



AUSTRALIAN COUNCIL OF STATE SCHOOL ORGANISATIONS

*A Submission to the Senate Education and
Employment Legislation Committee
Inquiry into the Australian Education
Amendment Bill 2017*

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Submission by the Australian Council of State School Organisations (ACSSO) to the Senate Education and Employment Legislation Committee

Preamble

The Australian Council of State School Organisations (ACSSO) is the national stakeholder and voice for the parents, families and communities of our nation's public schools; a sector that educates 2.5m school aged students in over 70% of Australia's schools. We are recognised as the peak national body representing parents of children enrolled in public schools and work closely with a range of government departments and education stakeholders.

ACSSO operates under a Federated model within a company structure with strong governance protocols. Our members are made up of the peak public school bodies in our states and territories. As an organisation, ACSSO welcomes the opportunity to make a submission to the Senate Finance and Public Administration References Committee.

For the last eighteen months ACSSO has been resolute in calling for Fair, Simple, and Transparent, and truly needs based funding for education, with an end to the special deals and legislated adjustments that create peculiar sectorial advantages for private schooling providers. It is deeply gratifying to see progress towards this objective and the potential of a new model in education legislation.

ACSSO also welcomes the opportunity that this bill offers to provide clarity and certainty around education funding that can go beyond the electoral cycle. The proposed amendments appear to reflect ACSSO's call for a Fair, Simple and Transparent model that can be easily understood by any parent or voter. The Gonski 2.0 review has the potential for an objective appraisal of the efficacy of education initiatives and protocols by a trusted champion of needs based funding. In both of these cases ACSSO is of the view that this Bill is a unique opportunity; there is universal acceptance of the principles of needs based funding and that an increase in education funding to address true need is essential. Education funding is a complex wicked problem with no absolute right or wrong answers – only better or worse outcomes. On behalf of all the students and families of our proud nation ACSSO urges a bipartisan approach across politics and jurisdictions to produce a truly just and equitable education funding system.

What follows are observations, comments and ideas that the inquiry might like to consider in its deliberations.

Submission

The process of this Inquiry will provide an opportunity to tease out the detail and implications of the proposed amendments. Any amendment of the Act must support an education system that will not only deliver learning opportunities for every young Australian but will put Australia's economy on a firm and competitive footing. In every state and territory public schools must be well-resourced and appropriately funded providing access to a free, high quality and secular education for all Australian students, irrespective of postcode or parental capacity to pay.

Schools funding in Australia could be said to be unique in the world in offering funding to every schooling sector and system, both public and private – from both Federal and State Governments. This is overlaid with schools charging a variety of fees and levies to the parents of students in all sectors. In short, every schooling sector receives financial support from government and every school in Australia charges fees and levies – it's just a question of how much.

Transparency

ACSSO welcomes the clauses that will lead to greater transparency in funding provision, together with the Minister's expanded reporting requirements, and suggests that this could be enhanced by including all sources of school income such as property, investments, donations and legacy disbursements.

There is also the potential to publish the level of parental contributions in terms of the fees and levies tabled to parents across all sectors – including those of public school students. In the case of public schools these can be substantial; parents can see charges in excess of \$1,000 per student as a hidden cost that could be seen as a local tax to support an underfunded public system. In addition to this there are often extensive fundraising activities and volunteer time contributions to public school activities that many schools come to rely on.

The greater transparency offered by the bill also offers the potential to publish the percentage level of schooling resource standard (SRS) base funding achieved by an individual school. This could be further enhanced by publishing the levels of the six needs based loadings that address disadvantage. It would allow clarity around the true nature of the needs being addressed and an understanding of the level of resourcing that has been applied to meet those needs.

Outside the policy detail of the bill there has been considerable debate around the level of funding and the particular disadvantage that could be experienced by some state and territories if the bill were to pass into law. ACSSO suggests that this could be an opportune time for the enquiry to consider the level and scope of needs based loading supplements to the SRS base funding. If there is to be a move to a single national model that has relied on individual agreements overlaying a complex national model, there could be considerable value in ensuring the loadings formulae are appropriate; especially for a new single national model in terms of the range of disadvantage and the nature of any adjustment that may not necessarily be best served with a straight-line calculation.

ACSSO supports the Bill's move to revoke the special deals and unfair advantages to specific schooling systems that have remained hidden over many years. It is also pertinent to acknowledge the selective and exclusory nature of non-government schools and systems that allow such schools to easily reject students that do not meet their particular specification. There is also the potential to seek greater transparency in the proportion of students attending a faith based school that are actually practicing members of that faith. The need for a faith based education for the faithful is a point that is often used to support the existence of these schools and systems. That such schools receive substantial quantities of government funding to subsidise their exclusive operations is perhaps unique in the developed world.

SRS Targets

ACSSO is concerned that the proposed level of adjustment to overfunded schools will be taking an overtly sedate route in the rebalancing and redistribution of the excess. Recent declarations in the media by representatives of the independent sector suggest that 25% of its schools receive government funding at 100% or more of its SRS entitlement. Only just over 1% of public schools receive funding at this level. Anecdotal reports from many levels of government suggest that the actual target for public schools funding is 95% of the SRS entitlement – a figure that suggests a possible need to accelerate the redistribution elements of the Bill and to weight the adjustment for public schools nearer to the beginning of the proposed ten-year transition period.

Whilst ACSSO is unsure of the legislative process in codifying state and territory co-contributions it could be pertinent to consider the level of tangible support given to non-government sectors at this level. This support covers such items as curriculum design and support, the secondment and employment of non-government school representatives within Departments, teacher registration, etc. with the expectation that these services are to be provided by right and free of charge to non-government schools. One suggestion could be that the net cost of servicing these expectations be set against a state or territory's contribution to the SRS funding for the non-government schools within their jurisdictions. Additionally, at a national level it is to be noted that the 2017-18 budget has allocated \$125m over five years to non-government schools' representative bodies to help them manage the transition to the new model.

There is an additional opportunity that may or may not be appropriate to consider at this time. Notably to review the methodology surrounding the calculation of the SRS base level recurrent funding, and the loadings formulae to address additional needs and disadvantage. ACSSO would welcome an exploration of this topic together with the suggestion, from the original Review of Funding for Schools review led by David Gonski AC, to establish an independent National Schools Resourcing Body tasked with providing a four-yearly review of these funding requirements – potentially offering another means in de-politicising education funding provision.

State and Territory issues

What is of concern to our members is the capability and will of state and territory governments to provide its share of the expansion of the funding envelope. Each jurisdiction has its own unique challenges that are often subject to local pressures and competing demands on scarce resources. It is to be acknowledged that the proposed increase in the Federal Government's contribution is welcome and appreciated. The heated political debate on the level of funding is possibly outside the provisions of the bill other than the considerations in the new model of the indexing figures and timescales of transition. ACSSO expects that these factors in supporting public schools that educate the vast majority of our children and those in greatest need be given the priority it so richly deserves.

Our members understand that there has to be a commitment from states and territories that federal funding for schools actually goes through the school gates and is not utilised for other purposes within a state or territory that are unrelated to education. The explanatory memorandum highlights a number of proposed 'keystone' conditions of financial assistance to the states and territories that perhaps seek to codify such a commitment:

The Bill will stipulate the following keystone conditions of financial assistance on the states and territories:

- *that they implement national policy initiatives for school education as agreed by the Ministerial Council;*
- *that they are party to a national agreement on school education reform;*
- *that they are party to a bilateral agreement with the Commonwealth relating to implementation of school education reform within their jurisdiction;*
- *that they fulfil their obligations under the national and bilateral agreements; and*
- *that they avoid cost shifting to the Commonwealth, by maintaining their 2017 levels of schools funding in both the government and non-government school sector.*

Australian Education Amendment Bill 2017: Explanatory memorandum, p. 26

ACSSO is mindful that the negotiation of these conditions, following the Gonski 2.0 review, could result in another source of protracted and heated debate. Additionally, ACSSO would expect to see the same conditions attached to the non-government school and system recipients of recurrent funding – especially those relating to payments that come directly from the Federal Government as the majority funder of non-government schools and systems.

Following on from our previous comments we hope that all sides can work together in a way that can cross political differences and jurisdictions to achieve Fair, Simple and Transparent, and truly needs based funding for all schools – perhaps this bill can be a vital first step in this process.

Phillip Spratt
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