

Submission

to

Senate Employment, Workplace Relations and Education
References Committee

Inquiry into Commonwealth Funding for Schools

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THE ASSOCIATION OF INDEPENDENT SCHOOLS OF QUEENSLAND INC

**STATEMENT TO THE SENATE EMPLOYMENT, WORKPLACE
RELATIONS AND EDUCATION REFERENCES COMMITTEE**

INQUIRY INTO COMMONWEALTH FUNDING FOR SCHOOLS

BRISBANE HEARINGS – 21 JULY 2004



The Association of Independent Schools of Queensland Inc (AISQ) was established in 1968 as a non-profit organisation to represent and promote the interests of independent schools. AISQ represents some 170 independent schools in Queensland. These schools enrol approximately 90,000 students.

AISQ's position on the funding of schools and other matters before the Committee is reflected in the submission to the Inquiry by the Independent Schools Council of Australia (ISCA). ISCA comprises the State and Territory Associations of Independent Schools, including AISQ. AISQ has provided to the Committee a letter of endorsement of the ISCA submission.

The following information is provided to assist the Committee's hearings in Brisbane on 21 July 2004.

There has been a high level of debate about the government funding of schools during 2004. This important aspect of public policy should be rightly the subject of continued examination. However, it is unfortunate that much of this year's debate has unfairly targeted independent schools. There has been much misleading information, principally about the funding arrangements for independent schools.

It is hoped that through this Inquiry, the Committee will place on the public record the facts about the funding of schools and recognise the important contribution that independent schools make to the provision of school education in Australia.

AISQ wishes to briefly address some of the issues that have emerged in the debate about schools funding.

Much emphasis has been given to the statement that the *Commonwealth spends \$4 on private schools for every \$1 it spends on state schools*.

This argument has been discredited – funding comparisons between government and non-government schools must be based on total government funding, not that just from one source. It is misleading to do otherwise.

It ignores the important partnership in the funding of independent schools between the Commonwealth, States/Territories and parents and the fact that parents are the major source of funding for independent schools.

Productivity Commission figures show that government per student funding for 2001/02 was –

Government Schools	\$8,937
Independent Schools	\$3,850

Further, the figures reveal that in 2001/02 the funding of school education for Government schools comprised –

- \$18.5 billion from State/Territory Governments
- \$1.8 billion from the Commonwealth Government

and for independent schools

- \$1 billion from the Commonwealth Government
- \$0.5 billion from the State/Territory Governments

It must also be recognised that in relation to the State/Territory Government funding for State schools, the majority of State/Territory revenue comes from the Commonwealth Government. In Queensland, GST revenue from the Commonwealth alone accounts for 50% of the State Government's revenue.

Much has been made of the fact that *there have been large increases in funding to independent schools.*

The funding reforms introduced by the Commonwealth in 2001 provided increased Commonwealth funding for many independent schools.

These increases must be considered in the context of the funding policies of Commonwealth Governments over the previous 15 years. For many schools receiving increases this was a correction to the deterioration of their funding position relative to other schools. Other increases went to the most disadvantaged non-government schools, with a view to increasing their capacity to provide quality education.

Further, the overall increase in Commonwealth funding must be considered in the context of enrolments. Much of the increase in Commonwealth funding is driven by enrolment growth in independent schools.

AIHQ supports funding “following” the students, so whilst the number of students enrolled in independent schools continues to increase, the level of overall funding will also increase.

Many have promoted the belief that the *increased funding for independent schools results in a drift of enrolments from government to non-government schools.*

Independent schools in Queensland account for 12.7% of total enrolments in the State. There has been a steady increase in enrolments in the sector.

AIHQ believes this is driven by parental choice in schooling. It clearly demonstrates the support of parents for independent schools.

Further, given that all independent schools charge fees, and parents have available to them a free Government school education, it indicates a willingness for parents to invest their discretionary income in the education of their children.

The SES Funding Model has faced criticism as being unfair and inequitable.

The SES funding model allocates funding to schools on a sliding scale based on the needs of students. Funding models of this type have been used in education for many years for both government and non-government funding (for example, the Ross-Farish Index and the various ABS indices).

The Commonwealth funding for schools with low SES scores is substantial and there is a significant difference in the funding for these schools as compared with schools with high SES scores. The SES model provides for a system where higher funding is not allocated to school communities that have the capacity to invest in their school but choose not to do so.

AISQ believes that Commonwealth funding for schools should be based on student need. Further, any funding model must not penalise the private investment of parents. The SES funding model has these features.

Whilst no funding model will be perfect, AISQ believes that the SES model is more equitable than its predecessor, the Education Resources Index (ERI). In particular, the ERI model penalised private effort in education and lacked transparency.

Many have portrayed independent schools as not being accountable.

All independent schools operate within a range of comprehensive regulatory frameworks which ensures accountability to a range of stakeholders, including parents and Governments. This accountability extends to both financial matters (including government funding) and educational outcomes.

In Queensland, the accountability arrangements include the legislated requirements of the Non State Schools Accreditation Board.

AISQ notes with some concern proposed new accountability and reporting arrangements in the *Schools Assistance (learning Together – Achievement Through Choice and Opportunity) Bill 2004*.

Any new accountability measures must be tested to ensure that they contribute to improved student outcomes and overall school improvement. Accountability and reporting must not impinge on the independence of schools as it is this autonomy which facilitates the sector's diversity and allows schools to provide education that specifically responds to community and parent demand. Unnecessary regulation that constrains independent school autonomy has the potential to damage the quality and diversity of education provided in Queensland.

Finally AISQ wishes to raise the need for the funding for schools to be predictable and certain.

In the current climate, many independent schools in Queensland are concerned about their future funding. This results from the commencement of the new Commonwealth quadrennium of funding in 2005 and the forthcoming Federal election. The timing of these events is having an impact on independent schools and their planning.

AISQ calls upon this Committee to recognise the need for certainty in the funding arrangements for independent schools. As a result, the Committee is urged to recommend to the Senate the early passage of the *Schools Assistance (Learning Together – Achievement Through Choice and Opportunity) Bill 2004*.

The Association of Independent Schools of Queensland Inc
Brisbane
20 July 2004