Dear Committee Secretary

Thank you for the invitation to make a submission to the Inquiry into the Australian Education Bill 2012.

In response, I write to provide a copy of Victoria’s Plan for School Funding Reform, which was released by the Victorian Premier and Minister for Education on 23 February 2013 (attached). The Plan outlines the Victorian Government’s proposed approach to improving outcomes for Victorian students through changes to school funding arrangements.

Victoria’s Plan draws upon the fundamental principles outlined in the Review of Funding for Schooling in a way that complements our current focus on school improvement. Taken together with Victoria’s policy position papers New Directions for School Leadership and the Teaching Profession and Towards Victoria as a Learning Community (also attached), the Plan represents a comprehensive approach to school reform designed for Victorian schools.

The Plan proposes additional funding for schools in Victoria where it is likely to have the greatest impact on improving student outcomes and lifting the performance of students with significant learning needs. Subject to the Commonwealth providing an appropriate funding contribution, Victoria’s Plan would:

- better target funding to government schools where there are high concentrations of disadvantage;
- introduce funding which follows educationally disadvantaged students in both the government and non-government schools sectors (a pupil premium); and
- make funding to support students with a disability more consistent across schooling sectors.
We estimate that, when fully implemented, Victoria’s Plan would deliver around $400 million in additional Commonwealth and State funds to Victorian schools each year. This would mean more resources to those most in need in our government, Catholic and Independent schools. Schools will be accountable for the outcomes from additional funding.

Our Plan has a number of benefits. It would:

- provide additional funding to the schools and students who need it most, consistent with the fundamental principles of the Gonski Review;
- implement changes to school funding in a way that reflects the needs and characteristics of our State and complements our broader initiatives to support all schools to improve their performance;
- minimise disruption and reduce uncertainty for government and non-government schools;
- enhance accountability for school performance from system managers and individual schools; and
- undertake reform of funding for schools in a timely and responsible way, with the possibility of further reform where these would make a significant and measurable difference to meeting the specific needs of students and schools in Victoria and could be done in a financially responsible and sustainable way.

The Plan also reflects the central role that States and Territories play as the architects for school education, dominant funders within their schooling system, performance managers for State schools and regulators of government and non-government schools. As the Gonski Review highlighted, States and Territories have different starting points and deal with different educational issues. The Plan acknowledges that funding reforms that deliver benefit to students in Victoria are likely to be different from those required in other States and Territories.

Nevertheless, the core of our proposed approach (state-specific reform in line with the principles of the Gonski Review) could be a useful input to States and Territories seeking to align funding reform with their own programs to improve student outcomes.

The Commonwealth Government has indicated that amendments will be required to the Australian Education Bill 2012 should agreement be reached at the Council of Australian Governments (COAG) meeting in April 2013. It will be important that States and Territories have sufficient time to comment upon and consider these amendments and their consistency with any COAG agreement.

Yours sincerely

Chris Wardlaw
Deputy Secretary
Strategy and Review Group

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