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**Submission to the  
House Standing Committee on Education and Employment  
Inquiry into the**

**Australian Education Bill 2012**

**from the**

**Isolated Children's Parents' Association  
of NSW Inc**



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## **Introduction**

The Isolated Children's Parent's Association of New South Wales (ICPA-NSW) is pleased to contribute to the House Standing Committee on Education and Employment inquiry into the Australian Education Bill 2012 ('the Bill'). The Bill is a once in a generation opportunity to reform school funding so as to improve both educational attainment and equity in our schooling system.

In its submission, ICPA-NSW is focussing on funding issues relating to the provision of education to rural and remote students. Education is commonly delivered out to the areas in which these students live through the system of rural and remote schools, or alternatively the student moves to the education by being accommodated at the place of delivery in boarding schools, some of which are government schools although the majority are independent. Both streams of schooling play an important role in the delivery of education to students from these rural and remote communities.

It is therefore extremely important to the future of rural and remote communities that the funding models for rural schools and boarding schools are structured and quantified so as to allow rural and remote students to achieve their potential in learning. In order to do so, funding will need to be sufficiently targeted so as not just to maintain the status quo, but to actively reduce the currently entrenched disparity in educational outcomes due to location of school which remain despite the considerable efforts of school teachers and administrators and which are described in the Appendix. Additionally, government and non-government boarding schools should have sufficient financial incentives to take on rural and remote students, as in some circumstances boarding schools remain the only source of an appropriate education available for isolated students.

ICPA-NSW applauds the aims of the Bill to enable schools to provide excellent education for all students, to ensure that Australian schooling is equitable, and to place Australian student performance within the top five globally in recognised international testing by 2025. However, much work remains for rural and remote schooling to participate in the realisation of these aims.

ICPA-NSW has focussed this submission towards Section 9 (School Funding) of the Bill.

### **Loading for Location and Size of School (Section 9c (v) and (vi) of the Bill)**

The Gonski Report indicated that as a starting point, the loading for size and location of schools should be in an indicative range from 10% of the SRS for medium-sized schools in remote locations to 100% of the SRS for very small schools in very remote locations.

ICPA-NSW submits the following:

- The Government has stated that the funding settings for remote schools:-

*“need to accurately reflect the legitimate additional costs associated with operating small and remote or very remote schools. States and Territories and non-government education providers are currently considering the information they hold regarding costs in such schools to provide advice in relation to the adoption of the proposed settings.”<sup>1</sup>*

However, **loadings for location of school should be set on the basis of funding required to achieve a goal of closing the gap in outcomes based on location of school, rather than merely maintaining the status quo.** The information in the Appendix indicates the current inequities in educational attainment despite the considerable efforts of remote school teachers and administrators, and the current funding of such schools is the basis of that inequity rather than the solution for it. That is to say, the gap in educational achievement is evidence that the current funding is insufficient to compensate for the concentration of disadvantage in some remote schools, and therefore should not serve as a basis for future funding. If loadings are set on the current additional operational costs of operating a school in remote and very remote areas, then that new funding model may serve to entrench rather than improve the current disparity in outcomes. There should be additional funding beyond an estimate of current costs added to the loading to achieve the goal of increasing equity in our school system when it comes to location of the school, rather than just maintaining the status quo, so as to provide resources for teachers and administrators to provide equitable opportunities and close the gap in outcomes.

- The Naplan results in 2011 as outlined in the Appendix indicate that outcomes between remote and very remote schools are similar in many areas in NSW, and very remote schools outperformed remote schools in some of the testing. Although in NSW, the number of very remote schools is smaller than in some other states, loadings required by remote schools should not be underestimated. ICPA-NSW queries on the basis of the Naplan data **that a loading of 10% to a medium size remote school will be sufficient to reverse the current gap in educational outcomes of students in those remote schools.**

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<sup>1</sup> Information contained in the Government response to the Gonski report, [www.betterschools.gov.au](http://www.betterschools.gov.au)

- The Government has stated that analysis is underway to determine whether evidence supports the need for a location based loading being available for provincial schools, in addition to remote and very remote schools. **Whilst in NSW, data as demonstrated in Appendix 1 indicates that outcomes in provincial schools lag behind metropolitan schools, that lag is not in any way comparable to that experienced by remote and very remote schools.** Funding models should recognise the far greater needs of remote and very remote schools.
- Small provincial schools may require extra loadings for their proper functioning. The Gonski Report suggested caution in respect of loadings for small schools in metropolitan and provincial areas, so as not to encourage the establishment of small uneconomic schools. ICPA-NSW agrees with the Gonski Report in respect of metropolitan and more densely populated provincial areas. However, there are more sparsely settled provincial areas where the small school is a vital institution in the accessible delivery in education. It may be that for loadings for small schools in provincial areas, **the MCEECDYA classifications are too blunt to distinguish between small provincial schools in sparser populations that are distant to alternative schools and are vital for educational access, and small provincial schools in denser populations that are close to alternative schools and are not necessary for equitable access and are uneconomic.**

### **Boarding Schools Accommodating Rural and Remote Students (Section 9(b) of the Bill)**

Both Government and Non-Government boarding schools have played an important role in the education of rural and remote students in NSW. Remote and very remote schooling outcomes are only partially correlated with socio-economic status and indigeneity, suggesting that being resident in a remote area has separate and distinct disadvantage which is not already explained by those other factors. However, under the Gonski funding structure, boarding schools taking on rural or remote students will not be recognised for their role for delivery of education to those students beyond the funding and loadings already attributable to socio economic status, indigeneity and other factors.

Boarding schools operate in an extremely competitive environment which is to a large part based around competing on educational outcomes, and more specifically, HSC and ATAR rankings. As a considerable gap in educational outcomes based on location of student has emerged prior to secondary school, as a generalisation boarding schools in taking on rural and remote students may have a greater role in remedial education, and more “ground to make up” to attain equivalent outcomes when compared to an intake of metropolitan and provincial students only.

The OECD has very recently stated that the provision of incentives to make disadvantaged students attractive to high quality schools is an option to “*balance choice availability against negative equity consequences*”<sup>2</sup>. In order to continue the role of educating rural and remote

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<sup>2</sup> Education Today 2013, The OECD Perspective, OECD Publishing 2012



students who often may not have reasonable access to an alternative appropriate education, boarding schools require sufficient incentive to continue to take those students in. Just as schools are funded for taking on other disadvantaged students through loadings on indigeneity, socio economic status, disability and language other than English, ICPA-NSW believes **both government and non-government boarding schools should receive financial incentives for taking on rural and remote students.** This incentive should operate so as to make boarding fees lower to increase affordability and therefore access to rural and remote families, who do not have comparable levels of choice in their local schooling when compared to metropolitan families.

Incentives based around formulas for socio-economic status do not form a sufficient or efficient incentive for this purpose as socio economic status is only partially correlated with remoteness.

Even after accounting for other forms of disadvantage, government schooling in rural and remote areas is more expensive than delivering education in metropolitan areas. The savings to government in respect of a remote student transferring from rural or remote government schooling to a metropolitan or provincial boarding school is greater than the saving in respect of a metropolitan student. This greater saving forms a source of funds with which to create financial incentives for metropolitan or provincial boarding schools to continue their intake of rural and remote students, so as to participate in the OECD notion of balancing choice against negative equity consequences.

### **Case Example – Government Boarding Agricultural High Schools in NSW**

#### **Yanco Agricultural High School, Farrer Memorial Agricultural High School and Hurlstone Agricultural High School**

The boarding agricultural high schools play a significant role in narrowing the gap in educational outcomes between metropolitan and rural schooling. Further to just academic outcomes - agricultural opportunities, subject choice and broad curriculum, sport and other extra-curricular activities may be available to isolated students at agricultural high schools which are not available in that student's locality. It is therefore extremely important that the broadest access to these schools be given to students from isolated settings.

Highest priority for boarder placement in agricultural high schools is currently based on eligibility for the Assistance for Isolated Children Scheme, being:

- students who have to travel 56 kms or more to the nearest government high school, or
- students who have to travel 16 kms or more to the nearest government high school AND who are more than 4.5 kms to their nearest transport service (such as a school bus).

The boarding agricultural high schools play a key role in educating students from very isolated areas, and providing choice in education to other remote, rural and regional students. Many participating students are unable to access an appropriate education in their own locality. The quality nature of the education currently provided by the boarding agricultural

high schools is self-evident from a comparison of year nine Naplan figures taken from each end of the educational spectrum, as indicated by the below two tables.

**The Educational Floor – Percentage of Year 9 students Meeting Minimum Standards, 2011<sup>3</sup>**

	Reading	Writing	Numeracy
Metropolitan Schools	95	88	95
Provincial Schools	93	79	92
Remote Schools	80	52	76
Very Remote Schools	67	50	63
Yanco	100	93	100
Farrer	98	84	99
Hurlstone	100	100	100

**The Educational Ceiling - Percentage of Year Nine Students at least three Bands Above Minimum Standards, 2011<sup>4</sup>**

	Reading	Writing	Numeracy
Metropolitan Schools	25	23	31
Provincial Schools	18	12	18
Remote Schools	5	2	5
Very Remote Schools	8	4	8
Yanco	22	13	22
Farrer	23	5	29
Hurlstone	80	74	99

Despite the role these schools play in providing a quality education to many remote students concentrated together in a boarding environment, the schools will under the current Gonski guidelines receive no loadings on the basis of the remoteness of the residence of their students. Nor will the schools receive any significant funding on the basis of socio economic status, with their ICSEA ratings being close to national average.

	Total Students	Approximate Boarders	MCEEDYA Location	ICSEA Rating	Total Government Recurrent Funding per Student (2011) <sup>5</sup>
Yanco	347	347	Provincial	1030	\$20290
Farrer	584	360	Provincial	1011	\$16237
Hurlstone	975	160	Metropolitan	1064	\$11895
<b>Total</b>	<b>1906</b>	<b>867</b>			

<sup>3</sup> National Achievement, National Report for 2011, ACARA 2011 and My School Website, ACARA

<sup>4</sup> National Achievement, National Report for 2011, ACARA 2011 and My School Website, ACARA

<sup>5</sup> Figures obtained from My School website, ACARA

The case study of the government agricultural boarding schools illustrates **that boarding schools providing a significant role in delivering a quality education to children of remote families will not receive loadings for the disadvantage of their students due to geo-location of residence under the current Bill, if those boarding schools are located in provincial or metropolitan areas. With no incentive to take on remote students, there is a risk that boarding schools that are not required to take on isolated students may choose to discourage their enrolment.**

### **Disability Loadings for Isolated Students**

ICPA-NSW supports the recommendation of the Gonski report that loadings for disability form an entitlement that follows the student in full through schooling, even if that student moves from government to non-government schooling.

**It is also important that children who are diagnosed with a permanent disability need not continually reapply and be required to prove their disability as they move through the education system and into the community.** For rural and remote students, repeated subsequent visits for accessing medical specialists to obtain letters and documents as evidence to prove disability is costly, difficult and should be unnecessary if the disability is permanent. The process and evidence for proving disability to attract loadings should be only required to be done once in respect of permanent disability.

### **The Compound Effect of Disadvantage**

The Gonski report found that concentrations of disadvantage in schools accentuate underperformance, and also impact on teacher morale and community alienation. In particular, the Report states (at page 124) :

*Researchers Perry and McConney (2010) found there are multiple ways in which schools with high concentrations of disadvantaged students differ from schools with high concentrations of students from more advantaged backgrounds. These include less material and social resources, more behavioural problems, less experienced teachers, lower student and family aspirations, less positive relationships between teachers and students, less homework and a less rigorous curriculum.*

Rural and remote schools more often have to cope with concentrations of disadvantage than metropolitan or provincial schools. Under the Gonski funding structure, different loadings for schools with concentrations of disadvantage will operate in a linear, additive manner. That is, remote school loadings will be added to disability loadings, indigenous loadings and other funding. However, the above would suggest that consideration be given to multiple loadings operating in a more geometric or compound fashion, to accelerate the funding available to schools with concentrations of disadvantage, which will include many rural and remote schools. ICPA-NSW suggests that closing the gap in educational outcomes such as indicated in Appendix 1 will require a compounding of loadings where concentrations of disadvantage exist. This will require **that where multiple loadings are applied in respect of particular students, those loadings are scaled up by a factor greater than one.**



## APPENDIX

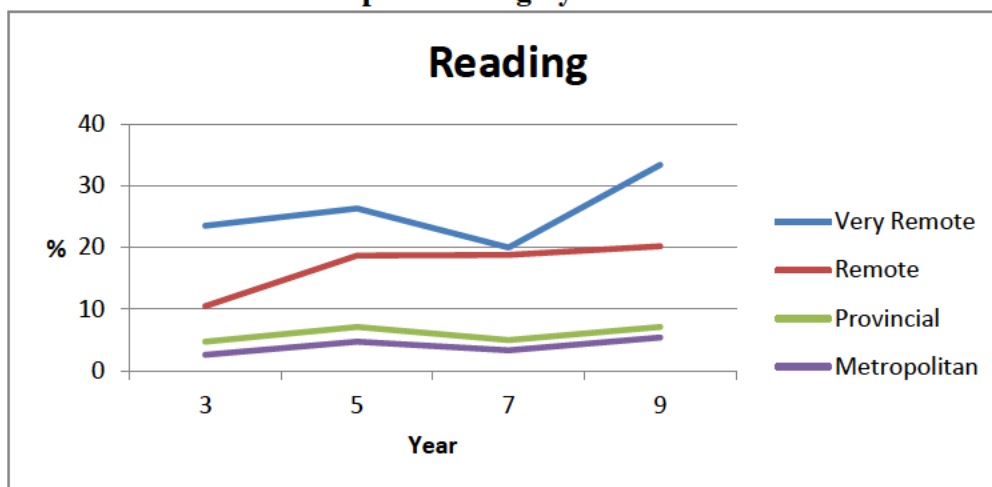
### The difference in educational outcomes between schooling based on location.

There is a well-accepted recognition that a significant gap exists between the educational opportunities, aspirations and attainments of metropolitan and non-metropolitan students. Additionally, it is well reported that 15 year old students from rural schools are now one and a half years behind their metropolitan peers in all 2009 Program for International Students Assessment areas.<sup>6</sup>

Naplan results provide a transparent source of data on some schooling outcomes. Naplan testing identifies student performance in a series of bands, as well as comparing students against designated minimum standards. ICPA-NSW has considered the different performance of students in 2011 testing of reading, writing and numeracy based on geolocation of school, in two different aspects:

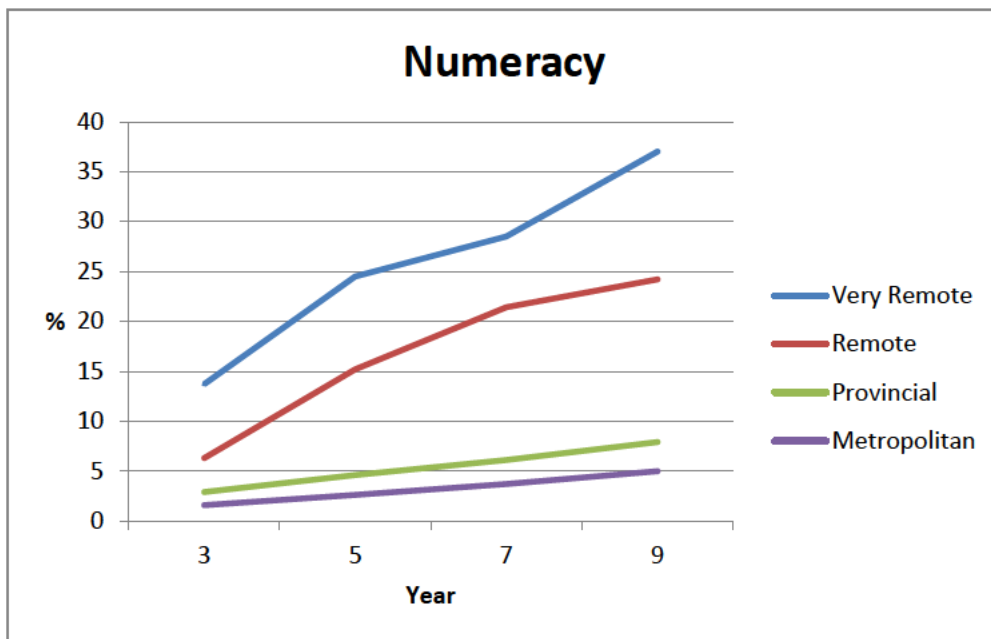
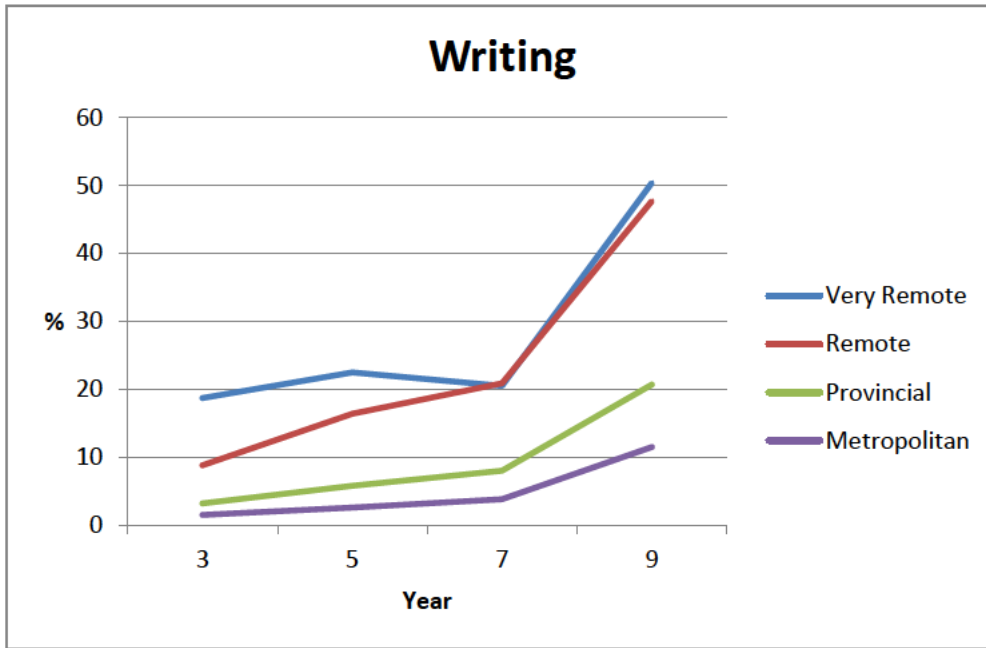
- Firstly, comparing percentages of students who fail to reach the designated minimum standards. This is intended to indicate the proportion of students that, because of failing to attain minimum levels of literacy and numeracy, as a generalisation may find it difficult to pursue further tertiary education or training, or even satisfactorily be able to participate in many sectors of the workforce. This comparison indicates the gap in the educational floor.
- Secondly, comparing percentages of students who perform at a level at least three bands above the designated minimum standards. This is intended to indicate the proportion of students who are equipped with sufficiently high levels of literacy and numeracy so that as a generalisation they are equipped to excel academically in higher education, which would allow them to potentially reach levels of high competency in their academic fields. This comparison indicates the gap in the educational ceiling.

**Figure 1 The Gap in the Educational Floor – NSW Students Failing to Reach Minimum Standards in Naplan Testing by Geolocation of School**



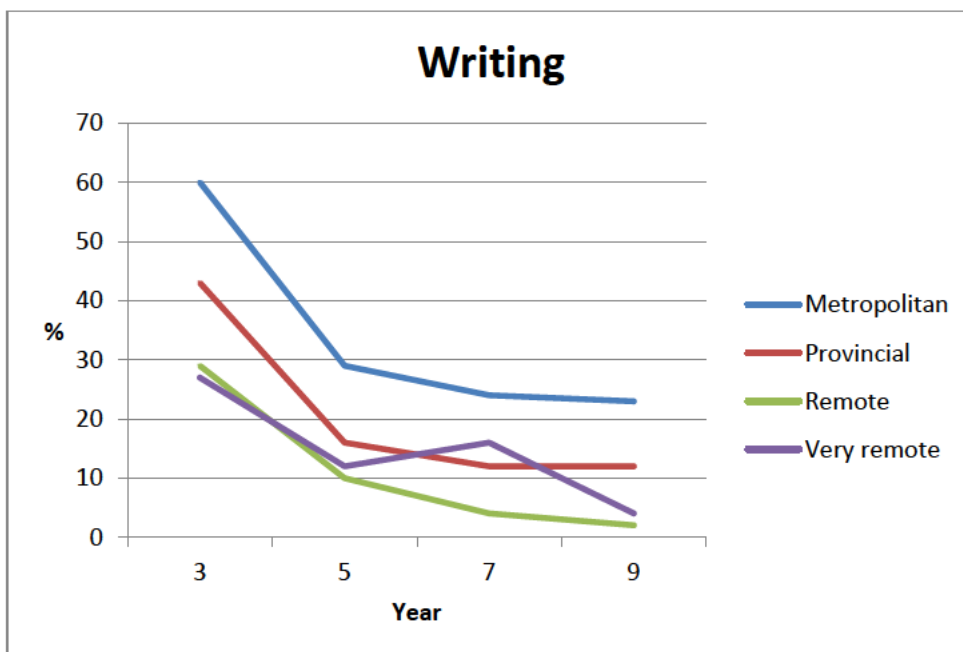
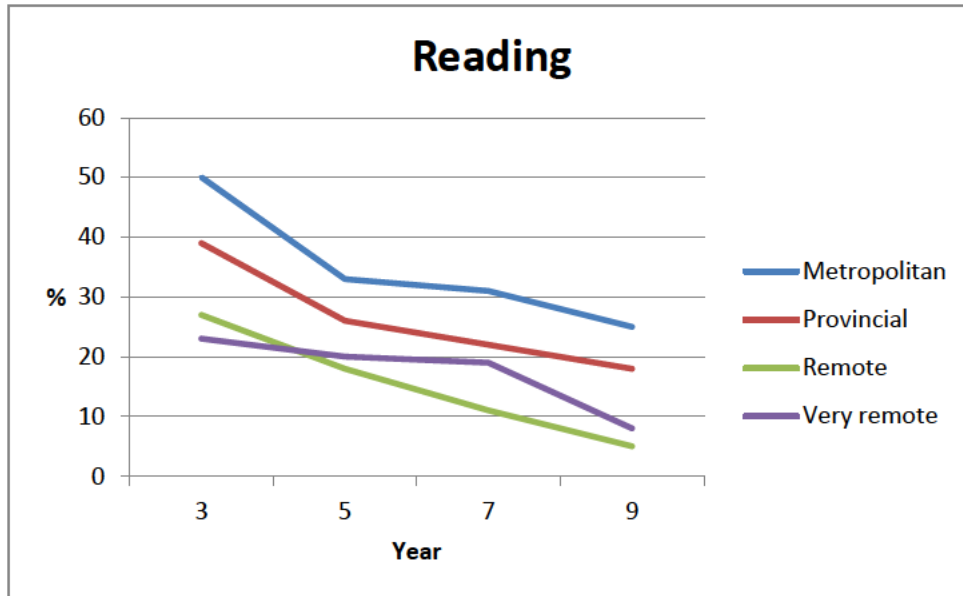
<sup>6</sup> Australian Council of Education Research 2009 *PISA in Brief – Highlights from the Full Australian Report: Challenges for Australian Education*

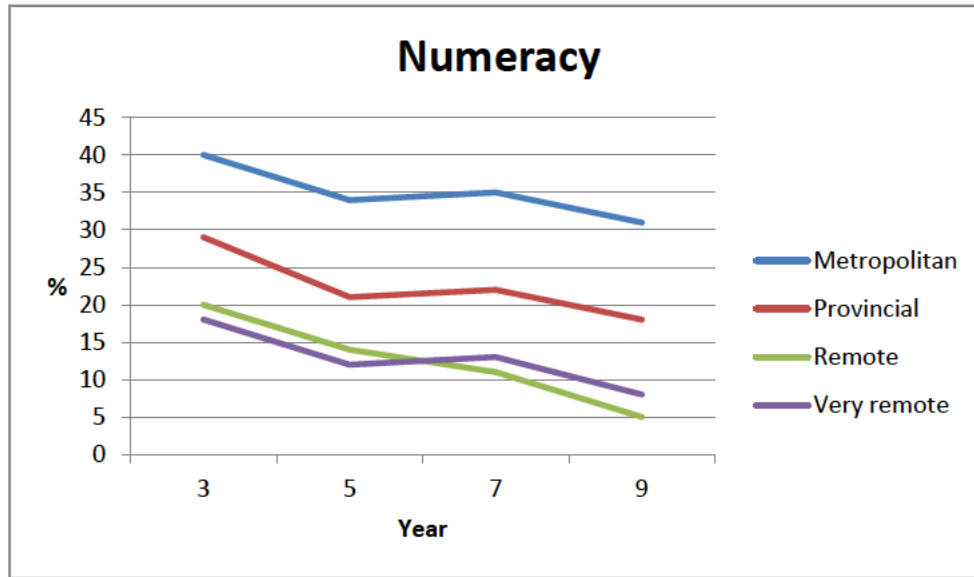




It is clear that despite the best efforts and competency of many educators, significant gaps have emerged in the proportion of students failing to attain minimum standards based on the geolocation of their school. Naplan testing does not extend beyond year nine, but the gradient on the charts would indicate that the gap in educational floor between metropolitan, provincial and remote students may well increase further beyond year nine. It seems feasible to conclude that a much larger proportion of students in rural and remote areas will find any tertiary education or training, or even participation in many sectors of the workforce more difficult on the basis of their literacy and numeracy, than will metropolitan students.

**The Gap in the Educational Ceiling – NSW Students Obtaining at least 3 Bands Above Minimum Standards in Naplan Testing by Geolocation of School**





The above graphs indicate a gap in high levels of literacy and numeracy has emerged in very early years, even prior to year three. Such data suggests that considerable attention need be given to early primary education in rural and remote areas, so that the gap in educational ceiling by year three is narrowed. Although Naplan testing ceases in year nine, if the gradients on the charts are assumed to continue beyond year nine, then there will be even fewer remote students equipped with high levels of literacy and numeracy compared to metropolitan students. There will also be an impact, although to a lesser degree, for students from provincial schools.

School retention rates are another indication of the difference in educational outcome based on geolocation. Retention rates have a direct impact on tertiary commencements, given that the most commonly trodden university pathways involve completion of year 12. Poor year 12 retention rates in a region will therefore affect university applications from that region. In 2011, school retention rates by school region were as follows:

**Apparent Student Retention percentage, 2011 by NSW School Region**

	Years 10-12	Years 7-12
Western NSW	59.3	52.8
Riverina	60.6	53.0
Hunter/Central Coast	61.4	56.0
New England	65.1	58.0
Illawarra and South East	64.3	60.4
North Coast	66.3	61.4
Western Sydney	77.6	74.0
South Western Sydney	77.9	79.5
Sydney	85.6	91.2
Northern Sydney	92.2	96.8

It is readily apparent that even the best regional school areas have much lower student retention rates than the worst of the Sydney regions.