



AUSTRALIAN PARENTS COUNCIL Inc.

The national organisation representing parents of students attending non-government schools to achieve Choice; Quality; Equity; Voice

REVIEW OF FUNDING FOR SCHOOLING

COMMENTS UPON DISCUSSION PAPER AND DRAFT TERMS OF REFERENCE

The Australian Parents Council (APC) appreciates the opportunity to provide comment on the draft terms of reference for the review of funding for schooling and the accompanying discussion paper.

Our comments are underpinned by APC's key principles:

1. Parents are the primary educators of their children.
2. Parents have the right to choose the type of schooling that best suits their children.
3. Governments are obliged to support parents' capacity to exercise their right to choice of schooling.
4. All students have a right to access and receive a quality education to enable them to attain their potential.
5. All students have the right to an equitable share of government funding for their schooling.
6. The student, not the school, must be the focus for the allocation of government funds for schooling.
7. Effective partnerships are central to the success of schooling outcomes.
8. Active and empowered parent groups and parents can, and do, make a significant difference.

Our comments are structured under 4 key headings: *Key School Funding Issues*, being issues we believe to be of such significant importance to warrant focus within any review of current school funding arrangements; *Discussion Paper*, where we refer to aspects of the paper that need to be better articulated or addressed; *Suggested Review Scope*; and *Terms of Reference*.

Key School Funding Issues

APC values the funding review as an opportunity to address five key school funding issues, which in our view are not currently identified or likely to be examined in sufficient depth in the review scope, discussion paper or terms of reference as they currently stand:

- To effectively fund all Australian students' entitlement to 'the very best quality schooling and outcomes' or 'world class educational standards' there needs to be agreed understanding of what constitutes 'high quality schooling' in Australia in the 21st Century. This needs to be identified and articulated;
- To effectively identify and fund 'schooling funding needs', the real, up to date average per capita recurrent cost of schooling in Australia must be investigated, understood, agreed across the states and territories and adopted as a reference point for future funding;

- In excess of \$30 billion is invested in schooling each year in Australia yet, to the best of our knowledge, an efficiency audit in respect of how federal, state and territory funds allocated to schooling are spent has never been formally conducted or published. An investigation of how much of the money allocated by governments to schooling actually reaches classrooms, how much is diverted into other areas such as bureaucracy and research, and whether such funds are in fact being usefully and efficiently applied should be incorporated into the funding review.
- The SES Funding model has, for the most part, been the best funding model for schooling yet seen in Australia. Its deficiencies have primarily resulted from the fact that it has never been resourced to a level that enabled it to be fully and properly implemented. The utility of a fully resourced SES funding model applied across the government and non-government schooling sectors should be investigated as a key element of the review.
- Parental attitudes to education are critical to students achieving successful schooling outcomes. However the potential of the parental factor in improving the outcomes of schooling is still under-researched, misunderstood and under-funded. Schools provide a fundamental point of outreach to parents both before and during the compulsory schooling years. APC has long considered that a pool of funds should be established and made available to school communities for projects and programs to engage parents in active participation in their children’s schooling in accordance with the National Framework for Family-School Partnerships.

APC proposes that the relative benefits of funding parent capacity-building and partnership is an essential issue to be examined under the proposed terms of reference which refer to, “what lessons can be learned from funding arrangements overseas and in Australia ...”, and “the appropriate composition of school funding, including teaching, capital and other costs of schooling”.

Discussion Paper

The introduction states, “This paper presents information about how schools are currently funded and issues that may influence future funding and questions that could inform the scope of the review”. As the intent of the discussion paper is to stimulate discussion and engage Australians in the review’s consultation processes, it is imperative that it provides a foundational evidence base that is comprised of an appropriate level of true and accurate detail. This is made even more vital by the fact that Australia’s unique schooling and funding structures are the sources of much public debate, which is often characterised by positions of strong bias and the dissemination of misinformation along with animosity, on the part of some, towards the non-government schooling sector. The following comments are provided in those contexts:

- The Average Government School Recurrent Cost (AGSRC) is portrayed (p. 8) as an accurate reflection of the cost of educating a student in a government school. It is not. Its actual status as a derived methodology to calculate annual changes in costs and its understating of actual costs (e.g. when compared to figures derived by the Productivity Commission) should be represented more honestly.
- The outline provided on the National Education Agreement (NEA) (p. 9) does not pick up on the differing requirements for the government and non-government schooling sectors. The paper should be clear that while there is no obligation for Commonwealth funding provided to states and territories under the Federal Financial Relations Act to be spent on schools, the Schools Assistance Act 2008 requires that funding provided to non-government schools be spent on school education. This difference should be acknowledged and clearly articulated.
- The paper does not appropriately address the complexities that surround students with particular needs. For too long governments have held up the ‘lack of nationally comparable data and consistent funding mechanisms’ as the primary reason for not having better met the needs of

students with disabilities in particular. The 2005 study by Monash University is the last in a long list of inquiries and reports that highlight the lack of serious action by governments in Australia to provide equitable funding for students with disabilities across all schools. The parents of those students continue to carry onerous burdens, particularly in the non-government sector, in their endeavours to find appropriate schooling settings and achieve equitable, high quality schooling outcomes for their children. The absence of sufficient detail in the discussion paper is a major oversight and one that needs rectification.

- The paper does not adequately acknowledge the importance of parental contributions to the recurrent and capital costs of schooling, particularly in the non-government sector. In a significant number of non-government schools, parents make the biggest contributions. The omission of private contributions is a serious flaw if a comprehensive picture of current school funding arrangements is to be portrayed. In addition, parental contributions through fees and charges represent only a portion of parent and school community contributions in the non-government sector and private income from all sources should be acknowledged.

Suggested Review Scope

Under the Government Funding Environment heading, the following clarifications are needed:

- While the Australian Government and state and territory governments share responsibility for funding schools, historically this has occurred in a largely unstructured and *ad hoc* way.
- State and territory governments have different approaches to funding schools, in and between the government and non-government sectors, and the level of funding support provided to non-government schools by state and territory governments *varies enormously*.

In this context, the Australian Government's review, as a stand-alone, is insufficient and potentially flawed from the outset. APC avers that unless all state and territory governments simultaneously review their own philosophies and past/ present/ future schooling policy and funding intentions - not just their reflexive positions in relation to the Australian Government's review - the outcomes are likely to be confined and compromised.

Further to this, APC notes with alarm and dismay that in the Fact Sheet entitled "How are schools in Australia funded?" it is claimed that, "The Australian Government provides funding to government and non-government schools as part of a funding partnership involving state and territory governments and parent communities". In the first instance, statements like this grossly misrepresent unstructured, *ad hoc* and inconsistent arrangements as 'partnership' since, to be a partnership, a relationship requires structure, inclusion, collaboration and equity. Current arrangements are therefore given an inferred status that they in no way deserve. Second, it is pure hyperbole to assert that parent communities are currently in a funding partnership with state and territory governments.

APC strongly disagrees with the usage of the phrase '... that a funding system will support schools to raise the educational standards of all school students...' in the opening paragraph under **Principles**. 'Improvement for all' has surreptitiously crept into the language of education policy making in Australia, seemingly having replaced 'quality for all' when describing aspirational policy outcomes. It is APC's strong opinion that Australia should be seeking to achieve a funding system 'that will enable all schools to deliver education of such high quality that every student has the opportunity to achieve their full personal, social and academic potential'.

The principles should include reference to 'choice' in the opening paragraph and paragraph below the dot points in this section. Parental choice of schooling for their children is enshrined in international declarations and protocols to which Australia is a signatory and as such deserves to

have a place within these principles. No child in Australia should be unfairly discriminated against when their parents make the choice for them to attend a non-government school.

We note that the Minister (p. 3) says that education is too important to be dominated by ideological arguments, however APC considers that there are some core philosophical and ideological stances that need to be owned and articulated. For instance, the term 'equity in school funding' would mean different things to various people depending upon their ideological position. The review panel and those with whom they consult will need to be clear about the review's foundational principles.

Still on the Principles section, dot point one refers to the need to distribute funding to where it is needed most. While APC endorses this premise, it is also our view that this should in no way diminish the right of all students to receive a per capita basic funding entitlement set at a fair and reasonable level to enable them to receive a quality education regardless of the school they attend.

Terms of Reference

The terms of reference do not flow logically out of the five 'most fundamental questions about funding for schooling' outlined in the discussion paper (p. 3) and we respectfully suggest that if they were set out so as to relate to each of those questions the terms of reference would be much more easily comprehended.

As well, APC is of the view that the terms of reference must include elements that will address the five key school funding issues outlined at the front of our response.

Further to this, APC considers there are four other areas that need to be captured within the review:

- How the Australian and state and territory governments might enter into cost sharing contractual arrangements to provide adequate public funding for all Australian school students within an environment that provides funding certainty across reasonable periods of time;
- The efficacy of National Partnerships (NPs) as a funding delivery mechanism. APC has a number of concerns about NPs, not least because most of the feedback we have received about the rollout of funding through this mechanism has been negative. State and territory governments appear to be directing disproportionate levels of NP funding into bureaucracies and there appears to be a lack of real accountability measures to keep state and territories up to the mark (e.g. while reporting measures are in place, we understand that should a state or territory government not perform to an appropriate level, there is no effective system of penalties).

At a time when Australia is developing a national approach to curriculum due to the perceived benefits, it seems to APC to be incongruous that NPs will work against the development of consistent national approaches to addressing areas of educational disadvantage.

- The capacity of the Australian Government to be a driver of innovation in schooling. Under previous funding arrangements the Australian Government was able to initiate highly successful programs such as Values in Education in the face of (initial) opposition from state and territory governments. Under current arrangements, the Commonwealth's capacity to do such things would appear to be significantly diminished and we consider this is to the detriment of innovation in schooling in our nation; and
- How diversity and autonomy can be protected within the unique structures and ethos of Australian schooling under a universal funding model.

And, finally:

- It is APC's view that the proposed term of reference that reads, 'how to achieve cost-effectiveness in the provision of school funding' should be amended to read, 'how to *measure*

and achieve ...'. This would go part way to addressing the first of the three dot points we made at the start of this paper under the heading 'Key School Funding Issues'.

- APC also queries why lessons might not be learnt from funding arrangements overseas in places where there are low performing systems.

APC wishes the members of the Review Panel and their support team well in this most important undertaking. We look forward to APC's continuing role as an active and front-end participant in the consultation process.

A handwritten signature in black ink, appearing to read 'Ian Dalton', with a horizontal line underneath the name.

Ian Dalton
Executive Director
14 May 2010