



The Rockhampton Grammar School

Established 1881

Dr Phillip Moulds
Headmaster

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Committee Secretary
Education and Employment Legislation Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600
AUSTRALIA

Submitted By Email: cec.sen@aph.gov.au

Australian Education Amendment (Direct Measure of Income) Bill 2020 [Provisions]

The Rockhampton Grammar School is an independent co-educational non-selective School based in the Central Queensland city of Rockhampton. The School enrolls over 1,400 students from early learning through to Year 12. The School's core mission and purpose, since its founding in 1881, is to provide high quality educational opportunities to students in Central Queensland.

As Queensland's largest boarding school, more than 350 students also call the School home. These students relocate from across regional Queensland, many from remote farming communities, for the opportunity to access high quality education while remaining connected and committed to their region.

While the School welcomes the Government's commitment to increasing funding for independent schools, The Rockhampton Grammar School is concerned about the significant impact of the proposed Direct Measure of Income (DMI) model on our School, and the detrimental outcomes that will flow on from this to educational access and attainment in Central Queensland.

The School acknowledges the proposed appeals process for those schools who are negatively impacted by the change. The School also acknowledges the Minister's recent recognition of the potential negative and unintended impact that the proposed introduction of the DMI may have on regional independent schools, and his commitment to reviewing the funding impact of the Schooling Resourcing Standards (SRS) on students in regional and remote Australia. This approach, taken by the Minister, aligns with the recommendations and actions at the core of the Independent Review into Regional, Rural and Remote Education Report (2018) that stated that *"more has to be done to recognise the diversity of contexts, challenges and opportunities of leading and teaching in RRR schools..."* (p10).

Macte Virtute Et Litteris

Impact of Proposed Direct Measure of Income

1. Direct Financial Impact

The proposed DMI methodology is estimated to **negatively impact the real funding of The Rockhampton Grammar School by \$18.2 million over the period 2022 -2029**. This reduction will directly impact the School's ability to deliver on its mission and service to its regional communities.

Independent Schools Queensland (ISQ) has undertaken detailed analysis on the reasons for the significant impact that DMI has on regional schools. Importantly, the research confirms that the use of median income in the funding model is flawed and is a significant issue for impacted regional schools.

For regional schools and other schools with broad demographics in its school community, the median parental income model is likely to lead to an over-estimate of the SES and in turn deliver a negative funding impact on those schools. The ISQ research shows evidence of the, likely unintended, consequences that the model will deliver for schools like The Rockhampton Grammar School and other schools in regional locations. This research is available directly from ISQ.

Similar to a number of regional and remote independent schools, The Rockhampton Grammar School charges mid-range fees. RGS tuition fees are less than that of their metropolitan counterparts. However, while being much lower than then metropolitan competition in the State, the Schools fees are 51% more than those of its local competition in Rockhampton and nearby Yeppoon.

Maintaining affordable fees at our School is driven by acknowledgment of the diverse range of families that the school serves and to ensure that these families can access the high-quality education that the School offers. To further support access the School provides a significant bursary and scholarship programme, contributing almost \$1 million per annum to these programmes.

2. Enrolment and Access Impact

With limited opportunity to grow enrolments in a stagnant market or attract alternate significant revenue sources such as from significant numbers of international students, the School's only immediate option to meet the projected funding shortfall will be to increase fees. This will have the most significant and detrimental impact on those families at the lower income scale, and our boarding families. Families living in remote and regional Australia often have limited choices when seeking secondary education for their children. Lower cost boarding schools, typically those schools with religious foundlings, in the region are filled to capacity. An increase in fees at RGS would see a quality education be unattainable for many families and further reduce their choices and access to education.

As widely reported, the impact of the drought on Central Queensland already means that many of our families are experiencing financial duress and are making significant sacrifices or difficult family decisions to ensure their children have access to quality education. Increasing fees will only exacerbate this stress or push families to breaking point.

The School has already seen the impact on enrolments caused by current financial duress with a significant increase in bursary applications, requests for flexible payment options and withdrawal of students due to finances.

3. Community Impact

Our School is extremely proud of its academic and student achievements, with our school achieving the highest OP outcomes in 2019 for the region, outperforming many competing metropolitan schools. Importantly, the RGS Year 12 cohort was the largest in the region with 135 students

enrolled and over 70% of these being OP eligible. In addition, one of our students achieved the highest Year 12 mark in Queensland in 2019.

The School's academic outcomes have been achieved in an environment that has disappointingly seen the overall performance of schools in Central Queensland decline.

Over 62% percent of Rockhampton Grammar School graduates' transition to university, with a large number choosing to continue their study in regional Queensland at universities including CQ University and James Cook University. The School also operates one of the most successful VET programmes in the country, with 96% of students completing school with one or more VET and a number of Year 12 undertaking school-based apprenticeships. This commitment to vocational education provides important pathways to employment, further study and enables graduates to transition into apprenticeships.

The educational outcomes and the School's commitment to regional Australia are critical to building regional capability and capacity. In a region where higher education attainment at 11.4% lags well below the Australian average of 22% (Census 2016), our region cannot afford to slip further behind. Ensuring access to affordable, high quality education is a key to achieving improvement, but this cannot be done in an environment of declining Government funding to regional schools.

With the large and significant number of challenges already facing regional and remote Australia, the Government must make every effort to ensure that the proposed DMI changes benefit schools located in regional and remote Australia, rather than placing additional disadvantage on them. It is difficult to imagine that the purposeful intent of DMI was to negatively impact regional schools charging modest fees.

I would welcome the opportunity to further discuss the impact of the proposed DMI model on our School and its broader impact on the regional communities to whom we are committed to serving.

Your sincerely

Dr Phillip Moulds
Headmaster