funding. There is no power within the act to bind the states to their parts of those relevant arrangements; that power is not within the act. So when we refer to the relevant arrangements it is actually about how the Australian government calculates its funding and that it must have regard to or must not being inconsistent with its portion of those arrangements.

CHAIR: Okay. What is the difference between how the Commonwealth calculates its funding for a participating as opposed to a non-participating state?

Mr Cook: There is no difference, effectively. The minister has determined that he will use this to ensure that the minister is meeting the commitments that the government has been very clear about, that over this four-year period will match the same level of funding that was identified by the previous government. The clause I am talking about, just for interest, is clause 14.1, which talks about a participating state or territory is a party to the National Education Reform Agreement and has a bilateral agreement with the Commonwealth. That is the actual clause in the act we are talking about.

CHAIR: I go back to my original question: what is the point of this determination now?

Mr Cook: The determination is under the act, so it is a requirement for the minister under the act.

CHAIR: But was it a requirement for the minister under the act when the act had in effect differential arrangements for participating and non-participating states so far as the Commonwealth funding component was concerned? And is this no longer the case?

Mr Cook: No, the act is the act. There have been no changes to the act.

CHAIR: I understand that.

Mr Cook: Under the act the minister is required to determine the funding for both participating and non-participating states, and that is what the determination is about.

CHAIR: Also in your opening statement you refer to the current review processes as being consistent with those that had been previously established. Are there any changes in timing or time frame?

Mr Cook: Not the best of my knowledge. I think the minister has been quite consistent. We might start working on terms of reference earlier but my understanding is that in terms of the NERA itself—I am looking at the NERA in terms of review points—it talks about student disability consideration by 1 January 2015, English language proficiency would be the same, indexation review completed by March 2015. They are all part of the NERA and my understanding is that the information the minister sent out to his counterparts was consistent with that.

CHAIR: Has the scope of the indexation review changed to be looking at needs based funding issues?

Mr Cook: No, there has been no change to that.

CHAIR: This is my final question picking up on some of the issues raised in your opening statement, and I will probably come back to some other questions a bit later. On the schools autonomy issue and the students first policy, can you explain to the committee how the school autonomy arrangements that were envisaged under the NERA now relate to the minister's new independent public school arrangements, and indeed what those conditions are?

Mr Cook: As you would be aware, the minister announced the independent public school initiative on, I think, 3 February. At that point, every state and territory education minister other than South Australia's had expressed

interest in participating in that initiative. The minister wrote to all states and territories late last year, asking them to indicate their interest in participating. All states and territories other than South Australia, at this point, have indicated a willingness to participate. Our work in the department is now to work with each state and territory to develop a model of implementation in their state, because autonomy is quite different from state to state.

CHAIR: Going back to the letter that the minister wrote around autonomy, school autonomy is quite a different thing from independent public schools.

Mr Cook: Independent public school, I guess, is a label—

CHAIR: How was it initially couched?

Mr Cook: Last year, the minister took a paper to standing council and outlined the five principles that this would be based on. I am going to have to remember them. The principles were about, effectively, a single budget line—giving principals flexibility to make decisions around their own budget, rather than having what we used to call tied funding. In the good old days, when I was in Queensland working in a school, the budget in my school would sometimes arrive and say that this amount of \$250,000 was tied for use only for physical education, and I had to acquit that every year. I could not use it for languages if I had children who had literacy problems. It is about a single budget, so that the principal has authority around that.

The second one was around staffing. That is based on giving schools more flexibility around making decisions on their own staffing. That is really quite different across states and territories at the moment. The minister has made it clear that his goal is to work with states and territories about where they are up to and the funding that is available to assist them to take things further. The Victorian minister, for example, has indicated that even though Victoria has quite a devolved system they have things they want to do to support their principals or their school communities to go further. In some states and territories, the level—

CHAIR: In Victoria they have never referred to independent public schools.

Mr Cook: They have talked about school autonomy—that's right.

CHAIR: Exactly.

Mr Cook: In some states and territories the issue around staffing is that it may be differential. In New South Wales their proposal into the future for their work is to give school principals 70 per cent, I think it is, flexibility over staffing, because they have picked up some quite important issues. Coming from Queensland, I would say the same and I am sure senator McKenzie would say the same about rural and remote. Sometimes there are challenges about giving full autonomy around staffing, because sometimes you actually cannot get staff to your school unless there is a centrally driven staffing model to, dare I say it, require people to go to some of those schools. So staffing is the second one.

CHAIR: Sorry, Mr Cook, other committee members may want to come back to this, but we have limited time and I do not want to spend too much time on the elements of school autonomy, as important as those issues are. I think you have fleshed out my query, which is that the Commonwealth is not necessarily talking about independent public schools, but the minister was interested in furthering the work that had previously been done around school autonomy.

Mr Cook: Yes, I guess. To clarify, independent public schools is the title of the initiative but it is actually school autonomy. The minister is quite clear around that. In the four pillars the talks about school and principal autonomy. Some states and territories have an initiative called 'independent public schools', which is their initiative to promote school autonomy.

CHAIR: Is that how the initiative was described in that paper to the standing council?

Mr Cook: It was titled 'Independent public schools', as in their election commitment—

CHAIR: It was at the time.

Mr Cook: because it was very clearly an election commitment. It outlined the five things that I was working through a little bit laboriously; it outlines those five principles.

CHAIR: For Queensland, Northern Territory and Western Australia, what conditions, if any, apply to the \$1.2 billion that has been, in your words, described, I think, incorrectly as reinstated?

Mr Cook: The minister, in his correspondence to those three states, provided information to them about the level of funding they would get over the forward estimates. My understanding is that in that letter he talked about an expectation that they maintain their state funding levels over the forward estimates as well. But in terms of other expectations down to the level of requirements around reform there are no expectations on those states. Those states have their own reform programs, which those states will continue to implement.

CHAIR: So there is no expectation of a contribution that would help schools move towards an SRS?

Mr Cook: As I indicated, the minister indicated in his letter an expectation that they continue their state level of funding over the forward estimates as well.

CHAIR: But that is not the same as additional funding on the two-for-one arrangements that were part of the NERA that would bring that state and the schools in that state towards an SRS, is it?

Mr Cook: I think the government has been quite clear that the government, in terms of Commonwealth funding, is matching the offer that was made by the previous government, but in terms of requiring those three states to co-contribute per se, they have made it quite clear that those are the decisions of those states and territories in terms of what they do with their own state funding. It is a sovereignty issue, not an issue for the Commonwealth, in relation to their funding. But, as I said, the minister was quite clear in his letter that his personal expectation was that those states and territories—

CHAIR: Sorry—a personal expectation—

Mr Cook: Well, in that he wrote the letter and his expectation was that those states and territories would maintain their level of state funding across the forward estimates.

CHAIR: But there is a difference between maintaining their level of funding and increasing their level of funding to match the additional funds coming from the Commonwealth.

Mr Cook: Well, no-one is matching the level of funding coming from the Commonwealth.

CHAIR: Well, that is essentially what the two-for-one—

Mr Cook: Well, that is not matching. There is an agreement that the government held around that, and my understanding is that those states that had signed that NERA have an intention to continue to do that.

CHAIR: That is right.

Mr Cook: But the government has been very, very clear about the fact that in terms of those three states and territories the additional Commonwealth funding has been provided—

CHAIR: Unconditionally in terms of a contribution, yes.

Mr Cook: What those three states and territories do in terms of their own state funding is a matter for those states and territories.

CHAIR: The confusing thing here, though, is that the minister has been saying that we now have a national plan, but what you have just highlighted is that in three of those states the plan to move all Australian schools towards a student resource standard is not going to occur in those three states.

Mr Cook: In terms of Commonwealth funding we have a consistent national approach to funding.

CHAIR: Yes, but we do not have a consistent national approach for all states to move towards a student resource standard.

Mr Cook: We never had a nationally consistent approach for all states to move to a resource standard. Some were moving faster than others, some were not reaching the amount that the previous government might have wished by 2019. We have five different agreements around five different transition mechanisms, whereas what we have now, from a Commonwealth perspective, is that all state and territories are funded using the same funding mechanism from a loadings perspective and also a student price perspective. But, as you may be aware, even under the previous government not all states were going to be reaching the same point.

CHAIR: That is right.

Mr Cook: Every year not all states were not going to be reaching the same point, even in 2019, and no state or territory other than the ACT was going to be reaching the full SRS. So, by 2019 no-one other than the ACT, which was already above the SRS, was going to reach the SRS.

CHAIR: But where will these other states be? We have no sense.

Mr Cook: In terms of Commonwealth funding we have a sense, because, again, this is about the Commonwealth act and what the Commonwealth contribution will be. As for where the other states—as in Queensland, the Northern Territory, and WA—would be in terms of their state contribution, I have no forward view of that.

CHAIR: Well, Mr Cook, I think you and I have a fundamental difference in what this is about. This school funding select committee is about school funding, not just Commonwealth school funding. And the capacity to avoid the erosion in school funding that was occurring in some states was one component of the reform agenda.

So let me conclude my questions at this stage on the AGSRC. What were the Commonwealth's projections on where the AGSRC was heading?

Mr Cook: My understanding is that based on data we received from states and territories last year, the projection from 2014 I am pretty sure was around three per cent.

CHAIR: Three per cent, so where had it been in 2013?

Mr Cook: I am going to take this on notice.

CHAIR: I think we have a briefing paper which has—

Mr Cook: I think it was four. I am happy to take it on notice. Sorry, I do not have that.

CHAIR: We do not have 2013; we have only 2012. We are down to 3.9.

Mr Cook: We announced it in September last year and I am pretty sure it was four per cent.

CHAIR: For 2013?

Mr Cook: That is correct.

CHAIR: It was 7.7 in 2010, six in 2011, 3.9 in 2012, four in 2013 and we are anticipating it would drop down to three and 2014?

Mr Cook: That is my understanding.

CHAIR: Were there any projections beyond 2014?

Mr Cook: I think projections were up to 2017 and I think it was consistent at three per cent up to 2017.

Mr Hehir: That is correct.

Mr Cook: Again, based on information from state and territory treasuries.

CHAIR: You have an opportunity to correct if you are not quite spot on with that. I would ask you to check that as well.

Mr Cook: I am happy to take that on notice.

CHAIR: If I recall correctly, there was a view that, while it moved around quite a bit, on average it usually sat at about five. Was that the average?

Mr Cook: Yes. 5.6 per cent was what was used in the budget process. Commonwealth funding in budget papers was, up to this year, based on a 5.6 projection.

CHAIR: And then that was looking at moving forward to 2017. We were looking at that dropping down to three per cent.

Mr Cook: If AGSRC continued. Of course, AGSRC stopped as at the start of this year.

CHAIR: Yes. That was one of the motivations for finding a new funding mode, so that both Commonwealth and states would continue to invest in school funding.

Mr Cook: As I said, in terms of Commonwealth funding, the projection was three per cent. If the change around budget papers occurred, that was a matter for Treasury more than a matter from me. But as you are aware, what normally happens in a budgetary process is that a figure is landed, that figure is built into the budget papers and then there are adjustments backwards and forwards and, depending on the final outcome, the final outcome of AGSRC.

Senator WRIGHT: This is hellishly complicated, is it not? I am going to jump around a little bit but if I can ask you, Mr Cook, to come back to the issue of school autonomy/independent public schools, because their terms of—it seems to me a lot of us are trying to work out what they mean. Certainly the two terms have been used interchangeably, so I am really keen to understand the minister's agenda here. You started going through the five principles—we have two of them. Can you outline the other three but not in any great detail at this stage. To run through what they were, we had single budget line for principles, staffing. What were the other three?

Mr Cook: The other three—and I might get four of the five—I might have to take on notice. I think we might have taken this on notice at the last Senate estimates, so I should know it. The others are greater say and authority around capital in their school—provision of new buildings and those sorts of things—and certainly greater engagement with school parents and the school community. I am going to have to take the fifth one on notice—I am terribly sorry.

Senator WRIGHT: Thank you. We have a bit more time, so maybe someone can get back to you.

Mr Cook: Sure.

Senator WRIGHT: We might come back to look at those in more detail and look at what they mean. I just want to finish the five points in my mind.

Mr Cook: No problems at all.

Senator WRIGHT: If I could take you back now to the discussion you were having with Senator Collins about the \$1.2 billion that the government has decided to pay to Queensland, Western Australia and the Northern Territory and the conditions or lack of conditions that are attached to that funding. Really the only condition of the funding that you outlined, it seems to me, was the personal expectation contained in the letter from the education minister to those state and territory governments that they would maintain the state funding levels that they were currently investing in education. That is a personal expectation. That is all very well, but it seems to me from what you are saying that there is no legal sanction and no way to enforce that. It is just that I guess the minister would be pretty disappointed if they resiled from that level of funding. Is that right?

Mr Cook: To reiterate, the government and the minister have been quite clear that in terms of states and territories, particularly those three states and territories, state school funding is a matter for them—that is correct—and the government is not intervening in their decisions as to how they use their state funding for schools.

To clarify—Mr Hehir has just helped me—under the Australian Education Act there are policy requirements for everyone who is receiving any level of Commonwealth funding. Section 22, I think it is, talks about conditions of financial assistance. It outlines the policy things that every state and territory and the non-government sector would be required to commit to to get payments from the Commonwealth. They include things like supporting the work of the national institutions—ACARA, AITSL—around teacher improvement, improving the quality of teaching, and addressing Aboriginal and Torres Strait Islander educational disadvantage. So it is not as if there are no requirements whatsoever from a policy perspective. They do exist in the act and every state—Queensland, the Northern Territory and WA, as well as every other state and the non-government sector—would be required to be able to demonstrate those things as well.

Senator WRIGHT: What would be a sanction if they failed to adhere to those policy principles?

Mr Cook: That would be a matter for the minister.

Senator WRIGHT: What legal sanction would there be?

Mr Cook: There is an outline in the act itself. I will get Mr Hehir to talk about that.

Mr Hehir: That is right. There are some options as to how the minister can respond.

Mr Cook: Part 8 of the act is 'Actions minister may take for failure to comply with the act'. It makes quite clear what some of those things are. Mr Hehir, I might just ask you to outline some of those things.

Mr Hehir: First of all, it is important to note that there is quite a process in working through whether someone has complied or not complied. But broadly there are opportunities around reducing a payment or stopping a payment altogether, recognising, of course, that any response has to be proportional to the breach. So the last one is highly, highly unlikely to occur unless there is a very, very significant breach. But there are a range of options that the minister is able to look at.

Mr Cook: Section 110 of the act, 'Actions the minister may take', outlines quite clearly what actions the minister may take if he feels there is a failure to comply with the act itself.

Senator WRIGHT: Thank you for that. I do not have the act in front of me but while we are discussing it I will get it up in a minute. It may be that after we have other questions later I might be able to come back to that.

Mr Hehir: Largely, they are the reduction of a payment, the delay of a payment or a request for repayment of a payment.

Senator WRIGHT: In a sense that was talking about the minister's personal expectation in relation to the level of funding that states would commit to education, but I am interested in knowing to what extent there are conditions attached. I am not talking about the actual quantum of the funding but the way that the funding is then distributed in government schools in those states and territories. Is there any condition at all that those funds be distributed in accordance with the needs based funding principles that were at the basis of these initial reforms?

Mr Cook: You mean those three states—Queensland, WA and the Northern Territory?

Senator WRIGHT: Yes, I am talking about the non-participating jurisdictions—those two states and that territory.

Mr Cook: Sure, absolutely. So, again, in terms of Commonwealth funding, the Commonwealth funding for those three states has been determined based on the needs-based funding model that is outlined in the act. That

Commonwealth funding will go directly to those states, as you are well aware. It is then the decision of those states and territories as to how they distribute that funding for their government schools, using their own funding arrangements. There has been no requirement for them to define their funding arrangements consistent with what is in the act.

Having said that, I can say—having worked with those three states—that those three states do have a level of needs-based funding in their own state-based funding arrangements. But no state or territory, even those states or territories that have signed up to the National Education Reform Agreement, is reflecting exactly the model that is in the Australian Education Act in their funding model for their government schools.

Senator WRIGHT: So essentially there is no requirement for any state or territory, irrespective of whether they are a participating or non-participating state or territory, to distribute the funding they receive from the Commonwealth in accordance with the needs-based funding principles that were originally envisaged when the Australian Education Act was passed.

Mr Cook: That is not correct. For those states that have signed the National Education Reform Agreement, they have agreed to implement a needs-based funding model that broadly reflects the same principles—that is actually outlined in the National Education Reform Agreement, so those words are in the NERA. The clarification I was making was that they are not using the exact same formulas, for example around Indigenous students or even students with disability, that appear in the Australian Education Act. There is not a single needs-based funding model that is applying to all schools. In New South Wales, for example, the model that they are using to distribute funding to their children with disability would be different to the model that Victoria is using, which is different to the model that is in the Australian Education Act, but they are all providing funding for the disadvantage of disability.

Senator WRIGHT: What about the three participating entities: South Australia, New South Wales and the ACT? Are they adhering to the principles in the Australian Education Act, in terms of the needs-based funding—that formula?

Mr Cook: They are not using the formula, no; but they have adhered to the principles of a needs-based funding act. In the actual NERA itself—and I can probably jump to a clause reference there too—those people who have signed the NERA have agreed to implement at their state level a needs-based funding model, based on the principles of the model in the act. But they will not identically pick up the model in the act and apply it religiously.

Senator WRIGHT: I am going to jump around a bit. I am sorry, I just realised I missed one question I wanted to ask you. I wanted you to clarify: you said that when the minister wrote to the states and territories about his plan for 'school autonomy' or 'independent public schools'—I was not quite clear on that. You also said that there had been indications, I think from all states—I do not want to misquote you, so please correct me if I am wrong—that they are willing to participate, except South Australia.

Mr Cook: South Australia sought further information, which I understand has been provided.

Senator WRIGHT: I just want to clarify, because my understanding was that the minister for education, Mr Piccoli, in New South Wales actually distanced himself from that assertion and that in fact New South Wales was not necessarily agreeing to that thrust towards more school autonomy or independent public schools.

Mr Cook: I think the clarification is that Minister Piccoli indicated he had not signed an agreement between New South Wales and the Commonwealth, but we have a letter from Minister Piccoli that indicates his interest in working with the Commonwealth around this initiative. So the work departments will be developing proposals that each state and territory would submit the Commonwealth. At that point, which I think will be over the next six or seven weeks, there will be a decision between two ministers about signing what that actual proposal is and therefore the money would flow. I think it was just the differentiation language about signing. There is no document that anyone has signed, but every state and territory other than South Australia has been positive to indicate they want to work with the Commonwealth around developing up a proposal.

Senator WRIGHT: That is interesting, because certainly the impression I had from the statements in the media—and that is all that I know—was that he was not necessarily enamoured of the idea of going down that track at all. I guess we can try to clarify that further in the public debate.

I am indebted to the secretariat for some of these questions because, as I said, this is hellishly complicated, I think, for most of us to understand. It is obviously really important for this committee to get our heads around it, and then for the public to do so as well. I am hoping that I am not going to repeat some of the questions that have already been asked, but it would help me to go through this in a systematic way.

Can you outline how the Commonwealth has calculated the quantum of its funding for each of the following types of schools in 2014: government schools in participating jurisdictions; government schools in non-participating jurisdictions; Catholic and other systemic non-government schools; and independent non-systemic schools.

Mr Cook: Effectively, the Commonwealth has taken the formula as prescribed in the act, which includes the transition rates that were agreed by previous Australian governments and state and territory governments that signed up to the National Education Reform Agreement. From a state perspective for government schools, it has been calculated on a system level—so the entirety of, for example, Queensland, the Northern Territory or Victoria—what it looks like for a particular state. Then a single payment goes to that state for their government schools. There will be 12 of those payments per year—one every month—with adjustments as need be when enrolment and census data comes through. Then that state government will make their decision as to how to distribute that funding as well as their own state funding to their individual government schools.

It is a similar approach for Catholic systemic schools that are part of the system in each individual state and territory. The funding goes through the state Treasury in those states. That money is then handed over to the Catholic Education Commission of that state as a single cheque, and the Catholic Education Commission of that state will distribute money to their schools based on a needs based formula that they have for their particular schools. In some states in the Catholic system that goes down to quite a detailed level. It sometimes goes down to a diocesan level. Then the diocese makes the decision around funding allocation to their schools.

Then you have the independent—

Senator WRIGHT: Before you go on, can I just clarify something, please. The question was about calculating the quantum, but you are also describing the mechanism for distribution. Thank you for that. That is certainly helpful. In terms of the government schools in both participating in non-participating jurisdictions, is it the same formula, the one described in the act, including transition rates agreed between states and territories that signed up to the new agreement or is there a distinction?

Mr Cook: The distinction there is that the transition for participating states is the agreed transition that was reached between the previous government and that particular state. For non-participating states—Queensland, the Northern Territory and WA—the transition is one-sixth, one-sixth and one-sixth. And Victoria, sorry.

Senator WRIGHT: I was going to say. Thanks for the clarification. Is it the same formula that is being used for the Catholic and other systemic non-government schools? How is that quantity calculated?

Mr Cook: It is the same formula that is applied in the act. The only thing that is different for Catholic and independent schools is the fact that they have the capacity to contribute part of the formula, which does not apply to government schools.

That capacity contribution applies just to the student price, not to the loadings, so an Indigenous student in a Catholic school would receive the same level of funding as an Indigenous student in a government school. But the capacity contribute applies to the per-student amount—the \$9,000 for primary, for example. If you are an independent school which has an SES score of 125 or greater, you will get a public contribution of 20 per cent of the \$9,000. If you are a low-SES school—93 or below—from the independent sector, you would get 90 per cent of the \$9,000.

Senator WRIGHT: So that formula is applied universally and is in relation to the SES of the school?

Mr Cook: That is correct. But, in terms of the Catholic system, that applies at a state level. In New South Wales, for example, the way the formula operates is that every Catholic school in New South Wales is defined as having the same SES score—which I think is 101—and that would be applied to all Catholic systemic schools in New South Wales.

Senator WRIGHT: How is that decision derived? Was that a decision of the state government that the Commonwealth government is agreeing to?

Mr Cook: That was a decision of the former Commonwealth government.

Senator WRIGHT: And that is the case in relation to all systemic schools or only Catholic systemic schools?

Mr Cook: It is systemic Catholic schools and those independent systemic authorities that requested the same treatment.

Senator WRIGHT: Only those that requested the same treatment?

Mr Cook: That is right. Some independent authorities actively decided they did not want to be treated that way and some independent authorities have decided they do want to have that same formula applied in terms of

looking at all their schools, effectively identifying what the average SES is for those schools and applying that to each of their schools in their sector.

Senator WRIGHT: And they have the ability to decide when they get the bucket of funding and how they apply that?

Mr Cook: That is right. It is under a needs based funding formula.

Senator WRIGHT: Does it have to be under a needs based funding formula?

Mr Cook: I think some of those may have reached agreement for their formula under the previous government. The previous government requested that the models of those states that signed up, such as Victoria and South Australia, be assessed by the department to accredit them as needs based funding models. If this has been reached with some of the independent authorities under the previous government, we would have done the same thing.

Senator WRIGHT: So that average SES score for the Catholic systemic schools applies across all the states? In Queensland or Western Australia they would also have one SES score attributed to the Catholic systemic schools?

Mr Cook: That is correct.

Senator WRIGHT: I know I interrupted you, but I think it is important for me to try to be clear as we go through this. Thank you for that. You were in the middle of answering a question about calculating the quantum. We have now established how that is done with Catholic and other systemic non-government schools. In some cases there will be systemic non-government schools that have requested to have an average SES; how else would the quantum be calculated if they do not do that? Would it be on the basis of looking at every SES score of every school within that system and working out funding on that basis?

Mr Cook: If we talk about schools that are not part of systems—

Senator WRIGHT: No, I am talking about schools that are part of systems. They are non-government schools that are not part of the Catholic systems. They are those systemic non-government schools that have not requested to be assigned an average SES.

Senator WRIGHT: The individual SES score would apply for each of those schools, and their school funding would be calculated based on those individual SES scores.

Senator WRIGHT: And they would all be put into a bucket and given to the system to distribute as it sees fit?

Mr Cook: No. In that case, my understanding is we would be clear that this is what the funding allocation is for each of those schools.

Senator WRIGHT: And your expectation would be that the assistance would be distributed on that basis?

Mr Cook: Their agreement with us, effectively, is that they are distributing on that basis—that is correct.

Senator WRIGHT: What does effectively mean? I am interested in how compulsory it is.

Mr Cook: They are. I will take out 'effectively' and say they are.

Senator WRIGHT: What would be the sanction if they did not distribute on that basis?

Mr Cook: The sort of sanctions that apply in the act, in section 110, in terms of what the minister may choose to do: he may choose to withhold payments; he may choose to ask for repayments or he may choose to delay payments.

Senator WRIGHT: So they are bound by the Australian Education Act?

Mr Cook: That's correct.

Senator WRIGHT: Finally, how is the quantum calculated for the independent, non-systemic schools?

Mr Cook: That would be very similar to what I have just indicated. Each independent, non-systemic school would have their Commonwealth funding calculation, as applies under the Australian Education Act. That means that if they have a high-SES score the proportion of per-student amount they would get would be lower and if they have a low-SES score their proportion of Commonwealth funding would be higher. That line-by-line, effectively, school-by-school information is then provided to the state government, which is required pass the money directly onto the school.

Senator WRIGHT: I am still interested in what conditions the Commonwealth has attached to the funds distributed to each of the school types for 2014. Presumably there is a letter or an agreement—something—

whereby those schools hear directly about the conditions on which they are receiving funding. What are those conditions?

Mr Cook: Some of those conditions are outlined in the act, as I indicated before, in section 22 'Conditions of financial assistance' and section 77 'Ongoing policy requirements for approved authorities'. For policy conditions, those are the conditions that exist within the act.

Senator WRIGHT: Are there any other conditions?

Mr Cook: You can see the sorts of things that are there. They are required to provide information on school census information, collect data on school and school education and provide information for the purposes of research. Those are the sorts of conditions that are built into the act at the moment. Other conditions: for those states and territories that have national education reform agreements those agreements still exist.

Senator WRIGHT: Forgive my confusion about this, in your view, are those states that have not signed up technically to the bilateral agreement still bound by the NERA?

Mr Cook: They are bound by the NERA—sorry, this is all getting a bit technical—but they are not bound by the act in the sense that for a participating state the act is quite clear. The act says that to be a participating state you need to be a signatory to the NERA and you also need to a signed bilateral agreement. That is section 14(1) of the act. But in terms of what documentation exists, for Victoria and Tasmania there is an agreement, the National Education Reform Agreement, that was signed by the former Prime Minister and the premiers of those two states.

Senator WRIGHT: So you are saying that all entities are bound by section 22 instead of section 77 of the act.

Mr Cook: That is correct.

Senator WRIGHT: And then on top of that, you said, those schools that have signed up to NERA there are conditions in that—

Mr Cook: Those systems.

Senator WRIGHT: Sorry, not those schools; those systems, or those states—

Mr Cook: Governments

Senator WRIGHT: Those governments, yes. What about those that have not signed up to the NERA? What other conditions, if any, are attached to this funding?

Mr Cook: There are no conditions attached to the funding short of what is in the act.

Senator WRIGHT: Can you tell me how many implementation plans have been drawn up as required by part 7 of the Australian Education Act?

Mr Cook: The implementation plans refer to those states and territories that have signed both a national education reform agreement and a bilateral agreement. That would be the ACT, New South Wales and South Australia.

Senator WRIGHT: How many implementation plans have been drawn up? Is it one per state?

Mr Cook: That's right; so there are three.

Senator WRIGHT: Is it possible for the committee to be provided with a sample of those?

Mr Cook: That goes back to Senator Collins' question. If the bilateral agreements are public—we are taking that on notice—then those three implementation plans are part of the bilateral agreements.

CHAIR: Mr Cook, is there any reporting provided for under those plans? If so, have any reports been received to date?

Mr Cook: There is reporting as part of the NERA conditions. My understanding of the reporting is either the end of this year—they only came into place on 1 January this year—or March the following year to report on the 2014 progress. I will check.

Senator WRIGHT: It seems to me that those two states and the ACT have agreed to make a further contribution on the two-for-one agreement. Ironically, they are ultimately bound to do a lot more than those states that have not signed up. Am I right in thinking that?

Mr Cook: I think Queensland would be very clear about saying they have quite a comprehensive reform program in place and they have done a range of reforms around teacher quality—they announced Great Teachers, Great Results not so long ago. I do not think it would be fair to say that those states and territories have not got quite comprehensive reform agendas—which is kind of what an implementation is. But, in terms of the question,

are they required under a National Education Reform Agreement to report against those to the Commonwealth? At this point, the answer is no.

Senator WRIGHT: How many schools have improvement plans in place for 2014?

Mr Cook: That information is not available to me, Senator. I think the deadline for the school improvement plans under the act was the end of this year—or in place for 2015. That is information that would come from states and territories, but we do not have that information provided to us.

Senator WRIGHT: Would you be able to take that on notice and provide us with whatever information was available?

Mr Cook: I am happy to take it on notice, but I am pretty sure I will not have any information for you, because the requirement is by the start of 2015.

Senator McKENZIE: I would like to return to your opening statement as well, and, funnily enough, it is the same phrase—'the reinstatement of \$1.2 billion at MYEFO'. I would like to clarify the Commonwealth contribution to education in Queensland, Western Australia and the Northern Territory prior to the 2013 election. What was it going to be?

Mr Cook: In the budget papers for 2014-15?

Senator McKENZIE: Prior to September 2013.

Mr Hehir: Are you asking post the economic statement, Senator?

Senator McKENZIE: No, before. Under the last government, what was the projected spend for Queensland, the Northern Territory and Western Australia by the Commonwealth?

Mr Cook: I can probably give you the budget figures for 2013-14, which would be prior to the election. These are in calendar years. The total Commonwealth contribution for WA from 2014 to 2019—is there a particular period you are after?

Senator McKENZIE: I am trying to compare it to a table we have in our briefing papers—Government Recurrent Expenditure per Student (All Schools) and it is broken down into states, and it starts in 2002 and goes to 2012. We have the Australian government proportion and the state and territory government proportion. I am not sure if you have the same briefing paper, but it is page 15.

Mr Cook: No, we do not have that.

CHAIR: That is a committee briefing paper.

Senator McKENZIE: Okay.

Mr Cook: For the 2013-14 budget, the total amount of Commonwealth funding to Queensland from 2013-14 to 2016-17 was \$4.4 billion.

Senator McKENZIE: Is it possible to have that broken down per student for all schools?

Mr Cook: Yes, in fact I am sure we have that back at the office. I sought it myself today.

Senator McKENZIE: Thank you. If I could have that per year on the projections for Queensland, Western Australia and Victoria. I assume you would also have an idea of what the state and territory governments were planning to spend per student over that period.

Mr Cook: The information we can get is the information that state and territories governments did spend per student. The latest information we would have would be 2011 because that is the latest national dataset that we have.

Senator McKENZIE: I already have that. So I would just like what we had planned to spend.

Mr Cook: Okay. We have state Treasury figures for what they think their funding amounts would index, so we could put that information together which would give you a forward projection.

Senator McKENZIE: That would be great.

Senator WRIGHT: Could we have those figures across all the states and territories?

Mr Cook: Yes, we can do that.

Senator McKENZIE: Why have you used the word 'reinstatement' of the \$1.2 billion?

Mr Cook: My understanding in terms of the technical nature is that in the budget for 2013-14, the funding that was included for those three states was on the assumption that those three states would sign up. In the August economic statement there was a section which indicated the treatment of payments for non-participating states—and it was a not-for-publication statement—and that was then clarified in PEFO that the NFP totalled \$1.2 billion,

and that was removed, I guess, compared to what was allocated in the 2013-14 budget. The government looked at those decisions and made a subsequent decision that that money would be returned to schools funding because that budget went into consolidated funding and used for whatever purpose by the previous government.

Senator McKENZIE: But not necessarily towards improving educational outcomes?

Mr Cook: That is not my understanding, but I do not know how that money was then used when it was returned to consolidated funding, but it was certainly was not part of a funding agreement by the previous government.

Senator McKENZIE: So I can be clear, this was additional money tied to NERA outcomes?

Mr Cook: This money was for the purposes of the funding agreement. The \$1.2 billion was for the expected outcome that Queensland, Northern Territory and Western Australia would sign up to the National Education Reform Agreement.

Senator McKENZIE: Thank you. I want you to flesh out some of the comments around whether or not participating states reflected the needs based funding model and the arrangements that are in place to account for the fact that the education models in our various jurisdiction are on a spectrum along the various indicators under the Australian Education Act and the model itself. How do you see that occurring for participating and non-participating states?

Mr Cook: In terms of the act, it is quite clear what the formulas and definitions are in relation to the per student amount, which is \$9,000 and \$12,000 roughly, and the loadings for the six areas of disadvantage.

For those states that have signed up and also other systems, like the Catholic systems, as part of the agreement at the time, a requirement was that they submit their needs based funding models to the bureaucrats and that we would assess those needs based funding models and ask them to make changes as the case may be. As it turns out, I think there were very few cases where we actually required any changes. New South Wales, for example, had just developed the brand new schools funding model, which is a needs based funding model. South Australia is the one place that is actually using the formula exactly as it applies for their non-government sector.

Senator McKENZIE: What about the government sector?

Mr Cook: So they could have their own government funding model in South Australia that we have accredited as well. That means that everyone has effectively got a model based on principles of needs based funding and in fact what the NERA actually says—I have found the paragraph—is states and territories that are party to the national education reform agreement will implement needs based funding arrangements from the 1 January as set out in schedule A, which is actually then their bilateral agreement which explains what their needs based funding model, is in line with the principles of—and it goes through school locations, school size and those sorts of things. The formulae they are all going to use will be slightly different.

To answer for participating states or would you like—

Senator McKENZIE: I would like it for both categories.

Mr Cook: That is for participating states. For non-participating states—

Senator McKENZIE: Sorry, Mr Cook, just to clarify: for our three participating states—I have jumped on the bandwagon; we need a Venn diagram—who signed up prior to the last federal election, each have individual, unique needs based funding models according to the principles outlined in the act.

Mr Cook: That is correct, and those needs based funding models will be outlined in their signed bilateral agreements. If we—

Senator McKENZIE: I think I am going to a confusion that is probably out there in the parent community around a model. A model presupposes there is one model. Are you telling me there are multiple ways that we are skinning the needs based funding cat?

Mr Cook: That is correct in the sense of—I will differentiate between Commonwealth money and state money. The way that the Commonwealth has calculated its funding, which is sent to every state and territory, is based on a single model and that model is defined in the Australian Education Act. Then the state receives that money, and I will talk about government schools—I always pick on New South Wales, so I will talk about New South Wales. New South Wales receives that funding from the Commonwealth. They combine that with their state funding and then they allocate that to their government schools based on the funding model that they have described—

Senator McKENZIE: And that you have approved, you have ticked off on.

Mr Cook: in their bilateral agreement.

Senator McKENZIE: Excellent. Now the non-participating.

Mr Cook: The non-participating states would receive their Commonwealth funding based on the funding formula outlined in the act, so that is the same. The minister has determined it will be the same process that we use—

Senator McKENZIE: Yes, so it is the same amount.

Mr Cook: whether it be participating or non-participating. Those non-participating states then are making their decision as to how they will then allocate that to their schools, but we do not have a view of that because it is not part of an existing agreement.

Senator McKENZIE: And you have not had to approve that.

Mr Cook: That is correct.

Senator McKENZIE: As the school funding conversation is about educational outcomes, when we look at the OECD wonderful graph around expenditure as a percentage of GDP from 2008 and private and public contributions, we obviously have quite a large proportion as a private contribution. In terms of New Zealand, Mexico and Chile, which are similarly carved up, can you comment on the similarities between our four systems, if there are any?

Mr Cook: Chile, New Zealand and Mexico?

Senator McKENZIE: I will add Korea in there as well.

Mr Cook: That is quite a difficult question, I have to say.

Senator McKENZIE: I am happy for you to take it on notice.

Mr Cook: I can tell you some of the similarities and some of the differences. Some of the significant differences between Australia and some of those other countries, as it is with Australia and every other country, is the proportion of public funding that goes to the non-government sector. We are unique by nature, and it has been embraced by many governments over many years about having a government and a non-government sector.

Some of those countries would not be federation-based, like we are, with differences between Commonwealth, state and territory, those particular aspects. All of those countries would have similarities—I think all of us—focusing on some of the qualities of importance, such as teacher quality, but some of those countries will have different views from us on things like class size. In Korea, for example, class sizes will be very different from what they are in Australia.

Senator McKENZIE: Larger or smaller?

Mr Cook: Larger in Korea generally.

Senator McKENZIE: How do they rank in terms of PISA?

Mr Cook: My understanding is Korea ranks quite highly, as do many of the Asian countries which have quite large class sizes. However, they have significantly different school days as well and also some of these countries are quite large private tuition.

Senator McKENZIE: I have never been to school in Korea! Could you just let the committee know what you mean by 'different school days'?

Mr Cook: Some of these school days may be quite long for students. So they may do the regular school for six hours a day, but then they actually may stay at school and have a whole range of tutorial sessions after that, sometimes three or four hours in length. As a result, some of these students are at school between seven and nine hours a day.

Senator McKENZIE: Seven to nine hours a day, large class sizes—great PISA results.

Mr Cook: They may also have quite a substantial private tuition industry as well. In a number of Asian countries, many Asian families would be paying for their children, when they finish school, to be tutored either at the school or at home by private tutors as well.

Senator McKENZIE: You were touching on another issue which, I guess, we have traversed many times in Senate estimates, the whole nexus between quality education, student outcomes and funding, and the assumption that seems to be around that dollars equal better outcomes, better education. With the quantitative measurement being PISA, being a range of international and national tests, the evidence would suggest that more dollars, smaller class sizes, do not actually result in a better outcome in those international tests. Would that be a fair comment?

Mr Cook: It would certainly be fair to say that the link between increased funding and I guess where the threshold point for that is in improved outcomes is really quite murky. OECD has just released a recent report talking about equity, I think, which makes this very point and I am happy to make that available to the committee.

Senator McKENZIE: Thank you.

Mr Cook: This report indicates that it is about how the school or the school principal or the school community use the money available to them and how that money is used to improve outcomes as opposed to necessarily the quantum of it. Obviously, there is a level of money that everyone will need, and a needs-based funding model, as has been implemented by the government this year, does take recognition that for some groups of students or for some locations of schools additional money, because of the nature of their needs, is obviously important. But the quantum of that and, as you have indicated, the quantum of additional funding that has occurred over the last five, six or 10 years and looking at how that matches assessment results is quite difficult to find. It is difficult to find a direct cause or link between increased funding and where we are with our assessments or our results at the moment. As we know our results from the international assessments are not improving. In fact, in some cases, particularly reading and numeracy, they are going down from an international perspective. So it is really a problematic area—linking school funding.

Senator McKENZIE: Absolutely. Are there some jurisdictions internally in our wonderful federation that do better than others? Is the international perspective borne out also within our federation in terms of the states that spend X amount of money and get Y results on NAPLAN?

Mr Cook: The Australian Capital Territory, for example, in terms of the NAPLAN results, is always one of the highest performing jurisdictions. That territory provides a high level of funding in their school system. Victoria matches, in many cases, the ACT at almost the same level. Victoria has one of the lowest levels of funding per student in Australia.

Senator McKENZIE: Are there other aspects of the Victorian system and the way they fund and run their schools which research would suggest contribute to those numeracy and literacy outcomes?

Mr Cook: Victoria probably does not have some of the disadvantage which the Northern Territory and even New South Wales have, but then neither does the ACT. So Victoria would argue that they are more efficient in terms of their price—they said that to us many times in the past. They would argue they are more autonomous in that the decision is made at the local level and so they have a much smaller central bureaucracy than places like New South Wales. Therefore, the cost to run a central bureaucracy is not as great in Victoria as it might be in other places like New South Wales. Victoria would also say they are investing very heavily in teacher quality and they have had a number of programs over many years improving teacher quality, professional development and those particular areas. Victoria, as you also know, does not have a 'very remote' definition. So there are some economies of scale in that nature, but at this time, they are getting some really good results and spending less money than other states and territories which are getting comparable results.

Senator McKENZIE: Reporting data: how much work was done post 2014 in the type of start of that would be collected, are consistent it was across jurisdictions and how we can make the comparisons we need to ensure that state and Commonwealth funding in education is achieving the outcomes—apples and apples. Indigenous attendance rates and the like, under section 22, whether or not you are participating you still have to look at that particular aspect. Are we consistently collecting that data?

Mr Cook: Data quality has been a consistent issue around the schools funding model because the money is dependent upon the quality of the data. That means, therefore, from a school level assurances of the quality of the data, including things like parental occupation and the things that parents give at school enrolment time, is accurate and up-to-date to be able to inform the calculation of a low SES model. We did quite a bit of work last year in the department, particularly with the independent school sector, to examine data. In a number of cases we have had to modify that data because it did not reflect the reality of that school. Part of that is because we were using 2011 data because that is the most recent data set we have available to us. The model being implemented this year is effectively using the basis of information that is three or four years old because that is the only national data set we have available to us.

So what we attempted to do last year was work with the independent sector around whether there was some more recent 2012 or 2013 data that would help inform any adjustments we had to make to the financial model. We had many, many meetings doing that. On that basis, we sent all schools the provisional advice which said, 'This is the money you'll get, and this is the data that we've based that on.' Schools have had the opportunity to ring us and contact us—and many schools have—to say, 'That number doesn't look right,' or, 'This doesn't seem

like the right level of SES disadvantage in our school,' or whatever the case may be. We then work with that school to modify and cleanse their data.

Senator McKENZIE: Are they ever contacting you to take the number down?

Mr Cook: I am not sure about that. When we did the work last year in 2013 with the Association of Independent Schools, there were cases where the money did actually decline because the enrolment estimate was too much, or whatever the case may have been.

Senator URQUHART: You mentioned the fixed loadings. I want to seek some information—you may need to take this on notice—about how those loadings are reaching the individual schools and students that they are intended for. Do you have a breakdown of how much money is flowing to each school under each of the loadings—disability, Indigenous, remote et cetera?

Mr Cook: Independent schools receive that breakdown themselves. So we have a notification or provisional advice. They also have their own secure online financial website they can get onto which tells them what the breakdown is from a loading perspective at a school level. That is only for independent schools. Schools that are part of systems—like Queensland government schools, New South Wales government schools or Victorian Catholic systemic school—got a breakdown of the loadings at the system level. So, the New South Wales government would have got a provisional notice from us which said, 'For all of your government schools, you've received \$400 million for the Indigenous loading,' or whatever it was. But that is not broken down at a school level. That has gone to the New South Wales government because they operate as a system.

Senator URQUHART: Do you get information back to show that it is has flowed to the areas it was designed for?

Mr Cook: No. If you look at an individual school, it is the decision of a school principal as to how he or she will utilise the totality of their school budget for the purposes of their school. We do not have a requirement for them to account for whether every cent of the Indigenous loading was spent on Indigenous students. That is a decision of the school and the school community.

Senator URQUHART: Am I correct in saying that you have no record of whether or not that funding has been used for that purpose?

Mr Cook: That is correct. We have no requirement that schools account for that. What they need to account for is that they have spent that total amount of funding for educational purposes. That is part of the financial questionnaire that every independent non-government school is required to present to the government every year. The other thing we would look at, as a part of what everyone does, is the outcomes that those schools are reaching, and those outcomes are available on the My School website. So in the future we anticipate—although this is dependent on a decision of the government—that the My School website will have the breakdown of loadings for each individual school. But that would not be available for several years because there is always a two-year delay around financial data.

Senator URQUHART: Chair, I am sorry, but I have to go, so I will just leave it at that.

Senator O'NEILL: I just have a couple of quick questions. With regard to the NERA, I can see that a sample implementation plan was attached and provided with the Catholic education sector as a signatory. You indicated that we might be able to get sample plans from the states that are participating because of the public nature of those agreements. Is it possible to get a range of samples from independent schools as well?

Mr Cook: Just a clarification, the Catholic education system is not a signatory to NERA. NERA is only an agreement between state governments and the Commonwealth, so I am not quite sure—

Senator O'NEILL: I am sorry, it is in a separate appendix. I have just followed on. It is my misreading of the documents. I do have a copy of that implementation plan and my question remains: can we get sample copies of the implementation plans for the other independent schools?

Mr Cook: I am not aware of a Catholic implementation plan myself.

Mr Hehir: Under section 99 of the act, a participating authority is required to have an implementation plan. I would need to check and see whether we have received all of the implementation plans.

Mr Cook: I am happy to take it on notice and see what we have available for you.

Senator O'NEILL: With regard to the comments we have received in the press from the minister for education, we noticed some commentary to say that there would be an allocation of funding that would match the previous government's, but the language changed to say that no school would be worse off from anything the Commonwealth does. We have just had a conversation led by Senator McKenzie about the concern about the quality of reporting data, and I notice she mentioned evidence being important for informed decision making in

schools. My question is: how are we going to know anything about what is going on in our schools if this reporting data is not required?

Mr Cook: There will still be requirements, as there always are, for states and territories and schooling systems to be involved in national assessment programs. Australia will still participate in international assessments; there is no view that Australia would not be doing that. Every year, the NAPLAN assessments would be occurring and, when they come around, participation in the program of international student achievement or assessment, and TIMS—those particular programs—will still happen. There is no reduction in the level of reporting on student outcome data proposed.

Senator O'NEILL: There is no way that we can get data now from all of the states simultaneously about how plans are being implemented. Is that correct?

Mr Cook: About their plans being implemented?

Senator O'NEILL: Yes, along a needs based funding line.

Mr Cook: The requirement for those states that have signed the National Education Reform Agreement was that they provide a report to the Australian government, but that requirement was either at the end of this year or early next year. Remember that the National Education Reform Agreement only started on 1 January this year, so there was no progress report requirement. It is either at the end of this year or early next year that they will have to report.

Senator O'NEILL: At 108 it says that the reports, certainly on low socioeconomics, by 1 January 2015. What is this going to do in terms of the depth of information available across the nation for the three states that are participating, in comparison to the rest of the states?

Mr Cook: It depends what information you are referring to. There is no lack of information around those three states in terms of student performance.

Senator O'NEILL: But in terms of implementing a needs based funding system those three states will be reporting richer data than the others, won't they?

Mr Cook: Richer data than the others? Sorry, I am just not sure what question you are asking me.

Senator O'NEILL: With regard to the six resource standards that are going to be indicated by them, agreed in the National Education Reform Agreement, and also signed up to in the bilateral agreement.

Mr Cook: There has been no information provided to the Commonwealth regarding the needs based funding formulas that those three states would be implementing—that is correct. Having said that, my understanding is that for most of those states the funding mechanism is publicly available. I think that WA has just reviewed their entire school funding formula to be needs based, with work done by the University of Melbourne in Victoria. I understand that their needs based funding formulas are publicly available, but there has been no requirement for them to provide that or produce that to the Commonwealth.

Senator O'NEILL: One of the points that has been made today is that there is no uniform national set of agreements that arose out of the conversations with the states that led to NERA being signed up to by three states at least. It is important to note, though, that with all of the different systems in the states and the territories diversity is a reality that was required for us to attend to and having different models does not necessarily mean that there was not the opportunity there to achieve equitable outcomes across Australia by implementing a diverse range of responses along agreed common lines for all students.

Mr Cook: I guess my response to that is that those people who signed the National Education Reform Agreement have agreed to the fundamental principles of a needs based funding model. It would certainly be my understanding that, even in those states and territories that have not signed the National Education Reform Agreement, a needs based funding model is a model that they would be using in their state. There is no state—for example, the Northern Territory, Queensland or Western Australia—that are not providing funding for children with disability. There is no state or territory of those three that are not recognising the location of a school as something that needs to be factored into their school based funding model.

There was no real disagreement around any of our discussions with jurisdictions about the fact that any school funding model had to take consideration of disadvantage or needs based funding approaches. Everyone agreed with that. The level of disagreement went to whether everyone needed to have the exact same model for every single school across Australia. That was level of discussion where the decision of the previous government was that that would not be what would be taken forward as long as those states that had signed up to the funding agreement could clearly demonstrate to us that they had a needs based funding model, and those states did.

Senator O'NEILL: The Australian Education Act was pretty instrumental in helping the national articulation of needs based funding, but I note that in estimates there was a question asked of the department that there was an intention of the government to amend the Australian Education 2013 during this year and that there would be consultation with stakeholders on appropriate amendments. Could you please outline for us today who the Commonwealth is going to be consulting in relation to these amendments and how that process is unfolding?

Mr Cook: The government has always been very clear that the intention of the government is to make amendments to the Australian Education Act, particularly looking at the aspects of command and control which dictates what is required in relation to receipt of Commonwealth funding. The minister wrote to all states and territories as well as to the non-government sector, parent organisations and principal organisations at the state of this year and indicated in that letter that the process on consultation for those amendments would begin in March.

Senator O'NEILL: Is it too early to indicate whether section 110 act, actions ministers may take, to which you referred, is part of a possible area that could be changed within the act? How widely do you expect the act to be changed?

Mr Cook: I am sorry that I cannot answer that one. That will be dependent on the feedback from the consultation and then that will be a decision for government to make as to their response to that consultation from jurisdictions.

Senator O'NEILL: And the time line on that consultation?

Mr Cook: We will begin the consultation in March. So we will start collecting that information in March. It is then a matter for government as to when they wish to make amendments in the House or otherwise.

Senator O'NEILL: So you have no idea about the timing on those amendments before the House?

Mr Cook: I think the minister has been quite clear that he would like that to happen in 2014.

Senator O'NEILL: What is the scope that you are anticipating in relation to these school funding arrangements?

Mr Cook: The amendments in relation to act?

Senator O'NEILL: Yes.

Mr Cook: I think it is more about the command and control, the conditions aspect, of the act as opposed to the actual funding arrangements themselves. That would be my understanding. The government has been very, very clear that for the next four years the funding arrangements as described in the act in terms of the formula, needs based funding model, the loadings and the student price will remain.

Senator O'NEILL: Will the students first policy that the government has be reflected in the proposed amendments to the act?

Mr Cook: Was the question: will the students first policy be reflected in the act?

Senator O'NEILL: Yes, in the amendments.

Mr Cook: The students first policy talks about the fact that there will be amendments to the act. It is a decision for government as to what those amendments will be in the end, so that is probably something I cannot comment on. The government will consider the breadth or otherwise of the amendments to the act, and I guess as part of that the consideration will be those aspects of the Students First policy that they think are appropriate.

Senator O'NEILL: What is happening with the 2015 review of the funding model in terms of stability and fiscal sustainability, having regard for the department's views?

Mr Cook: 2015 was about the review of indexation. The minister has also written to all states and territories, the non-government sector, parents and principals' groups and indicated that, as outlined in the national education reform agreement, it is the government's intention to also undertake that review to commit to what the previous commitments were. The outcome of that is dependent on the review process and the recommendations from the review.

Senator McKENZIE: Given the difference between states that signed, and the various places they signed it, in the negotiation process last year, and given that the minister has written, have you received any return correspondence from, for instance, New South Wales, which is on three per cent, or any of the other jurisdictions at the lower indexation rate?

Mr Cook: Not at this point. I think the only return was a call from Victoria seeking some guidance around timelines for the review processes. I guess the issue around the review process is that even future projections may change based on any sort of review process. So while schools may have a view that this is what they are going to get, and of course the government has committed to that stability over four years, there is also the fact that

everyone has always had a built-in review process as part of this model, and the review process will around indexation, particularly, for example, which will occur starting this year and will be finished off next year.

Senator O'NEILL: Can I clarify once again that in the review process, with regard to indexation, despite whatever evidence comes forward there will be a commitment from this government to no reduction in funding?

Mr Cook: I think the government has been quite clear around a four-year funding envelope. I cannot give any view about anything else. A review is a review and the outcome of that review will be considered by government, and government will make that decision. What I can say to you is that the government has been quite clear about the fact that there is a four-year funding agreement in place, and that is reflected in the budget. MYEFO was quite clear about the funding that would be available for school systems across Australia, and individual schools across Australia, from the Commonwealth, which is based on a four-year funding agreement.

CHAIR: There is one issue I would like to return to. We were talking earlier about how the payments were designed for non-participating states and that the transition in their case was one-sixth, one-sixth, one-sixth. Transition towards what?

Mr Cook: Towards what was the previous government's agreement, which was 95 per cent of the SRS by 2019.

CHAIR: So it is the 95 per cent of the SRS?

Mr Cook: That is correct.

CHAIR: I am trying to get a sense of quantum here. For those states that were participating states, and whatever transition formula ended up being agreed, reaching whatever proportion of the SRS was agreed required the states to contribute, as well?

Mr Cook: That is correct.

CHAIR: So if the non-participating states do not increase their contribution to school funding, they will not reach the 95 per cent of the SRS, will they?

Mr Cook: The 95 per cent was based on total public contribution, both Commonwealth and state. That is correct.

CHAIR: So for each non-participating state or territory, if it is only the minister's personal ambition that those states and territories maintain their school spending, what will be the shortfall?

Mr Cook: The shortfall in percentage or funding?

CHAIR: In funding.

Mr Cook: I cannot answer that, because I do not know what the states and territories are going to be contributing. I need to know what they would contribute, so we need to know what Queensland is going to contribute over the next four years to be able to compare that to something.

CHAIR: Yes. At the moment we are told that in the letter there is the minister's ambition that they maintain their existing spending. So what I am asking is: if those states do not increase their spending towards a similar aspiration to 95 per cent of an SRS, what will be the shortfall?

Mr Cook: I can take that on notice and have a look at that, absolutely, but I could not calculate that in my head at the moment. I would have to know what their current or projected indexation rates were for the next couple of periods.

CHAIR: That is right.

Mr Cook: I would have to be able to compare it with making an assumption that there is an agreement that they would reach 95 per cent, because not all states and territories reached an agreement with the previous government to reach 95 per cent.

CHAIR: I know, but in this case their transition was calculated from a Commonwealth assumption of 95 per cent.

Mr Cook: That is correct—a sixth and a sixth and a sixth.

CHAIR: So let us just use that assumption, and let us use the one-sixth, one-sixth, one-sixth assumption. What I am trying to understand is: if the state does not increase its expenditure—by what quantum is the question—what will school students in those states and territories not see on the minister's personal ambition that they just maintain existing expenditure?

Mr Cook: We are certainly happy to take that on notice. There will be other things we would have to consider—review points and things like that—so it is very hard to speculate, I guess, on what could have

happened. But we are happy to take it on notice and provide as much information to the committee as we possibly can on that.

Senator BACK: Further to that, have there been any public statements by the state ministers in response to the question that Senator Collins asked?

Mr Cook: There have been public statements from the Northern Territory, WA and Queensland, absolutely, but I do not think those public statements went to the level of their state contributions, no.

Senator BACK: It would be interesting to just get a handle on exactly what each of those ministers said so that it can assist us in having that comprehension.

Mr Cook: I am certainly happy to take that on notice.

CHAIR: There is just one other area where the department might be able to assist the committee. We have had the Parliamentary Library do some work, attempting to capture some of the cuts in school funding that were occurring in state budgets over the post-2011 period. The Library has found some of them but not all of them. I note, for instance, that you, Mr Cook, referred to the fact that each state, whether participating or non-participating, has funding arrangements for the students with disability, yet I am aware that, I think, the year before last the Queensland government made some cuts in their funding arrangements for students with disability across both government and non-government schools. So I think it would assist the committee—I do not want you to go on a resource-intensive exercise here—if, to the extent that that knowledge is available to the department, we could have a summary of the cuts since 2011 that the Commonwealth was aware were occurring in the various jurisdictions.

Mr Cook: We are certainly happy to take it on notice and see what we can identify. There will be some that come to mind immediately—for example, I think there were indexation reductions for non-government schools in New South Wales.

CHAIR: Yes.

Mr Cook: So there are some things like that we can certainly make available. There will be other things that we would not necessarily know unless we go directly to the state department, but we are happy to get the information we have available and have a look at it. Would you like us to look at the existing document and add to that or just provide additional material?

CHAIR: I am happy for that component of the work that has been done for the committee to be provided to the department for you to supplement if other committee members are.

Senator McKENZIE: Yes, I do not have a problem, because I had some questions around that as well.

Mr Cook: Okay, we are happy to do that.

CHAIR: So we will do that. I am just also wondering, Senator McKenzie, whether you would be happy for that table you were referring to earlier to go to the department to supplement their response to your earlier questions.

Senator McKENZIE: Yes, that would be great.

CHAIR: I indicated earlier to Senator McKenzie here—and I will say it to other committee members participating—that there are some issues covered in today's evidence about which I think I will have some further questions, and other committee members might as well. I think I am happy if we place further questions on notice, supplementary to the issues that we have covered, and continue to treat that on a private hearing basis at this stage. So the department might receive some further questions from senators as well, arising from what we have discussed today.

Mr Cook: Chair, can you just assist me with time lines for the committee, knowing that we have got Senate hearings next week? We are going to be a little tied up with estimates hearings as well. We obviously want to get these questions back to you as soon as we possibly can.

CHAIR: I think the most helpful point would be if we can have them ahead of when we meet in Sydney.

Mr Cook: Which is?

CHAIR: Thirteenth of March. That gives you some post-estimates time.

Mr Cook: Okay. We will absolutely work on that date. Thank you. That helps us a lot.

CHAIR: Are there any other questions from any senator? No? Thank you very much. I think it has been very helpful to have this opportunity from the department. Thank you.

Mr Cook: Thank you.

Committee adjourned at 12:35