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SENATE

EDUCATION AND EMPLOYMENT LEGISLATION COMMITTEE

Better and Fairer Schools (Funding and Reform) Bill 2024

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EDUCATION AND EMPLOYMENT LEGISLATION COMMITTEE

Wednesday, 13 November 2024

Members in attendance: Senators Allman-Payne [by video link], Bilyk [by video link], Brockman [by video link], Carol Brown [by video link], O'Sullivan and Sheldon

Terms of Reference for the Inquiry:

To inquire into and report on the provisions of the Better and Fairer Schools (Funding and Reform) Bill 2024 .

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LONG, Mr Andrew, Government Relations and Policy Adviser, National Catholic Education Commission

MILLER, Ms Caroline, Director, Policy and Research, Independent Schools Australia

Committee met at 09:00

CHAIR (Senator Sheldon): I declare open this hearing of the Senate Education and Employment Legislation Committee into the provision of the Better and Fairer Schools (Funding and Reform) Bill 2024. I begin by acknowledging the traditional custodians of the land on which we meet and pay my respects to their elders past and present. I extend that respect to Aboriginal and Torres Strait Islander peoples here today.

These are public proceedings being streamed live via the website, and a *Hansard* transcript is being made. 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.

Witnesses also have a right to request to be heard in camera. If a witness objects to answering a question, they should state the ground on which the objection is made, and the committee will determine whether it will insist on an answer, having regard to the ground which is claimed. If the committee determines to insist on an answer, a witness may request that the answer be given in camera. I remind all senators that as we continue our work implementing the *Set the standard* report, as chair, I will ensure proceedings are conducted in an orderly, respectful and courteous way.

I now welcome in person representatives from Independent Schools Australia and the National Catholic Education Commission. I understand that information on parliamentary privilege and the protection of witnesses giving evidence to Senate committees has been provided to you. I invite you each to make a short opening statement. At the conclusion of any remarks, I'll invite members of the committee to ask questions. If the opening statement is quite long, it would be of assistance to the committee if you just hand it up, and we will make sure it's on *Hansard* and will be public. I might start with Independent Schools Australia first, if they wish to make an opening statement.

Mr Catt: Thanks very much, Chair. Yes, I do have an opening statement, and thanks, senators, for the opportunity to be here this morning. This is a little bit about Independent Schools Australia. We are the national peak body for independent schooling. We have eight member organisations. They are the associations of independent schools in each state and territory around Australia. Through those eight members, we represent just over 716,000 students, essentially, about 1,215 schools and, importantly, a workforce of around 120,000 people. There are over 60,000 teachers working in independent schools. In terms of the size of the sector, the latest data shows that about one in six Australian school students across the board attends an independent school. If we think about secondary schooling, that figure is about one in five. So that is 20 per cent of Australia's student population in schooling.

We make the point that independent schools are highly diverse—the size of our schools, the location of our schools, the educational philosophy or their approach to education, and, importantly, their student and parent bodies. Students at independent schools reflect the full diversity of Australian society, and that includes high-needs students with disability who may be attending independent special schools. It includes Aboriginal and Torres Strait Islander students who, in some cases, are attending remote Indigenous schools. In some cases, boarding schools provide the only educational option for those from remote communities, and they could be in a regional location or in a city.

About one-third of our sector is based outside of the major cities, so we play a very important role in providing education options for regional, rural and remote students, and also for some of our most highly disadvantaged young people. That includes schools that work with those who are at risk of completely disengaging from education and the mainstream—our special assistance schools—which have been highlighted for the work that they do in, essentially, turning lives around by actually providing pathways for those students into further education or into employment.

I make the point that our schools are also diverse in the fees they charge. The median average fee for an independent school in Australia in 2024 sits at around \$5,530, and the majority of schools actually charge fees under \$6,000 a year. It's worth noting too that there are hundreds of independent schools that charge no fees at all, particularly those that serve those disadvantaged communities and those students.

The reality, more broadly in 2024, is that most families with children in non-government schools are generally middle- to low-income earners. They live in the outer suburban areas of Australia, and they live in inner suburban communities. Increasingly, one of the trends that we are seeing is that they are increasingly culturally diverse. These families make substantial sacrifices, often because they believe the choice of education they've made is the best for their child. Although, as I said, most school fees are in the range of \$3,000 to \$6,000 per year, that's still a substantial commitment for a working family. But we know from the research as well, that those families prioritise that investment in education over just about anything else in the family budget because they believe that investment is critical, and they believe it is the most important thing they can do for their child. Importantly too, we know, from our research, that they believe that an investment in education is also a primary role of the Australian government. That's something that comes through very strongly from those families.

If we turn to the aims of the bill, and go back to the 2011 Review of Funding for Schooling, or the Gonski review—it actually stated that investment and high expectations must go hand in hand. Every school must be appropriately resourced to support every child and every teacher must expect the most from every child. And the recent Review to Inform a Better and Fairer Education System highlighted that there were significant challenges facing school education today. They included the challenges in improving student outcomes, the challenges around student wellbeing and mental health, and building a strong and sustainable teacher workforce. But it was clear that those challenges weren't restricted to just one sector of school education. All sectors are actually committed to improving the educational outcomes for all Australian students, and, as a peak body for independent schools, I can say with absolute confidence that I could not find, in those 1,215 schools or that workforce of 120,000 people, a single educator, a single teacher or a single parent who would not actually support us, as we have been very clear in supporting the objective of ensuring that all schools are funded to 100 per cent of their schooling resource standard. That is where we need to be, because it will help all schools and help our education system achieve that goal. But I will say too, that, as Gonski recommended, it is imperative to ensure that that does mean that all students in all schools in all sectors have access to those resources, regardless of the sector or system that they're in. It encourages us to be sector blind.

I'll move to our specific concerns with the bill as it stands. The Australian Education Act 2013 came from the Gonski report. It's quite unique in the history of school funding in Australia because it incorporates that concept of common funding arrangements for the government and non-government sectors. And it reflects the aspirations of the then Labor government, which was to create a sector-blind, needs based funding system that ensured the resourcing was provided where it was needed for all students in all schools in all sectors. That doesn't mean the funding arrangements are the same for both government and non-government schools. Non-government schools base funding, for example, is actually reduced by the capacity of parents to contribute, and that's the CTC system. Government schools funding is not reduced. In independent schools, that reduction in base funding translates to the payment of fees by parents, and in our sector those fees translate nationally to a \$9 million contribution the parents choose to make for their children's education. Again, I'd highlight that they see that as a worthwhile investment and a primary investment not just in their own child but in our education system generally.

Currently, if we look at the Australian Education Act, the principle underpinning that act is that sector-blind, needs based approach. The preamble states:

To help education authorities provide every child with a quality education, regardless of where they live and what school they attend, this investment will be fairly and transparently distributed and allocated according to need.

However, the proposed changes to the wording of the preamble and the inclusion of some mechanisms in the bill to safeguard government school funding only threaten to undermine that premise. For example, the bill includes the creation of a funding floor for government schools only and a ratchet mechanism for government schools only to ensure that funding cannot go backwards. But I'd urge the committee to consider in their recommendations the words of Gonski and safeguarding that underpinning principle of a shared approach to funding for all students in all sectors. That is a hallmark, currently, of this very important act. Thanks, Chair, and thanks, senators. I look forward to a discussion, and I'm happy to table a copy of that statement.

CHAIR: Thank you. Over to Catholic Education.

Ms Collins: Thank you for the opportunity to appear today. I should commence by declaring a broader interest, since my colleague has highlighted the 2011 Gonski review process where I was assistant minister to Minister Garrett and Prime Minister Gillard, so my perspective is also coloured by the history that informs the role I am currently in, with respect to being executive director for the National Catholic Education Commission.

Catholic Education strongly welcomes the Australian government's plan to work with states and territories to ensure government schools reach the recommended current standard of funding. As Graham mentioned, after incorporating the increasing parental contributions required under the act, Catholic schools finally transitioned to

the schooling resource standard in 2023. This is except for the Northern Territory, where the bilateral agreement with the Northern Territory has non-government schools moving to their full resourcing standard by 2029. We think it is appropriate. In fact, it would help bed down some protracted politicisation of school funding if government schools finally reached their 100 per cent of the resource standard.

I could perhaps spend too much time reflecting on some of the history there, but I think it's important for senators to appreciate, given some of the submissions I've reviewed, that the 2013 offer to states and territories was two Commonwealth dollars to one state or territory dollar to lift schools up to 95 per cent of the schooling resource standard in the first six years. That was not realised, and ambitions that further lifting for government schools would occur subsequent to that have not been realised. We regret that because we think it's not appropriate for students in government schools—and a high proportion of Catholic students are in government schools as well. But also, it's protracting the school funding wars that many of us are familiar with, even ahead of 2011.

I'd highlight for senators that those protracted school funding wars were a significant factor in two parliamentary leaders not retaining or not achieving office. The first of those was Mark Latham and what was called the '100 schools hit list'. The second one was Prime Minister Malcolm Turnbull and the debate over changes and cuts that his government was attempting to make to non-government schools. So this is a highly politicised space where a settlement of the ambition of Prime Minister Gillard that all schools reach their schooling resourcing standard is long awaited and well supported.

Our overall education system is a complex area of public policy which requires national cooperation and evidence informed policies, reforms and practices to meet the needs of students. Having reviewed some of the other submissions as well, I would caution senators that, because of that complexity, what appear to be straightforward comparisons or assessments may not be the case. One example is the submission from two highly eminent commentators in this area, Stephen Lamb and Pasi Sahlberg. It refers to the Commonwealth meeting a third of the increase in funding that Gonski recommended. I went back and researched what was the Prime Minister's offer at the time; as I highlighted, it was two dollars for one. At this stage, the Commonwealth's offer is one dollar for one, and states and territories are suggesting that—if I say it in the language of one of the submissions—'the Commonwealth has vastly superior financial resources'. It's unfortunate that we're not hearing from states and territories as to why the Commonwealth's vastly superior financial resources obviate them making a contribution to lifting government schools to the resourcing standard today as opposed to when it first commenced in 2011.

With respect to the bill, while Catholic systems and schools are bound by the bilateral agreement of their state or territory, they're not a signatory to that agreement. While the aim for this bill to lift government schools is strongly supported by all sectors, the position of non-government schools is different to that of government schools. However, we would like to indicate that we've appreciated the effort made by governments—both Commonwealth and state—to consult with Catholic education during the development of the Better and Fairer Schools Agreement and the bill, as well as the recognition by those who have signed the agreement of the important role of non-government schooling in Australia.

The broader impact of this debate has been the protracted settlement of the agreement. We are remaining in the school-funding wars space because settling this next agreement has been such a protracted process. We hope that agreements will be settled in the next few months so that we can move into the next school year with the certainty we need to deliver to the more than 800,000 students that attend Catholic schools, and the significant number of students in Australia that have done so for more than 200 years.

One area of reservation we have about the bill regards introducing sector-specific language into the preamble, or the objects of the bill. Doing so modifies the existing unified understanding of the importance of a 'strong and sustainable schooling system' and a good education in the current preamble of the act. If I cite the words of prime minister Gillard at the time, reflecting also on Mr Catt's comments, education is an entitlement of citizenship; it lifts us well above some of the debates that have been occurring over school funding. Given this change, any guarantees to protect Commonwealth funding shares for government schools to maintain funding should be sector-neutral and afforded to students in Australia's non-government schools—we need that certainty as well. We are in discussions with the department, and we hope that the committee will reflect on maintaining the sector-neutrality approach that the Commonwealth has maintained for decades in respect of school funding.

The other caution I indicated at the outset relates to some of the comparisons you see in some of the submissions. My colleague highlighted the 'capacity to contribute' arrangements that apply only to non-government schools. I would also suggest caution over reflections on capital and how that's managed across different sectors. The history of capital, which was an area I had portfolio responsibility for in the past, is that,

other than for targeted capital programs, capital for government schools has been historically provided by states. We had the Building the Education Revolution, or BER, program, we had Solar Schools programs and we've had Trade Training Centre programs—some of the senators here would be familiar—but the Commonwealth did not historically have a set, ongoing contribution to capital for government schools. Governments at both state and government levels make a small contribution to capital, but closer to 90 per cent of capital for non-government schools is provided by parents via their fees or contributions from other sources.

In conclusion, I have two points. One is that it is now time for state and territory governments to step up in order to ensure they provide ongoing and sustainable funding for the students, schools and systems for which they have responsibility. A dollar-for-dollar contribution for the remaining five per cent is, I believe, reasonable. The other point in the bill is with respect to the provisions for transparency and accountability of public education, which we believe are appropriate. They should apply on a sector-neutral basis. The transparency and accountability required at government schools and systems for public funding should also meet the currently high standard of regulation which exists at the Commonwealth level for non-government schools and systems, and that's another area where states should be held more accountable.

Senator O'SULLIVAN: Can you hear me okay?

CHAIR: Loud and clear.

Senator O'SULLIVAN: Terrific. I was just having some technical difficulties as I was listening to those opening statements, so my apologies if my questions go to what you've already covered. I want to deal with a couple of points and have you both respond, if that's okay. Thank you for appearing before the committee.

Since the Gonski review in 2011, the government has adopted a sector-blind approach to school funding. I think you were noting before that this was supported by previous Labor prime ministers, such as Julia Gillard. You've raised concerns in your submissions about the move away from sector-neutral language throughout the bill to a clear delineation between the government and non-government sectors. Why do you believe it's important to have the neutrality? What potential risks do you see from adopting sector-specific language?

Mr Catt: I'll answer that question by saying that I think, from my perspective, there's an underpinning assumption that lies behind the need to have sector-specific language. It, essentially, implies there is a need to protect one sector and another sector doesn't need any help. I think it's reflected in the wider discourse about school funding. Certainly, in the conversations we have with many in this place, and outside it, the overarching view seems to be that non-government schools are okay. They're positioned. They're at 100 per cent of their schooling resource standard and, in some cases, above. That translates to a sector that doesn't need any support.

I would urge senators to consider that underpinning assumption in the context of the many schools that are out there in the sectors. There are a range of schools in the non-government sector and in the independent sectors. Then there are the special assistance schools—I know many senators are familiar with those in their states or have relationships with those in their states—that work with some of our most at-risk students. As I said in my opening statement, they actually turn lives around and provide pathways for students, who would disengage from education entirely, into work or into further education. There are independent schools that work with Aboriginal and Torres Strait Islander students on country, driving the development of models of working with community, and developing pedagogy that supports communities, supports the Australian curriculum and supports traditional ways of learning. Those schools are independent.

I think the underpinning assumption that all schools are the same and that no independent school needs the kind of support that would be provided for a government school is where I would see the flaw in that rationale. That is the point of being sector blind. As Ms Collins said, the minute we move into conversations about funding and conversations about division, we start to move to examples and concepts of what an independent school looks like, or what a Catholic school or a public school looks like. They are only that; they're examples. There are 1,215 independent schools, and they're all different. There are schools that need that support. If we are going to have safeguards in the act, then those safeguards need to apply to some of those schools that are working with those student populations, as much as any other.

I think we fall into the challenge—and we did it ourselves—of talking about school funding. I make the point that our system—that's the needs based, sector-blind system—is based on the needs of students. This is about funding that goes to schools. It's funding that reflects the student population. As we've said, in non-government schools, it then takes into account the capacity or the socioeconomic circumstances of parents, but this is about students. It serves us to not think about the funding of schools as a collection of buildings or grounds; it is actually the funding of students that are gathered together into one school. I might leave my answer there and pass over to Ms Collins.

Ms Collins: Whilst we wait for government schools to reach their full schooling resource standard, governments are inclined to proceed with a range of targeted programs to address particular areas of need that may not necessarily match the objectives of the current act. An example would be the current Commonwealth teaching scholarships, where non-government schools were excluded. We complained about that at the time and we would not want to see that situation continue. The general argument applied at times about things such as that program is, 'Oh, but it's only government schools who suffer teaching shortages.' Now, that's clearly not the case. The 40 per cent of our schools in regional Australia also suffer teaching shortages. Measures that are targeted at just one sector tend to just churn the problem rather than resolve it, so you have teachers moving from one sector to another rather than increasing the supply of teachers into a particular region.

The danger, again, of not completing the overall funding model is that there will be a continuation of these sorts of sector-specific programs. Our concern at the Commonwealth level with the current mix of funding is states and territories tend to have a lack of competitive neutrality in that they're operating both as the employer and the regulator of education. We find that it is quite appropriate at a state level from time to time that they will put out programs specifically designed for their sector. But if the Commonwealth starts doing that, that skews the whole principles of the Australian Education Act. It is, as former Prime Minister Gillard at the time said, structured in a way which recognises that all Australian children have an entitlement to support in education, and for parents choosing non-government schools reasonable expectation that some level of contribution will come from families.

Now, that said, we have a number of children in our schools that we heavily subsidise or completely subsidise. Indeed, we have agreements with some states that support, for example, students who are in state care attending our schools and they're fully subsidised as well. The notion that students in Catholic schools are privileged and in private education is unfortunately one of the public myths arising out of this protracted political debate over funding.

Senator CAROL BROWN: Thank you for your opening statements. This bill is predominantly about putting public schools on a pathway to full and fair funding. I was interested to read in your submissions and also through your opening statement about non-government schools' perspectives on why full funding for public schools is important. Can you just tell us a little bit more about your reasoning behind that statement.

Mr Catt: To the question of why we are supportive of ensuring all government schools are funded to 100 per cent of the schooling resource standard, independent schools are not something other than the school education system. I began with a few statistics which were that 715,000 students, 1,200 schools, 120,000 employees, combined with the schools in the Catholic sector are a third of the students in Australia and their parents and their families. It is not a small portion; it's a significant portion. Independent schools and Catholic schools are integral to the Australian system of education. But integral to that as well, from the perspective of our sectors, is that we need all schools to be properly resourced and properly funded with the resources they need so their students can achieve outcomes.

As I said in my opening statement, we represent ultimately schools. I don't think there's a leader in any one of those schools who would look at this funding debate from the perspective of saying we shouldn't fund our government schools, we shouldn't get them to 100 per cent of their schooling resource standard, because that's actually what will create an education system that delivers outcomes, and they are part of that education system. Put very simply, lifting the lake lifts all the boats. I think the views of everyone in our sectors is that's exactly what we should be aiming to do.

I was at a meeting yesterday with about 12 school principals, chairs of boards and P&C chairs. It was interesting. Again, the point was made that at the coal face when it comes to teaching, when it comes to school populations, there's none of the divisiveness that characterises the debate about school funding. We are all teachers, we all do the same things, we are working with what we have to achieve outcomes for our children and that is the view we would take forward. Certainly, we have been very on the record as being very strongly supportive of the government's objective in achieving that. It goes to our concerns, as Ms Collins has pointed out, that in the protracted conversation about school funding in the sometimes accepted proposals put out there that perhaps the reason we can't get our government schools to 100 per cent of their schooling resource standard is because we fund non-government schools, which is patently incorrect. That takes us down a road away from working together to lift the lake and takes us into working against each other.

Senator CAROL BROWN: Did you want to add anything, Ms Collins?

Ms Collins: Building on Mr Catt's comments, I would make one further point to what I said earlier, which is around the caution. One submission you will hear later today is from Mr Michael Schaefer, who is a student at Murdoch University. He suggested in a fairly brief submission that we need to be addressing the issue of

segregation and concentrations of disadvantage. We agree with that in principle. In fact, though, he is looking at an assessment of whether the funding share non-government schools receive across the Catholic and Independents is appropriate given the socioeconomical or socioeducational advantage of the students that we serve. There is no clarity on how he describes what that formula should be. I would highlight for senators some work that Michelle Bruniges, the former secretary of the department, and the Ramsey Foundation are now doing in that area that we are working in partnership with too.

There is no question that conversations of disadvantage should be a concern in the public policy space. It was recommended by the review that further work needed to occur to look at that challenge. But I continue to highlight that concentration of disadvantage occurs across all sectors. We have mostly Indigenous schools that we have been running for a very long time. The concentrations of disadvantage there are huge. We have Indigenous boarding schools, as well as the independent sector, where the concentrations of disadvantage are huge.

I contributed to a Senate inquiry almost two decades ago into Indigenous education and we went to two New South Wales towns. One town had all the highly disadvantaged students in the government sector. The other town had all the highly disadvantaged students in the non-government sector. We hope, that for a broader range of social policy measures, you can avoid that sort of segregation. But just highlighting it as a government sector issue or a government school sector issue, I do not think is helpful.

Senator ALLMAN-PAYNE: I have heard fairly loud and clear that both the ISA and the Catholic Education Commission believe we need to end the school funding wars and that we need to have everyone across the sector at their schooling resource standard. I am wondering if you could explain to me why, when there is discussion about bringing independent schools who are currently over the schooling resource standard down to the standard, there is a lot of jumping up and down and saying that is not okay. Is it both of your positions that they should remain above the standard? Or, if we're talking about bringing everyone to the standard, then we should accept that that does mean that, in addition to rapidly transitioning those who are below up in both sectors, we also need to rapidly transition down those who are over in both sectors.

Mr Catt: There are independent schools that, when the funding methodology changed a few years ago, are now, as a result of that change, sitting above their schooling resource standard. A pathway was determined for those schools to transition down. The date that Ms Collins referred to, in relation to where we are trying to get government schools to their schooling resource standard, is 2029. Independent schools that were above that schooling resource standard are on a pathway to be at that SRS by 2029.

The questions sometimes asked are: Why is it taking that long? Why are there so many of them? It would be worth stressing that some of those schools that are above the schooling resource standard may be above it by a tiny amount. They're still above it, but it's only by a tiny amount of funding. We're not talking multi-millions of dollars, and there would be a very small proportion that are coming down. The answer to the question too is that that pathway down to the schooling resource standard, from a school perspective, is actually the reduction in funding over a period of years.

Some of those funding reductions on an annual basis can be quite significant. They translate into the operation of a school, into employing teachers, into facilities and into other costs. The reason those transition arrangements were put in place was to enable those schools to smooth out those costs over time and arrive at the point they should be. I am happy to be on the record that there is no objection from us as a peak body that that pathway exists. There are schools that speak to the Department of Education primarily about some of the complications they experience in their pathway. The loss of funding in the hundreds of thousands of dollars, or millions of dollars, in a single year can be problematic from the point of view of operating the school, but they would have that conversation with the department. But there is no philosophical objection to the fact that schools are on a pathway to arrive at their schooling resource standard by 2029.

Senator ALLMAN-PAYNE: Is it your position that it would pose difficulties for those schools if they were transitioned down more quickly?

Mr Catt: Essentially, yes. Those schools were asked by government to develop a plan in order to be able to move from one point to another over that period of time, to take into account what that meant for them operationally, what that means for student operations and what that means for their fees and costs. They have developed those plans. As for any organisation and any sector, to suddenly have to change that and experience those funding reductions more rapidly over time would be a problem.

Senator ALLMAN-PAYNE: The converse of that would be that, given the difficulties that it would pose for those schools in terms of their operations and what they can deliver for students, having money taken away to

come down to 100 per cent really only highlights even more why it is so problematic that 98 per cent of our public schools aren't even at that standard and aren't even operating at that level. Would that be a fair assessment?

Mr Catt: With all due respect, I'm not sure it highlights the issue; I think it's a separate issue. We both refer to the fact that there is our full support as sectors and as peak bodies for getting our government schools to where they should be—to that SRS—as quickly as possible. But I don't think the two align in the way that you've suggested.

CHAIR: Senator Allman-Payne, I'll need to go now to Senator Brockman.

Senator ALLMAN-PAYNE: I have one more question.

CHAIR: I'm sorry, we're running out of time. You can put it on notice. Senator Brockman.

Senator BROCKMAN: I want to go to section 35A of the bill, which establishes a funding floor of 20 per cent for government schools and inserts laws preventing funding from decreasing below previous years. No such funding floor has been inserted for non-government schools. Are there any risks in that approach?

Ms Collins: That goes back to the comments we made at the outset. This bill is dealing with funding shares for government schools. Prior to now, the act provided a different regime in relation to government and non-government schools. We are in discussions with the department about whether introducing that floor creates difficulties for non-government schools not having a similar provision. That's a secondary issue to the first one I raised, which is even adjusting the objects of the act to talk about sector-specific areas as well. So we hope that some fairly straightforward arrangement could maintain the sector-neutrality approach that the Commonwealth has had. We don't have a neat solution to offer you at the moment.

Senator BROCKMAN: Okay. Would you like to add anything to that?

Ms Collins: But there are risks. The risks are that a future government might decide to make changes to one sector as opposed to the other, not that that's in the current government's intention, so we're reasonably optimistic that that issue can be addressed.

Mr Catt: I would highlight what Ms Collins has just said. That is the risk. The risk isn't today. The risk isn't in 2024. The risk is what we're putting in place that could be used by a future government. I think the second risk is, in my experience, policy always has unintended consequences. I would say I'm not entirely sure that we've done a thorough enough assessment of what the unintended consequences might be.

To Ms Collins' point about conversations with the department that are happening currently, what seems to be a fairly innocuous change to support our government schools in reaching their resourcing goal, what does that translate to in a future sense? What haven't we thought of?

Ms Collins: Chair, I might elaborate on one aspect of that risk with an example. It's not necessarily an example for the Commonwealth act; it's partly an example that addresses the obligations on states and territories, so far as they relate to the resourcing standard and their funding of the 20 per cent.

The Victorian government's introduction of payroll tax is the example. For some schools, with fees that were originally determined not to be a component of this funding model, a state has decided to introduce a payroll tax that only applies to schools that charge fees over \$15,000. That also undermines the principle of the model not accommodating fees. We did look, quite some years ago, as to whether fees should be a component of the income that non-government schools are able to attract. That was eliminated from the process but, subsequently, you find one state—fortunately, only one state—deciding to take a different path.

In some respects, we might be second-guessing what either a future Commonwealth or a state government might choose to do. A clear component of this funding model is the Prime Minister Gillard citizenship entitlement, which is that all schools should attract at least 20 per cent of the resourcing standard. The exemption there is Victoria where, if you go to a school that charges certain fee levels, you lose the fairly hefty payroll tax at the same time.

Senator BROCKMAN: I suspect I'm going to run out of time, but I'll try to get a couple more quick questions in. Under the proposed legislation and along the same vein, regulations tabled concerning government school funding are not subject to disallowance, whereas regulations for non-government school funding are subject to disallowance. Does this pose any risk for the non-government sector, from your point of view?

Ms Collins: The risk could run two ways. It depends on what a future government might choose to do. For example, a future government might choose to introduce regulations where you may want to be able to build a public campaign complaining about the impact of them and seek to have them disallowed. Equally, absolving disallowance from regulations could posit different problems.

In terms of this measure, with respect to the funding shares of government schools, I can't see a significant risk in them not being disallowable and it's not an uncommon instrument, in terms of regulations, for those standards to apply. But the risk for non-government schools of having disallowance could work both ways.

Mr Catt: I think another way to frame the question is, 'Why do we have differentiation between the two? Why is one disallowable and one allowable?' As we've hinted we're probably in discussions with the department about that at the moment, but we're happy to come back with more information on notice as we start to firm up our response to the department as well.

Senator BROCKMAN: Great.

CHAIR: Senator Bilyk.

Senator BILYK: Thanks for your submissions and for appearing today. My first question is to Jacinta. I'll call you Jacinta because that's what I always call you. You mentioned earlier that the National Catholic Education Commission is of the view that now's the time for state and territory governments to step up to fund the schools they're responsible for. Can you elaborate on this for the committee, please?

Ms Collins: Sure. It's time for some funding certainty. I'm quite concerned at Senator Allman-Payne's question in relation to more rapidly transitioning schools that have a certainty of funding arrangements up until 2029 under the non-government school funding agreement. I go back to the comments that I made at the outset: in lifting schools to a resourcing standard, it's a mixed responsibility between Commonwealth and state governments and, in our case, parents as well. There have also been fee adjustments that have had to occur, as we all move to the resourcing standard, so it's a mixed responsibility.

In 2013 that responsibility was two Commonwealth dollars to one state dollar. Given that the original ambition was that states longer than six years would eventually move to their full resourcing standard—and that stagnated after the change of government and with the previous government—the offer now of dollar to dollar, in my view, is quite generous from the Commonwealth. The initial ambition of this funding model was that, with some further time, states and territories would lift government schools up to 100 per cent of the resourcing standard, and the 80 to 20—and the reverse of the 80 to 20 for non-government schools—would continue to be the structure of it.

This bill and the current government's position to shift up by another 2½ per cent is, in my view—understanding the history of this model and its funding—a generous offer. I would encourage those states who continue to hold out to understand that that is a generous offer and, in some cases, reflects their existing expenditure, which would be shifted to the Commonwealth if the share was changed. It's a generous offer and those states and territories that remain outside agreements should step up.

Senator BILYK: Have you or your organisation actually asked the states to step up?

Ms Collins: Yes, we have.

Senator BILYK: Right, thanks. Your submission also supports the inclusion of transparency and accountability as a function of the Australian Education Act, and it explains that Catholic schools and systems 'meet the current high standards'. I'm interested to know, in your opinion, what's the benefit for increased accountability in the school system in Australia?

Ms Collins: That could be another hearing in itself. The benefit of understanding where your delivery of a quality education service is challenged is one component, but another, for the Commonwealth government and the level of accountability for non-government schools, since their share is so much more significant, is the usual responsibilities of accountability for expenditure.

We saw examples of that for the Building the Education Revolution, where our systems were highly agile and able to support the government during the global financial crisis. But, at the same time, the accountability and the stewardship around how you expend funds—whether they're funds from our families or our parents, or whether they're funds from the state or the Commonwealth government—is very important. Because the Commonwealth has a more significant role with non-government schools, the accountability standards there have been in place for quite some time. They are seeking to ensure that they're more adequate, in terms of accountability for states and territories. The level of reporting to states and territories in some areas can improve quite a bit. There's a recent audit report from Victoria, for instance, saying that student outcomes are only reported by the Victorian government on a basis that doesn't provide for comparison. They don't use comparators with the state average, and poor performance can be aggregated in a way which doesn't help you understand where the challenges are and where we can lead further improvement for all Australian students.

Mr Catt: Can I add to that. In the case of independent schools, because they are independent entities they have additional responsibilities to the Commonwealth in relation to Commonwealth funding and in relation to the

responsibilities they have as schools to their state regulatory bodies. They're also often not-for-profit organisations, so they have a range of other accountabilities and reporting requirements as independent entities. They may be operating charities, for example, and they report to the ACNC. There are a range of accountabilities there.

The fundamental transparency in an independent school is that the flow of funding from the Commonwealth to that school is direct. Contrary to what is often a popular belief, it's very easy. There's a governance body. It has its own governance responsibilities. It's actually fairly easy to understand: this is the funding that came to that school, this is where their funding came from and this is how it was applied—in terms of the student outcomes and the educational outcomes that that school achieves. When we think about how that might translate into the government sector more broadly, it's about the ability of parents and other stakeholders to see that funding flow and see what the school's actually doing, in terms of the allocation of those resources and the outcomes we achieve with those resources.

Senator BILYK: Thank you. Chair, have I got time for one more question?

CHAIR: No, you don't. You'll have to put it on notice.

Senator BILYK: Okay, I will. Thank you.

CHAIR: I encourage other senators who may wish to put questions on notice to do so. I'd like to thank our witnesses for giving your evidence today. If you've taken any questions on notice, could you please return the answers to the secretariat by Friday 15 November 2024. Have a very good morning.

Senator ALLMAN-PAYNE: Chair, can I just note for these witnesses that I will be submitting written questions on notice.

CHAIR: Yes, thank you.

STANFORD, Dr Jim, Economist and Director, Centre for Future Work [by video link]

[09:52]

CHAIR: Welcome. I understand that information on parliamentary privilege and the protection of witnesses giving evidence to Senate committees has been provided to you. Would you like to make a short opening statement? If it is long, it would greatly assist the committee if you could hand it up and we'll circulate it, so we can get into questions from the senators.

Dr Stanford: I'll just go very quickly. Our submission to your inquiry was based on previous economic research that we had done to try to identify and quantify the economic benefits for Australia of fully funded public schools. We identified, on the basis of international and national research, three distinct categories of those benefits.

One is the direct economic footprint of expanded public schools—the employment in the school system, of course, and then the indirect stimulus to additional work upstream, through the supply chain that feeds schools, and downstream, through consumer industries that depend on employed teachers and other school workers.

The second category is that better funding for public schools means better scholastic achievement and completion rates for students, and there are clear correlations between that achievement and improved productivity, earnings potential and wages for students when they graduate.

Finally, there's important evidence about a whole range of other fiscal and social benefits from improved school completion—everything from reduced reliance on income supports, better healthcare outcomes for students who graduate and complete school to lower justice and policing costs.

Putting all of that together and using parameters from international literature, we estimated the benefits to Australia's GDP from fully funding public schools and rebuilding completion rates, which have declined in recent years, as you know. This would ultimately generate, after 20 years, GDP gains estimated at between \$18 billion and \$25 billion per year. Of course, government takes an automatic share of GDP gains through existing tax settings, so that would generate more than enough new revenue, we estimated, to pay for the increment to make sure that all schools are fully funded according to the SRS.

Our immediate submission to you then talked about the current discussion about the level of federal contributions to SRS funding and noted that, if we want to get those full benefits of fully funded public schools, we have to fully fund them. The current proposals, where the Commonwealth would provide 22.5 per cent of SRS funding, still leave a significant gap, in essence forgoing some of those important economic, social and fiscal benefits. Our submission estimated what was being left on the table by the failure to go to the full 25 per cent Commonwealth funding to ensure that the schools were funded up to the full SRS level. There are some estimates in our submission of about 8,400 direct and indirect jobs that would be forgone, \$1.3 billion in annual GDP gains that would be forgone, school completion rates which did not recover to the level that we would like to see and fiscal losses to both levels of government, Commonwealth and state, from the reduced GDP.

In our judgement it makes sense to go all the way here and ensure that all public schools are funded to 100 per cent of the SRS, including through a federal contribution. The federal government has greater fiscal capacity and, of course, there's an issue of equal standards across the different states in Australia, so the Commonwealth should go to the 25 per cent SRS funding in all jurisdictions. I'll leave it at that, Chair, and look forward to our discussion. Thank you.

CHAIR: Good. Thanks very much. I'll go to Senator Bilyk.

Senator BILYK: Thank you, Dr Stanford, for your submission and for appearing today. In your submission you refer to NAPLAN results that indicate students need additional support to meet minimum expectations, especially those in rural and regional communities and those from Indigenous backgrounds. Under the Better and Fairer Schools Agreement, schools will be given extra funding for wellness and wellbeing staff and extra funding for pilot incentive packages, which we hope will attract staff into rural and regional areas. Do you think these additional supports will assist students across the country in meeting those minimum standards?

Dr Stanford: Certainly. The legislation, as it stands, includes some significant improvements beyond the current status quo, including an increase in the overall level of funding to that 22.5 per cent level and then some of those specialised initiatives that you mentioned. Again, one of the rationales for a strong federal role in school funding, even though it is, strictly speaking, a state responsibility primarily, is to take advantage of the greater fiscal capacity of the Commonwealth and to try to ensure equal access to good quality education in all parts of Australia, not just across states but also in rural and remote regions, as you mentioned. They're certainly a step forward, to be sure.

Senator BILYK: This bill removes the current funding ceiling, turns that into a minimum funding floor and locks in Commonwealth funding for public schools so it can't go backwards. Therefore, any future government would need to amend the legislation in order to reduce the proportion of funding to schools. Do you support this ratcheting mechanism, and do you think that it will provide long-term certainty for the school sector?

Dr Stanford: I think it does improve the certainty of the funding. I think it was, in a way, quite disappointing to have the 20 per cent level of funding, which was inadequate anyway, redefined as a cap, which makes the problem of underfunding even more entrenched. Creating a floor instead of a ceiling is certainly a step in the right direction. But, again, I'd like to see that floor at the 25 per cent level. The difference for the Commonwealth between 22.5 per cent and 25 per cent in that overall level of funding is not large in the scheme of the Commonwealth's fiscal affairs. Again, I think fulfilling that promise of 100 per cent SRS funding and establishing a floor—if you can establish a floor, let's establish it at 25 per cent, which is, I think, a very reasonable level to reflect the Commonwealth's capacity to make sure that schools meet these quality standards.

Senator BILYK: Thank you. Chair, have I got time for one more?

CHAIR: I will go now to Senator Allman-Payne.

Senator BILYK: Okay. Thank you.

Senator ALLMAN-PAYNE: I'm particularly interested in how schools are funded in Canada. I understand that there is a pooled system between Commonwealth and provinces, I think they are, rather than states. Are you able to speak to the benefits for productivity of a pooled system, where there's not that differentiation between who's funding different percentages at each level?

Dr Stanford: That's an interesting question. Thank you for allowing me to inject some Canadian content into the discussion. We cannot claim in Canada to have the perfect recipe for fiscal federalism, so I caution anybody to look for a particular cookie cutter that could be used in the Australian setting. Again, in Canada, as in Australia, public education is primarily the responsibility of the provincial governments, but we do have a system of shared fiscal transfers negotiated and renegotiated several times over the years to ensure that significant resources are transferred from the federal to the provincial level, for the same reasons that we were just talking about for Australia. The government has more fiscal capacity at the federal level. You avoid the problem of downward tax competition between jurisdictions. One advantage in Australia's case is of course that the GST and income tax levels are set countrywide, whereas in Canada the provinces can set their own rates, which creates an opening for downward tax competition between jurisdictions, and an increase in federal funding for schools helps to reduce that pressure.

I would say that another huge advantage in Canada is the fact that we have I think been successful in maintaining the critical mass and legitimacy of the public school system. Private schools and non-government schools are much smaller. About five per cent of the total student population goes to private or non-governmental schools. That way, we have preserved a situation where the vast majority of Canadians see public schools as an asset that supports them and their children, and there's more critical mass, I guess, in terms of public consciousness of the importance of preserving high-quality public schools. So, there are no fixed percentages in terms of how the costs are divided between the federal and the provincial level. They are negotiated and renegotiated over time. But there's certainly a strong recognition that the federal government has to play a major role in keeping public schools as successful and popular as they are here.

Senator ALLMAN-PAYNE: What is the gap, in dollar terms, between the federal government contributing 22½ per cent and 25 per cent and how that compares with other government spending?

Dr Stanford: In our estimates, which are in the submission, it would require another \$1.3 billion a year from the Commonwealth level to reach the full 25 per cent. So, obviously in the federal government's grand fiscal picture that is, frankly, trivial. And, again, I don't see any fiscal rationale for not doing this.

Senator ALLMAN-PAYNE: Okay. Thank you.

Senator BROCKMAN: Your submission highlights a number of concerns about the current state of the Australian school system, the declining proportion of students in public schools compared with the non-government school sector, declining attendance levels, and declining student retention and completion rates. I'm wondering how things like attendance, retention and completion will be supported through the changes in this bill. In particular, have you done or are you doing any modelling or predictions of how this might be improved with new funding arrangements?

Dr Stanford: We have not specifically modelled the connection between improved funding and improved scholastic achievement. Instead, we've referenced international literature that has I think confirmed that obviously just throwing money at a problem in and of itself doesn't solve it, but it's impossible to solve the problem without

resources. I think the international evidence is quite clear that there's a strong correlation between the scholastic achievement of students and the resources dedicated to schools, particularly public schools in jurisdictions like Australia, where public schools have a disproportionate share of students with special needs or from disadvantaged backgrounds.

I would say that the really flashing red light that caused me alarm, in preparing this research, was the decline in school completion that we've seen over the last few years. Obviously, it's made worse by the unique situation of the pandemic, but that decline in completion rates was established before the pandemic and it has not recovered since the end of the pandemic, at least in the latest data. In a world in which knowledge and technology and skills are more important every single passing year, and in which the correlation between economics tests and school achievement is undoubted and confirmed repeatedly by OECD data and elsewhere, I think this is an incredibly worrying sign for Australia's future prosperity.

It takes more than just resources. You have to have plans. You have to have skills. You have to have motivated and supported teachers. You have to have accountability and evaluation. This problem will not be solved without those resources, certainly.

Senator BROCKMAN: From memory, your data was a little old. I think it went up to 2018 for the OECD. Do you have any more recent data than that or are we just working on datasets that are a little old?

Dr Stanford: Of the OECD data from the PISA program that they run to gather information on achievement in school funding and school structures, the most recent one, when we did this, was 2018. I don't think there's anything more recent. It does take the OECD time to gather and standardise and analyse that information.

The OECD data on scholastic scores, on those standardised tests, the mathematical and language tests and so on, is a bit more recent. In that data, again, Australia's performance in relative terms to other countries has been falling not increasing.

Senator BROCKMAN: Do you think there's any reason why the trend in public school enrolments hasn't continued since 2018?

Dr Stanford: The Australia-specific data we had was more recent, going up until 2022 on the national data. It was the international comparisons that were not as recent. Given what we know has happened in Australia between 2018 and 2022, almost certainly Australia's performance internationally will have deteriorated further when the next rounds of OECD data are published.

Senator CAROL BROWN: Dr Stanford, your submission goes into quite a lot of detail about the advantage of filling the current five per cent gap, and the \$16 billion offer will be the biggest investment in public education ever delivered by an Australian government. If we're agnostic about where the dollars come from, could you explain for the committee the social and economic impact of filling the five per cent gap in the school resource standard?

Dr Stanford: Certainly. The maths on that is relatively simple. We had estimates, in our submission, about what was left on the table by only going halfway. The benefits of going all the way—for the purposes of this question, agnostic on where the money came from—are twice as large as what would be achieved by going half the way, and that was by assumption. We simply said there's probably a proportional relationship between the economic gains of better funded public schools and the extent to which public school funding is lifted.

We suggested that the full 25 per cent commitment—again, wherever the money came from, I guess—would result in 17,000 direct and indirect jobs, \$2.7 billion, ultimately, in annual GDP gains and the full increase in completion rates of between 1.5 and 2.5 percentage points, just from that extra five per cent resourcing. Even that five per cent doesn't necessarily fill the full gap in funding, because of the issue of how these capital depreciation charges are treated from the states. Even if the Commonwealth government went to the 25 per cent level, as we recommend, I think there would be another issue, still, in terms of negotiating with the states over how those non-cash allowances for capital depreciation and so on are treated. But just that five per cent increment—whoever paid for it—would have significant economic and fiscal gains.

Senator CAROL BROWN: Thanks.

CHAIR: Thanks very much. Senator O'Sullivan.

Senator O'SULLIVAN: Chair, my questions have been asked already, so thank you. Thank you, Dr Stanford.

CHAIR: I want to also thank you, Dr Stanford. It's always good to see you. Thank you for your evidence today. If you've taken any questions on notice, could you please return the answers to the secretariat by Friday 15 November 2024. From us, have a good morning.

Dr Stanford: Thank you very much for your attention.

BATTERSBY, Mr Grant, Member, Save Our Schools

COBBOLD, Mr Trevor, National Convenor, Save Our Schools

FLETCHER, Mr Timothy, Committee Member, Isolated Children's Parents Association of Australia

HAMPSHIRE, Ms Anne, Head, Research and Advocacy, the Smith Family

TAYLOR, Mr Doug, Chief Executive Officer, the Smith Family

[10:12]

CHAIR: I now welcome in person representatives from the Smith Family, the Isolated Children's Parents Association of Australia and Save Our Schools. I understand information on parliamentary privilege and the protection of witnesses giving evidence to Senate committees has been provided to you. Would you like to make a short opening statement? I'm very mindful that—your statement will be given weight. It will be put on *Hansard*, and the important part of the Senate inquiry is to actually make sure we can ask questions to draw out your views of what should be happening, but it will always be in the context of your written submission and any opening statement. I do like opening statements to be less than two minutes, if possible, to make sure there's plenty of time for questions. We'll start with you, Mr Fletcher. Would you like to make an opening statement or hand up a statement?

Mr Fletcher: Thank you. ICPA Australia is a voluntary apolitical body dedicated to ensuring geographically isolated children have access to services required for an equitable, affordable, high-quality education from early childhood through to tertiary and training. The member families of our association reside and work in rural and remote Australia, and all share a common goal of achieving access to an equitable education for their children despite their location. They often live great distances from services required to support the education of their children and therefore need specifically designed rural and remote programs that allow their children to learn, develop and thrive. These families face barriers every day in achieving equitable access to education for their children. ICPA Australia value this opportunity to outline the need for the funding for a better and fairer education system that results in a well-educated rural and remote Australian child. Thank you.

Mr Taylor: The Smith Family exist to address educational inequality caused by poverty. We work with in the order of 100,000 children and young people across Australia who experience disadvantage with their families. It's that work on the ground that informs our submission that we've presented to this committee. We are supportive of the Better and Fairer Schools Agreement, particularly the focus on equity and wellbeing for students, and have been long-standing supporters of needs based funding. As an organisation, we want to focus on the opportunity for progress in the funding that's been provided and supporting the movement forward of this bill because of the opportunities that we see for the students that we're supporting across Australia.

Mr Battersby: Thanks for the opportunity to address the committee. Save Our Schools considers that the amendment bill will not meet its stated goal of providing a pathway to full and fair funding for all schools because it fails to remove major obstacles in the pathways to full and fair funding for public schools. First, the floor of 20 per cent of the Schooling Resource Standard for public schools is not commensurate with the nationally agreed education goals and the crucial role of education in supporting national, social and economic objectives. The floor should be higher. Second, the bill fails to remove blockages to full funding contained in the current funding arrangements by which states claim non-SRS funding as part of their share of funding public schools. We see these claims as accounting tricks, and including these non-SRS items, such as depreciation, school transport and funding for regulatory agencies, as part of their shares of funding public schools has defrauded those schools of \$13.1 billion from 2019 to 2024 and will continue to do so unless it's stopped.

As it says in our submission, we propose two main amendments: replace the 20 per cent floor for public schools with a 25 per cent floor and require that only funding items included in the measure of the SRS can be claimed as part of the state and territory share of the SRS of public schools. We also have a concern that the planned increases in the Commonwealth share could be delayed by changes to the regulation that cannot be disallowed by parliament. We're also recommending rejection of the proposal in some submissions to replace the 80 per cent cap on Commonwealth funding of private schools with a floor of 80 per cent, because this proposal doesn't acknowledge the contrast in the funding context of public and private schools. Public schools are massively underfunded in all states and territories except the ACT, and they'll never be fully funded while the accounting tricks remain in funding agreements. Replacing the cap with a 25 per cent floor would permit the Commonwealth to help bridge this funding gap. By contrast, private schools are overfunded in all states and territories except the Northern Territory, and they will remain so until at least 2029. Replacing the 80 per cent cap

with an 80 per cent floor would allow a future government to lock in the present overfunding and even increase the Commonwealth share, thus widening the huge resource gap between private and public schools.

Finally, we think our recommendations provide a balanced solution to the stand-off between the government and some states over the future funding of public schools. The Commonwealth increases its funding share to 25 per cent, and the states commit to a full 75 per cent without the accounting tricks. Thank you.

CHAIR: Senator Allman-Payne?

Senator ALLMAN-PAYNE: Thanks, everyone, for appearing before the committee today. I might go, first of all, to the Isolated Children's Parents Association. I'm wondering if you could speak to why it's so important for the increase in funding to happen. I note that you've said that you think that should increase to 25 per cent. I'm interested to know how that would impact isolated children. I'm also interested in your comments around the inclusion of additional loadings for students who are isolated.

Mr Fletcher: I notice that some of the states have taken up the 22½ per cent offer, but certainly New South Wales and Queensland, where we have most of our members, haven't agreed to that, at the state level. I think there are a lot of issues in smaller schools, where you don't get the economies of scale, which is why the flow of funding is important. The other one is of course that more funding, as the previous witness said, doesn't always increase the capacity to deliver, which we struggle with all the time—getting teachers, retaining teachers in small schools in out-of-the-way places. It really is a big challenge for small rural and remote schools. The turnover of staff is really high. And as much as you'd like to provide incentives for things like accommodation and assistance with travel and relocation, we really do struggle to keep teachers in the bush. So, more money would help. But, in saying that, I notice that school resourcing in major cities is a problem. It's been a problem for us for a very long time.

Senator ALLMAN-PAYNE: I have a question for Mr Cobbold and Mr Battersby. In relation to your recommendations, I'm wondering whether you could elaborate a bit more on why that four per cent clearly should not be part of or isn't part of the SRS, even though it's claimed to be full funding. I'm also interested to hear you elaborate a bit more on your concerns with the ratchet mechanism.

Mr Cobbold: All the documentation in terms of the history of the development of the Schooling Resource Standard indicates that it was never intended that non-school items and some umbrella costs not be included in the SRS, because the SRS is directed at supporting student learning in the classroom. And capital depreciation, school transport, and the costs of regulatory agencies such as curriculum bodies, standards bodies, and teacher registration bodies are specifically excluded. When you look through the documentation of the history of the development of the SRS, it's based on what's called net recurrent income per student, which is collected by ACARA for the My School website. In the documentation for that, those items are specifically excluded.

I guess the other point to make about the four per cent is that it's not just four per cent. The states can claim up to four per cent of their SRS share for capital depreciation, school transport and, in the case of Western Australia, preschool expenditure. But, in addition to that four per cent, most states can claim expenditure on those regulatory bodies. So, it's actually a bit more than four per cent.

Senator ALLMAN-PAYNE: Does that apply to both government and non-government schools?

Mr Cobbold: No, it just applies to government schools, even though private schools benefit in some part from those umbrella costs of education departments, such as teacher registration, NAPLAN testing and curriculum standards. The states are not permitted to claim those expenditures against their share of funding private schools.

Senator ALLMAN-PAYNE: And you mentioned some concerns around the ratchet mechanism. Could you elaborate on that?

Mr Cobbold: Our concerns are that if the changes to the shares are made by regulation and are not subject to disallowance then there is a potential for planned increases such as those planned in the new agreements, such as those planned for Tasmania and the Northern Territory. There is a loophole in it, in the sense that a government could delay those increases. There is a protection, in the sense that the share for any one year cannot be less than the previous year, but there's nothing to stop a government, for whatever reason—fiscal capacity or whatever—delaying it by a simple ministerial change to the regulation, that is not subject to disallowance by the parliament, and create some further uncertainty for the funding of public schools.

Senator ALLMAN-PAYNE: If this bill goes through, what does it mean for the next generation of public schoolkids in this country and their education system?

Mr Cobbold: It means that, even if the states agree to go to 75 per cent, there's still a gap in funding between the 75 per cent and what the Commonwealth's offering all states except the Northern Territory. The artificial

boosting of the state's shares through what's generally termed 'accounting tricks' will continue, because they're in the new agreements with Tasmania, Northern Territory and Western Australia. They will continue until at least 2029. That means—what is that, 18 years after the Gonski report?—public schools will still not be fully funded according to need. That's a devastating outcome.

Senator ALLMAN-PAYNE: I have a question for the Smith Family. I know that you work with a lot of young people. I'm wondering if you have any observations in relation to where the majority of kids with the most needs are, in terms of our education system?

Mr Taylor: The Smith Family works in 800 disadvantaged schools across Australia. We note that in the schools that we're working with there is a high concentration of students who are experiencing disadvantage. Equally, there are greater levels of complexity for those students and families.

I'll take a snapshot to quickly illustrate those life challenges. All the Smith Family families that we support are on low incomes. Twenty-five per cent of those students are Indigenous, 75 per cent of the parents experience unemployment, one in three of those families have a student or parent with a health, disability or mental health related issue, and 30 per cent of those families don't have a digitally connected laptop at home.

We support an increase of funding, we support needs based funding, because of the concentration and complexity of so many of these students and families and their experiences. Equally, we support evidence based measures for which those funds can be deployed and invested. We're heartened by elements of the bill. The focus on equity and excellence and wellbeing and the measures identified, we believe, will create improvements and benefits for the students that the Smith Family supports.

Senator ALLMAN-PAYNE: Which sectors are those kids in? Are they evenly spread across our education sectors or are they concentrated in some over others?

Ms Hampshire: All of our partner schools are government schools. That's where not only our data but everybody else's data indicates where the highest proportion of disadvantaged children are.

Senator BROCKMAN: This question is to the ICPAA. I have a lot of sympathy with your organisation. I come from a regional background myself and grew up on a family farm, so I understand the challenges that your member parents face. Can you talk us through how the funding changes in this bill will directly support your families?

Mr Fletcher: One of the things we do struggle with, in the bush, is experienced teachers. A lot of new teachers go there to get a start. We have a lot of turnover because you can't get experienced teachers to stay. People will go there for three or five years, working in rural and remote schools, but then leave, so you lose that experience. You end up starting again. I think an increase in funding will help access those teachers—trying to get professional teachers in—because they're on a higher pay rate, for starters. Having experienced teachers, they have an ability to draw other people in. In small schools, you really need experienced teachers to help out with the younger teachers as they come through.

It's a little bit off your question, but the other part here is the increased funding with a decreased capacity to deliver. There are some really good schools out there that aren't being fully utilised. We have all sorts of problems with accessing other services that would support education, such as allied health, speech pathology, optometrists and dentists. All those things, in early childhood and primary school, are just so critical and, really, you've got to move to a major metropolitan area or a big, regional centre like Dubbo or Toowoomba to get a lot of those things addressed now.

Senator BROCKMAN: Am I correct in saying your organisation is still advocating for a distinct category of isolated students?

Mr Fletcher: Certainly there is a loading available in the current system for small schools, schools that have a proportion of Aboriginal and Torres Strait Islanders, kids with a disability or low socioeconomic status, but we would like, certainly, small schools to be recognised. We would like also, for children that do distance education or have to access remote education like School of the Air, access to those opportunities where they come together a little bit more often, either off stations or out of small schools, so they can participate in a bigger environment like attending a special event in Dubbo, Broken Hill or Mount Isa. That would give the school resources to move the kids to those events.

Senator BROCKMAN: Just to be clear: those issues are not dealt with in this bill?

Mr Fletcher: No. Not to the full extent that the 22 per cent might address or 25 per cent, which would be better.

Senator CAROL BROWN: I'll start with a couple of questions to the Smith Family. You have already responded, in part, to questions around disadvantage, but I want to go to that point again. The national agreement that's linked to the bill has really firm ambitions to address disadvantage. And we know that schools require funding and reform to really address disadvantage. Where the agreements are already made, how do you think the Better and Fairer Schools Agreement will help to address disadvantage?

Mr Taylor: We note the agreement and the bilaterals that have been developed. In this bill, we think the opportunity for having a significant contribution for students who experience disadvantage particularly relates to the focus on equity and excellence and the tiered and targeted intensive supports. An example of that is the small group tutoring that was obviously piloted through COVID and will be soon rolled out in a number of states. That's been part of our own practice at the Smith Family. We've seen significant uplift in educational outcomes through those sorts of evidence based and targeted measures.

Other things relate to wellbeing and engagement. Core to our work at the Smith Family is supporting parents and carers. A strong indicator of student success is the degree to which a parent and carers engage in a child's education. That's core to our practice, and this bill and the funding will enable schools to invest in their engagement with parents and carers and other community partners to provide those whole-of-support wraparound programs in the whole-school model, as another example of the sorts of things that will help students who experience disadvantage.

Ms Hampshire: The other thing that the bill and the agreement do is identify, in our view, the right measures for us to track as a nation: school attendance, school achievement and year 12 completion. They're incredibly important. Our research, and international research, shows that we if we get those right—and currently we aren't getting them right enough—then improvements are lifetime outcomes for young people. There is, built into the agreement, a look not only at increasing all of those measures for all students but, very importantly, with an equity lens as well.

Senator CAROL BROWN: Thank you. Through the Better and Fairer Schools Agreement, parties have agreed to undertake collective work to understand the impacts of socioeconomic diversity and approaches to address these impacts. Why is it important to understand the impact of socioeconomic diversity?

Ms Hampshire: This is an incredibly important part and a new addition to this agreement that we haven't previously seen. What we are seeing in Australia is an increased concentration of disadvantaged students in particular schools. The schools that we're working with are seeing higher and higher proportions of children from low-socioeconomic backgrounds.

The Australian and international evidence confirms that who you go to school with matters, so, if a low-SES student is in a mid-SES school, generally speaking the data indicates that they do better in all of those educational measures that we just spoke about than if they are in a school with a concentration of low-SES students. So, if we as a nation are to improve our educational outcomes overall—particularly for the equity groups we're talking about—we need to get a better sense of that social stratification and we need some initiatives which will reduce the social stratification that we currently see. A good contrast to Australia, for example, is Canada, where there is nowhere near that concentration of disadvantage. So it's a pleasing development for the Smith Family that this is an area that the council of educational ministers has agreed to look at, and then hopefully some actions will flow.

Senator CAROL BROWN: Thank you. We talked earlier about equity, so I want to talk about the Western Australian bilateral agreement. How does resourcing according to need in this way help to increase equity in the schooling system?

Ms Hampshire: What's in the agreement in particular are some of the things that Doug has flagged. They've committed to additional small-group tuition, which we know from the evidence is very important. They have also committed, importantly, to trialling full-service schools under the agreement. Those full-service school models are very important. We heard a little bit from Timothy about the importance of allied health services, community services and those wraparound supports. In the WA agreement, we've got very clear indications from that jurisdiction that some of the funds will flow to evidence-based initiatives like small-group tuition and full-service school models.

CHAIR: We will now rotate. Senator O'Sullivan, we might jump to you if that's okay.

Senator O'SULLIVAN: Thank you all very much indeed for appearing before the committee today. Can I start with Save Our Schools? Page 8 of your submission talks about the fact that WA are able to use school funding for preschool years. Can you help us understand how this differs from other states? Aren't there separate funding amounts provided to states and territories to fund preschools?

Mr Cobbold: In most of the agreements—there may be one for the Northern Territory, and it might have been early childhood, but I can't remember—preschool expenditure is not included as part of the net recurrent income per student, which is the basis for defining the Schooling Resource Standard. It is an interesting issue. In the technical letters and reports to ACARA, which are done regularly to check that the system is working okay, there is provision in the case of Western Australia to claim preschool funding as part of school funding because, apparently, according to ACARA, the Western Australian government cannot distinguish between preschool expenditure and school expenditure. Normally, preschool funding in Western Australia is included as part of their SRS—Schooling Resource Standard—yet in the new agreement, in addition to the four per cent claim on school transport and depreciation, they can also claim funding for preschools. That is an additional item. So that is a puzzle. In the arrangements for defining the Schooling Resource Standard the Western Australian government cannot distinguish between school expenditure and preschool yet in the new agreements they can. So it is a bit of a puzzle as to why that contradiction exists. In a sense, Western Australia are double dipping on that expenditure. I mean, in the context of the schooling budget, it is not a lot of money but it is just another example where we feel that the current funding system is biased against public schools.

Senator O'SULLIVAN: Sorry, I am not sure I am following. How did the double dipping occur?

Mr Cobbold: Because they say they can't distinguish between preschool and school expenditure, that preschool expenditure is included in how the SRS is measured for Western Australia yet, when it comes to the new agreement, they are allowed to claim it again as an extra claim on the SRS. To me, that is double dipping.

Senator O'SULLIVAN: I go to The Smith Family. You have noted your support for the new agreements, in particular the focus on wellbeing. I think we can all agree that is an important area of focus for young people; however, the agreements signed with WA, Tasmania, Northern Territory are very light on detail and don't outline any of the measures that will be in place to tangibly support wellbeing. What discussions have you had at a state level about the kinds of wellbeing supports that will be implemented?

Ms Hampshire: Thank you for the question. I might start with the measure issue first. One of the things the agreement does identify is that there needs to be a measure of wellbeing so that we can actually track progress in this important area over time. Currently, there is not a nationally agreed measure for wellbeing. Some of the states have one. South Australia, for example, does. One of the first important pieces of work the Education Council needs to focus on is how will we measure wellbeing because otherwise we will not, to your point, know what progress is made over time in this important area.

What is spelt out in, for example, the WA agreement is the move to full-service school models as an example of what might support greater wellbeing. As Doug alluded, the students that The Smith Family supports are all low income and one-third of them have health and disability issues. Significant proportions of them might need assessments from occupational therapists and treatment and the like. At the moment, schools are not very well-placed to have that integrated support. So full-service school models are going to be trialled, for example, in Western Australia. That will provide a very good basis for exploring how school can be the centre of the community and bring a full range of services together in a coordinated, integrated way, particularly for young people and their families who are living in disadvantage. It is a bit seamless, so those things that impact on learning which are outside the control of teachers and schools despite their best efforts will actually be addressed in an integrated way.

Senator O'SULLIVAN: I have a question about the topic of measurement. I also extend some concern about this definition as well. The WA agreement—that is the one I have looked at—does not seem to have much definition around certain things. For example, for evidence based teaching, it just says it will apply evidence based teaching; it doesn't actually define what is meant by that, and it can mean different things to different people in different jurisdictions. Do you have an agreement on that? Should there be some sort of greater level of definition and measurement for on each of the items?

Ms Hampshire: I think one of the big achievements of the previous or current agreement under the NSRA was the establishment of AERO, the Australian Educational Research Organisation, which is jointly owned by the council of education ministers. It's that body that is providing very strong leadership regarding what does evidence based teaching look like? They are influencing not only the jurisdictions at the highest level but are actually providing available resources that are useful for the school level and the teacher level.

So rather than being, I would suggest, too prescriptive in an agreement where we need agreement from nine states and territories and the Commonwealth, establishing AERO, continuing to resource and use AERO, as I understand the Council of Education Ministers are doing, over time that is the vehicle where we can get increasingly good-quality evidence being used in schools.

Mr Taylor: The other thing to note is the different levels of data availability across those different jurisdictions—working across those different systems. Certainly things that we applaud at The Smith Family are the commitment to transparently tracking reporting on progress in this agreement and a commitment to report annually to parliament. That visibility on progress is incredibly important to determine whether we're on track and what we're learning in terms of the interventions that were taken to particularly try and address some of these significant equity challenges.

Senator BILYK: The Better and Fairer Schools (Funding and Reform) Bill 2024 leads us towards increased transparency and accountability as part of the Australian Education Act. Mr Cobbold, I know you have long advocated for increased transparency and accountability in the school funding system. My questions are to The Smith Family. I love the work you do, Smith Family, thank you very much; it's very important work. But the question is: how do the transparency measures in the BFSA compare with those in the national schools reform agreement? I am not sure who wants to go first. Maybe Mr Taylor.

Ms Hampshire: I think what is new in this bill, which is very important, is actually the report to parliament. We currently don't have a report to parliament which gives important visibility, not only to the parliament but to the Australian community, about how we're tracking educationally. So this bill requires the Minister for Education, on behalf of the states and territories, to identify progress across this. That's a very important accountability measure, and we hope for the parliament and the broader community that will enable a more informed debate. There are measures within the bill which go to improvements across those three important areas of school attendance, school achievement and year 12 completion. If the bill stopped there and the agreement stopped there, that would be very problematic. However, it doesn't. It also includes improvements on an equity basis for students from the four equity groups that we have spoken about. Some of those measures are at the moment spelt out in terms of upward trend, so it doesn't say we should go from A to B, for example, in things like NAPLAN. Over time, when there is more data available on the new approach to NAPLAN, we should get more specific within the agreement. But, at this point in time, an upward trend in those areas is appropriate. We think there is ongoing work to be done in the equity measures, but they are the right measures to pursue. There is also agreement within the full National School Reform Agreement for a review of the measurement framework, for an enhancement of that framework, and that's an important step as well.

Senator BILYK: Thank you. Mr Cobbold, did you want to add anything there?

Mr Cobbold: No.

Senator BILYK: This bill allows for additional funding to be tied to a national agreement tied to school education reform, and the Productivity Commission found that the current National School Reform Agreement was lacking when it came to targets. The new agreement specifically calls out students in outer regional, remote and very remote Australia in targets for year 12 certification, learning equity and student attendance. In your opinion, what might this bill and its links to the agreement with specific targets mean for children and younger people who live outside of the metropolitan and inner regional areas? I know you've just touched on it, but maybe you could go to that for me.

Mr Fletcher: The problem, once you get into later years of schooling, is attendance and also some subject selection. It's expensive, but a lot of kids leave the bush and go to metropolitan schools—they either go to boarding school or they rent a second residence in a major centre. Usually, mum would go there with the children so they could attend a larger school. That comes at great expense to most families. For some of these families, it's a 1,000-kilometre trip to a major centre. The extra funding, I think, would be most welcome. I don't know how the schools fund that—if you're a school and you accept a child from a rural or remote area, I don't know if that additional cost goes directly to the school. But that would be, certainly, one way that they could attract kids from far and wide.

Of course, being away at a boarding school, your attendance is pretty much guaranteed. You don't have to worry about bad roads or bad weather preventing you from getting to school, because you're at school. That has been a really good outcome for a lot of bush kids. Certainly, there are scholarships available. I notice the Australian government has just announced a new program for Aboriginal kids in the Northern Territory to get them to go to a Central school, where they can have all those things provided. I'm sure the Smith Family could comment on how a stable family helps with all of these education things—getting kids to school and making sure they're doing stuff. A stable environment would be of so much use to children.

Senator BILYK: Mr Taylor, do you want to make any extra comments there?

Mr Taylor: To pick up on Timothy's observations there about the importance of family stability in supporting a child's education, particularly for families who experience disadvantage, and as I've outlined, the families that

we support, which are a snapshot of many families across Australia, are experiencing numerous challenges at once. Obviously, the agreement's focus on wraparound supports and strengthening school practice in working with parents and carers is incredibly important, because they're very important partners in a school and also in a child's education. That's core to our work at the Smith Family, and we certainly see the benefits of that. In fact, much of our work is partnering with schools and parents on the ground to strengthen that relationship, and we see much better educational outcomes when those supports are in place. So investment in school practice and capability and professional development in working with parents and carers would be incredibly useful.

Senator BILYK: Thank you.

CHAIR: Senator Allman-Payne, I'm not sure if you have a follow-up question that you'd like to ask.

Senator ALLMAN-PAYNE: Maybe just one for the Isolated Children's Parents Association. When I had a delegation of folks from your association come to see us in parliament earlier this year, one of the things that some of those parents talked about was the lack of public options for young people who need to leave home to go to a metropolitan area. They talked about the closing down of some public boarding facilities and that, in fact, a number of those parents would prefer to send those kids to public schools. Obviously it's cheaper and therefore they would like the option of public boarding facilities. Is that something your association would like to comment on in this forum?

Mr Fletcher: Actually the establishment of this organisation was started with the shutting of a hostel in Bourke, where children could go for the week. They could go to school then go home for the weekend. Certainly, I know there are public boarding schools, agricultural high schools, in New South Wales. We have certainly lobbied hard for the establishment of more public boarding schools. There are some that are boys only. So why aren't there girls boarding schools, or why aren't they more co-ed, or all co-ed? It certainly makes a big difference. I don't know if you're aware, but the cost of metropolitan boarding is really high. Unless you can get a scholarship or do delayed payments, if you go from year 7 to year 12, it's a significant cost.

And, of course, not everybody owns great sheep stations. There are police, health professionals, doctors and lawyers that live in the bush, and they want a top education for their children. Often when they get to that stage of: 'Well, the kids have got to go to school. We're leaving the district, and we'll be going back to some metropolitan area or a large regional centre where we can access a better education.' That might just be the size of the school, subject selection, more interactions and those sorts of things. It really is quite difficult if kids are doing School of the Air or getting home tutored, usually by mum. They can do that through distance education, but you do hit a point where things go beyond the capacity of the in-home tutor to extend their children's learning. It really is quite difficult.

Senator ALLMAN-PAYNE: Thank you.

CHAIR: I'd like to thank you all for your evidence today. We appreciate the time and effort you've put into your submissions, and in joining us and answering questions today. If you've taken any questions on notice, please return the answers to the secretariat by Friday 15 November 2024.

Proceedings suspended from 10:57 to 11:16

ANDERSON, Mrs Dyonne, President, National Aboriginal and Torres Strait Islander Principals Association

MISON, Mr Andy, President and Executive Director, Australian Secondary Principals Association

MURPHY, Mr Patrick, President, Australian Government Primary Principals Association

CHAIR: I now welcome in person representatives from the Australian Government Primary Principals Association, the Australian Secondary Principals Association and the National Aboriginal and Torres Strait Islander Principals Association. I understand that information on parliamentary privilege and the protection of witnesses giving evidence to Senate committees has been provided to you. If you'd like to, please make a short opening statement. Word of warning: if it's long, you're welcome to hand it up. It will go into *Hansard*. The committee will consider it. It will be in public purview. But, otherwise, do try to keep opening statements to a couple of minutes so that senators can ask questions and we can keep on schedule. Over to you, Mr Murphy.

Mr Murphy: It's a great honour and a privilege to come here today. I'm representing 7,000 primary school leaders in 5,300 government primary schools throughout Australia, their communities, their parents and their students. When I talk about parents and students, I'm also talking about a group who sometimes have no voice—our public school parents and students, who often don't have someone who's standing up for them, and the vast majority of those students sit in government schools. Every bit of data indicates we have the most disadvantaged students. We have the students who are in rural or remote areas, who also are disadvantaged. We also have a significant percentage of disabled students in Australia.

When we looked at the bill, one of our organisations went: 'The Prime Minister opened the 47th Parliament, and he talked about when people in this building and other buildings around the country similar to this retire, and, when they're sitting on their porch and they reflect on what they have done, some of them can point to great achievements. Some of them, however, will point to pointscoring and politics.' This is an opportunity for people throughout Australia in parliaments and in this building to make a difference, and it's about making a difference to the lives of public school students.

We represent 70 per cent of primary school students in Australia. But it's not just those students we're representing; it's the communities we represent. A primary school, a government primary school, is in every community, every town, even places that don't have a town, throughout Australia. In this moment, I'm here representing our children, our future, our schools and our communities. This bill is about this country's future economic prosperity. That often isn't mentioned when we talk about this. I want to get to that in a few minutes.

I want to also talk about a time when states and territories worked together and made a difference for children's lives. We know that Gonski has been around and that this bill is based on the Gonski funding model. It has been around since 2011-12 when the Gonski panel came in. In 2014, it was delivered finally to Queensland schools. We had a federal government and a state government working together. At that time, that money in Queensland came directly to schools.

I had a school, Ashgrove state school—a high ICSEA school—five kilometres from Brisbane. I was the principal of that school. I was running that school on a grant account of \$40,000. I had 60 staff. Many organisations with 60 staff have a Christmas party with more than \$40,000. That's how much I was able to spend on those students each year. When the first tranche of Gonski funding came, \$188,000 additional funding came to that school. It made a massive difference to me, and it made a massive difference to what I was able to offer the students.

At the beginning of that year, 2014, a student came to our school, started enrolment. His name was Bailey—his real name. I won't say his surname. Bailey did not have a letter, did not have a sound and obviously couldn't read. He came in year 3. His teacher, Kathy Muburn, came and saw me and said: 'Pat, I will get Bailey reading. But I need help.' And, for the first time, I actually had the resources through the first tranche of that Gonski funding to make a difference to students like Bailey. By the end of the year, Bailey was reading at what we call level 14. So he was starting to be a functional reader. By the end of the next year, Bailey was reading at 30. He'd got through his PM benchmarks. Here's the difference; this year Bailey went to university. That's the story; we can make a difference.

When we get the funding right—when the funding gets through the school gate, through the bureaucracies to where we can make a difference for kids—we can make a difference for kids. That was a high ICSEA school. Unfortunately, most schools in our system don't have just one Bailey. They don't have one Bailey in each class; They have five or they have seven. And they're in each class. We can make a difference. Our teachers will make a difference. But we need the resources to be able to do that.

I notice Senator Allman-Payne there. You are a registered teacher, and I want to recognise that. But most people in this building aren't registered teachers so they're not able to impact directly with students and make a difference. But you can make a difference.

CHAIR: Sorry, I'm just very mindful that we have to get to questions. If you have any further matters that you really have to emphasise—

Mr Murphy: Absolutely. I would just like to—

CHAIR: You're welcome to hand—

Mr Murphy: To my last point, if a difference can be made in the three per cent, when we move students like Bailey—and across our system—we can lift this country's economy by three per cent. It's in page 13 of this book. It's a research report. We can add \$55 billion to the economy each year. So it's not just an investment in one student or multiple students; it's an investment in Australia's economy. Thank you.

CHAIR: Mr Mison.

Mr Mison: Thank you. Good morning, Chair and committee members. The Australian Secondary Principals' Association represents public secondary school principals across Australia and advocates for the 1.1 million young people in our care, and we welcome this opportunity.

This bill represents a vital step towards addressing the entrenched inequities that plague Australian education. Critically, it establishes a funding floor for government schools, and other measures that create a foundation for increased investment over time, which is desperately needed.

We do remain concerned about the loopholes that allow jurisdictions to claim capital depreciation from their SRS share, and also that it will be 2029 before the NT and WA will even arrive at 100 per cent of the SRS. Each day of delay impacts our children.

We support, however, the passage of the bill but do propose the following amendments. We ask that the funding floor in section 35A of the bill be amended so that the Commonwealth share cannot be set below 22.5 per cent, rather than the 20 per cent it currently sets. We support, actually, the very sensible second reading amendments to equity, transparency and reporting proposed by Dr Sophie Scamps MP, Kate Chaney MP and Helen Haines MP.

Public schools educate the majority of Australian students, including most First Nations kids, students with disabilities, those from remote and regional areas and those from disadvantaged backgrounds. These schools bear the brunt of social inequities and are increasingly being asked to do more with less. The fair go is a core Australian value, yet our current education system—marked by socioeconomic segregation and inconsistent funding—fails to deliver this promise for far too many children. We know that the number of schools where more than 50 per cent of students come from the bottom 50 per cent of socioeconomic backgrounds is increasing, and the great majority of these are in public schools. This concentration of disadvantage has a compounding effect and worsens outcomes for kids, families and our community. This bill would mean some schools can provide the extra support in the classroom that our young people need, from the start of the very next school year.

However, while we support this bill, we urge greater ambition. This legislation must be recognised as the beginning of a long-term, bipartisan commitment to nation-building reform. We need a new education accord in Australia that transcends political and sectoral divides. We require a truly needs based, nationally consistent funding model for all schools, coupled with a common, fair regulatory framework. We must work together to realise the aspirations of the Alice Springs (Mparntwe) Education Declaration, creating a world-class education system that truly empowers every student to reach their full potential. The future of our nation really depends on it. Thank you, Senators.

CHAIR: Good. Thank you. Mrs Anderson.

Mrs Anderson: Jingi walla. I'd like to acknowledge the traditional owners of this land, the Ngunnawal people, and pay my respects to elders past and present, and acknowledge that these lands were never ceded.

I'm going to give you a bit of a personal narrative in regard to the work of NATSIPA. I'm representing our First Nations education workforce, from principals to support workers, across Australia; from early childhood through to secondary education.

Accessing education is the right of every child. Despite all the goodwill—including centring this work around the 2019 Mparntwe education declaration—the rhetoric is not addressing the inequity that exists for our most vulnerable and at-risk children and youth. Our young ones are overrepresented in nonattendance, suspensions and expulsions, with more than 13,000 First Nations students not even enrolled at a school. So that right to education

does not even exist for many. Those are the children that have become invisible, and they are the ones that many have given up on. These are the children who need more and deserve more.

Last year, I was privileged to be invited by federal education minister Jason Clare to be a member of the NSRA expert panel. During my time, I had an opportunity to visit 92 schools across Australia, and what I saw was as diverse as the locations we visited. Everyone—school leaders, students, teachers, community support staff—was doing the best job that they could. But tell me: is that good enough? I want my grandchildren to have the best opportunities to reach their potential, and so does every other parent and grandparent, despite where you live and who you are.

Good intentions, breaking down toilets and taps, a lack of learning space, too few experienced and qualified teachers, inadequate resources and books, staff sleeping on bare floorboards due to no suitable accommodation, rotting boards, and bars on windows and verandas, looking like jails, are not the ideal learning environment. Unsurprisingly, these scenarios were commonplace in our schools with a high proportion of First Nations children. It's disgraceful, and we should be ashamed as a nation. In these circumstances, your life is over before it's begun.

If education is the key to a better future, as a society we have a moral and ethical responsibility to do better. NATSIPA believes, to create a better and fairer system, all public schools should be fully funded by lifting the Commonwealth contribution to a minimum of 25 per cent, but NATSIPA also supports the 40 per cent for Northern Territory schools due to the Territory's unique circumstances and the urgency to provide access to adequate education for all Northern Territory students, not just those based on attendance. The level of funding is still inadequate, but a real commitment is required to enable schools to fulfil their professional responsibilities.

The strengthening of transparency and accountability, including school expenditure, is really required. This information is already collected by departments and is already public in some systems but not all. This data is available and will not add to the already heavy workload experienced by schools. The NSRA report highlights and suggests that data is collected and reported on annually by an independent body, not a new one, allowing for nationally consistent reporting, making the methodology that each system uses available for public visibility. Transparency for funding disability must be prioritised because it looks and is funded differently depending on the system your child is in. Clarity and visibility are necessary to know that funding is being used to support student needs and not being diverted for other purposes. Many First Nations students are highly represented within this cohort.

Needs based funding is absolutely required for skills dealing with multiple complexities. I'll use Tagai as an example. Tagai State College is in Queensland and in the Torres Strait Islands, servicing 15 campuses. It costs half a million dollars just to bring all staff together for professional learning. It costs three times more to build infrastructure, and, obviously, a lot more time to complete the job. Your postcode—and I hear the minister say this often—should not define your educational experience, but, unfortunately, it currently does.

What is really required to make a difference? In the NSRA report that was delivered by the panel, page 176 talks about the importance of 'Implementing mechanisms to support innovation and achieve reform'. The second last point suggests there is opportunity:

... to place First Nations ... people in at the heart of design and delivery, to build a stronger, more culturally responsive education system.

One that is culturally safe, because currently it is not. The last dot point refers to the needs of:

... innovation, including funding to support trials and evaluations of new models of teaching and learning ...

So how is it that we can actually invest in what that innovation needs to be?

We have funding attached to targets, and this can be problematic. It's a very competitive world for research institutes consisting of researchers who have expertise but are not teachers and who cherry-pick students and schools that deliver outstanding results because the conditions are outstanding. In these cases, we know what worked in that setting—a top-tier school—but not what works, because this research is highly dependent on context, yet reforms include duplication and rubberstamping: a one size fits all.

My eldest granddaughter lives in a very remote community with her mother and siblings. She is in year 6 and a very capable learner, but what are her choices for secondary education? To be moved from her family support to attend an elite, well-funded boarding school and be assimilated into a fully funded secondary school because that's what is considered the best option? Otherwise, she stays with her family to have a generalist teacher and often limited specialisation and enrol in distance education. The government talks about 'better and fairer' but there is nothing better or fairer about this. Would you want this for your child or grandchild? Where is the

investment in all children? A better funding model is required, but reform must be tried and tested and contextualised before imposing unscrutinised theorising and practice.

On a positive note, a standout example of success is Menindee Central School in Western New South Wales, led by a local Aboriginal principal, Fiona Kelly. Their first year 12 student to have pre-entry to university is a wonderful celebration. Jada Hogg will train as a nurse, an aspiration that she has been working towards. The school has established Children's University, a partnership with the University of Newcastle, and young children in remote areas see themselves entering a pathway that was never imagined. Let's create the dream for everyone. Let's make everyone's reality better and fairer. We have to do it together. NATSIPA supports the bill.

CHAIR: I want to thank you all for your opening statements. I might just make a comment. I'm not elevating or de-elevating anyone, but, Mr Murphy, you brought that personal story about Bailey. He is precisely the type of student that Minister Clare is thinking about when he talks about the agreement. He's the type of student who could be supported by small group tutoring, which the \$16 billion offer to the states can help deliver. I'll now go to questions. Senator O'Sullivan.

Senator O'SULLIVAN: Thank you all very much indeed for coming before the committee today and for your time. I'll go to the Australian Government Primary Principals Association. One of the areas that I'm very passionate about is support for children, particularly those with special needs. I know that, here in my home state of Western Australia, the waiting list for health services, particularly to see a child paediatrician, is up to two years. In the agreement there's the full-service schools trial, which is very much welcome, but possibly more needs to be done, beyond just a trial. We know there are significant outcomes to be had by reducing those waiting times, so we have to see intensive and interventional supports, particularly in those early school years. You've talked about this on page 5 of your submission. You say that interagency coordination and joined-up services would benefit, and I couldn't agree more that the fragmented approach makes it very difficult for families to navigate the system and presents challenges to schools as well. What more can be done to alleviate this, and could it be incorporated into those agreements?

Mr Murphy: Yes, it can. There is scope for this in the Better and Fairer Schools Agreement, and it was referred to in the expert panel report. The key bit there is that primary schools do not have additional space, additional classrooms. It's not just a matter of the concept; it's actually a matter of how we build the facilities. Also, if we're including health and other allied services in this, there has to be a contribution from those services. It can't just be left to education to pick up some of those services. We support full-service schools. They are, as you said, being trialled in the Northern Territory, WA and New South Wales, and we are looking on with interest, but we need those other departments to make sure that their contribution is invested in this and that it's not just education doing the heavy lifting—particularly in rural and remote areas, I should also say, where people don't have access to that. WA is a classic example of that. We're not talking Perth. We're not talking Sydney. We're talking rural settings that sometimes don't even have a hospital, so this becomes the opportunity to bring those things together.

Senator O'SULLIVAN: The two-year wait is in Perth, let alone what it would be in rural and remote areas, so that's a good point. You've also noted the overcrowded primary curriculum, saying it's impossible to teach. With thousands of pages involved, it's basically a 'choose your own adventure', making it difficult for teachers, particularly new teachers. It's difficult for them to manage and to navigate. Reforming or streamlining the curriculum isn't part of the new agreement, but how do you think this could be advanced? What will it take?

Mr Murphy: Thank you for your very astute question. It doesn't sit within the bill, but it is something that is dear to every primary school teacher's and principal's heart. If we started at six o'clock in the morning and finished at six at night, we would still not get through to every part of the Australian curriculum. What we would identify is that literacy and numeracy are fundamental. I think that's what our families want and that's what we know we want to deliver, and then we're looking at general capabilities. Unfortunately, when we built the Australian curriculum, we used a secondary school model and we brought that down. Secondary schools have actually gone away from that, in terms of the model that we're delivering. When we're trying to teach individual subjects, it makes it so difficult to get all of those things covered. As you've identified, it's hard enough for an experienced teacher like me to go, 'Which one do I leave in and which one do I leave out because it can't be taught?', so how does a young teacher do that? They're struggling beyond belief. Thank you for your question. There is no small answer, but we do need to reduce the curriculum. We've argued for many years that we need a specific primary general curriculum.

Mrs Anderson: I know that the question was directed at Pat, but I just wanted to also acknowledge that, with the curriculum, we have our cross-curriculum priorities. We certainly are extremely challenged to ensure that education is accessible for all students, if you are not part of the curriculum. There are extreme challenges for

children from First Nations and other cultural backgrounds. Cross-curriculum priorities certainly have not enabled greater access for First Nations children. It's still a bit of a hit-and-miss approach. Pat mentioned remote and very remote communities, where English may be a child's third or fourth language. The curriculum does not meet the needs of those students. We need a better and fairer education system, whether it's in the bill or not. We certainly need to make sure that there are provisions for First Nations children—to have an understanding of a global perspective but certainly recognise the strengths and the sophistication of our First Nations people. Unfortunately, even with cross-curriculum priorities, the New South Wales Department of Education has decided that education about First Nations prior to colonisation should be omitted, so there are some bigger conversations and some positional power that certainly have great influence in what is being taught within our schools and what needs to be taught, not only for all students but for specific cohorts who are obviously not getting what is necessary for them.

CHAIR: Thank you, Mrs Anderson. Senator Brown.

Senator CAROL BROWN: My first question goes to the Australian Government Primary Principals Association, and I'd also like to thank all three organisations for coming along today and giving evidence. I want to go to the ratchet mechanism. As you all know, the bill includes a ratchet mechanism where the Commonwealth's funding share can only increase over time. That means that schools that you represent, Mr Murphy, in my home state of Tasmania, in Western Australia and in the Northern Territory will receive above 20 per cent of the schooling resource standard from the first day of 2025. What would the additional funding mean to your colleagues in Tasmania, Western Australia and the Northern Territory, and what is the Australian Government Primary Principals Association's position on the ratchet mechanism?

Mr Murphy: My understanding is that it's 2026 that the additional funding comes from the Commonwealth, but I stand to be corrected. In terms of additional funding and what that would look like: firstly, can I say that the bit that I didn't include was one of the things that we fully agree with, which the secondary principals spoke about, as did NATSIPA—that it is transparent, and actually we want to see this money glow in the dark. An example is: indexation, since 2015, on Commonwealth grants to state institutions, of 26.4 per cent, does not flow to most schools and jurisdictions in our system. We need the money to not just move to systems but to actually find its way inside the school gate. When it finds its way in through the school gate, we can make a difference to kids. In terms of the things that we would do, it would be additional teachers, specialised teaching, and allied health support, such as speech therapy and teacher aides, so they can work in small groups and one on one. This would ensure that those students in primary school would have those basics of literacy and numeracy so that they can access all elements of the curriculum going forward. That's the critical part that we would be seeing. That's a very simplified answer, but they're the things that we would be delivering on when that money gets through the school gate. Money outside the school gate cannot actually improve student learning outcomes.

Senator CAROL BROWN: I'll just let you know, Mr Murphy: in WA and Tasmania, 21.25 per cent will flow from 2025, then 22 per cent and then 20.5 per cent in 2026.

Mr Murphy: Thank you.

Senator CAROL BROWN: The follow-up question is: have you asked the state governments to fill or not to claim the four per cent?

Mr Murphy: We would be thinking that it's not ideal—the four per cent. We believe it is an accounting trick. However, our first mission is to get every state and territory, as an organisation, to the magical 100 per cent. After that point, we would be then asking that we look at that four per cent that is used in various states and territories for depreciation—in some cases, even potentially transporting kids to and from schools, and maybe some of those students that it seems may not even be in government schools. We would be asking, down the track, that that is there, but our first mission is to get every student to 100 per cent, and we would ideally want that to start in 2026. It'd be better in 2025, but, realistically, let's say 2026. If we could have that, that would make a massive difference across Australia.

Senator CAROL BROWN: Just to clarify, have you had those discussions with state governments? Have you put that position to them?

Mr Murphy: We certainly have, yes. I have, personally, to the former government in Queensland. I have met with the advisers in Queensland. I haven't yet met with the new minister, at this point, but I know my colleagues on the executive have met with their state representatives. Just to be clear, I'm not funded by the Commonwealth. I'm funded by the Queensland government as the QASSP president, not as the national president, so I don't necessarily get to travel.

CHAIR: Mr Mison, you nodded; would you like to put something on the record?

Mr Mison: Yes. ASPA doesn't think that we're reaching 100 per cent of the SRS, when state and territory jurisdictions are enabled to withhold four per cent. You could make the argument for transport. Transport is a direct cost going to support kids. You could argue that. In WA, I think some of that money, the four per cent, is going to support kindergarten. You could argue that. But I don't think that it passes the pub test to include capital depreciation. So, in effect, we're not at 100 per cent of SRS. ASPA has put that position to state and territory governments around the country, and generally the response we get back is, 'The costs are growing, and those are legitimate costs. That's the cost of doing business.'

CHAIR: Senator Brown, I'll take this out of my time, I'm sorry, because I didn't want to miss out. Mrs Anderson, do you want to add anything to that particular comment?

Mrs Anderson: I would just support the fact that it's not ideal. Obviously, the four per cent is absolutely necessary to be recovered and to continue those conversations. There's such a change of ministers. Those conversations that have been had previously will need to be new conversations, knowing the turnover of current leadership within our states and territories, but are absolutely essential to ensure that our most vulnerable, our most needy, communities—that four per cent equates to millions of dollars being distributed across the most needy. It's absolutely necessary.

Mr Murphy: Could I add to that too? Senator Brown, you mentioned that four per cent. We also have a concern—and I think in the bilateral agreement in Tasmania it's 0.50—around the 0.6 per cent that states don't have to pay if they haven't got the financial obligations in those bilaterals. They also sit in the Northern Territory and WA. It means there's 4.6 per cent you can drop off the 100 per cent of SRS. So there are other little parts in there that we have concerns about. But let's, firstly, get that.

I also want to recognise that we as AGPPA believe the Tasmanian agreement is the best of the three signed so far. There's the Northern Territory, down the track, when it does come online in 2029. It recognises the disadvantage in the Northern Territory, with the 40 per cent Commonwealth funding, which is great, but there's a long wait to get that.

Senator CAROL BROWN: Just before I hand over, Chair, can I ask all three witnesses if they have any further information to add, on notice, around if they've had these conversations with state governments and what the response was? That can be put on notice.

Mr Mison: I can repeat what I said, which is that we—and I personally—have routinely raised that question with almost all of the state and territory ministers, over the last year, and senior bureaucrats. The answer is rarely definitive and it's difficult, I think, to quantify that further.

Senator CAROL BROWN: Thanks very much, Chair.

Senator BILYK: I'd like a little point of clarification before I go to my question for Mr Mison. I understand that direct school transport is included in the four per cent claimed by Victoria, Queensland, South Australia, Western Australia, Tasmania and the Northern Territory, just so you're aware of that.

Mr Mison: Yes, thank you.

Senator BILYK: I'm really interested in ASPA's position on tying funding to reform 'initiatives that will strengthen teacher and school leader wellbeing and reduce teacher and school leader workload'. I know you've been on the record advocating for measures that improve the mental health and wellbeing of school leaders. This bill links funding to the implementation of a national agreement—in this case, the Better and Fairer Schools Agreement. Are you able to tell me what your organisation makes of the bill linking funding above the current 20 per cent to measures like these?

Mr Mison: It's a good start, would be my response to that. We've had 20 years or more of funding wars. We have a highly contested education debate in Australia, a highly complicated education funding landscape, with eight states and territories and three different sectors.

We've had this uneven arms race around funding, where the Catholic and independent sectors do better and the public sectors do worse. That hasn't always been the case. We've also had an increasing focus on schools' accountability, NAPLAN and My School. There's the annual bashing of schools around NAPLAN results and the narrative around our declining PISA results. I think all of these things have contributed to the teacher shortage. They've contributed to the unprecedented levels of school leader burnout and the unprecedented levels of occupational violence and low wellbeing amongst our staff and schools. I think that we really need to achieve a new national accord and put our kids and our school communities at the centre and properly fund our schools.

As I think Pat has referred to, and the other senator earlier, it's not just the responsibility of education systems. It's community services. It's health. It's our media. It's our whole society. We need to go, 'What is the most

important thing we're doing here?' And that is to grow happy, healthy humans for the benefit of our country. I think this bill is a very good start, but we really want to see more ambition from our community and from our politicians in a longer term vision for education. We've got to get those fundamentals right if we really want to address the achievement issues, the equity issues, the wellbeing issues, the workforce sustainability issues and, ultimately, the productivity issues.

Senator BILYK: Thank you. I know we're a bit short on time, but I do have one question to Mrs Anderson. I'm sure you're aware that the bill links funding to agreements relating to school education reform. In this case, the agreement includes targets going directly to supporting the members of the National Aboriginal and Torres Strait Islander Principals Association. I might quote quickly from some of the national reform directions. The agreement ties additional funding to 'initiatives to strengthen teacher and school leader wellbeing'—for example, strengthening Aboriginal and Torres Strait Islander cultural safety. Can you tell me what this might mean for your members and for First Nations educators more broadly?

Mrs Anderson: I don't think I have enough time to answer this question adequately. But, certainly, it's a significant issue and challenge. We have plenty of data that paints a very clear picture of what is happening for our First Nations educators, from principals and leaders to our support staff, who are absolutely key in regard to ensuring that our children have those positive role models. You can't be what you can't see, so diversifying the teaching workforce is absolutely essential and necessary.

When we talk about wellbeing, the data is telling us that we as First Nations educators are exiting in droves. There are systems that are not working that need to be redesigned, and they need to have First Nations voices as part of that initiative to ensure that, if we get it right, our teacher crisis—there would be a huge improvement in regard to numbers of First Nations educators assisting in providing solutions and greater success within our schools. In some of those schools I visited last year, some of the most outstanding educators I saw were First Nations educators. So how is it that we can recognise black excellence? What does that need to look like so that we can entice more excellent First Nations people into the profession? It's a great challenge when the systems that are currently there are not supporting or enabling truth-telling or enabling us to come up with alternative solutions. That's why I mentioned the importance of transparency, and accountability needs to come with that.

Knowing we're not a homogenous group, the diversity of First Nations peoples and communities requires a multipronged approach, and that doesn't happen overnight. But I really appreciate the fact that you've recognised that there's some greater work that needs to occur there, and bringing First Nations voices to the table is absolutely the most important first step to be able to look at how we can come up with alternative solutions at the moment.

It is a better Australia when we do this together and when everyone feels safe. It's not one or two people that we're talking about. We've got the data across Australia that identifies the severity of harm that is being caused, so it's very difficult to increase that diversity of the profession when people are exiting because they're not being valued, they're not being listened to and they're being harmed along the way. So it's very complex, and it's a really challenging one for me to answer in a couple of minutes.

Senator BILYK: Thanks for that answer, anyway.

CHAIR: Mrs Anderson, does that go to the point that was at the heart of the question? For the people that you represent, is having the funding specifically for wellbeing a critical piece of the step forward but not the only solution? Is having that funding an important piece?

Mrs Anderson: To have the funding to be able to support the additional complexity that needs to be addressed. It's not a one-size-fits-all, so that wellbeing funding is absolutely essential. There are already some outstanding models of practice that are occurring within communities, and unfortunately there hasn't been great recognition of what some of those solutions currently are. It is definitely a coordinated approach that needs to occur, and we see it in some of our remote and very remote communities with health services and education working closely. It requires a commitment to moving away from the silo approach that we've had in place forever to really come up with those innovative approaches that, in some communities, have been operating for decades. A lot of it is based on goodwill. Let's really amplify what that needs to be to ensure that we have greater access to success.

CHAIR: Thank you. Senator Allman-Payne?

Senator ALLMAN-PAYNE: Thanks very much everyone for appearing before the committee today. We've heard in Senate estimates from the department that, when the Gonski Review panel originally came up with the schooling resource standard, they didn't include those things that are currently allowed in that four per cent loophole—or accounting trick or whatever you want to call it—that's in the current agreements. We've also heard

from the department and had it confirmed that the Gonski modelling of the SRS was based on a sample of schools in which 80 per cent of young people met the minimum standard. I note also that it's been nearly 13 years since Gonski. Segregation has increased, and the level of disadvantage has increased. I might start with Mr Mison. Can you speak to the adequacy of the SRS? If it isn't adequate, does that speak further to the fact that it's just so important to get the five per cent and get rid of the four per cent loophole to get to the bare minimum?

Mr Mison: I feel like you've answered the question and said what I'm going to say, because I couldn't agree more. It's close to 15 years, and this is a bare minimum methodology. It was never meant to be aspirational. I believe in the original Gonski, there's an explicit statement that this should be reviewed. It's not fit for purpose; it's been skewed. It's so sad that the debate in Australia is that we are arguing just to get to the bare minimum for the majority of our kids. I don't think the SRS is fit for purpose. It's the current standard that we've got. I think it's appalling that we are allowing jurisdictions to claim four per cent, and, when we celebrate these bilateral agreements in terms of 100 per cent SRS, that's clearly not the case. We're celebrating—at best—96 per cent of SRS at some time within the next two or three years.

So I do think it needs a review, but as I think I've said in various submissions, Senator Allman-Payne, as you'd be aware, really, it's about our national priorities. We've got an \$18 billion surplus projected. There is close to \$350 billion on a submarine deal. Where do our kids sit in that triage of priorities? I would argue that it's probably the most important nation-building investment we could possibly make. So, yes, I think the SRS methodology is flawed and we're not meeting that minimum standard. I think we can do better.

Senator ALLMAN-PAYNE: Mrs Anderson, do you have anything to add in relation to the adequacy of the SRS, even if we get to 100 per cent or 96 per cent, particularly in schools that have high numbers of First Nations kids?

Mrs Anderson: I think it's already been mentioned that it's a bare minimum level of complexity. It certainly is something that features within many of our schools for First Nations communities, and our challenge is to ensure that the needs based funding is able to meet the requirements of all students. Currently what we have is not meeting that need, especially for our most vulnerable. So there needs to be a great deal more thinking around how it can be much fairer for those students at much higher risk. I've already mentioned the fact that we can't even track students who are not in school at all. It's certainly a concern when our students are not being serviced the way that they deserve. Another internalised model of requiring First Nations students to have additional supports around the funding model certainly hasn't been an open conversation, but I think the timing is right for us to actually review how it is that we can have a fairer system that is much more of a level playing field around the multiple levels of complexity.

Senator ALLMAN-PAYNE: I have a final question to Mr Murphy: are you able to speak to how the levels of complexity and disadvantage have changed in our public schools since the original Gonski, and the impact that that's having not only on students but on teachers and teacher workloads?

Mr Murphy: Probably the easiest response is that I've provided the hearing with enough copies of this document, which talks about the increased complexity and the increased segregation that sits within our public school system. Going back to your original question, I want to point out that we're talking about the four per cent, but the elephant in the room that we must call out is that last year in Australia, on average, we sat at 90.4 per cent of funding of the SRS, and no state or territory except the ACT actually delivered 100 per cent. You then take four per cent off that, so, on average, we're actually funding our public school kids at 85 per cent of the absolute minimum standard. So that has created this massive gap. If we go back 13 years, as you identified, it's more than one year of funding that our kids in our government schools throughout Australia have not been funded—more than one year. You may as well just say, 'You know what? Don't fund them in year 1. Let's just ignore them,' or, 'Let's not fund year 12 across Australia.' That's what we've actually entrenched in our schools. Is that right? Is that our priority as a nation when we do that?

Yes, we have seen increased levels of complexity with our students coming in. There are also increased levels of disability among students attending schools throughout Australia, particularly our government primary and secondary schools. That is impacting significantly, firstly, on the student population. We are happy to have students with disabilities in our school. We want that. Our students are so much better, can I say? We often talk about this, but I see that this generation of students is so much more tolerant than previous generations, and I think we've got to commend them. Our teachers do an outstanding job looking at and working with that inclusion in their classrooms, but what we haven't done is fund it properly, which then leads to a whole heap of other problems: those students losing the curriculum, those students disengaging and those students then causing behaviour problems in our classrooms throughout Australia.

CHAIR: The Better and Fairer Schools Agreement includes a review of the SRS base and loading calculations methodology. What would you hope to get out of that review? I might go across the room, if that's okay. Just give us a brief answer because we are over time.

Mr Murphy: We think that's an important element. The concern we have—and we've expressed this to the minister and to the department—is that there must be a cost-neutral option. It's really a concern when we haven't actually ever been funded at the proper SRS level to then have a cost-neutral option. What are we cost-neutralising it on—around 90 per cent of the current SRS? We would believe that there does need to be a review of the SRS model. As Senator Allman-Payne's question identified, we're not actually funding the 20 per cent of students with the most need. That's an area that needs to be worked through.

Mr Mison: I'd agree with that. The methodology should be: what resources are required for schools to get 100 per cent of kids to the minimum standard? That's what the SRS methodology should aspire to. Similarly, we need to look at other measures. For example, we need to start thinking about more sophisticated measures for disadvantage—levels of concentration of disadvantage within certain schools. We actually have to be much more sophisticated about what measures we're using to determine disadvantage.

Mrs Anderson: I would agree. The review of the model and the measures that are in place are needing innovative and new ways to measure what success and disadvantage actually are for First Nations children, ensuring that we are meeting the needs of all students with a review of how it needs to look for our First Nations children. It really needs to be involving First Nations people to be part of that methodology so that we can ensure that all of our First Nations children are able to experience a level of success that many children are currently not experiencing at this time.

CHAIR: I'd like to thank the three of you for coming in and joining us today. If you've taken any questions on notice, could you please return the answers to the secretariat by Friday 15 November. It would be of great assistance to the committee. Have a very good afternoon.

ATKINSON, Mrs Geraldine, Co-Chair, National Aboriginal and Torres Strait Islander Education Corporation [by video link]

CHARLES, Ms Lisa, Executive Director, Coalition of Peaks [by video link]

DAVIS, Mx Sharon, Chief Executive Officer, National Aboriginal and Torres Strait Islander Education Corporation [by video link]

LEE, Ms Karina, Government Relations and Advocacy, National Aboriginal and Torres Strait Islander Education Corporation [by video link]

TURNER, Ms Pat, AM, Lead Convener, Coalition of Peaks [by audio link]

[12:12]

CHAIR: I now welcome, via videoconference and telephone, representatives from the National Aboriginal and Torres Strait Islander Education Corporation and the Coalition of Peaks. I understand that information on parliamentary privilege and the protection of witnesses giving evidence to Senate committees has been provided to you. I'd like to invite you to make a brief opening statement. We'd like it if you could keep it to less than two minutes, because we do want to have time to ask questions and we are on a tight schedule. So if you could keep your statements brief, that would be of great assistance to the committee. The committee will be able to consider it if there are additional comments in writing that you'd like to give us. I might go in the same order again. Would you like to make an opening statement?

Mx Davis: Yes. Thank you to the committee for the opportunity to speak today. Firstly, I acknowledge the traditional owners of the land we're all meeting on. I'm speaking to you from Nipaluna, in Tasmania, and I recognise the Muwinina people, the custodians of this place, and pay my respects to elders past and present. I'm the newly appointed chief executive of NATSIEC, so I might have to take some questions on notice today or defer to Aunty Geraldine, who has decades of experience in this space, but I'll do my best.

The National Aboriginal and Torres Strait Islander Education Corporation, NATSIEC, is the peak body in Australia for Aboriginal and Torres Strait Islander education and training. We work closely with governments at all levels, the Aboriginal community controlled sector and other key stakeholders to positively influence education outcomes for First Nations kids, students and learners.

NATSIEC was incorporated in late 2023. Although we are still in our establishment phase, our founding members represent a wide range of communities across New South Wales, South Australia and Victoria. These community networks are facilitated through Aboriginal education consultative groups or Indigenous education consultative bodies, with one in each of these jurisdictions. In addition to strong and longstanding community networks, these groups have established ways of informing and sharing. This affords the opportunity to all communities to raise issues, share insights about education and training priorities for their respective communities and meet with key government stakeholders within their jurisdictions as necessary to proactively influence education reform at a systems level. NATSIEC is consolidating these networks to ensure the sharing of information and expertise continues at a national level, and we are proactively working with representatives in other jurisdictions to establish a community based AECG where one doesn't currently exist.

NATSIEC is here today in support of the Better and Fairer Schools (Funding and Reform) Bill 2024. We see this bill as an important step towards addressing longstanding inequalities in our education system, particularly for First Nations students. This work is crucial not only to meet our shared values but to honour Australia's obligations under key international agreements. Australia has signed on to treaties like the International Covenant on Economic, Social and Cultural Rights and the UN Declaration on the Rights of Indigenous Peoples. These agreements assert that education is a human right. It's our duty to ensure it is equitable, accessible and culturally appropriate for all students, especially those from First Nations communities.

We're glad to see that three jurisdictions have already signed on to the Better and Fairer Schools Agreement, and we're encouraged by the bill's commitment to a funding floor. That said, we are concerned about the impact on First Nations students in states yet to sign the agreement. NATSIEC urges the government to keep working towards solutions that leave no First Nations student without the support they need.

I emphasise the importance of transparency and accountability. NATSIEC is keen to work with the department to strengthen reporting, especially when it comes to funding impacts on priority groups. We need clear, accessible data that shows how funds are directly supporting First Nations students. This is crucial for building trust and ensuring funds are making a real difference.

Finally, we're encouraged by the commitment to an annual report from the minister. We'd like to see that report go beyond broad figures and speak to real outcomes, retention, cultural safety and education progress for First Nations students. We believe this transparency will strengthen confidence in the reforms and help guide future improvements.

Thank you again for your time. We look forward to working together to ensure all First Nations students have access to safe, equitable and meaningful education opportunities. I will quickly hand over to Aunty Geraldine Atkinson, co-chair of NATSIEC.

CHAIR: If you could keep it very brief, because we have to have time for questions.

Mrs Atkinson: I will try and be very brief.

CHAIR: It is important. Sorry; I don't want to be pushy, but we've got to get into the agenda to ask questions.

Mrs Atkinson: NATSIEC welcomed the opportunity to participate in the development of the Better and Fairer Schools Agreement. It was pleasing to see that the priority reforms in the National Agreement on Closing the Gap were considered as part of the development of the agreement. It was also pleasing to see the work that was done in partnership with First Nations organisations like NATSIEC and the Coalition of Peaks. As Sharon said, it is great to see that three jurisdictions have signed the bilateral agreements. We really need to see additional jurisdictions. We know much-needed funds should go towards our public schools, our government schools, and we know even bigger work ties into implementing and monitoring the agreement, to ensure it achieves the best possible outcomes. That's brief!

CHAIR: Thank you for assisting the committee. We're looking forward to asking you questions.

Ms Turner: Thank you for allowing us the opportunity to appear before the Education and Employment Legislation Committee. It's a valuable opportunity for the Coalition of Peaks. The Peaks is a representative body of more than 80 Aboriginal and Torres Strait Islander community controlled peak organisations, and our members represent approximately 800 organisations working on the ground to provide services to more than half a million of our people across the country in every state and territory.

Our success stems from the belief of all our members that better life outcomes are achieved when Aboriginal and Torres Strait Islander people have a genuine say in the design and delivery of services that affect them. This presupposes that a structural change in the way governments work with our people is needed to close the gap. This belief underpins the National Agreement on Closing the Gap, which is founded on four priority reforms developed by the Coalition of Peaks. There is compelling evidence in the Productivity Commission's 2024 review of the national agreement that life outcomes improve when these priority reforms are implemented.

More than anything else, I hope that after my appearance before you today the committee can become more attuned to the national agreement with respect to the needs of our children and young people, using the four priority reforms as the foundations for systemic change on education. I agree with much of what NATSIEC has had to say in terms of accountability and transparency in how funds are used and getting better outcomes for our children.

I need to say that the National Agreement on Closing the Gap is the first of its kind. It was developed in genuine partnership between the Coalition of Peaks and all levels of government, based on our expertise and lived experience. The agreement commits all governments to, fundamentally, a new way of working with our people and new government accountability measures. The four priority reforms are at the heart of the agreement and provide a framework for the real structural and systemic reform required to close the gap. The priority reforms are formal partnerships and shared decision-making; building the community controlled sector; transforming government organisations to get rid of the racism and discrimination against our people; and shared access to data and information at a regional level across the country.

We are very pleased that the education ministers have used the priority reforms in the development of the Better and Fairer Schools Agreement. It recognises the needs of our children and young people in a way that its predecessor did not. Equally, it's the first time genuine partnership with Aboriginal and Torres Strait Islander representatives in the education space has happened. Genuine partnership and shared decision-making are key elements of priority reform to be carried forward in the way that the Better and Fairer Schools Agreement has been developed and will be monitored and overseen by the education ministers partnering with NATSIEC.

NATSIEC is the Coalition of Peaks' lead for the education sector and has presented to you. The Closing the Gap agreement includes a clear commitment from all parties to mobilise 'all avenues and opportunities available to them to meet the objectives of this agreement', in clause 16. Mainstream national agreements like the Better and Fairer Schools Agreement can be responsive to the needs of our people and make significant contributions to closing the gap. Educating our children is one of the best ways we can improve their future and that of

generations to come after that. Education linked to culture and community can make a real difference and has the potential to address a range of issues related to closing the gap.

Our students make up approximately 5.7 per cent of the total number of students in Australia, ranging from 38 per cent in the Northern Territory to 1.7 per cent in Victoria. In 2021, over two-thirds—68.1 per cent—of Aboriginal and Torres Strait Islander people aged between 20 and 24 had attained a year 12 or equivalent qualification. The proportions of year 12 or equivalent qualification attainment declines as remoteness increases—down to 41.7 per cent for young people living in very remote areas in 2021. In 2022, Aboriginal and Torres Strait Islander school attendance rates varied. School attendance rates were steady across the primary school years—around 77 per cent—but reduced as the secondary school level increased to a low of 65 per cent for year 10 students.

According to the 2016 census, there were 9,184 fully qualified and registered Aboriginal and Torres Strait Islander teachers, making up a little over two per cent of the teaching population.

The Coalition of Peaks welcomes the commitments made in the Better and Fairer Schools Agreement and supports fully funding all public schools. The peaks are pleased that the Commonwealth government and the Northern Territory government, the Western Australian government and most recently the Tasmanian government have committed to funding all public schools fully and fairly by 2029 and 2026, respectively. The Coalition of Peaks urges the remaining governments to consider the consequences for our children and young people in holding out for a better deal from the Commonwealth.

Aboriginal and Torres Strait Islander children and young people cannot continue to be disadvantaged by governments delaying. The peaks note that the Commonwealth share of the new state and territory arrangements is above the proposed 20 per cent funding floor for government schools to be set in the regulation being discussed today. The Coalition of Peaks asks the committee to consider a higher funding floor for the Commonwealth share for government schools so that full funding can be achieved earlier and our children can receive the quality education they deserve.

It is critical that additional funding commitments are accompanied by significantly increased funding transparency. It is unclear how much of the funds being targeted towards the needs of our young people actually make it down to the students. We have no confidence that the needs based funding intended to support our students is being used appropriately to support those most in need. It must be quarantined and reported on publicly.

The schooling resource standard must come with enhanced transparency on (a) how funds intended for Aboriginal and Torres Strait Islander students under the funding model are allocated and expended right down to the school level, (b) how much funding is allocated to the community controlled sector to provide support services to our students and the Aboriginal and Torres Strait Islander workforce and (c) disaggregated data on outcomes for Aboriginal and Torres Strait Islander children aligned with community's aspirations. This position builds on the expert panel's recommendation 6A that goes to improved funding transparency to support the most affected use of recurrent and needs based funding.

That is the end of my statement, and I would welcome comments and questions. Thank you again for the opportunity.

CHAIR: Thank you, Ms Turner. I'll now go to Senator Brown.

Senator CAROL BROWN: Thank you to the witnesses for those opening statements. My first question is to everyone on the panel. I understand that NATSIEC and the Coalition of Peaks were involved in the development of the Better and Fairer Schools Agreement. Are you able to tell the committee a little bit about that engagement?

Ms Turner: Do you want me to go first?

Senator CAROL BROWN: Yes, that would be good.

Ms Turner: Lisa Charles will be able to detail the extent of the engagement that we've had with the education department in the development of this agreement.

Mx Charles: I've been in partnership with Aunty Geraldine in all the governance arrangements put together by the Department of Education, and that includes senior officials meetings, working groups, specifically on Closing the Gap and things. As I understand it, Aunty Geraldine can go through the engagement that she has had with the education ministers and senior executive as well. So I might hand to Aunty Geraldine.

Mrs Atkinson: Yes. We were very pleased to be able to be invited to join the process in the development of the Better and Fairer Schools Agreement. As Lisa said, we worked with AESOC. Lisa and I attended AESOC meetings together. We attended a working group with both the Catholic and Independent Schools representatives.

We were able to advise on what we thought would be improvements for Aboriginal and Torres Strait Islander students within government schools and other schools as well. We were able to give a cultural lens over the whole agreement, which we worked on. We were in all of those discussions. We talked about what would be suitable and what would be achieving better outcomes and successes for Aboriginal and Torres Strait Islander students. We were very respectfully received by all of the ministers—in particular, Minister Clare—in providing advice on how this Better and Fairer Schools Agreement would, in actual fact, show transparency and accountability in what the funding provided to government schools would achieve for our students.

Senator CAROL BROWN: Shaz, did you want to add to that?

Mx Davis: No, Aunty is definitely best placed to give you details since she was in those meetings.

Senator CAROL BROWN: My next question is around the bill tying funding to reform under the Better and Fairer Schools Agreement. How do you anticipate the agreement will impact educational outcomes for First Nations students? I know in your opening statements you did touch on that issue. What flow-on effects do those positive educational outcomes have on the broader community?

Mx Davis: Gosh. I was listening to the questions earlier and listening to Dyonne Anderson speak on a similar tack. Like she said, it's pretty hard to give a detailed answer in the short time that we have. But funding for our kids, and equitable funding for Aboriginal and Torres Strait Islander students as a section of the bigger cohort, is absolutely important. That goes through to funding for more Aboriginal and Torres Strait Islander teachers in schools to help support the cultural safety of our students that will in turn enable better engagement, better attendance and more success, just to name one. Being able to help teachers who are already in schools to have the training to understand how to implement Aboriginal and Torres Strait Islander perspectives in a holistic and true way is something that will not only benefit Aboriginal kids and improve outcomes but also benefit all students to learn the true history of this country. Those are just a couple of ways that I think are important to note in how that funding can impact outcomes for First Nations children. Do you have anything to add to that, Aunt?

Ms Turner: I think that having the children fully participate in the education system and succeed boosts the whole community and provides opportunities that haven't been realised previously. With the well-educated younger generation we're able to assist our elders to navigate the systems that we have to deal with today. That can be very confusing when English isn't a first language, so I feel there's a real benefit for the whole community that our kids get the best possible educational outcomes. I think the agreement is going a long way towards that but, like I said, we'd like to have more transparency with how the funding hits the ground, and accountability for that.

Senator CAROL BROWN: Can I add to my question and specifically ask about what kind of impact the agreement will have in the Northern Territory?

Ms Turner: The funding has to flow directly to the Aboriginal schools, and that has not been the case in the past. The Northern Territory in the past has diverted funds to other projects in metropolitan areas, where they get all the votes. There has to be a very strict regime to ensure that the funding being made available goes directly to the schools in the remote areas to the extent that it needs to. There are, of course, a lot of Aboriginal kids enrolled in schools in the major regional centres and cities, but as we can see from the existing figures, remote areas always have more negative outcomes than the cities do. We really need to make sure that the remote areas are getting their fair share, as proposed in the agreement.

Mrs Atkinson: I have to agree with Pat. In the Northern Territory, if they get 100 per cent funding for the Better and Fairer Schools Agreement, it'll enable children to stay in those remote communities to participate in education. A lot of them don't attend past year 10, and we want them to complete right through high school and have the possibility of completing years 11 and 12. The funding that will go to the Northern Territory is going to ensure that those children are able to attend school. We talked earlier about having a curriculum for those schools that is culturally appropriate for them, so children will stay at school. With this funding, those schools will have that cultural lens and teachers. We're hoping that with the funding that comes from the Better and Fairer Schools Agreement there will be teachers who will want to teach our children in those remote areas. We're looking at growing our own teachers in the Northern Territory through the various programs, and particularly allowing those teachers aids that teach language to be able to get that teacher training that will enable them to then teach those children in the Northern Territory. I'm hoping there are going to be real benefits, particularly for the Northern Territory.

Senator O'SULLIVAN: My questions were just asked by Senator Brown. Given the comprehensive opening statements that were provided, I'll review those and then put some questions on notice.

CHAIR: Thanks very much. Senator Bilyk.

Senator BILYK: Shaz, I understand your background is in school education. I'm really interested to get your thoughts on how you think the bill allowing for funding for an agreement that includes 'strengthening Aboriginal and Torres Strait Islander cultural safety' will work. How do you think that will be?

Mx Davis: In terms of cultural safety? When you look at education—my background is that I'm trained as a primary school teacher and I also have a master's degree in applied linguistics, which looked at Aboriginal English in schools and the learning of standard Australian English for our kids. What comes with the knowledge around Aboriginal English is a lot around cultural safety.

I know you guys are really busy, so I'll try and keep it short. The jargon around cultural safety, cultural awareness and cultural integrity—all these kinds of cultural stuff—that gets thrown around when we're talking about education and learning for First Nations students is quite tricky. But to focus on cultural safety is really important, because cultural safety—when we're talking about First Nations kids—is the creating of an environment that is safe for them to be able to learn, to be and to see themselves in a situation and in the curriculum. It can only be judged by the children themselves, so teachers can't actually say, 'My class is culturally safe.' It's the children in front of you, the learners in front of you, who determine whether that is culturally safe. That requires teachers to be culturally responsive to the children in front of them, which includes understanding that 80 per cent of Aboriginal people across this continent speak Aboriginal English, and to know how that can impact their pedagogy in the way that they teach literacy and numeracy in their classrooms.

So being able to be culturally responsive to the needs of your students helps set up cultural safety. If your classroom is more culturally safe, you do no harm, and what works best for Aboriginal and Torres Strait Islander learners actually works best for everybody. Sometimes it doesn't work the other way around. So cultural safety for First Nations kids is good for all children. Being able to have funding in schools with a baseline that's not going to go below that, but will hopefully go up, is something that is really, really important.

I would like to put on record that it is a bit of a concern that only three states, I think, have signed on to the agreement. It'd be great to be able to work with other states and territories, to get them on board with this, because I think it's something that's really important. I hope that answers the question.

Senator BILYK: It did. It's Tasmania, Western Australia and the Northern Territory that have signed on so far. I was going to ask you just to expand a bit, if you want to and if you can, about what that cultural safety will look like or should look like.

Mx Davis: For students or for teachers?

Senator BILYK: Both.

Mx Davis: For students, it looks like—if you set up a classroom or a school that is culturally safe, what you see is First Nations students' bums on seats. The students will be in classrooms and engaged in their learning, because it reflects them and it respects them. It gives them a place to flourish. It means that you have other kids who are really keen to learn about the long, long history of First Nations cultures and languages in this place—65,000 years worth of knowledge just there, ready to be heard. It improves outcomes. You have happy kids, healthy kids and less racism in schools. That impacts not only First Nations children but other children of colour or recently arrived kids—that kind of stuff.

For teachers, cultural safety, in terms of pedagogy, is actually just really good practice. It requires self-reflection, particularly for a non-Indigenous teacher—I think 97 per cent of the teaching workforce is non-Indigenous—to have a look at themselves, at what it means to be a non-Indigenous teacher in front of not just First Nations kids but all children, at the impact of growing up in a mainstream, largely white society, and at how that impacts the resources that you choose to teach the curriculum and what parts of the cross-curriculum priorities you decide to include in what you're doing. It requires knowing about Aboriginal English and how that would impact teaching First Nations learners standard Australian English without assimilating them in that way. It just makes you a better practitioner. If you can teach well to First Nations children then you can teach to anyone.

Senator BILYK: Thanks for your answers. They were very comprehensive, and I can just tell by your face that you really enjoy what you're doing. Thanks very much.

Mx Davis: You're welcome.

CHAIR: Senator Allman-Payne.

Senator ALLMAN-PAYNE: Thanks very much for your evidence today, everyone. I note that some of the questions I might have had have already been answered. I certainly heard loud and clear that you are really supportive of the priority reform areas and the move towards developing and ensuring cultural safety for students

and a more culturally safe system that takes into account much better the views of First Nations educators and communities. I've certainly heard that loud and clear.

I will just bring us directly back to the bill. We've heard evidence from others today that they have a concern about the fact that the agreements still include the ability for state governments to include non-classroom expenditure in their contribution, so it retains that four per cent amount for things like capital depreciation, school buses et cetera. We've also heard some concerns from some that they would have liked to see the floor higher than 20 per cent. I'm just wondering whether any of you have any views on that and also the timing for when money will flow. In some cases, that 100 per cent won't fully flow until 2029. I will start with Mx Davis, and then I'll go to Ms Turner.

Mx Davis: Thank you. I think that everybody would like to see a higher floor than what is there. You hear, just when you're picking up your kids from school—in public school—about how parents would love to see more facilities and more bits and pieces in schools and about needing more funding. A floor at 25 per cent would meet concerns expressed by some states that are not signing on, as they're concerned about schools not being fully funded. Without that signing, though, it stays at 20 per cent, so I'm not quite sure how that's going to work. Sorry, I might just hand over to either of the aunts, Aunty Pat or Aunty Geraldine, to maybe give their opinion in this matter.

Mrs Atkinson: I'll just say that we would have liked to see an increase in funding to all states and territories. We know that it would have really improved and increased the response to those concerns about schools and that schools have. When we were talking and consulting about the agreement, we talked about a whole range of additional things and additional supports that students—not just our students but a whole range of students—needed, and we know that schools were concerned that it was going to cost them out of their funds for their schools. I would have thought that, if there had been an increase, it would be money well spent on those kids that have those additional needs and require really good facilities so that they do have all of that going to support them, for them to enjoy their experience at school, because that's what we want. We want that for all kids, and, in particular, we want that for our Aboriginal and Torres Strait Islander children.

Mx Davis: That's a good answer. Sorry, Aunty Pat. Just before you jump in, I just wanted to reiterate what you said earlier about the transparency piece. At NATSIEC, our other co-chair, Professor Peter Buckskin, talks about funding for First Nations students. It has to glow in the dark. We need to see where it's going. No matter what the floor is, or no matter what the funding is, all of it has to be transparent so we can see where it's going.

I think we also do need to trust the states and territories a little bit that they're talking to their communities and people on the ground. My mob's from the Kimberley—I'm Bardi and Gija—and I know that schools are spending money on vehicles or things like that. It might be because they need it. So I think 'one approach fits all' or 'one complaint for everybody' doesn't quite work. That's why, at NATSIEC, we have those connections through the states and territories as we're building down to the ground to actually figure out what mob need best for them, no matter where they are. Sorry to interrupt you, Aunty Pat.

Ms Turner: No, that's fine. I already said that we'd consider a higher funding floor for the Commonwealth share for government schools so that full funding can be achieved earlier. That goes to the point about when some of the funding starts, as I also mentioned in my opening comments, because our objective is that our kids receive the quality education that they need and deserve. As Sharon has reiterated, the importance of transparency as to where this money actually goes has to be hand-in-glove with the arrangements that are put in place.

Senator ALLMAN-PAYNE: Ms Turner, do you have a view on what the floor should be?

Ms Turner: No, I'm not an education expert. I'll hand that back to Aunty Geri.

Senator ALLMAN-PAYNE: Okay. So just higher than what it is?

Ms Turner: Yes. It'll vary by jurisdiction. Thirty-odd per cent of children in the Northern Territory are First Nations, and it is 1.4 per cent in Victoria. But over to you, Aunty Geri.

Mrs Atkinson: I just think—I agree with Pat—that it needs to be higher. I refer to what I've said before about how schools with more funding can provide more resources, more culturally safe environments and a whole range of things that we don't have at the moment that will improve educational outcomes for our students.

Senator ALLMAN-PAYNE: That's great. Thank you. I'll leave it there. I'm conscious of time.

CHAIR: Thank you to all the witnesses for giving evidence this afternoon. If you've taken any questions on notice, could you please return the answers to the secretariat by Friday 15 November 2024. Thanks very much. Have a very good afternoon.

SCIFFER, Mr Michael, Private capacity

[12:52]

CHAIR: I now welcome Mr Michael Sciffer. I understand that information on parliamentary privilege and the protection of witnesses giving evidence to Senate committees has been provided to you. Do you have anything to say about the capacity in which you appear here today?

Mr Sciffer: I'm here in my capacity as a citizen. I'm a PhD student of Murdoch University. I'm assuming that I've been called upon here because of my expertise and research in the area of school segregation in Australia and internationally. Just for the senators' understanding about me personally and my background: my real job is as a public school teacher and school counsellor for 21 years in New South Wales, working in regional and remote communities in the Riverina and now in the New England region. So that's my background. I'm certainly not here in any way representing my employer.

CHAIR: Thank you, Mr Sciffer. I'll now go to Senator Bilyk.

Senator BILYK: You mentioned that you're a teacher, and I think you're also vice-president of the New South Wales Teachers Federation. Is that correct?

Mr Sciffer: Yes, that's correct. Certainly nothing I'm saying today, though, is representing the views of the Teachers Federation.

Senator BILYK: In your submission, you recommend that the next agreement should be an initiative for the federal government to lift the transparency and accountability of government school systems and schools to the learning of student equity groups. The bill includes a new obligation for the Minister for Education to make an annual statement to the parliament about proposed funding arrangements. Is that the sort of transparency mechanism that you had in mind? If it's not, what would you suggest?

Mr Sciffer: My concerns are around the impacts that segregation has on student learning. When you concentrate students from disadvantaged backgrounds in the same sort of schools, that has negative impacts on their learning. It is certainly my view that the way we fund schools in Australia encourages the segregation of students, and perversely the schools dealing with the least amount of disadvantage are those schools with the highest amount of resources. It is my view that all schools in receipt of public funding should be accountable for how well they represent their local communities in their enrolment profiles. A way of being accountable around spending public finances would be for schools to report on how representative they are of their local communities, and that could be in relation to how much of the SRS they receive. I have a paper under review at the moment that clearly breaks down by sector which schools are not representative of their local communities in terms of disadvantage and those that are overly representative of their communities in terms of disadvantage. As institutions in receipt of public funding, they have an obligation to their community to service all Australian citizens in their community, and, at the moment, we don't have that expectation of schools.

Senator BILYK: The bill ties additional funding to an agreement that has wellbeing for learning and engagement as one of its priority areas. You mentioned that you have a background as a school council. For the committee's benefit, can you outline the need for additional wellbeing and mental health support in Australian classrooms?

Mr Sciffer: Absolutely. I can only speak from a background in New South Wales. In many rural towns in New South Wales, the only mental healthcare worker is the school counsellor in the local public school and maybe a mental health nurse. Other services like paediatricians, clinical psychologists, and community and mental health services are based in larger communities, hundreds of kilometres away, and even those services have great shortages. We're in a situation in New South Wales where the current level of provision that there is meant to be in terms of the school counselling service is currently not filled. There are real issues, similar to classroom teachers, filling vacancies, particularly in rural areas.

Senator BILYK: You mentioned an array of other health workers. The bill allows additional funding to be tied to structural initiatives that support wellbeing for learning and engagement, for example, in school wellbeing coordinators, school counsellors, psychologists or mental health workers and/or youth health nurses. What impact do you think this additional investment will have on students experiencing mental health issues or poor wellbeing?

Mr Sciffer: So long as there are people to do the work, qualified people with the appropriate educational and psychological training, it could potentially go a long way. We certainly have quite substantial mental health problems in our rural areas and also in our metropolitan areas where young people, particularly those coming out of COVID, are really at a crisis point in many of our communities. At the moment, those of us who work in this

area are finding ourselves having to triage the level of crisis for our young people in terms of those we provide services to, so we don't have the time to provide proactive support because we are dealing with so many young people who are in crisis. To have more people on the ground in schools with the appropriate qualifications would be of great benefit to young people, purely in terms of safety for these young people, really. I often go home from work with great levels of anxiety around the young people that I'm supporting, worried about what their near-term future and safety will be, let alone being able to provide proactive support for them in terms of their learning and engagement with schooling.

Senator BILYK: In your submission, you talk about changes to the way that reporting on student socioeconomic backgrounds is done. The BFSa includes a review of the measurement framework for schooling in Australia. Can you explain how this work will intersect with your interest in changing reporting on socioeconomic backgrounds?

Mr Sciffer: There are two levels that my submission goes to in terms of reporting socioeconomic disadvantage. One is at the student level. Currently, in the national school reporting, particularly around NAPLAN, we provide reports around the impact of things like parental education and parental occupation and how well that's associated with academic outcomes in NAPLAN. But it can be a little difficult to get your head around those reports, because we break it down into categories. It would be much simpler if we had a single measure of socioeconomic status at the student level—which we already do have, but it's not used in those reports—so that we could have a simple measure that says, 'This is what the association or the correlation or the impact is of socioeconomic status on student learning outcomes.'

The other level that my submission goes to is at the school level. We do not report on the impacts of school level socioeconomic status on student learning. In 2022, the Productivity Commission found that, when we concentrate disadvantaged students into disadvantaged schools, the impact of school socioeconomic status is actually harming those students' learning outcomes. My research goes to that. I've looked at it internationally. This is a common effect internationally, but particularly in Australia. We have one of the strongest effects in the English-speaking world, where school socioeconomic status is actually quite a substantive reason why disadvantaged students are underperforming in our system. So, if we want to be able to address disadvantage in Australia, we need to start at least measuring and reporting the systemic factors that are impacting on disadvantaged students. The largest factor is concentrating those students into disadvantaged schools. We need to at least start reporting that so that governments, systems and schools can be held to account for the role that they play in holding back the learning outcomes of disadvantaged students.

Senator BILYK: Thank you.

CHAIR: Senator Allman-Payne.

Senator ALLMAN-PAYNE: Thanks very much for appearing before the committee today. I'm interested in this notion of how we measure disadvantage. Given what you've told us about the impact of concentrations of disadvantage, in your view, is the schooling resource standard in the way it's currently constituted and the categories of loadings that it includes adequate? Is the system, then, working for our disadvantaged kids within the system?

Mr Sciffer: In terms of funding loadings, no, it's not, because there is a loading that goes to addressing concentrations of disadvantage, but it is capped at 50 per cent. So, if a school has more than 50 per cent of low socioeconomic status students in it, it doesn't receive any more additional funding to reflect that level of disadvantage. There are schools where 70 per cent, 80 per cent, 90 per cent of the students in the school come from the first quartile of socioeconomic disadvantage, but they're only funded up to a level of 50 per cent. So that loading is not addressing the issue of concentrations of disadvantage. That does need to be reviewed, and any review of that may need to think about that not necessarily as a linear increase but more like a multiple increase. When you get through those higher levels of concentration, it is very difficult for teachers and principals to meet the learning and wellbeing needs in schools where 90 per cent of students are disadvantaged, often in poorer parts of metropolitan areas or in isolated parts well beyond metropolitan areas. Teachers and principals are working really hard in those schools, and all of the research studies that look at evidence based practice don't take into account what works in these schools where 90 per cent of the kids are disadvantaged. We've got no idea. So we need huge increases in funding to support those schools.

It's really a moral question for this parliament, because our schools funding model is a large contributor to a system that segregates young people in Australia. Parliament has a responsibility to think about what this model is doing to young people and to start putting in place measures that will start to address, or at least ameliorate, the impacts of school segregation in Australia.

Senator ALLMAN-PAYNE: Would it be your view, then, that this segregation of kids is partly what's contributing to that continuing decline in results on standardised testing and international tests? Is it the case that everybody is just sliding down, or are we seeing an increase in the gap between the kids at the top and a longer tail?

Mr Sciffer: In the most recent PISA result, there was an increase in the gap between high- and low-SES students. When you break down the data between student-level and school-level socioeconomic factors, then, certainly for secondary students, the socioeconomic status of your peers is much more important to your learning outcomes than the socioeconomic status of your family. So when we segregate disadvantaged children and young people into schools, separating them from middle-class and high-SES young people, we're setting them up for failure.

The first step is, 'Okay, how do we get those schools to the minimum resource standard?' The next step is, 'Let's have some accountability to hold government and school systems to account for how this is working.' Then let's look at, 'Okay, how can we get to a system where we are not segregating young people, dividing them into different classes and setting them off onto different life trajectories based on the school that they went to?' I don't believe that any Australian thinks that's a school system that we want in Australia.

Senator ALLMAN-PAYNE: In that context, then, does that make it even more important and critical to remove the four per cent discount, loophole or whatever you want to call it that states can use to have money within their funding envelope that doesn't go directly to classrooms? That's still in this bill.

Mr Sciffer: Absolutely. That discount is harming all young people in our schools, and it's just another barrier in the way of teachers being able to do their job to provide quality learning opportunities for all young people in our schools. For me, as someone who works in schools and has been a teacher and school counsellor for some time now, it's so disheartening when you hear critiques of what teachers are doing. We were at a point in New South Wales where the resignation rate was outstripping the retirement rate. It's a bit unfair for public pundits to be critical of what teachers are doing when they're not being provided with the minimum resource level they need, which was identified by the Gonski review in 2011. That is still not being provided, denying them the capacity to do their jobs effectively. So, yes, that four per cent discount is stopping teachers from being able to do their jobs.

Senator ALLMAN-PAYNE: One final question: in terms of the proposed reporting in the new agreement, is it sufficient to report on the trajectory, for example, of whether results are improving for, say, First Nations students or students with a disability or students in a particular location, or is additional reporting required to actually track the narrowing of the equity gap?

Mr Sciffer: Yes, both. Certainly we need quality reporting around how First Nations students are tracking and achievement gaps between various groups, including low socioeconomic status students, and the achievement gaps between rural and metropolitan students. But I think more important than tracking these individual students—because I don't think anyone is surprised to hear that disadvantaged students are not achieving at the level where we want them to be—we really need reporting that goes to the issues that are causing these achievement gaps. A systemic cause of these gaps is separating children and young people in different types of schools—segregating them. That's what we need reports on. We need to be reporting at the national and the state level what the degree of segregation is. We need to be reporting the size of those school-level impacts on student learning and whether we're making any headway on that. We've got no idea of whether that's changing.

We also need to start holding individual schools to account. Are they contributing to the national education goal of equity? At the moment it seems to be that some school sectors are working towards a goal of excellence and another school sector is working towards a goal of equity, when we're all publicly funded. It makes no sense. We need to get to a situation where we're not talking about equity. We need to get to a situation where all children and young people are achieving excellent results. We can't do that when we're not reporting the systemic factors that are impacting that and not holding individual schools to account for whether they are or are not enrolling a representative profile of students in their school.

Senator ALLMAN-PAYNE: Thank you.

CHAIR: Thanks very much for coming and joining us. If you've taken any questions on notice, could you please give the answers to the secretariat by 15 November 2024. We greatly appreciate your time.

Proceedings suspended from 13:12 to 14:23

HAYTHORPE, Ms Correna, Federal President, Australian Education Union [by video link]

CHAIR: Welcome. I understand that information on parliamentary privilege and the protection of witnesses giving evidence to Senate committees has been provided to you. I now invite you to make a short opening statement, and at the conclusion of any remarks I'll invite members of the committee to ask questions.

Ms Haythorpe: Thank you very much. Firstly, I acknowledge that I'm joining this session from Boonwurrung country, the land of the Wurundjeri people of the Kulin nations, and pay my respects to elders past and present.

The AEU represents over 185,000 members employed in public education throughout Australia, and we've campaigned for more than a decade now for the full funding of public schools to a minimum of 100 per cent of the Schooling Resource Standard, otherwise known as the SRS. It's important to state that this standard is not an aspirational funding goal; it's the funding that's calculated to be necessary to give every child, regardless of their background, the opportunity to achieve their potential, and it's a benchmark that's been accepted by all governments.

The minister's introduced this legislation, stating that it's required to increase the amount that the Commonwealth can provide to schools and claiming the maximum the Commonwealth government can provide to public schools is currently 20 per cent of the SRS. We assert that this legislation is actually not required to enact an increased provision of the SRS, because the current act is very clear that Commonwealth funding levels can be changed through regulations.

We welcome the change from a cap to a floor. However, we are gravely concerned that the bill locks in a floor for the Commonwealth share of the SRS at 20 per cent rather than a full 25 per cent, which is generally needed to close the funding gaps for public schools. So we call for the bill to be amended to replace that 20 per cent cap with a 25 per cent floor, to be reached by 2029 at the latest.

We're also concerned about the ratchet mechanism that's outlined in terms of stopping the Commonwealth SRS contribution from going backwards, as our legal advice is very clear that it could function as a lock that could potentially freeze our Commonwealth contributions at any point between the 20 per cent and the currently proposed 22.5 per cent of the SRS. We are concerned that that ratchet funding may be increased but then reduced within a year, provided that the reduced funding is greater than the previous year's funding, so we urge the inquiry to look at that particularly. We believe that the Commonwealth funding contributions must be clear and enforceable, and we recommend that the bill be amended to oblige the Commonwealth to meet specific year-on-year increased funding commitments until funding of that 100 per cent of the SRS is achieved. We're also gravely concerned that the legislation is silent on the four per cent depreciation tax that is enabling state governments to use non-school-based costs to fudge their figures with respect to their share of the SRS.

Finally, I want to acknowledge the many, many community organisations, academics and social service organisations who've also put in submissions to this inquiry with respect to lifting that share to 25 per cent. I recognise they have not had the chance to appear at this public hearing due to the short timeframes of the inquiry. Thank you.

CHAIR: Thank you very much. I will now go to Senator O'Sullivan.

Senator O'SULLIVAN: Thank you for appearing before the committee today and for your opening statement. I just want to pick up on a couple of things you said there. You've been quite critical of the government for not funding the full five per cent increase and allowing the four per cent clause to be retained. Given this was a commitment by the then opposition, the Albanese opposition, before the last election, and was something that they were very committed to and promised that they would address, are you therefore critical of this broken promise?

Ms Haythorpe: We are very concerned about two things. Firstly, we would expect that a pathway to full funding for public schools would be representative of a full 25 per cent from the Commonwealth and a 75 per cent share from state and territory governments. Secondly, the four per cent depreciation tax, which was brought in in 2018 with respect to the bilateral agreements that were struck between the then coalition government and state and territory governments, is actually removing over \$2 billion of funding from public schools right now, because state governments are writing off costs such as teacher registration authorities, depreciation, public and private school bus transport for students and so on. We believe that this should have been addressed. In fact, if it remains in bilateral agreements, there's a very real possibility that it will be entrenched for the next decade or more.

Senator O'SULLIVAN: The New South Wales, Queensland, Victoria, South Australia and ACT governments still have not signed their agreements. What's your position on whether they should adopt the new agreements?

Ms Haythorpe: My understanding is that the reason that these state governments have not signed up to the new agreements is that they're not happy with the provision of the 22.5 per cent that's been put forward by the Albanese government. Their stated position is that they would not sign up until they get the full 25 per cent. From our members' perspective, they understand that, on the ground, this gap in funding means that they're experiencing increased workloads. We've got an escalating teacher workforce shortage. I think the real issue here is that everybody knows that we have to do better and that we have to close this gap. We really shouldn't be stuck in this fight around what percentage is on the table. Currently we actually should get on with the business of making sure that all public schools have got access to that full 100 per cent, and that is going to require both the Commonwealth and the state governments to come to the party to deliver what's needed.

Senator O'SULLIVAN: In relation to the four per cent clause, what's the remedy for that? Are you saying that we should just scrap it altogether and not allow it to be used?

Ms Haythorpe: Yes, it should be scrapped. Essentially this was a surprise to everybody in 2018. When the changes went through in 2017 under the Turnbull government with respect to the Australian Education Act, it was never discussed or profiled that there would be this four per cent depreciation tax that state governments would be able to use to fudge their share. It arrived as part of the bilateral agreements that were struck at the end of that year in 2018 and with Victoria straight after in 2019. It really came as a surprise because it means that the real cost, or the real investment if you want to look at it that way, with respect to the SRS is not actually real on the ground because of the fact that governments are able to use this four per cent depreciation to decrease their contribution to the SRS. Our position is that this is about public schooling, yet this four per cent depreciation has provisions in it which allow governments to write off the cost of the private school sector against the public school share. So some states use it to fund the cost of public and private school bus transport for students. Most states use it to cover the cost of teacher registration authorities. That covers all sectors. Yet private schools are not subject to the same four per cent depreciation tax as part of their funding agreements with the Commonwealth.

Senator O'SULLIVAN: Do you acknowledge that ultimately the states are the ones that are wanting to retain it and essentially the federal government's hands are tied?

Ms Haythorpe: It arose out of an agreement between the previous coalition government and state and territory governments, and it's become part of the funding architecture. We do acknowledge that state governments want to keep it and that that creates a problem for the Commonwealth. However, our position is that, if the federal government actually fully increased their share, then there could be a greater level of willingness for state governments to address this four per cent depreciation tax going forward in the new bilateral agreements.

Senator O'SULLIVAN: I think that might be my time. Thanks, Chair.

CHAIR: Senator Brown.

Senator CAROL BROWN: Thank you, Ms Haythorpe, for coming along today to give evidence. First of all, I'd like to go to the agreement signed with the Northern Territory, where the Commonwealth will increase its funding to 40 per cent of the SRS by 2029. What impact will this increase in funding have for your members in the Northern Territory?

Ms Haythorpe: This is an incredibly welcome commitment from the Commonwealth. Everybody around the nation has accepted the fact that the Northern Territory has been a jurisdiction that requires an additional investment because it has the greatest level of need with respect to their schools and students on the ground. For our members on the ground, it was very welcome news when this agreement was struck and it was announced that there would be additional funding. They are dealing with a significant attraction and retention crisis. They've got students with high-level and complex needs, quite often across the many levels of disadvantage that make up the loadings that are in relation to the actual SRS. So it was welcome news that this additional funding would be put in place. It also shows for us that there is capacity for the Commonwealth to go above their 22.5 per cent current commitment that they have on the table, because of their willingness to do a special deal for the Northern Territory, which, as I've said, we welcomed.

Senator CAROL BROWN: I want to go to the bill, and you mentioned this already in your comments. The 20 per cent allocation of the schooling resource standard going from a maximum to a minimum—so from a ceiling to a floor—is aimed to ensure that the funding doesn't go backwards at the whim of any future government, who would need to amend the legislation in order to reduce the portion of funding to schools. Do you support the ratcheting mechanism, and do you think that it will provide long-term certainty for the school sector?

Ms Haythorpe: Certainty is very important for the school sector, and we absolutely support the change from a cap to a floor. But we're concerned as to whether the ratchet mechanism will do what it's intended to do. We take

the view that there could potentially be a possibility for an incoming government to decrease its funding in terms of making sure that the reduced funding is just greater than the previous year's funding. So we think some further investigation should be made to make sure that this is actually an effective ratchet mechanism. We are worried about the speed with respect to this. It's been a very short timeframe in terms of the inquiry and the legislation going forward. So we're highlighting these concerns with an urgency with respect to making sure that this delivers what the government actually intends.

Senator CAROL BROWN: I want to do a follow-up to some questions that were just asked by Senator O'Sullivan, where he talked about a reference to an election commitment. Before the election, the Prime Minister said:

... Labor remains committed, working with state and territory governments, to getting every school to 100 per cent of its fair funding level.

The then shadow minister, the member for Sydney, said:

We need the states and territories to increase their effort, as we would increase our effort, to get every school up to 100 per cent of its fair funding level.

The government's \$16 billion is certainly meeting this election commitment. Can I ask you about your engagement with the states and territories on the four per cent. Have you asked the states and territories to fill or not to claim the four per cent?

Ms Haythorpe: We're a federated union, which means that we've got branches and associated bodies with leadership in every state and territory across the country. The leaders of our union have been in constant discussions and negotiations around school funding now for well over a decade and with respect to the four per cent since 2018. That matter has been prosecuted with state and territory governments, and we will continue to prosecute it. Our position is that, with the assistance of the Commonwealth in terms of the structure of these new bilateral agreements, we could actually deal with the problem once and for all if we had bilateral agreements that did not include that four per cent depreciation tax.

Senator CAROL BROWN: I noticed in your submission that the AEU raises concerns about the new obligation—and I think you mentioned it earlier—for the Minister for Education to make an annual statement to parliament about proposed funding arrangements. You warn that it might have implications for state and territory negotiations and confidentiality arrangements. Can you provide a bit more detail on that concern. Won't the department, which will be drafting that annual statement, be conscious of those sensitivities for states and territories and aim to avoid those confidentiality issues?

Ms Haythorpe: We would certainly hope so. Our concern really is that it's unclear how the expansion of the minister's powers with respect to the types of school information might be part of that statement. I think this is one of those cautionary moments where, given the haste in getting this legislation through before the end of this year, we would just urge caution. We think more information needs to be provided about the intent of this change in power.

Senator CAROL BROWN: I see this as an added transparency mechanism. So your concern is not that the minister is going to make an annual statement to parliament; it's just about being mindful of some of the information that you think might be put in the statement?

Ms Haythorpe: Yes. That's certainly a correct interpretation. We support additional transparency and accountability. It's something that we have fought for in our negotiations and discussions at all levels of government. Our concern here is that we don't believe there's currently enough information with respect to exactly what would be included—for example, how this might interact with the Student Identifiers Act.

Senator CAROL BROWN: Your submission also talks about the slashing of funding for public schools under the previous Liberal-National governments. You say that the 2014-15 federal budget cut \$30 billion of promised funding and that by 2017 these cuts were revised to \$22 billion, which was later reduced to \$17 billion as a result of Senate negotiations. Noting that you would like our offer to go further, do you accept that this government is going some way to improving the SRS allocation of funding for schools, which was undermined by the Abbott-Turnbull-Morrison governments?

Ms Haythorpe: Yes, of course we do. We've all lived through the last decade, when schools have been denied the funding they need, so to see increases in funding is positive and welcome. But it comes back to the question of some money and not enough money. For too long our system has endured big cuts at all levels. It has endured a workforce crisis. We want to see the full hundred per cent delivered, because, if you make a comparison between the public and private sectors, almost every private school in the country is at or well above the SRS but still we've got so many public schools that are not even going to get close under the current offer.

Senator CAROL BROWN: There's \$16 billion that's been put on the table by the government. Thanks, Chair.

CHAIR: Thank you very much, Senator Brown. Senator Allman-Payne.

Senator ALLMAN-PAYNE: Good afternoon, Ms Haythorpe. You said that you've been urging states to remove the four per cent loophole, or at least not to include it with their calculations. But, as I understand your submission, your position is that the government should actually remove the ability for them to do that. Did the current government promise before the election that they would remove that four per cent loophole?

Ms Haythorpe: Yes, before the election we had a commitment from the government that the four per cent depreciation loophole would be removed; that's correct.

Senator ALLMAN-PAYNE: In terms of your concerns around the ratchet mechanism—the schools information, in particular—you're suggesting that it's not necessary to pass this bill straightaway and that more time should be taken to look at the technical aspects of those things. Should WA, Tasmania or the Northern Territory be concerned that, if that were to happen and this bill weren't passed straightaway, they wouldn't get the 22½ per cent that's in the agreements they've signed?

Ms Haythorpe: This is where we currently have a difference of opinion to the government with respect to this matter, because it's our understanding that the regulations actually provide power for the NT, WA and Tasmania to receive that funding. So we would urge caution in terms of not taking the time necessary to actually look at this bill thoroughly and to make the necessary amendments to ensure that it does address our concerns and those of the broader community.

Senator ALLMAN-PAYNE: That certainly accords with the advice we've been given too—that the cap really only comes into effect if there isn't an agreement. So, if there's an agreement, they can agree to give more. You've talked about the funding gap. In terms of the SRS, is it the case that the SRS is an aspirational level of funding and what percentage of students is the SRS based on, in getting above the minimum standard, when it was originally calculated?

Ms Haythorpe: The SRS is not an aspirational level of funding. It's a minimum level of funding that's required. If you look at the ACT, which is currently at 100 per cent, our members there would tell you that they are experiencing very similar escalating workloads and issues of concern with respect to helping those students who need help. When the SRS was originally constructed, it was based on a formula, essentially—sorry, I have forgotten the last part of your question, Senator.

Senator ALLMAN-PAYNE: In terms of that formula, when it was originally designed, was it designed to get 100 per cent of students to the minimum standard?

Ms Haythorpe: No, it was based on a formula that essentially would get 80 per cent of those students to the minimum standard.

Senator ALLMAN-PAYNE: It has been 13 years or so since we had the original Gonski review. How would you characterise the level of complexity and need of students across public schools and how that's changed over time since 2013 or thereabouts?

Ms Haythorpe: The level of complexity has significantly escalated. We conduct the national State of our Schools Survey every year, and our members tell us about their concerns around those students who have complex learning needs, who may be from a disadvantaged background or, indeed, have a disability, who are from an Aboriginal or Torres Strait Islander background or whose first language is not English. We are seeing a concentration, and we are worried about the residualisation effect with respect to public education. When you don't fund a system properly, when that translates to staffing shortages and when parents see that students are being put together in large halls to cover staff shortages on the ground, then people are making choices about where they take their children. We need a public system which is fully funded. We need a workforce that is professionally supported. Then we will be able to cater for all those children that we are seeing now who have much more complex needs than when the original Gonski review was conducted, over 13 years ago.

Senator ALLMAN-PAYNE: If the government's proposed bill goes through in its current form and we see further deals along the lines of the three that have already been signed, particularly with WA and Tasmania, what does that mean for the next generation of young people at school in this country?

Ms Haythorpe: We have students who are finishing their final year of schooling right now who started school in the first year of the Gonski review being handed down. If you look at Queensland, for example, which has almost an 11 per cent gap, having a deal which provides for a 2½ per cent Commonwealth contribution and a 2½

per cent state contribution means that, for the next decade and further, Queensland will be at least six per cent behind everybody else. We will not see these equity gaps close.

We think there is no better time than right now to deal with this. We've got broad general agreement from across the nation that this is a problem and that it needs to be fixed. We've got a federal government that has stated its intent to fix this with a pathway to 100 per cent. We just need to get on with this and do it and get this money into schools, where it's needed.

Senator ALLMAN-PAYNE: Thank you.

CHAIR: Senator Brockman.

Senator BROCKMAN: I have a couple of questions. You've spoken about the increasing complexity of student needs—wellbeing and mental health issues that are becoming a significant concern in the school environment. In the agreement signed to date with WA, Tasmania and the NT, student wellbeing is mentioned, but there are no tangible measures of how that funding will be directed. Do you have any further detail on the additional supports that will be in place at the state and territory level?

Ms Haythorpe: No, we don't because the agreements are silent on how that will be translated at a state and territory level. We know, from past national school reform agreements, that once that agreement is signed the states and territories can then go away and put the mechanisms in place. Our members know what they need. They need additional school counsellors who are properly and professionally trained. They need additional speech pathologists and OTs—people that can quickly assess these students and get programs into place in schools to help these kids with their learning.

Senator BROCKMAN: We've spoken about student wellbeing. What about other aspects of the 'reforms' in those agreements, things like explicit instruction, phonics and numeracy checks? Do you have a view on those and how they're being implemented?

Ms Haythorpe: We do have a view. Some of those mechanisms we don't actually support. We believe in the rights of teachers to actually teach children every day in schools in the best way that they know how. They don't need mandated programs to do that. They need resources, and they need the support of governments to trust their professional judgement with respect to their learning on the ground.

Senator BROCKMAN: If the Commonwealth increases its share to 22.5 per cent, will the states reduce their contribution? Is that how it works?

Ms Haythorpe: No, they won't reduce their contribution. The current negotiations have been that, if the Commonwealth puts in an additional 2.5 per cent, the states are also required to put in an additional 2.5 per cent, but for some states that won't actually close the gap because the gap is greater than five per cent.

Senator BROCKMAN: Okay. I'm happy to leave it there, Chair.

CHAIR: I have a quick question on the BFSa, which ties funding to building a strong and sustainable work force and includes support for measures that include reducing teacher workload. Do you think your membership supports this, and what impact might it have on the day-to-day practice within schools?

Ms Haythorpe: Yes, our members will support mechanisms that would reduce teacher workload. It's a critically important issue at the moment that's having an impact on the attraction and retention of teachers. If we can get the resourcing into the system and we can better support teachers on the ground, then we have much more time for keeping them in the profession, and that's very important to us going forward.

CHAIR: I have another quick question, on the support for teachers in rural areas and the programs there that have been recommended as well. Do you think that will also be of assistance to your members in regional areas?

Ms Haythorpe: Yes, it will, particularly the government's intended practicum relief programs and other measures to attract people into those regions. That's a very important part of the attraction and retention programs that we need, going forward. There is one caution there, though, in terms of the BFSa. For those states that haven't signed up, any mechanisms or programs that might be implemented without the resourcing would actually increase the workload for others. So the resourcing component is critically important.

CHAIR: Thank you very much for your time this afternoon. If you've taken any questions on notice, if you could give us those answers by 15 November—this Friday—it would be a great deal of assistance. Have a great afternoon.

Ms Haythorpe: You're very welcome.

BRIGHTON, Ms Meg, Deputy Secretary, Schools Group, Department of Education

HARDING, Mr Fabian, First Assistant Secretary, Funding and Data Collection Division, Department of Education

MOHR, Ms Jessica, First Assistant Secretary, National Reform Division, Department of Education

[14:56]

CHAIR: I now welcome in person representatives from the Department of Education. I understand that information on parliamentary privilege and the protection of witnesses giving evidence to Senate committees has been provided to you. Do you have an opening statement?

Ms Brighton: In the interests of the committee's time, we thought we could just go straight to questions.

CHAIR: Thanks very much. Senator Brown.

Senator CAROL BROWN: We've heard evidence that has characterised this legislation as changing the Commonwealth's share of public school funding from 20 per cent to 20 per cent. That ignores some really important funding uplifts that this bill actually enables. Could you please explain how the mechanics of this bill and the delegated legislation work to make these changes?

Ms Brighton: I appreciate the question. Fundamentally, what this bill is seeking to do is to change the existing 20 per cent cap on funding to a 20 per cent floor for public school funding. What this means in practice is that the bill provides for not only the floor to be established but then a head of power that provides for regulations to be made that reflect the state and territory negotiations on the funding agreements. In practice, what this will mean is the regulations will set out the agreed shares that have been reached between the Australian government and the relevant jurisdiction over the course of the term of their bilateral.

Senator CAROL BROWN: For the avoidance of any doubt, is it true to say that the legislation which enlivens the BSFA makes no change to the share of public school funding the Commonwealth is allowed to contribute?

Ms Brighton: This legislation does some important things. At the moment, the way the legislation works is that it requires a consistency of shares across the jurisdictions. This allows for a differential between the jurisdictions to reflect their bilateral agreements. For instance, as we've got in the case of the Northern Territory, it means that the regulations can set out a trajectory to have Northern Territory reach a 40 per cent Commonwealth government share by 2029, whereas an arrangement with WA will enable the share to reach 22½ per cent by 2026. This differential is really important, because part of the agreement with states and territories is a Commonwealth contribution as well as a state and territory contribution, so we're all heading in the same direction.

Senator CAROL BROWN: Thank you. The committee heard from the last witness about the ratchet mechanism being used as a lock to increased funding. I wonder if you could respond to that.

Ms Brighton: The way the ratchet mechanism is designed is that once the regulation is established—the regulation reflects the agreement that we have with the state or territory, and I'll get Ms Mohr to work through an example in just a minute—the share can't go backwards. The regulation will set out, each year for the next five years, an Australian government contribution towards a jurisdiction. The ratchet mechanism means that a future regulation can't take that share backwards. If the government of the day wanted to change the share, they would need to amend the act, and then it would be a matter for parliament to determine whether there was going to be a reduction in the shares. Ms Mohr, perhaps you could give an example of what that would look like.

Ms Mohr: The bill is quite clear, I think, that the Commonwealth share is the percentage in the regulations, and then the bill goes on to say that the percentage in the regulations can't be less than the current percentage or a previous year's percentage. For example, if we were to work through a Northern Territory situation where their bilateral agreement set out, over a five-year period, the increase in the Commonwealth government's share, we would envisage a regulation that said the Australian government's contribution for government schools for the Northern Territory in 2025 would be 24.2 per cent, in 2026 it might be 28.69 per cent—all the way up to 2029 and onwards, getting to 40 per cent. A future regulation would have to be either the same or a higher amount than the years prescribed there.

Senator CAROL BROWN: Thanks. That does make it quite clear. So how do you measure in the bill and the national agreement increased transparency of Commonwealth funding to schools?

Ms Brighton: There are two dimensions of the transparency. There are the amendments that are articulated in the bill and then there is work we have done in negotiations on the 10-year heads of agreement. The bill itself

establishes a new object of the act, establishing transparency and accountability in relation to funding arrangements for school education as an anchor point. It also requires the Minister for Education to prepare an annual statement to parliament on the progress made in relation to school education reform. That's really deliberate, to give transparency and accountability to the Australian parliament on the progress of that work.

As to the heads of agreement, which is the companion piece, in our negotiations with states and territories we've also done work to strengthen reporting and transparency arrangements through the heads of agreement. We're requiring jurisdictions to report on how Australian government additional funding has been invested in the national reform directions and how it has been directed to priority equity cohorts. We're also looking to seek information on both qualitative and quantitative impacts from the investment. These elements together are really important.

We've also strengthened other provisions in the heads of agreement around greater clarity of the information that approved system authorities need to make publicly available about their needs based funding model. You might recall that with Australian government funding we have a Gonski needs based funding model. That's what we use to calculate the funding that goes to jurisdictions. But then jurisdictions, or approved system authorities, can have their own funding model to distribute that funding to schools. That funding model does need to align to the Gonski principles, but it can be their own model. The clause in the heads of agreement provides for parties to the agreement to provide greater clarity and transparency and clearer communication to their communities about those funding models. Ms Mohr, do you want to add anything?

Ms Mohr: I would add to Ms Brighton's testimony that the annual report to parliament and the transitional transparency mechanisms in the BFSa come in the context of a number of reviews that have taken place over the previous couple of years into the operation of the NSRA and school funding arrangements, and I refer to the Productivity Commission's review of the NSRA and also the Review to Inform a Better and Fairer Education System, which occurred last year, both of which had extensive consultation processes and both of which recommended that an annual report to parliament be introduced.

Senator CAROL BROWN: Thank you. The committee has also heard about the agreement having national targets and about a desire for specific targets for equity groups. Can you please explain for the committee how the agreement handles the need to support equity groups and how this relates to the targets?

Ms Brighton: Perhaps I could start on a first-principles basis. In December last year all education ministers had agreed to the three priorities for the next School Reform Agreement. One of those priorities was 'equity and excellence'. Then there was 'wellbeing for learning and engagement', and the third priority is 'teacher workforce'. So, equity features quite strongly in both the outcome measures and the reform direction. A key underpinning of the reform directions is ensuring that the needs of young people are identified early and, as part of identifying those needs early, that those students are getting what they need to catch up and to keep up. That's through targeted intensive supports, through high-quality teaching practice in the classroom and through things like the phonics check and the numeracy check, which are deliberately designed as tools to help educators identify the needs and then respond accordingly.

Those reform measures are then reflected in the bilateral arrangements with states and territories. Those bilateral arrangements ensure that the reforms are applied in context in that jurisdiction, so it fits in as part of their whole-school improvement approach. And then, supporting all that, we have implemented a number of improvement measures as part of the heads of agreement. Those improvement measures have a particular focus on priority cohorts, so we get an aggregate measure about how students are performing overall. Then, where the data is available, we will disaggregate by priority equity cohort.

Senator CAROL BROWN: Thank you.

Senator ALLMAN-PAYNE: Thank you for joining us, having seen us so recently at estimates. And I must apologise, because there are some questions that I'm going to ask that are a bit similar to what I asked at estimates, but I do want them on the record for this bill. Going to the Schooling Resource Standard, your submission to this inquiry states that the SRS is an estimate of how much total public funding a school needs in order to meet its students' educational needs. What percentage of students was the original Gonski baseloading modelled on getting across the line? My understanding is that it was 80 per cent. Is that correct?

Ms Brighton: The reference schools used for the original Gonski model was where at least 80 per cent of students are achieving above the national minimum standard for their year level in both reading and numeracy across all three years—in 2008, 2009 and 2010. That means that in each of those three years, across years 3, 5, 7, and 9, in both reading and numeracy, 80 per cent of young people were above the national minimum standard. So, it wasn't just to get them to the national minimum standard; it was above.

Senator ALLMAN-PAYNE: Is it all above? Or 'at or above'?

Ms Brighton: It's 'above'. It's in the Gonski report, on page 157. Because it's above, when that original work was done only 16 per cent of schools in the country met that benchmark. That was about 1,400. A lot of schools might have met 80 per cent of students in a single grade and met the benchmark of being above national minimum standard, but only 16 per cent had it in all of those three years, across all year levels, sitting in numeracy and reading above the benchmark. The consultant firm that did that work for the Gonski panel also did some assessment about what it would be if that figure was not 80 per cent but it was 90 per cent. The Gonski panel determined that hitting the 90 per cent of students sitting above the national benchmark was likely an unachievable outcome in terms of standard bell curve measures. Only three per cent of schools in the country at the time met the 90 per cent benchmark, so only 271 schools in the country.

Senator ALLMAN-PAYNE: Someone needs to tell the people who bash teachers over the head in the newspapers that. We're all told as teachers that our aim is to get every single student across the line, and I've just heard that, actually, the modelling has been done and it's impossible to get them all across the line. I'll leave that there.

We had some really interesting evidence today from Mr Sciffer, who is looking at segregation in school systems. One of the things that he talked about was the fact that there is a large body of increasing international evidence that tells us that the more we segregate students and the more we concentrate disadvantage, that has a significant negative impact on young people's learning. What we've seen over the course of recent PESA data coming in is that in Australia we are seeing increasing segregation and a wider equity gap. One of the things that Mr Sciffer talked about was the fact that all the measurements in the BFSa are focused on individual student factors: Do they have a disability? Are they First Nations? Are they remote? Are they regional? He talked about the fact that there's no real mechanism or management or accounting for systemic factors that are increasing disadvantage. For example, the SRS currently doesn't account for the school that has 90 per cent of young people in the lowest percentiles. Is there anything in this BFSa, in the new agreement, that actually takes into account and funds according to systemic disadvantage like concentrations of young people that multiplies the disadvantage beyond just the impact on an individual student?

Ms Brighton: I'll go to that in just a moment. What I would like to say on the Gonski funding model is that, while the funding model was based on a particular statistical analysis around 80 per cent of children sitting above the national minimum benchmark across all those years of NAPLAN, for three years concurrently, nothing should stop us from seeking to realise the ambition that every child and young person in this country should be able to catch up, keep up and absolutely thrive in our education system. We stand by that, and we think that this agreement is very firmly anchored in those principles.

Regarding the evidence you refer to, we have discussed this as part of our discussions with states and territories and there are a few comments I would make. We know the concentration of disadvantage has an impact. We see it in our PESA results; we see it in results overall. It is a very complex area. In the funding agreement that we have signed so far with three jurisdictions, we have a piece of work under what we call the national enabling initiatives. These are bodies of work that we have committed to doing together. One of those pieces of work is looking at socioeconomic diversity, its impact on schools and student learning and the approaches to addressing these impacts. That's work that we have collectively agreed to work on. Some of the evidence you heard earlier on today talked about Dr Bruniges's work with the Paul Ramsay Foundation. She's starting to see some really interesting insights on that work. We will work with states and territories in the early part of this agreement to try and get a better insight into that.

The other element that this agreement provides for is that, for those who agree with the BFSa, we have a commitment to review the SRS base and loadings. We know a lot more about schooling now, and in those discussions one of the things that has come up with the way that the funding calculation is working is: does it adequately address that intersectionality and the concentrations of disadvantage? That's a piece of work that we will do in the early part of the next agreement.

Senator ALLMAN-PAYNE: Noting that—one of the things that I imagine could fall out of that is an understanding, for example, that more resourcing is required where there are concentrations of disadvantage. Do these agreements and the legislation lock states and the federal government into five years, 10 years worth of funding in circumstances where we may grow to understand, based on that work, that it's not enough? Or does it provide scope for there to be additional funding flow if that extra research shows us that, because we have an increasingly segregated system, we need to do a lot more for those kids in areas of serious concentrations of disadvantage?

Ms Brighton: There are a few ways that we would look at that issue. As I said at the beginning of my evidence, the Australian government funding model calculates the funding according to the Gonski model. Then states and territories distribute that funding in a way that's consistent with their own funding models, some of which may well have a concentration dimension to them. When we do the work together on the SRS calculations—if you've read the head agreement, you'll see from one of the parts that there should be at least one cost-neutral option as part of that work—as part of any good policy work, that will look at: How do these loadings work together? What are the loadings that need to be optimised, and what is the amount of funding that needs to be included?

With the tenure agreement, ministers had collectively agreed that the bilateral arrangements would be in two five-year blocks. Those two five-year blocks give education ministers the opportunity at the midpoint to do a review of the agreement, to look at targets, to look at measures and to look at reforms, and to see whether they need to recalibrate any that they had committed to. If at that time they made a decision to collectively look again at funding, nothing would stop them from doing that.

Senator ALLMAN-PAYNE: I have some clarifying questions around the ratchet mechanism. For clarity: Does the ratchet mechanism proposed in the bill allow a minister to reduce the Commonwealth's contributions from previous years retrospectively? Could they pass retrospective legislation or regulation—which isn't disallowable—to actually reduce it retrospectively? I know we don't normally see retrospective legislation, but I want to rule that out altogether.

Ms Mohr: In respect of the regulations, the new clause 35A(2) makes it clear that, with the Commonwealth share for a school for a year or a previous year, any future regulation needs to be greater or equal to that amount. The regulations wouldn't be able to give effect to a lowering of the percentage. In terms of changes to the legislation, it's uncommon, as you say, for retrospective pieces of legislation to go to parliament and then be passed. I can't imagine a situation where that would be the case.

Senator ALLMAN-PAYNE: Does the ratchet mechanism still apply if an agreement expires or isn't entered into in the first place?

Ms Mohr: Under the act, in order for Australian government funding contributions to flow to states and territories, an agreement needs to be in place. So that's a precursor required under the act before funding can flow. So at all times an agreement needs to be in place.

Senator ALLMAN-PAYNE: Can I just clarify something with the current legislation. Under the current legislation is an agreement required? Or does the current legislation facilitate 20 per cent flowing, absent an agreement?

Ms Brighton: Under section 22, subsection 2 of the existing act, in order for financial assistance payments to be made, there needs to be a national agreement and an implementation agreement. The implementation agreement is the bilateral agreement. Those need to be in play in order for Commonwealth funding to flow. And the Commonwealth funding would flow at 20 per cent with those agreements in place.

Senator ALLMAN-PAYNE: Thank you.

CHAIR: Senator Bilyk.

Senator BILYK: We've heard from teachers, school leaders, educators and their advocates today about workload and what a concern it is for many in the profession. How will this bill and the national agreement that is linked to it address rising teacher workload?

Ms Brighton: The impact and stressors on our teaching workforce have been at the forefront of the minds of education ministers collectively. They agreed to establish a National Teacher Workforce Action Plan in 2022. We have been working with our colleagues in states and territories on the implementation of that plan. That has then informed the negotiations that we've had with states and territories. In the heads of agreement, one of the key limbs of reform is all about workforce. What we are trying to do is attract more people into teaching, support the workforce who are already in teaching to stay in teaching, and ensure that we continue to provide supports for them in terms of their development professionally, but also their health and wellbeing.

So, under the new 10-year heads of agreement, one of the reforms is initiatives to strengthen teacher and school leader wellbeing. That includes actions to support safe and respectful schools and cultural integrity—I know that you heard from Dyonne Anderson earlier today—but also to reduce teacher and school leader workload. This reform will build upon the existing work we have running at the moment with states and territories where the government is invested in the order of \$30 million to pilot different approaches across the country with states and territories to reduce teacher workload. Those pilots are very bespoke to the different needs and the different jurisdictions. That's a really key pillar of this.

The other thing is that one of the principles that we've had running throughout the negotiations is we reuse existing data where we have it. We have a principle of not putting any additional workload onto teachers or school leaders. That has underpinned not only the negotiations, but all of the elements that are featured in the heads of agreement.

Ms Mohr: I would just add to that that it is an explicit commitment in the agreement, at clause 98: unless explicitly stated otherwise, the reporting under the agreement will not impose any additional burden on schools. It's an explicit commitment in the agreement. I would also add that, at clause 90, consistent with the action in the National Teacher Workforce Action Plan, a teacher workload impact assessment will be prepared in consultation with states and territories, the non-government sector and unions as part of the development of all the project plans related to the national enabling initiatives committed to under the BFSa. So it continues to be a very strong theme throughout the 10-year agreement that there would not be additional workload on teachers and schools.

Senator BILYK: Thank you. There has been a lot of commentary and interest in the path to 100 per cent today. Can you outline the deals that have been signed and the year in which the additional Commonwealth funding will be fully realised in each jurisdiction, please.

Ms Brighton: Certainly. Three heads of agreement and bilateral agreements have been signed. The Northern Territory one, can I just say, is an agreement we're all really proud of. It will be generation changing in the Northern Territory. It will mean that the Northern Territory will receive 40 per cent of their SRS from the Australian government by 2029, so that system will be fully funded, with both the Commonwealth funding and the Northern Territory government funding, by 2029. When I say 'by 2029'—I appreciate that the committee isn't in our daily business—that means the January payment that goes to the jurisdictions will feature the full amount of the funding from the January payment of that year. Perhaps Ms Mohr can work us through the other jurisdictions.

Ms Mohr: Yes, certainly. That was signed on 31 July. The agreement with Western Australia was signed on 3 September, and that will have the Australian government increasing its share of funding from 20 per cent to 22.5 per cent and the Western Australian government matching that contribution, going from 75 per cent to 77.5 per cent by 2026. Similarly, as Ms Brighton said, that will commence in the January payment. Through the agreement with Tasmania, which was signed on 25 September, the Australian government will be increasing its share of funding from 20 per cent to 22.5 per cent by 2026 and, similarly, Tasmania will increase its funding share from 74.31 per cent to 77.5 per cent by 2026.

Senator BILYK: Great.

Ms Brighton: We are continuing the negotiations with the other jurisdictions. Even as recently as yesterday we were in conversations with the jurisdictions about the other outstanding matters.

Senator BILYK: Great, thank you. We've heard a bit about the Australian curriculum today, and it wasn't all necessarily nice. I thought that the Australian curriculum was signed off on behalf of the Commonwealth by Acting Minister Robert on 1 April 2022. Is that correct?

Ms Brighton: Yes. The Australian curriculum went through a large review, and it was signed off in April 2022. Jurisdictions have been in the process of implementing the new curriculum, and part of what we've been working with states and territories on is stronger supports for teachers about the implementation of that curriculum. AERO has been commissioned by us to do a range of work around resources. We've got the university in—now, I said it wrong at estimates—

Ms Mohr: Adelaide.

Ms Brighton: We've got the University of Adelaide doing microcredentials to support teachers. All of this is the wraparound for the implementation of the curriculum.

Senator BILYK: Am I right in thinking that the Better and Fairer Schools Agreement will support teachers to teach the Australian curriculum?

Ms Brighton: Yes, we've got a range of initiatives in the agreement. Under a strong and sustainable workforce, one of the commitments is to provide:

Access to high-quality and evidence-based professional learning for teachers and school leaders and the provision of quality-assured curriculum resources that have been developed in partnership with the teaching profession

That's one of the key reforms under a strong and sustainable workforce in the agreement.

Senator BILYK: Okay, that's great. Thank you very much. That's it from me, Chair.

CHAIR: I'll now go to Senator Brockman.

Senator BROCKMAN: Thanks for coming along today. I want to start with some evidence we were given early on today by Independent Schools Australia and the Catholic Education Commission about the differential treatment of the regulations, one being a disallowable instrument and the other being not disallowable, between government and non-government schools. They raised that this could potentially result in unfair treatment. How did this come about? Was this differential treatment a decision of government? Did it come about within the drafting within the department? Can you talk to how we got to where we are.

Ms Brighton: I think there are a couple of things that I will go to on this. When we talk about the funding for the public schools and having a mechanism to establish 20 per cent as the floor and employing a ratchet mechanism to safeguard that investment, public schools are in quite a different position to the non-government sector. The Australian Education Act sets out that the Australian government funding share for the non-government sector is 80 per cent, and non-government schools arrive at that 80 per cent or are transitioning down to that 80 per cent by 2029. So a ratchet mechanism wouldn't really be appropriate for the non-government sector because, if they're not already at 80 per cent, they're transitioning down to 80 per cent, whereas the ratchet mechanism is a safeguarding for those public schools that are coming up in their funding share.

In regard to the disallowance, the reason behind the disallowance is that the bilateral agreements are artefacts of Commonwealth and state and territory negotiations and those bilateral agreements around the funding trajectories will be embedded in the regulations. The disallowance mechanism, or the prohibition of a disallowance or an exemption from disallowance, is really to protect the negotiations between Commonwealth and state and to remove the uncertainty around those funding shares. So there are a range of arrangements, given effect through regulations, that are exempt from disallowance. It's things like national specific-purpose payments, national health reform payments. This is not an unusual treatment to give effect to a Commonwealth and state agreement.

Senator BROCKMAN: Was it something that came through the drafting process, or was it a decision of government that came down from above?

Ms Brighton: If you're talking specifically about the disallowance mechanism—

Senator BROCKMAN: The disallowance, yes.

Ms Brighton: The disallowance mechanism is really a matter of custom and practice by way of Commonwealth and state negotiations.

Ms Mohr: Similar provisions exist in the Federal Financial Relations Act 2009 in relation to a number of the intergovernmental agreements listed in that act. It's a pretty standard clause that applies in relation to intergovernmental agreements.

Senator BROCKMAN: I completely understand that, but I think you would also understand, from the non-government school sector, that their funding envelope, being disallowable—whereas, under this bill, the government school sector would not be disallowable—gives them a level of uncertainty and nervousness.

Ms Brighton: I think the non-government sector takes great comfort from the regulations that articulate their transition to 2029 having been in place for some time and from our not having encountered any concerns or issues with those regulations being in place.

Senator BROCKMAN: With due respect, they may take great comfort from that, but the fact that they've raised it means that they are nervous about it. But I'm happy to move on. Three jurisdictions have signed heads of agreement. Could you remind me: how long do those agreements go for?

Ms Brighton: The heads of agreement is a 10-year agreement—2025 to 2034. Then there's a bilateral agreement, which is five years. Both of those agreements are available from our website, and we're happy to provide the committee with that.

Senator BROCKMAN: Does that provide a year-by-year funding breakdown?

Ms Brighton: Yes.

Senator BROCKMAN: It does? Over those 10 years or over the forwards?

Ms Brighton: Over the five years, it's got the Commonwealth and the jurisdiction share of the SRS in the bilateral agreements.

Senator BROCKMAN: It'd be great if you could provide them to the committee. I'm very happy to hear they're available, but if you could provide them to the committee, that would be good. Just to be clear: I was chasing the extra dollars—the actual dollar amounts, not just the shares. Is that public?

Ms Brighton: The shares are in the bilateral agreement. The extra dollars are in the various media releases about the announcement, but they will be for those jurisdictions that have been signed. That usually appears as a measure through the budget process.

Senator BROCKMAN: So can you provide the committee with the breakdown, year by year, of at least the forwards, but as far as your modelling goes, of the actual dollar amounts?

Ms Brighton: That will be in the MYEFO budget papers. I appreciate the time the committee is working to, but it will be published once the government has resolved its MYEFO position. We can give you the media releases that were done.

Senator BROCKMAN: But the agreements have been signed. I'm not quite sure why you can't provide the committee with that information.

Ms Brighton: We'll take on notice that question about what we can provide.

Senator BROCKMAN: If you could. Honestly, I'm not trying to be tricky here, but if the information is in media releases and you have the information I'm not sure why you need to wait for MYEFO to give it to the committee.

Mr Harding: We're just trying to give you the most accurate approach we can. The bilateral agreements have as a share, as a percentage, in that space—the percentages are converted into dollars over time. In the agreement, the percentages stay the same over the years but as the Schooling Resource Standard changes through indexation and parameters et cetera that number changes over time. We can't give you a number that will be the same number over the period of the agreement because that will change as the SRS changes with indexation over time.

Ms Brighton: We'll take that on notice.

Mr Harding: We can provide you with where we think we are right now, which was the number that generated the media release.

Senator BROCKMAN: You can give us the profile as it stands at the moment?

Mr Harding: Yes. The comment was that that will be updated shortly in MYEFO with different parameter changes. It will be as at now, but it will change in the future with MYEFO.

Senator BROCKMAN: I completely understand that; I completely understand those numbers change over time. But if we could get those numbers now over at least the forward estimates—or as far as you can go.

There's a no disadvantage clause in the bilateral agreements for Western Australia and Tasmania. Can you explain that to me. Is the government anticipating more will need to be offered to the remaining five states to get them across the line?

Ms Brighton: It's a general custom and practice to include a no disadvantage clause. The same clauses have appeared in previous bilateral agreements as part of the NSRA and, I expect, the NERA before that. It's a protection that states and territories like to have in place.

Senator BROCKMAN: Thank you.

Senator O'SULLIVAN: Coming from WA, I'm pleased to hear that about WA! Do you have the additional funding by year for each of the five jurisdictions yet to agree?

Ms Brighton: We're still in negotiations with those jurisdictions. Are you asking if I have got the 20 per cent—the existing funding arrangements?

Senator O'SULLIVAN: Yes, just following on from the question Senator Brockman was asking in relation to the—you're going to update it in MYEFO, but do you have an estimate of the funding for each of the five jurisdictions yet to agree?

Ms Brighton: We've got the funding estimates based on the 20 per cent arrangements, the existing arrangements with the states and territories, but we're still in negotiations with them around whether they will sign the 10-year agreement. We can furnish you with the existing arrangements and the value of those.

Senator O'SULLIVAN: Yes—based on the additional 2.5 per cent from the Commonwealth, if that's what is being proposed.

Ms Brighton: We'll take that on notice.

Senator O'SULLIVAN: It was an election commitment of the then Albanese opposition to put schools on a pathway to full and fair funding. Do you consider that this commitment has been achieved?

Ms Brighton: We're still in negotiations. The commitment was to work with the states and territories on that, and that's the anchor point for the negotiations of each jurisdiction and the Australian government contributing to the full and fair funding.

Senator O'SULLIVAN: Has it been achieved?

Ms Brighton: Given we're still in negotiations—we've signed with three jurisdictions and they're definitely on that pathway, given those agreements in place. I think two of those agreements will be at their full funding by 2026 and the third by 2029, and we will continue to work with the others to try and get them on that same pathway.

Senator O'SULLIVAN: Okay. So, for the ones that have signed, they're on that pathway, and you're still negotiating with the others. All of the agreements include some specific reforms. For the year 1 phonics check, for example, will you use consistent phonics checks for all states and territories?

Ms Mohr: Under the agreement, state and territories will continue to use their own phonics checks that they have adopted; however, a number of jurisdictions are using the Australian government phonics check, and Ms Brighton might correct me—

Senator O'SULLIVAN: So it's not a requirement in the agreement to use a standardised check?

Ms Mohr: No, it's not a requirement of the agreement to use a standardised check. It is a requirement of the agreement to have a phonics check in place and work towards having a numeracy check in place, which will be developed as part of the BFSa.

Senator O'SULLIVAN: In relation to the numeracy check, can I clarify: in which year of school will this be undertaken?

Ms Brighton: That's something that we will work on with states and territories. The way we've crafted it in the heads of agreement is an early-years numeracy check. We've got a number check at the moment, but it's not comprehensive enough; it's not a numeracy check. We'll work with states and territories about what the research shows. What is the optimum year for that to be available—is it in the foundation year or year 1? The important thing is that it's used to identify the needs of students and then whatever interventions a teacher might need to apply to support the student to develop those skills.

Senator O'SULLIVAN: Again, is this something that the Commonwealth department is developing or each individual state and territory?

Ms Brighton: It's one of the initiatives we call a national enabling initiative. It's in the agreement that we'll do the work together across states and territories and the Australian government. Like many of these things, we're very happy to take a leading hand on some of the project planning and the wraparound, and then we negotiate that with our states and territories. It's not likely something that the department itself will develop. We will likely commission that work from someone else.

Senator O'SULLIVAN: Okay, that makes sense. When will you have that numeracy check developed and when will it be available?

Ms Brighton: Let me just check the timeline. Ms Mohr might have that.

Ms Mohr: In the schedule—I think it's B of the agreement—there's a timeline for the development of all the national enabling initiatives. It talks about the development of the early years of school and numeracy check, kicking off in 2025, with the idea that it would be trialled from 2027 and then able to be rolled out in schools across Australia from 2028.

Senator O'SULLIVAN: Excuse my ignorance in terms of how long it takes to implement something, but that does seem to be a long time. Why does it take that long to fully implement it?

Ms Brighton: The first thing we're going to do is develop a project plan for the work, and that will look at: what are the elements that need to be developed, what needs to go into this and what does the consultation and the piloting need to look like? We will do that project plan early next year so that education ministers can settle it by mid next year at the latest. Once that project planning has been done, then we will have a clearer picture about when we'll implement. The timelines that we've got in the agreement are based on our best estimate at the time, but we needed to do the detailed project planning. If we can bring forward any of the national enabling initiatives, we'll seek to do so. But we'll have a clearer picture once—

Senator O'SULLIVAN: I hope you can! In terms of evidence based teaching reforms, will there be targets set for the use of these? That is mandates for reading, writing or maths?

Ms Brighton: Throughout the agreement, we've got a really clear articulation in outcomes, in the measures, as well as in the reforms about evidence based teaching practices. That is throughout the agreement. The improvement measures that we have in the agreement are anchored in students moving to higher levels of achievement across literacy and numeracy, and that will be part of the measurements we will be able to use to make sure that we are getting the progress we need in terms of student outcomes.

Senator O'SULLIVAN: How are you planning to monitor the implementation and effectiveness of the reform?

Ms Mohr: As part of the agreement, the states and territories will be providing an annual report to the Australian government. That's customary and is consistent with what happened under the National School Reform Agreement. The reporting requirements under the BFSA have been changed slightly. Additional information is going to be asked from states and territories, particularly about those reforms with which Australian government funding is going to be directed. Where that has been specified in the bilateral agreement there'll be additional reporting about what effectiveness there's been, how it's been driven to priority cohorts and what impact it's had on outcomes, where that information is available.

Senator O'SULLIVAN: Thank you.

Ms Brighton: I just need to correct my previous evidence: I said 'literacy and numeracy'; I should have said that reading and numeracy are the improvement measures.

Senator O'SULLIVAN: Okay. Finally, have the states and territories agreed to mandating this in the delivery of the curriculum?

Ms Brighton: I'm not clear on the question—'mandating'—

Senator O'SULLIVAN: In terms of your evidence based teaching reforms, are they in agreement, particularly in terms of the monitoring of the effectiveness of that?

Ms Brighton: I would say that all the jurisdictions that have signed the agreement, and even in the negotiations we're having with states and territories, are committed to ensuring that the workforce is a strong workforce that has the tools it needs to support children and young people. Underpinning that is evidence based practices. In terms of the reporting back to the Commonwealth, the jurisdictions that have signed the 10-year Better and Fairer Schools Agreement have a commitment to report back to us the implementation of reforms and how the Commonwealth government has been spent, and some of those reforms absolutely go to practices in the classroom.

Ms Mohr: And Senator, if you're interested, the bilateral agreements, which are online, have a template of what that reporting will look like.

Senator O'SULLIVAN: Okay. I'll have a look at that. I've got more questions, but I'll put them on notice. Thanks for that.

CHAIR: Thank you. If you've taken any questions on notice, could you please return the answers by Friday 15 November. Thank you for your evidence today. That concludes today's hearing. Thank you to all witnesses who have appeared, and to Hansard and broadcasting, of course, and to the secretariat for a wonderful job, as always. The committee has agreed that responses to questions on notice should be provided by Friday 15 November 2024.

Committee adjourned at 15:47