

# Issue Paper

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## Inquiry into National School Funding Arrangements and School Reform

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Introductory remarks to the Senate Select Committee on School Funding Hearing by Michelle Green, Chief Executive, Independent Schools Victoria.

Independent Schools Victoria represents 209 Member Schools educating over 132,000 students in more than 300 campuses in Melbourne and regional Victoria.

We have been researching how governments can and should support the education of all Australian students for a decade.

This has involved extensive analysis of funding models, and discussing options with Australian and overseas academics, educationists and school leadership groups. We are well placed to offer a balanced view on the strengths and weaknesses of the new funding arrangements.

We note that millions of dollars were spent during the 676 days between the initial announcement of the Review of Funding for Schooling and the release of the final report.

A total of 7357 submissions and 977 pages of interim and final reports were published. Now, 774 days from the then government's initial response we are discussing the new funding model.

And what do we find?

Independent Schools Victoria is known for strong economic analysis, and our research detailed in the submission clearly shows that:

- the new funding model is based on poor evidence that is not robust and was not thought through
- the model is not sustainable, causing public policy problems in the next five years for governments and schools – government and non-government
- there is a gap between people's understanding of the model and what is actually happening.

Our concern is that Australians perceive that once the funding model is in place the issue is resolved but in fact there is likely to be continuing instability.

Independent Schools Victoria supports the basic architecture of the current school funding arrangements, which provides base funding for all schools plus additional loadings for particular categories of educational need.

This was a key suggestion in our submission to the Review of Funding for Schooling.

We welcome the fact that there is greater funding for schooling and that it is available for all schools. This policy of 'sector-blind' funding must be retained.

What seems to be missing from the research base used to determine funding arrangements is consideration of what is causing apparent differences in student outcomes for schools with different concentrations of socioeconomic disadvantage.

Research overseas and in Australia summarised in the submission shows that the socioeconomic status of the student has a limited impact on his or her educational needs and outcomes, and that its importance is over estimated.

The Gonski report noted the 2010 research by Perry and McConney<sup>1</sup>. They said that socioeconomic background was not as important in some cases as behavioural problems, less experienced teachers, lower student and family aspirations, less positive relationships between teachers and students, less homework and a less rigorous curriculum.

The largest single determinant of a school's funding, after the number of enrolments, is the socioeconomic background of its student population.

All schools receive significant funding through the Low SES Loading, and while it is warranted, the large amount of taxpayer revenue expended is not justified.

We do not advocate the removal of a loading for socioeconomic disadvantage but a reduction in the proportion of funding allocated.

In summary, we generally agree with submissions to your Committee from our Member Schools and others in the Independent sector but we believe that the design of the funding system is wrong and the premise on which it is based is incorrect. Our submission discusses this in detail.

To read the full submission, go to:

[https://www.is.vic.edu.au/independent/pubs/submissions/senate\\_school\\_funding\\_reform\\_submission.pdf](https://www.is.vic.edu.au/independent/pubs/submissions/senate_school_funding_reform_submission.pdf)

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<sup>1</sup> Perry, L & McConney, A 2010 'School socioeconomic composition and student outcomes in Australia: Implications for educational policy', Australian Journal of Education, vol. 54 (1), pp 72–85.