



Submission to the Senate Standing Committee on Education and Employment: Inquiry into the Australian Education Amendment Bill 2017

(May 2017)

About APPA

The Australian Primary Principals Association (APPA) is the national professional association for primary school principals in Australia, representing over 7200 principals from affiliated Government, Catholic and Independent primary schools in every state and territory.

APPA's advocacy is based on:

- Every child attending a school with high-performing leaders and quality staff.
- The knowledge that primary schools are where Australian children acquire the necessary foundational academic, social and emotional skills to lead fulfilled and enriched lives.
- Initiatives, actions and projects that are research informed and encourage contemporary professional learning and growth.

Australia's future is dependent upon an educated population that is responsive to a changing world and the challenges it brings.

The Context of Primary Schools

APPA supports a strong focus on quality primary school education whereby there is an alliance between societal goals of building connections with, and contributing to, the wider community through family, work and citizenship, and the educational opportunities, intellectual growth and sense of wellbeing experienced by the individual. The Productivity Commission (2012) stated that,

Australia's future depends on how well it develops the 'human capital' of its population. A well-performing schooling system is fundamental. It benefits individuals, the functioning and cohesion of society and the performance of the economy.

APPA maintains that, in a changing and challenging world, primary schooling sets the strongest platform for a child's future and that primary schools require the necessary funding and resources to ensure all children receive a comprehensive education, have their learning needs met and have gained the literacy and numeracy foundations needed to continue further education and, ultimately, lead fulfilling and rewarding lives. Initiatives, programs and projects need to be evidence-based and focused on best practice.

APPA's Funding Position

APPA has long held the position that funding should be based on student need, be sector-blind and value students equally. There appears to be broad agreement that school funding should be tied to student need. The weighting for student need should reflect the massive challenges facing schools with large and increasing proportions of students with challenging learning needs.

It should also be recognised that the pedagogy necessary to engage younger learners is as resource-intensive as any other stage of schooling. There is also a significant amount of research from

international and Australian sources indicating that early and sustained intervention in the primary years is necessary to achieve quality learning outcomes in the long term.

Funding is not adequate when primary schools are unable to meet the needs of all students within them. This is particularly so when students are from disadvantaged backgrounds, have disabilities or special learning needs, are a long way from resources, do not have English as their first language, or, indeed, bring to the school a combination of factors that impact negatively on their educational outcomes.

The goal of providing the 'best school, leaders and teachers for each child' must be underpinned by high-level commitment and priority at a national level. Ideally, such a priority should be non-partisan and one to which the community is fully committed.

APPA recognises that governments are committed to investing in the people and the ideas that will secure our nation's future. Investing in primary schools and the students within them is central to this task and will reap the greatest long-term rewards, for both students and our nation.

APPA would argue that funding arrangements evolved over many years, were based on assumptions that no longer apply, contained inconsistencies and omissions and, for the most part, failed any reasonable test of transparency.

The division of responsibilities between the Commonwealth and the States and Territories, where the Commonwealth Government became the principal source of funding for non-government schools and the State and Territory governments provided the bulk of the funding for government schools, led to unhelpful tensions between school sectors and diverted attention from the needs of students in all sectors. Leaving aside strident views in relation to funding, or not funding, non-government schools there is a general community consensus that parents have the right to choose the school they see as providing the best education for their child. In sending their child to a non-government school, parents acknowledge their responsibility in making an affordable and realistic financial contribution supporting this choice.

It is important that any funding arrangements galvanise a shared commitment between Commonwealth and State / Territory funding of all schools, no matter the sector. To merely adjust the Commonwealth's funding arrangements without alignment to those of the States and Territories leaves Australian schools with an inconsistent and complex system. Just as importantly, arrangements should be in place so that principals and school communities have long-term 'funding certainty'.

The principles that should underpin school funding arrangements

In respect to the Australian Education Amendment Bill 2017, APPA restates the following principles in relation to arrangements to provide government funding to school systems and schools:

- 1. The amount of recurrent funding flowing to each school should be sufficient to enable all students to reach the Educational Goals for Young Australians.*
- 2. Government recurrent funding of schools should be tied to student need, without reference to school sector.*
- 3. A single, national model should be used to calculate the amount of recurrent per student funding to which a school is entitled.*
- 4. Funding arrangements for schools amalgamate the Commonwealth, and State / Territory recurrent funding into a global per student entitlement.*

5. *Recurrent funding may be augmented by additional government funds that must be disclosed and explained on a school-by-school, per student basis.*
6. *Funding arrangements for schooling should be building towards, and targeted at, the equitable funding of primary and secondary students, irrespective of year level and with a focus on early intervention.*
7. *System and sector authorities should disclose, on a per student basis, the amount of government funding provided direct to schools to deliver services together with the amount required by systems to support schools.*
8. *In receiving government funding, all schools and systems should provide full transparency of school income and expenditure.*
9. *A school's funding entitlement should be fairly adjusted to reflect changes in its student profile and/or enrolment level.*
10. *The authority to disburse government funds within a system of schools should reside with the system and be transparent to those schools.*
11. *Decisions as to how funds are expended within a school should reside with the school principal in consultation with the school community, understanding that systems would have particular programs and goals that would influence, give direction to and complement those decisions.*
12. *Schools and school systems require long-term funding certainty.*

THREE ESSENTIAL PILLARS OF FUNDING PRIMARY SCHOOLS

APPA believes the case has been made for a single, national arrangement of funding for schooling that takes account of student need, values students equally, and is transparent and predictable.

Taking account of student need

The funding for schooling arrangements in Australia must address the needs of all students regardless of jurisdiction, sector or school.

The evidence is clear that the cost of education for students with a disability, who are Indigenous, are from low socio-economic backgrounds, from a non-English speaking backgrounds, or are located in rural or remote locations requires additional targeted funding to support their learning. There is considerable research, including that outlined in APPA's *In the Balance* report (2007) and still relevant today, which highlights the need for additional funds at the primary level. The weightings for student need that were built into the funding arrangement proposed as a result of the Review of Funding for Schooling reflected the challenges facing schools with large and increasing proportions of high-need students. However, the Review did not fully address the disparity between primary and secondary per capita funding. This remains a key area for education funding policy development into the future.

APPA recommends that any commitment of government funds to address particular disadvantage experienced by Australian students in all jurisdictions, sectors and schools should be targeted, wherever possible, at the early years of schooling.

Funding allocated at the national level to support students struggling to achieve minimum standards must reach those students. This will only occur after there is a much greater degree of transparency, particularly in the way in which school systems disburse government funding to schools.

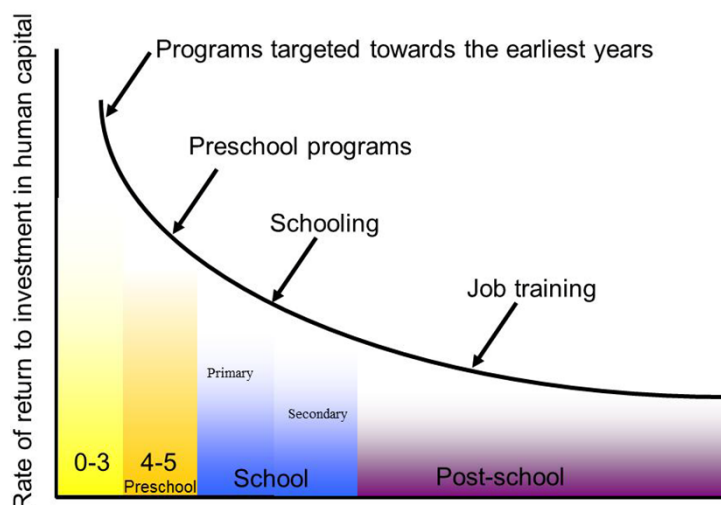
The loadings for disadvantage are a cornerstone of any arrangement that aims to lift the performance of individual students and, as a consequence, Australian scores on international assessments of student achievement.

It is now five and one-half years since the tabling of the Gonski Review of School Funding, yet the real increases in direct-to-school funding remain in the 'out years' – in terms of government cycles. There are growing concerns that without urgent, collaborative and targeted action at both state / territory and federal level, we will have failed to meet our obligations to yet another generation of disadvantaged students.

Valuing students equally

There is a significant amount of research from international and Australian sources indicating that early and sustained intervention in the primary years is necessary to achieve quality learning outcomes. The following points support this assertion:

- The importance of investing in the first years of formal schooling is highlighted in successful education systems such as Ontario, Canada where there is higher school education funding delivered in the early years.
- The pedagogy necessary to engage younger learners is as resource-intensive as any other.
- Given that primary teachers are required to teach all subject areas, they require at least an equal level of curriculum and pedagogical leadership and support as secondary teachers.



The figure above from Heckman and LaFontaine (2007) illustrates the returns to a unit dollar investment in the early years maximises return on education expenditure.

The historical basis is explained by a number of factors: the mission of primary schooling was to provide rudimentary education for the masses whereas secondary schools were for the middle classes and elites; classes were smaller in secondary schools, particularly for students being prepared for their matriculation exams; and, further, there was a wider choice of subjects. Over a century, the expectation that secondary schools will be funded at a higher level than primary schools has been normalised and rarely questioned.

Funding is transparent and predictable

Currently, a proportion of educational funding is used to maintain the systems which service both government and non-government schools. The effectiveness and efficiency of this service provision is seldom subject to independent scrutiny and, with duplication of services occurring in, for example, curriculum development, professional learning or even payroll systems, there is room for greater efficiency and cost saving. It is possible that greater transparency in funding might reveal that a larger proportion of funds would be available to schools. The following points support this consideration:

- Greater transparency would minimise waste and likely lead to national best practice and a more targeted focus on student learning outcomes.
- For true transparency, jurisdiction and system costs must be declared separately and not placed against schools or students.
- Predictability of funding arrangements allows schools to plan sustainable programs that support improved student achievement.

Comments specific to the Australian Education Amendment Bill 2017

In considering this Bill, APPA notes, and experience has shown, that funding proposals beyond the term of any Government cannot be guaranteed and that long term school funding proposals must be 'front loaded', with a large proportion of the funding allocated within the term of the current Government.

APPA offers the following comments in relation to the Australian Education Amendment Bill 2017.

1. National education reform is best achieved through a model that embraces cooperation with, and consultation across, all parties involved – state and territory governments, sector bodies and key stakeholders included.
2. While the intention is that schools will transition to their relevant share of the Schooling Resource Standard by 2027, APPA's understanding of the Bill is that it only requires states and territories to maintain current education expenditure. This approach is unlikely to achieve the SRS in all jurisdictions. APPA would urge that any state and territory 'maintenance of effort' be detailed within the Bill to include:
 - a. The requirement for written agreements obligating each state and territory to target and meet the level of SRS funding applicable to both government and non-government schools.
 - b. The expectation that states and territories avoid any cost shifting measures in relation to both government and non-government schools.
 - c. The expectation that states and territories, in allocating Commonwealth funds, be bound to direct them in a way that supports students achieving the education goals of the Melbourne Declaration (2008).
 - d. Accountability measures be included to ensure that funding levels are maintained or increased as needed so that
 - the SRS goal is met for every student in every school;
 - each child receives a quality education;
 - teachers are well qualified, highly skilled and classroom ready; and,
 - every school is led by a high performing principal.

3. APPA recommends that measures be in place for schools below the SRS goal to transition to it over the first four years of the model.
4. APPA supports the inclusion of a minimum indexation rate that reflects real costs in schools and provides certainty for systems and school communities.
5. The needs-based methodologies implemented at a state, territory or system authority level are neither public nor clear. APPA would recommend transparency in 'local' needs-based formulae and decisions so that school communities can be informed of how and why funds are allocated within a system.
6. There should be a mechanism for systems and schools to review the level of adjustment for any student with disability so that schools can meet the needs of identified students. APPA welcomes any further measures that help to improve the validity of *Nationally Consistent Collection of Data on School Students with Disability* and that ensures the funding envelope is enough to help all identified students.
7. The 'capacity to pay' is a principle for determining what Commonwealth funding is delivered to non-government schools. APPA would see that further discussion and investigation should be given as to how this capacity to pay is measured, with particular attention to the use of SES in determining that capacity.
8. Structures and funding available to support schools as they transition to a new funding arrangement should enable the continuation of similar level of educational delivery within that school.

Conclusion

A nation that invests with a long-term view in the education of its younger citizens encourages the innovation and flexibility so needed in today's world. It enables principals to lead effective practice, identify areas for school improvement and focus on student outcomes.

APPA's *Charter on Primary Schooling* states the following vision:

All primary schools have the people and resources necessary for every child to reach his or her potential. They are characterised by dedicated school leaders and teachers with high expectations of student learning, and communities that respect and value education.

Since 2010, APPA has held the position that a single, needs-based, transparent and predictable funding arrangement will achieve the best educational opportunities for all Australian students. That position has not changed.

Contact: Dennis Yarrington (APPA President)
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