

SUBMISSION COVER SHEET

Inquiry into Schools Assistance Bill 2008 and the Education Legislation Amendment Bill 2008

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INDEPENDENT EDUCATION UNION OF AUSTRALIA

**STANDING COMMITTEE ON EDUCATION,
EMPLOYMENT AND WORKPLACE RELATIONS**

**INQUIRY INTO THE SCHOOLS ASSISTANCE BILL 2008 AND THE
EDUCATION LEGISLATION AMENDMENT BILL 2008**

OCTOBER 2008

1. Executive Summary

1.1 The IEUA has welcomed the introduction of the *Schools Assistance Bill 2008* and the *Education Legislation Amendment Bill 2008* into Parliament as mechanisms which ensure certainty of funding arrangements for non-government schools for the 2009 -2012 quadrennium.

1.2 The IEUA notes with serious concern that the Senate referral of the *Schools Assistance Bill 2008* and the *Education Legislation Bill 2008* to the Education, Employment, and Workplace Relations Senate Standing Committee at such a late stage of the year potentially places at risk funding for the non-government schools for 2009 school year.

1.3 The Commonwealth's funding policy for the operation of non-government schools clearly affects the quality of educational provisions to students and the professional and the industrial lives of education professionals in non-government schools. Government recurrent funding of non government schools is the fundamental component of the salaries and conditions for teachers and support staff employed in the non-government sector.

1.4 The IEUA believes that while there are genuine concerns regarding the current federal funding arrangements, a transparent and open review must take place in a timely, co-operative manner and in a financially secured environment. An appropriate review resulting in a better model of funding can not be achieved before the new year.

1.5 IEUA believes that the Commonwealth Government has a responsibility in current uncertain economic environment to provide security and certainty. The Government's decision to continue the current Commonwealth funding arrangements as outlined over the 2009 to 2012 quadrennium through the *Schools Assistance Bill* and *Education Legislation Bill 2008* ensures stability, continuity and certainty for non-government schools, staff, students and their parents.

1.6 The IEUA supports the passage of these Bills through Parliament as they appropriate an estimated \$28 billion for funding for the non-government schools during the 2009 – 2012 period that will give funding certainty for schools and their communities.

1.7 The IEUA welcomes the Commonwealth Government's preparedness to undertake a review of funding arrangements during the next four years and seeks active participation in such a review.

2 Introduction

2.1 The IEUA is the federally registered organisation which represents the industrial and professional interests of education professionals in all non- government education institutions across Australia. It has current membership of approximately 65 000 members.

2.2 The IEUA has a strong interest in the Commonwealth's funding arrangements in terms of its impact on the operations of non-government schools. Clearly such policy affects the quality of educational provisions to students and the professional and industrial lives of education professionals in non-government schools. Government recurrent funding of non-government schools is the fundamental component of the salaries and conditions of teachers and support staff employed in the non-government sector.

2.3 The IEUA has made submissions to a substantial number of government reviews and committees of inquiry regarding education and funding policy, as well as programs and related matters. These include:

- The reference on the accountability in Commonwealth-State Funding Arrangements in Education 1994;
- The McKinnon Review of the New Schools Policy 1995;
- The Senate Inquiry into the States Grants (Primary and Secondary Education Assistance) Bill 1996;
- Review of the Education Resources Index 1997;
- The Senate Inquiry into the States Grants (Primary and Secondary Assistance) Bill 2000;and
- The Senate Inquiry into Commonwealth Funding for Schools 2004.

2.4 IEUA recognises all schools, both government and non-government, as being important social intuitions in which Australian children engage with and learn about their fellow citizens and come to acknowledge and appreciate their differences, beliefs and values. The comprehensiveness across both the government and non-government systems is a great strength of the Australian education system and needs to be preserved.

2.5 The capacity of non government schools to meet both the current and future school needs in accordance with MYCEETA goals is fundamentally dependent on appropriate levels of government funding.

3 Schools Assistance Bill 2008 and the Education Legislation Amendment Bill 2008

3.1 The *Schools Assistance Bill* appropriates funding for the Commonwealth programs of financial assistance to the States and Territories for non-government schools. It succeeds the *Schools Assistance (Learning Together – Achievement through Choice and Opportunity) Act 2004*.

3.2 Significantly, the Act maintains the socioeconomic status (SES) funding model as the basis for Commonwealth funding of non-government schools for 2009 to 2012. The Bill will implement the following funding arrangements for non-government schools for 2009 – 2012:

- Schools with a 2009 – 2012 SES score that is the same as their school for the current quadrennium will continue to receive per capita funding entitlements at the same rate of Average Government School Recurrent Costs (AGSRC);
- Schools that are currently funding maintained, will continue to be funding maintained from 2009 to 2012 unless their 2009 to 2012 SES score indicates higher total school funding than the school currently receives;
- Schools with a 2009 to 2012 SES score that is lower than their current score will attract a higher per capita funding rate from 2009 unless the school is currently funding maintained and in receipt of higher total school funding or already in receipt of maximum funding;
- Schools with a 2009 – 2012 SES score that is higher than their current score will have their 2008 per capita dollar amounts guaranteed (or frozen) until the value of the new score is equal to , or greater than, their 2008 entitlements unless the school is funding maintained or already in receipt of maximum funding;
- Maximum recurrent grant funding of 70 per cent of AGSRC is automatically provided for schools that are special schools or meet the criteria as a special assistance school. For 2009 to 2012 this maximum level of funding is provided for a new class of schools that have certain levels of Indigenous enrolments (where Indigenous enrolments are 50 percent or more of enrolments for schools in very remote areas and 80 percent or more of enrolments in any other area);
- A remoteness loading will apply for students attending a school campus (not including distance education students) if the campus is classified as a moderately accessible school campus, a remote school campus or a very remote school campus. These loadings are 5 percent, 10 percent and 20 percent respectively of a schools SES score entitlement. The remoteness loading will apply for non-government schools that are already in receipt of general recurrent funding.

3.3 The Bill also provides for capital grants for non- government schools, and continues funding for existing Commonwealth programs of targeted assistance on non-government schools for 2009 – 2012. The Bill provides for the indexation of recurrent and targeted programs based on Average Government School Recurrent Costs (AGSRC). Capital grants will continue to be indexed according to the annual movements in building prices.

3.4 The IEUA also recognises that the purpose of the *Education Legislation Amendment Bill 2008* is to amend the Indigenous Education (Target Assistance) Act 2000 and to provide recurrent funding for Indigenous Supplementary Assistance for Indigenous students attending non –government schools.

3.5 The IEUA recognises that the *Education Legislation Amendment Bill 2008* provides additional funding for non-government schools that have significant

numbers of Indigenous students and as such the maximum rate of general recurrent funding will automatically apply to non-government schools in remote and very remote areas that have 50 per cent or more Indigenous enrolments and to non-government schools in other areas that have 80 per cent or more Indigenous enrolments.

3.6 The IEUA recognises provisions of the *Education Legislation Amendment Bill 2008* as a significant first step towards assisting schools to “close the gap” . However, further funding and work is required to make real achievement in the area of indigenous education.

3.7 IEUA believes that the Commonwealth Government has a responsibility in current uncertain economic environment to provide security and certainty and as such recognises the Government’s decision to continue the current Commonwealth funding arrangements over the 2009 to 2012 quadrennium as outlined through the *Schools Assistance Bill* and *Education Legislation Bill 2008* as mechanisms which ensure stability, continuity and certainty for non-government schools, staff, students and their parents.

3.8 The IEUA supports the passage of the Bills through Parliament as it appropriates an estimated \$28 billion for funding for the non-government schools during the 2009 – 2012 period that will give funding certainty for schools and their communities

4 Sector concerns regarding the legislation

4.1 IEUA recognises that some employing authorities within the non-government sector have raised concerns regarding accountability requirements.

In particular, the following issues were identified;

- The national curriculum and the need to ensure that independent schools will have the flexibility to offer alternative curricula such as International Baccalaureate; and
- Reports on programs and financial operations and the assessment definitions of financial viability.

The IEUA believes that these issues are not insurmountable issues for the sector to overcome through a process of genuine, ongoing consultation with stake holders.

4.2 The IEUA continues to support the work to achieve greater national consistency and comparability in curriculum, assessment, reporting and certification and in other areas of education policy, provided that it models the cooperative and collaborative approach that characterises the way teachers and students work in Australian schools today.

IEUA recognises the seven principles set out in the Development Paper for the Melbourne into the Future – National Curriculum Board (NCB) Forum which highlights the necessity for flexibility in delivery and the collaborative development with jurisdictions, systems and schools across Australia.

IEUA believes that where genuine consultation with practising teachers in regard to the actual curriculum development process occurs, the concerns regarding the cross linking of existing curriculum programs with the broader national curriculum plans are overcome.

4.2 Overall, the IEUA does not support these concerns outlined in 4.1 as being substantial enough to place at immediate risk the ongoing viability of non-government schools, their staff and their communities.

5 Long Term Review of School Funding

5.1 However, the IEUA recognises that there are genuine concerns regarding the long term federal funding arrangements and that a transparent and open review must take place. However, it is essential to ensure that such a review is undertaken in a comprehensive manner, inclusive of all stakeholders and underpinned by a financially secured environment for schools.

5.2 The IEUA welcomes the Commonwealth Government's preparedness to undertake a review of funding arrangements during the next four years and seeks to be active participants in the process.

5.3 The IEUA believes that it is imperative that such a review be comprehensive and properly detailed and not build on a simplistic notion of redistributing existing funds.

5.4 Further the IEUA strongly believes that the Commonwealth Government should set as the major objective of the review, the establishment of a national resources standard for Australia's education systems in order to fulfill the MCEETYA goals of schooling; no matter where students live or which schools they attend.

The review should give consideration to the actual costs of educating students in schools and employ the Productivity Commission costings in order to establish such a national resources standard.

The review should also give consideration to the public resourcing of government schools to the actual benchmark needed to provide quality education for every student.

5.5 The Review should provide for both non-government and government schools to be publicly accountable on the same basis and to be funded by government on the basis of need with reference to the national resource standard. Appropriate accountability processes should be an outcome of negotiation with all relevant stakeholders.

5.6 Finally, the review should ensure a co-ordinated and shared rationale between Commonwealth and States levels of funding and guarantee absolute transparency in terms of Commonwealth and States/Territories' funding arrangements. This is imperative as currently the lack of transparency in the interrelationships of funding arrangements has led to an easily manipulated public debate on school funding.

5.7 The development of such a coherent public policy on education funding takes time, resources and co-operation in order to acknowledge the realities of Australian schools and provide the way forward for a more equitable and less divisive framework of schooling.

5.8 All of this can not be achieved before the beginnings of the next funding period.

IEUA believes that the 2009 – 2012 quadrennium provides a timely opportunity for such a review to take place.