Supplementary Submission in Support of The Blue Gum School in the ACT, and Support of and Challenges to Submission 43

Support for Blue Gum School

I note that, of the 44 submissions placed on the Senate Inquiry website on 2 July, seven or so are from people closely associated with and supportive of the Blue Gum Community School in the ACT. This has encouraged me to examine Blue Gum's situation. I have no conflict of interest in respect of Blue Gum school, but wish to offer even-handed support for this school, as follows, because it is simply obvious that Blue Gum is grossly – indeed quite brutally – disadvantaged on account of the extreme incompetence of the SES funding system generally, and the SES score determination process in particular.

Tables A and B on the following two pages compare Blue Gum School with 37 high fee non-government schools whose current SES scores (updated for application for 2005-2008) are all significantly lower than that of Blue Gum. Data in these tables is obtained from the DEST website via

http://schoolgrg.dest.gov.au/Help/Help.asp?DefaultTo=SESInfo and from websites such as the Independent School Directory pages via

http://www.melbourneschild.com.au/alpha_schools_directory.asp and http://www.sydneyschild.com.au/alpha_schools_directory.asp.

Whereas Blue Gum's annual tuition fees are \$2600 per student, the annual tuition fees of the 37 high fee schools in these tables are all in excess of \$10,000, averaging approximately \$13,000 (noting that for some schools 2003 fee levels are given – and fees have generally each year in recent times). It is plainly the case that these 37 high fee schools serve families of much higher SES than those sending their kids to Blue Gum. I don't mean to offend any parents of any of these schools here – I am merely making a common sense observation based on my knowledge of these schools!

Family wealth and SES is obviously very highly correlated with school fee levels (see, for example, my original submission number 7 to this present Inquiry), and if the SES score determination process was competent, the SES scores for all of these 37 high fee schools would obviously be higher than that of Blue Gum.

But in fact we observe the total opposite: <u>Blue Gum's SES score is not only higher</u> than Geelong Grammar, for example, it is actually higher than every single one of these 37 high fee schools. And because Blue Gum's SES score is significantly higher than that of all these 37 high fee schools, Blue Gum receives less federal funding per student than every one of these high fee schools. The Scots school in Bathurst actually receives twice the federal funding level that Blue Gum receives!

I urge the Committee to recognise that this is all yet further stunning evidence of the gross inaccuracy of SES scores developed for schools — which follows from the fact that SES scores for schools are not even based on the actual families of the actual kids at these actual schools (the significance of this extreme deficiency is again further explained in my submission number 7). If SES scores were competently determined, there is absolutely no way on earth that a school like Blue Gum would end up with a

higher SES score – and hence a lower funding entitlement – than these 37 high fee schools in the tables that now follow.

Table A – Blue Gum Compared to 37 High Fee Schools with Lower SES Scores

Γable A − Blue Gum Compared to 37 School	S/T	SES (new)	% of AGSRC * 2005-2008	Tuition Fees	Year fees based on

BLUE GUM	ACT	121	25.0	\$2,600	2004
High Fee Lower SES Schools Ranke	ed by SI	ES:			
St Catherine's School	NSW	118	28.7	\$13,752	2004
St Peter's College	SA	117	30.0	\$11,500	2003
The King's School	NSW	116	31.2	\$16,875	2004
Presbyterian Ladies College	NSW	116	31.2	\$14,740	2004
Caulfield Grammar School	VIC	116	31.2	\$14,490	2004
Presbyterian Ladies' College	VIC	115	32.5	\$15,996	2004
Ivanhoe Girls' Grammar School	VIC	115	32.5	\$11,340	2003
Kingswood College	VIC	115	32.5	\$10,674	2003
Geelong Grammar School 'Corio'	VIC	114	33.7	\$16,000	2003
The McDonald College	NSW	114	33.7	\$14,500	2004
Trinity Grammar School	NSW	113	35.0	\$16,350	2004
St Joseph's College	NSW	113	FM	\$13,950	2003
Prince Alfred College	SA	113	35.0	\$10,000	2003
Frensham School	NSW	112	36.2	\$16,106	2004
Ivanhoe Grammar School	VIC	112	36.2	\$13,965	2004
Mentone Grammar School	VIC	112	36.2	\$13,736	2004
Meriden School	NSW	111	37.5	\$13,584	2004
Toorak College	VIC	111	37.5	\$13,281	2004
MLC School	NSW	111	37.5	\$11,200	2001
Mentone Girls' Grammar	VIC	110	38.7	\$14,800	2004
Newcastle Grammar School	NSW	110	38.7	\$10,429	2003
Geelong College	VIC	109	40.0	\$13,216	2003
St Paul's International College	NSW	109	40.0	\$13,200	??
Tudor House	NSW	109	40.0	\$11,652	2004
Haileybury College	VIC	108	41.2	\$15,852	2004
Woodleigh School	VIC	108	41.2	\$12,344	2004
Westminster School	SA	108	41.2	\$10,400	2003
The Illawarra Grammar School	NSW	107	42.5	\$10,200	2003
Lowther Hall Anglican Grammar School	VIC	106	43.7	\$11,892	2004
Snowy Mountains Grammar School	NSW	106	43.7	\$11,700	??
The Southport School	QLD	106	43.7	\$10,502	??
St Margaret's School	VIC	105	45.0	\$11,712	2004
New England Girls School	NSW	105	45.0	\$10,016	2003
Kinross Wolaroi School	NSW	103	47.5	\$10,389	2003
All Saints College	NSW	103	47.5	\$10,090	??
St Stanislaus College	NSW	102	FM!!!	\$11,700	??
The Scots School	NSW	101	50.0	\$10,371	2003
Average of 37 Above High Fee Scho	ols	110.2	38.2	\$12,770	

Table B - Blue Gum Compared to 37 High Fee Schools with Lower SES Scores

Fable B – Blue Gum Compared to 3' School	S/T	SES (new)	% of AGSRC * 2005-2008	Tuition Fees	Year fees based on
BLUE GUM	ACT	121	25.0	\$2,600	2004
High Fee Lower SES Schools Rank	ed by Fe	es:			
The King's School	NSW	116	31.2	\$16,875	2004
Trinity Grammar School	NSW	113	35.0	\$16,350	2004
Frensham School	NSW	112	36.2	\$16,106	2004
Geelong Grammar School 'Corio'	VIC	114	33.7	\$16,000	2003
Presbyterian Ladies' College	VIC	115	32.5	\$15,996	2004
Haileybury College	VIC	108	41.2	\$15,852	2004
Mentone Girls' Grammar	VIC	110	38.7	\$14,800	2004
Presbyterian Ladies College	NSW	116	31.2	\$14,740	2004
The McDonald College	NSW	114	33.7	\$14,500	2004
Caulfield Grammar School	VIC	116	31.2	\$14,490	2004
Ivanhoe Grammar School	VIC	112	36.2	\$13,965	2004
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Meriden School	NSW	111	37.5	\$13,584	2004
Toorak College	VIC	111	37.5	\$13,281	2004
Geelong College	VIC	109	40.0	\$13,216	2003
St Paul's International College	NSW	109	40.0	\$13,200	??
Woodleigh School	VIC	108	41.2	\$12,344	2004
Lowther Hall Anglican Grammar School	VIC	106	43.7	\$11,892	2004
St Margaret's School	VIC	105	45.0	\$11,712	2004
Snowy Mountains Grammar School	NSW	106	43.7	\$11,700	??
St Stanislaus College	NSW	102	FM!!!	\$11,700	??
Tudor House	NSW	109	40.0	\$11,652	2004
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New England Girls School	NSW	105	45.0	\$10,016	2003
Prince Alfred College	SA	113	35.0	\$10,000	2003
Average of 37 Above High Fee Scho	ools	110.2	38.2	\$12,770	

^{*} AGSRC = Average Government School Recurrent Costs

I urge the Committee to accept the above data as yet further evidence of the absurdity of the SES scores that have been generated for the purpose of federal funding. The tables above show that SES scores are grossly incompetent and totally unfit for the purpose for which they are now used.

I further urge the Committee to recognise another following simple truth: to be equitable, a funding system has to at least be competent. Because the SES scores presently used are incompetently determined, the whole SES funding system is incompetent, and hence, unavoidably, is grossly inequitable – as proven here by comparing data for Blue Gum Community school and the 37 extremely expensive high fee schools listed in the two tables as above.

A competent system would obviously see a school like Blue Gum receive much higher funding levels than schools like these 37 high fee schools here. Indeed, I believe a competent and equitable system would see Blue Gum receive significantly higher funding levels, whilst these 37 high fee schools should obviously receive significantly lower funding levels. Whereas these high fee schools clearly make little or no effort to accept all comers, charging fees that are much higher than the vast majority of parents can afford, Blue Gum clearly makes a real effort to be accessible to a much wider cross section of the community. In addition to the clear proof the above tables provide, surely, on legitimate mutual obligation grounds, schools like Blue Gum – which make an effort to be socially and economically inclusive – should receive much higher finding levels than schools that make little or no effort to admit kids other than those from families of well above average wealth and substantive SES levels.

Furthermore, whilst I am pleased to observe that many submissions to this present Inquiry recognise the immense flaws in the SES score determination process, I note that a still large number of submissions have supported the SES model, and have used present SES scores for individual schools or groups of schools to support their case. I urge the Committee to recognise that SES scores are plainly invalid, and that any arguments relying on the competence of SES scores are hence likely to be suspect in turn.

Challenges to Submission 43

(as follows further below – I also wish to support elements of submission 43)

Submission 43, in paragraph 12 on page 5, states that:

Independent schools increasingly serve communities of parents from a wide range of socio-economic backgrounds, and the majority of schools have SES scores in the middle to low range. As the following graph shows, schools in the independent sector serve families with a range of socio-economic backgrounds broadly comparable to the range served by Catholic systemic schools.

The above statement is not even close to being factual, because the SES scores referred to above – typically, generally and on average – are only based on the actual families of the actual kids at the actual schools with a very small weighting (see my original submission, especially on pages 4-10). It is ridiculous but the truth that

SES scores *for non-government schools* are — much more often than not — predominantly based on the substantive SES levels of families with their kids at *government schools*!! As my original submission number 7 makes plain (see especially tables 1 and 2 in Appendix 1, on pages 23-24), competent SES scores would reflect the fact that non-catholic non-government school families are typically/generally of very significantly higher substantive SES than catholic school families, whilst catholic school families are in turn typically/generally of very significantly higher substantive SES than government school families.

Submission 43 should also be challenged in respect of the graph appearing within paragraph 14 on page 6. This graph is very highly misleading. For a start, the classification "independent" is incorrect. Census data makes no distinction between systemic and non-systemic catholic schools, so the "independent" schools here should be referred to as "other" or "non-catholic non-government" schools. Catholic schools include both systemic and non-systemic catholic schools, whilst what is labelled as "independent" here only actually includes non-catholic independent schools. This slight classificational error is not, however, significant. What is extremely significant, though, is the fact that the number of children in government schools is approximately 3.5 times greater than the number of children in catholic schools, and the number of children in government schools is approximately 6 times greater than the number in independent schools (or non-catholic non-government schools). So it is obviously the case that the government school column will generally dwarf the other columns!! To provide competent, even-handed, meaningful comparisons, the government school columns in this graph would need to be divided by about 6, and the catholic school columns would need to be divided by about 1.6. I urge the committee to recognise that tables 1 and 2 in Appendix 1 of my submission 7 (pages 23-24) provide an evenhanded presentation of the substantive data (mis)represented on page 6 of submission 43. Furthermore, I urge the committee to note the contradiction between the graph on page 6 of submission 43 and that on page 5 of submission 43 – taking into account that there are approximately 1.6 times as many catholic school kids and families as there are "other" non-government school kids and families. If SES scores were competent and competently calibrated against benchmarks based on families of kids at government schools, or families of kids at all schools on average, SES scores for non-government schools would – generally, typically and on average – very significantly rise, hence moving schools to SES scores which would attract for them significantly lower funding levels than they presently receive. I urge the committee to recognise this - and the often quite audacious self-interest and deception of many of those supporting the present system.

Submission 43, on page 1, states that government funding arrangements "must reflect principles including equity, incentive, flexibility, transparency, simplicity and predictability". Earlier, on page 1 of submission 43, it was stated that funding partnerships between government and schools be "reliable, stable and sustainable". It is also stated on page 1 of submission 43 that: "The independent sector supports a basic entitlement supplemented by a needs-based approach as the most equitable, efficient and effective mechanism for delivering government funding for independent schools."

I urge the committee to recognise that any system which is inherently incompetent is also inherently unstable. The gross deficiencies of the SES score determination

process are such that it has always been only a matter of time before competent people saw through it all and ensured that the present system was replaced by a competent one. Non-government schools presently receive funding based on the "needs" of families – based on assessed SES levels – the majority of whom (being government school families) have no connection at all with given non-government schools. It is difficult to imagine a system that is *less transparent* than the present one. *And the present system is complex enough to have survived despite its utter absurdities for some 8 years!* When all self-interest is seen through, it is clear that the independent school sector support the SES system essentially merely because it has given the more powerful, influential and wealthy among its number massive – albeit totally unwarranted – financial windfalls.

Support for Submission 43

Whilst I felt it necessary to vigorously challenge submission 43 on many counts, as above, I wish to also support its common sense recommendations as follows – again from page 1:

Unless funding comparisons between the government and non-government school sectors are based on total government funding, not just from one source, such comparisons are misleading and mischievous.

ISCA would support any reasonable and genuine moves by governments to bring about a more coherent and coordinated approach to the funding of all schools in Australia.

As with my original submission, I'd be happy to attend any public hearing held as part of this present Inquiry in order to clarify anything contained in my submissions here.

Regards,

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