



Independent Schools
Council of Australia

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Independent Schools Council of Australia

Independent Schools and the National Agenda

Today I'm going to give a very brief survey of a few key national issues in education as well as political and other factors that will have an impact on our sector. The extent to which individual schools will be affected by these issues will of course depend on their particular circumstances.

Timeline

2006

- **Broad direction of 2009-2012 quadrennium settled as part of 2007 Budget preparation**
- **Review of the SES funding model**

2007

- **Federal election**



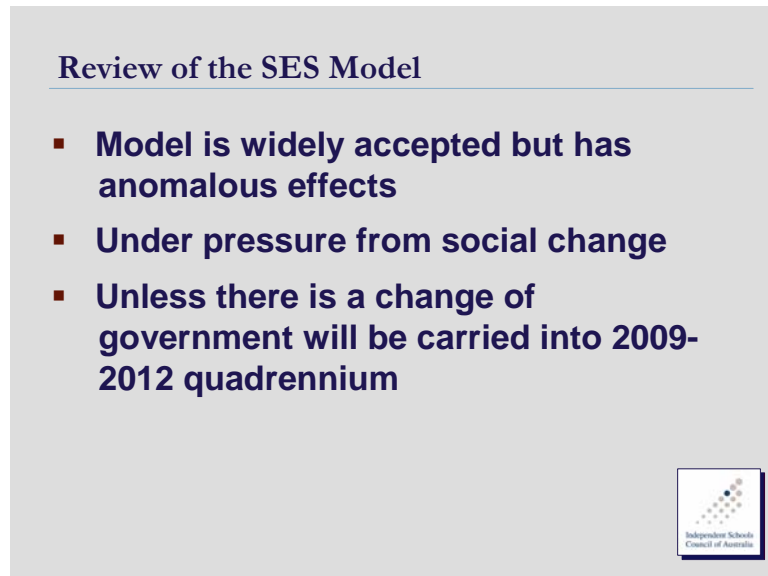
First, to give a loose context for what follows, let's just note in terms of timing that:

- The broad direction of Australian Government arrangements for schools for the 2009-2012 quadrennium is likely to be determined this year as part of the 2007 Budget preparations.
- We are expecting a review of the SES funding model this year, with the results of that review to be announced in 2007.

- We expect the next federal election to be held in late 2007.

Let's begin by looking at the bottom line – funding.

Review of the SES model



Review of the SES Model

- **Model is widely accepted but has anomalous effects**
- **Under pressure from social change**
- **Unless there is a change of government will be carried into 2009-2012 quadrennium**

Independent Schools Council of Australia

This year we face a review or evaluation of the SES funding model, which has been in place since 2001.

No funding model is going to suit all parents or all schools or even one school at all stages in its life cycle, but by and large there has been a broad level of acceptance of the SES model and a recognition that it is a vast improvement on the previous ERI model.

Given the historical circumstances and development of Australia's dual system of schooling, we should not be surprised that a federal government would arrive at a funding allocation model that measures the relative capacity of a school community to support the education of its students. The federal ALP nominated a similar model for the allocation of funding to schools in the Economic Priority Zones that formed part of their schools policy in 2001.

The allocation of public money according to the socio-economic status of recipients is generally considered a fair means of addressing social equity concerns.

However, as we know, the SES model can inhibit sector growth. It is not a system that recognises the different level of need of schools at different stages in their development – especially at start up. This makes it almost impossible to start new schools that would predominantly draw high SES students and therefore low levels of government funding. We see this effect most particularly in Darwin and Canberra, which are overall high SES areas relative to the rest of Australia. Funding maintenance exacerbates this anomaly, putting start up schools at a further disadvantage.

We are now coming to a point where Australian schooling is outgrowing its history, where the dual system of schooling is giving way to an era of supplier diversity.

As Ken Evans pointed out yesterday in his welcome, a very high proportion of senior secondary students are educated in non-government schools. If current trends continue, in the foreseeable future one in every two Year 12 students will have had at least part of their school education in a non-government school.

As more and more parents care less and less about who owns the school their child attends and focus only on what the school can deliver then there will be greater pressure on governments to adopt student-centred funding models. The SES model is under more pressure from social change than any anomaly thrown up by regional differences.

Unless there is a change of government, we will see the SES model carried forward into the 2009-2012 quadrennium. However, we must be on the alert to the way in which the community is changing its thinking about school education and the way it should be funded, and how governments are responding to that change.

This is a good point to survey the current status of schools funding policies.

The politics of policy

The Australian Government, the States and Schools

- **\$700 literacy tuition vouchers direct to parents**
- **Australian Technical Colleges**
- **Direct capital grants to government schools**
- **Right to hire and fire for government school principals a condition of funding to the States**
- **Common school starting age**
- **Australian Certificate of Education**
- **National testing**
- **National student data collection**
- **Increasing federal regulation**



Looking first at the federal Coalition, we can expect the new federal Education Minister Julie Bishop to be kept busy for some time bedding in the quite radical shifts in policy introduced by her predecessor Dr Brendan Nelson. All of the Minister's comments to date show full support for all aspects of the Government's schools agenda.

Looking down this list of some selected items on that agenda we can see that under Brendan Nelson the Australian Government managed a level of federal intervention in state education provision that is unprecedented in Australia's education history.

There is no doubt the new federal funding regulations are an attempt by the Australian Government to make the state government provision of education more accountable, more transparent, more competitive and more autonomous.

I'll just quickly remind you of those regulations.

New Australian Government Regulations

- **Data collection on student characteristics**
- **Participation in common national testing and benchmarking tests**
- **100% student achievement of national standards**
- **Commitment to National Safe Schools Framework, National Values Framework**
- **2 hours physical activity per week**
- **Principals' autonomy to hire and fire**
- **Public reporting of school performance measures**
- **'Plain English' reporting to parents**

ISCA's checklist for schools is online at www.isca.edu.au



The issue for our sector is that this move to drive quality gains in the government schools sector at the same time threatens to undermine the educational autonomy that has underpinned the high quality and unique character of education provision in the independent sector.

As the federal and state governments forge their way to a new relationship over government schools, the independent sector is suffering collateral damage.

Schools are rightly concerned by the increase in government regulation. Our financial and educational accountability mechanisms are already rigorous and multi-dimensional. The new federal requirements legislated as part of the 2005-2008 quadrennium funding arrangements, which bring the federal government right into the classroom and even as far as the content of a student's report card, for the first time involve the federal government in the day to day business of teachers.

There is a world trend by governments in developed countries to introduce educational accountability measures that depend on standardised testing and reporting. While it is important for independent schools to address accountability concerns we must also protect our autonomy and reduce wherever possible the regulatory burden that diverts funds from the classroom.

Regulation Taskforce Recommendations

Rec 4.37 The Australian Government and state and territory governments should rationalise their respective reporting requirements for non-government schools to reduce duplication and minimise administrative workloads.

Rec 4.38 The Department of Education, Science and Training should implement alternatives to universal data collection, including, for example, sampling or better targeting data collections within the school system.

Rec 4.39 The Department of Education, Science and Training should abolish the Financial Questionnaire for Non-Government Schools.

In 2005 ISCA made a submission to the Prime Minister's Taskforce on Reducing the Regulatory Burden on Business. Earlier this month the Taskforce's report was made public, and three of its recommendations support a change in the current regulatory regime for independent schools, including our arguments for abolishing the Financial Questionnaire.

We will be making the same arguments with Minister Julie Bishop, who has already signalled that she is willing to look at reducing the regulatory burden on universities.

Rhetoric and reality

The Politics of Policy

- **Minister Bishop likely to continue existing schools agenda**
- **No official change to ALP policy as yet**
- **'Choice' now in rhetoric of both major parties**
- **Internal push in Labor to change policy**
- **Interest in 'integrated' funding models**



Contrary to what you may have read in the press or heard on the radio earlier this month, the ALP's schools funding policy has not yet moved one official inch*.

* NOTE: Since the ISCA Conference significant changes to the ALP's schools policy have been announced by The Hon Kim Beazley. This document records Mr Daniels' speech as delivered prior to those changes.

I'm sure I don't need to remind this audience that in the 2004 federal election the ALP went to the polls with a policy that targeted 178 independent schools for \$520 million worth of funding cuts, most of which was to be redirected to the Catholic sector.

While the media is saying that Labor has dropped its so called 'hit list' of independent schools, all that Kim Beazley has actually said in response to media questioning is that – and I quote – 'in education, I'm not about taking things away from people . . . we are going through a review of our policy at this stage and we'll announce it in good time when we've completed it. But the underpinning motive is what I've just indicated there. We need to have a decent federal investment in the education of every child in our society'.

Plenty of wriggle room but very little certainty there beyond a basic entitlement – which already exists in the ALP's policy, although in the form of a combined federal-state contribution.

All that we can be certain of at this stage is that the ALP has changed the way it talks about schools. Its school education rhetoric now refers just as much to choice as to need. We also know that key ALP figures believe Labor was damaged at the 2004 polls with its divisive funding policy and would like to see the policy revised.

Several prominent ALP figures have been vocal in advocating that the ALP drop the hit list and the politics of envy and instead adopt a new approach to schools funding that does not discriminate against schools on the basis of ownership.

While the independent sector must welcome any change in ALP policy that is less punitive to families choosing independent schools for their children, we also need to look carefully at the implications of this new policy push.

A number of proposals on schools funding that have been floated in the last couple of years have advocated a more student-centred approach to the funding of school education, with less importance attached to the ownership of the school attended. However nearly all of these so called 'integrated' funding models entail non-government schools becoming more like state schools.

However, there are more immediate concerns for independent schools.

Key Concerns

- **Inequity in funding of students with disabilities**
- **Appropriate regulation of overseas students**
- **Access to broadband technology and online learning materials**



The first is how the sector can continue to deliver quality education to students with disabilities when the gap between public subsidy and the actual cost of educating students with disabilities is so wide.

Students with disabilities

The inequity in funding of students with disabilities is exacerbated by the different approaches by state and territory governments to their funding and by the different definitions of levels of disability. The Ministerial Council on Education, Employment, Training and Youth Affairs, or MCEETYA, is working toward a common definition of disability and investigating the cost of educating students with disabilities. Both projects could prove helpful in establishing more equitable arrangements for students with disabilities and their families.

The number of students with disabilities enrolled in independent schools is growing at a higher rate than the total enrolment growth rate of the sector, and the proportion of students with high level needs is increasing. Funding for students with disabilities will therefore remain a key point of advocacy for the ISCA and it is encouraging that federal Education Minister Julie Bishop has signalled her interest in pursuing an investigation of the feasibility of a funding voucher for students with disabilities.

Overseas students

Another group of students that is a focus of national policy change is overseas students, as in recent years various government agencies have extended their interest from the higher education sector to the schools sector.

The world education market has changed. Countries that traditionally have been sources of overseas students for Australian education institutions are becoming providers of international education themselves or improving the quality of education they offer. The Australian dollar has strengthened. At the same time, state governments are putting considerable effort into attracting overseas students for their schools.

These factors, and the strong domestic demand for places in independent schools, have meant a decline in the number of overseas students enrolled in the sector. However, many independent schools see overseas students as a vital part of their commitment to international education.

DEST/AEI is developing a schools sector strategy to try to assist in improving Australia's market share of overseas students. There is concern about quality of courses, pastoral care and visa related compliance, which has led to the development of new regulations and national codes.

ISCA is fully engaged in these policy processes and intends to assist independent schools by developing a handbook on the revised National Code and other website material.

Information and Communication Technologies

Schools and information and communication technologies also continue to be an important focus of ISCA's work.

ISCA has lobbied strongly that publicly funded on line curriculum materials being developed through The Learning Federation should be available to the independent sector. The capacity of schools to access these materials varies dramatically across the sector – some schools are well equipped and have invested in ICT and broadband while many others have little or no access.

We are encouraged by three Australian Government initiatives:

- A National Broadband Strategy designed to increase the availability and effective use of Broadband throughout Australia;
- DCITA's work with Australia's cultural organisations to increase online availability of publicly funded content;
- DEST's strategy to create an Australian Educational Digital Network (AEDN) that will enable school jurisdictions to have high-speed low-cost access to publicly funded online content and services. The AEDN strategy can be seen as an extension of the AARNet concept which connects researchers in Australia's universities.

Of further concern to the sector – indeed to all Australian schools and teachers – is the move by the Copyright Agency to levy copyright fees on schools for accessing and using information on websites. ISCA is involved in a legal challenge to the levy.

It is important to note that some of the sector's challenges in both ICT and with overseas students stem directly from our independence. As single entities our schools are vulnerable to well organised and resourced school systems.

Independent schools must now ask themselves what does independence mean in terms of access to services. It will be a challenge for the sector to decide just what organised services it wishes to be party to.

Into the future

Looking Ahead

- **Increased competition**
- **Parents need funding support**
- **Some stability in government funding arrangements**
- **Trend towards conformity**
- **Cost increases associated with administration of new regulatory requirements**
- **Inroads on autonomy**
- **The importance of sector unity**



As we look to the future, the fact that our competitors are also our regulators and significant funding partners in our operations must be of concern.

There are limits on parents' capacity to pay higher fees and we must continue to push for equitable funding from all governments.

There are positives we should note. Victoria's move to quadrennial funding arrangements for non-government schools makes a strong precedent for other states and territories to follow. Any move to greater funding certainty helps the stability of the sector.

I would expect that if the Coalition retains government at the 2007 federal election there will be a continuation of current funding arrangements into the 2009-2012 quadrennium. That's another positive for the sector in terms of stability.

However, as I mentioned earlier, the ALP's schools policy is still of concern.

There will be continuing pressure on our autonomy as benchmarking and national testing and the reporting requirements around them exert a strong conforming influence on what happens in the classroom. And, as government schools are encouraged to become more like independent schools through increasing autonomy for principals and curriculum specialisations, then a very real challenge for the sector will be how to retain those characteristics that make each school a distinctive education community.

There has been no better time for the sector to focus on the issue of 'what makes the difference'. There has been no greater need for the sector to fight for the inherent value of independence, and no more critical moment for the sector to present a united front to governments.

Thank you.