



ACE Submission to Funding Review

Introduction

The Australian College of Educators (ACE) welcomes the opportunity to provide this submission, on behalf of College members, to the Review of Schools Funding.

The College is heartened by the emphasis in the Review's terms of reference on the need to develop national funding arrangements that support improved educational outcomes for all students, with particular consideration of funding mechanisms that address barriers to educational achievement for disadvantaged students. ACE also welcomes the comprehensiveness of the Review's task, where funding from all sources - Commonwealth, State and Territory and private - are taken into account is assessing each school's resource needs; and where the role of each level of government in supporting the operation of all schools is transparent.

We acknowledge that the scope, sensitivity and complexity of the Review's task and processes will need to be negotiated carefully in the build up to its deliberations and final advice to government. But the Review's outcomes will be central to the capability of schools funding arrangements in Australia to meet national, community and student aspirations.

ACE is highly supportive of the Panel's consultative processes to date. We note, in particular, that the Review's final terms of reference reflect a number of the principles set out in our previous submission on the draft terms of reference. Public statements by the Review Chair on the development of funding arrangements that promote equity and excellence in schooling are particularly welcome.

We look forward to further advice from the Review on the substance of the submissions it receives from the range of individuals, associations and authorities over the next few months, prior to finalising its advice to government on funding arrangements for the future.

The Australian College of Educators

ACE is well placed to assist the Review in its further deliberations. The College has a long history as a professional association. ACE members are drawn from both the government and non-government sectors of schooling and across all levels of education. We see this review as a unique opportunity in Australia's history to build a broad consensus around a new set of arrangements for the funding of Australian schooling, informed by a clear educational rationale, that provides a solid basis for setting funding goals, parameters and priorities now and into the future. ACE has appreciated the opportunities it has had already for constructive engagement with the initial stages of this important funding review.

Overview of our submission

In this submission, ACE takes the view that the effectiveness of the Review is contingent upon its establishing a clear educational rationale for schools funding, derived from national goals, objectives, standards and priorities.

The Review's success will be judged in the education community by the extent to which it defines the fundamental questions that need to be asked about how our schools should be funded and how it identifies the key problems that need to be overcome. A number of such questions are well-presented in the Review's emerging issues paper. The Panel will also be judged by the principles and values that underpin the answers it finally gives to these questions and problems.

For these reasons, ACE has focused in this submission on the following:

- defining the fundamental questions that need to be answered; and
- spelling out the principles that it expects the Panel to bring to bear on its recommended answers.

Key Questions

For educators, the way in which schools are funded should address those underlying issues that influence the nature and quality of schooling. These include the key issues set out below.

The primacy of quality teaching in the achievement of educational outcomes

How will the Review contribute to ensuring an adequate supply of high quality teachers for all schools; and to guaranteeing that all students in all schools have equal

access to the quality teachers they will need to achieve nationally-agreed curriculum outcomes?

There is now almost universal agreement among educators, backed by research, that the most important thing that governments can do to improve schooling outcomes is to support high quality teaching across all schools. Funding quality teaching will be central to that objective, particularly in the light of significant demographic changes in teacher supply and in the context of an increasingly competitive market for attracting and retaining skilled and experienced teachers.

Aligning funding with curriculum and teaching standards

How will the recommended funding arrangements enable government attempts at reform in the areas of national curriculum and teaching standards to be achieved in practice?

Educators generally support the development of high quality, national standards for curriculum and teaching, but are unclear about how public funding of recurrent resources will deliver the capacity to meet those standards in all schools. There is a clear need for government to develop strategic policy for the integration of schools funding, national curriculum and national teaching standards.

Aligning the educational workload of each school and the resources available to them.

How will the Review ensure that, in deciding on the mechanisms for apportioning public funding among schools, proper account is taken of the need to ensure a balance between the total resources available to schools, the needs of the students they actually enrol, and the effect of these needs on the schools' relative workloads?

There is widespread concern that, without a satisfactory answer to this question, some schools will be left to carry a disproportionate share of the workload without the amount and share of resources they require. Educators in schools want to be reassured that funding arrangements for schools will recognise the common and shared needs and entitlements of students as well as their differing needs, abilities and aspirations; and that they will recognise the unequal workload among schools in diverse settings serving vastly different communities.

Choice

How will the Review support parental choice of schooling by providing a common, rational and educationally justifiable basis for assessing the resource entitlements of government and non-government schools across Australia?

ACE supports the right of parents to choose the schooling environment that they believe is best for their children. The key question for government is how to provide public funding to schools that supports parental choice in ways that avoid creating an unfair resource-based competition between schools. The contribution made by parents is a private contribution to what is both a public and a private good, but must be balanced against the needs of students whose parents are unable or unwilling to make such a contribution.

The responsibility of government in schools funding for equality of educational opportunity.

How will funding arrangements enable governments to ensure that any differences in the total resources available to students among different schools can be justified by governments in educational terms?

Reporting of financial data on *MySchool* reveals the extent of resource disparities among schools. Educators have long been aware of these inequalities, and are concerned that current policies and mechanisms for the distribution of public monies among schools are exacerbating these inequalities, both within and between the government and the non-government school sectors. Educators accept that schools serving students with the range of educational needs require additional resources (including, in some instances, infrastructure) to carry out their higher workloads. Such resources may be necessary, for example, to supply experienced teachers to work in remote localities; to provide the specialist and intensive support required by students with special needs; to provide counselling or library services; or to build a trusting relationship between schools and families.

Intergovernmental responsibilities for funding Australian schools

How will the Review contribute to a rational and functional relationship between the Commonwealth and State and Territory governments for the recurrent funding of all schools, to overcome the disconnections, imbalances and tensions arising from their current funding responsibilities for government and non-government schools?

Educators across all school sectors are looking to governments at all levels to be clear and honest about their funding policies and mechanisms, and to end the relentless shifting of responsibility between Commonwealth and State and Territory governments on particular issues affecting the different school sectors. This practice has unfortunately become endemic to Australia's federal system of government in many areas including education funding, to the detriment of public understanding of the real issues affecting schools in both sectors. The Review has a unique opportunity to begin to put in place a more rational and coordinated funding regime where governments agree

on the educational goals, objectives and strategies that drive the allocation of public monies across all schools.

Conditions for public funding of Australian schools

How will the funding arrangements emanating from the Review protect the public interest in the use of public funds for the operation of government and non-government schools?

Although schools in receipt of public are currently required to meet explicit standards for curriculum, teaching qualifications and minimum safety and capital standards, mainly through State and Territory regulatory obligations, these are inconsistent across the sectors and the States and Territories. There is also a clear need for nationally consistent, explicit and comprehensive conditions for all schools so that they are accountable for the proper use of public monies in key aspects of their operation: curriculum and teaching standards; student access and exclusion criteria, including fees and other sources of income; building and other school infrastructure; assessment and reporting; and the like. Such conditions must be aligned across the school sectors, while having regard to the range of student abilities and characteristics in diverse settings and to clear differences in the legal obligations placed by governments themselves on the government and non-government school sectors.

Funding mechanisms

How will the Review ensure that its recommended funding goals, objectives and principles are delivered by compatible funding mechanisms that are transparent and have policy integrity?

In contrast with current funding arrangements, any reformed mechanisms for both Commonwealth and State/ Territory funding should be widely understood and supported. This will require funding criteria and delivery mechanisms that involve consistency between funding principles, values, objectives and priorities and the funding mechanisms designed to deliver these.

Such mechanisms include the need for a reformed supplementation measure that protects the value of the public investment in schools from the effects of inflation. This should be based on a measure of actual cost increases such as movements in teacher and non-teacher salaries, teaching materials, etc., along the lines of the previous Schools Price Index. It is not consistent with good practice to provide real funding increases (or, for that matter, to inflict real funding cuts) in the guise of supplementation/indexation. Real increases (or cuts) in funding for schools should be provided through explicit policy decisions based on the relative needs of schools against clear educational criteria.

Complementary relationships among schools and sectors

How will reformed funding arrangements foster cooperation among schools within and between the government and non-government sectors, in the interests of the students served by those schools?

There is evidence that current funding arrangements are promoting unnecessary tensions between schools and sectors, through the emphasis in those arrangements on competition between schools rather than the encouragement of greater cooperation. Educators understand that there is much to be gained from a more inclusive approach to schools funding, so that schools are both encouraged and rewarded to support each other to provide the best teaching and learning environment they can for their students.

ACE has played an active role in the Australian educational community in the development of cooperation between educators from all states, all sectors, and all stages of education; and looks to the Review to provide proposals which support this approach.

Conclusion: making explicit the ethical values, principles and ideals that underpin public policy on schools funding

The Australian College of Educators has welcomed recent public statements by the Chair of the Review Panel about the importance of equity in schools funding and in relation to schooling generally. ACE expects principles of equity, excellence and social inclusion to guide the work of the Panel.

Whether or not they are stated explicitly, all policy advice embodies values and principles. In the interests of the quality, integrity and transparency of the Panel's advice on the public policy for funding schools, the Australian College of Educators takes the view that the Panel should make clear the ideals and principles that underpin its advice, so that these can inform public consideration and debate on the directions it proposes for schools funding policy.

These ideals and principles are best stated, in the view of ACE, in a form that is sufficiently concrete and tangible to provide a guide to policy directions, objectives and priorities, rather than in terms so abstract and airy as to support almost any course of action.

The Australian College of Educators has high expectations of the Review of Schools Funding. Educators expect a report that treats schooling as a public as well as a private good; and that it will point out to governments their responsibility for balancing the legitimate aspirations of individuals with the need for social advancement through a generally well-educated society. Our society, through its governments, has a responsibility to recognise the education of our children and young people as an

investment in their well-being and their shared human capacity to learn while they are young, and not to treat schooling simply as a driver of economic growth, important as this is. This College also expects advice to government on schools funding to point out their responsibilities, in our democracy, take special measures to protect and advance the educational interests of those children and young people whose parents and communities are least able to do so.

ACE understands that the values and ideals that should guide high quality policy and administration in relation to schools funding are not discrete, but need to be held in balance. There is little point, for example, in separating considerations of equity from the matter of quality in schooling. Equity is only meaningful where it confers access to an education of quality; and, in particular, access to high quality teaching.

ACE will expect the Review Panel to recommend arrangements for the public funding of Australian schools which reflect the economic, efficient, effective and fair use of these resources. Little good will come, for example, of spreading the available public resources so thinly among schools that the overall quality of the school system is undermined, even if the allocation can be argued to be equitable. It will also expect the Panel to advise governments of the need to recognise that schools need the capacity to plan their programs effectively to meet student needs, so that funding arrangements need to be as stable, predictable and flexible as possible.

Current funding arrangements for schools funding in our federal system fall far short of the standards of public policy and administration that Australians are entitled to expect. Flaws and weaknesses in the current Commonwealth arrangements for the public recurrent funding of non-government schools have been widely documented¹. But

¹ Australian National Audit Office 2009, *Performance Audit Report No. 45 – Funding for Non-government Schools*.

Department of Education, Science and Training 2006, *Review of SES Funding Arrangements for Nongovernment Schools: A Report on an Internal Departmental Review into the Effectiveness of the SES Funding Arrangements for Non-government Schools*.

Dowling, A. 2007, *Australia's School Funding System*, Australian Council for Education Research.

McGaw, B. 2008, 'How good is Australian school education?', in S. Marginson & R. James (eds) *Education, Science and Public Policy: Ideas for an Education Revolution*, Melbourne University Press, Melbourne, pp. 53–77.

dealing with these should not be allowed to dominate the work of the Funding Panel at the expense of the long-overdue consideration that is needed of the Commonwealth's role in the public funding of government schools, as well as the role of States/Territories in the funding of non-government schools. Removing the current structural imbalances between these two levels of government in relation to their responsibilities for the funding of government and non-government schools respectively is an essential element of this reform.

The Australian College of Educators would expect the Panel to impress upon the Commonwealth, in particular, that the public funding of schools is not allowed to degenerate into a fragmented set of programs, creating multiple funding sources, funding mechanisms and a proliferation of administrative structures and processes as well as accountability requirements. Such an approach to schools funding diverts the time and effort of educators in schools (and, in particular, in the most hard-pressed schools) away from their work with students. The administration of a multiplicity of funding programs has the potential to eat up resources that would be better invested directly in schools and in classroom teaching through a more holistic and sustained response to social and educational disadvantage.

The Australian College of Educators has long had a concern that schools funding policies in Australia have become so complex and difficult for the general public to understand that the capacity for informed debate is being confined to a small clique of experts. This point was made strongly in the 2001 report from the then Australian Council for Educational Administration and Australian College of Education, *A National Declaration for Education*. This complexity has contributed to a climate conducive to political opportunism that has undermined trust and confidence in our schools funding arrangements to the detriment of our school system generally.

This College has high hopes that the advice of the Schools Funding Review Panel will lead to a system for planned public investment in the advancement of education, as well as re-building that trust and confidence.
