

24 October 2024

Submission to the Senate Education and Employment Committee on the Better and Fairer Schools (Funding and Reform) Bill 2024

Dear Committee Secretary,

The Australian Secondary Principals' Association (ASPA), the national peak body representing all public secondary school principals and their school communities across Australia, welcomes the opportunity to submit evidence regarding the Better and Fairer Schools (Funding and Reform) Bill 2024. ASPA is responsible for the learning and wellbeing of over 1.1 million children and young people and is deeply committed to ensuring all Australian children and young people have access to a high-quality education.

This submission argues that the Better and Fairer Schools (Funding and Reform) Bill 2024, requires substantial amendments to effectively address systemic inequities in Australian education. Specifically, ASPA advocates for increased funding ambition, targeting 100% of the Schooling Resource Standard as a minimum for all schools, and a nationally consistent, equitable funding model. Furthermore, we propose a new, robust measurement framework to accurately assess school performance in context and equitable contractual obligations for all publicly funded schools.

The Need for Ambitious Reform and a National Vision for School Funding

While ASPA acknowledges the Bill's proposed funding "floor" for government schools, intended to prevent decreases in Commonwealth funding, and commends the 40% floor for Northern Territory government schools, we believe the Bill lacks the ambition necessary to address the systemic inequities plaguing Australian education. Merely establishing minimum funding standards for public schools, attended by most Australian children, while ignoring broader funding and regulatory inconsistencies across the Australian Federation, is inadequate. This Bill presents a crucial opportunity for the Commonwealth to take a nation-building leadership role and act on the recommendations of the Review to Inform a Better and Fairer Education System by making amendments that improve socio-economic diversity and lay foundations for a common funding and regulatory framework for *all* Australian schools.

The lack of constitutional clarity regarding responsibility for education has created an untenable situation, fostering a lopsided funding landscape that disproportionately benefits Catholic and independent (non-Government) schools. While state and territory governments contribute to non-Government school funding, the Commonwealth, with its vastly superior financial resources, provides the lion's share, ensuring their financial stability. Meanwhile, public schools are resourced in the main by the less substantial and often unpredictable budgets of state and territory governments. This two-tiered system creates significant resourcing disparities, with non-Government schools consistently meeting or exceeding the Schooling Resource Standard (often while also charging unregulated parent fees, and deriving other tax-deductible benefits), while public schools struggle to keep pace. Rather than perpetuating this inequitable model, a more logical and sustainable solution lies in pooling funds from all levels of government – Commonwealth, state, and territory – and distributing them via a statutory authority (such as the National School Resourcing Board) jointly owned by federal, state

and territory education ministers. This approach would ensure a less politicised, more equitable and needs-based distribution of resources, benefiting all students regardless of the school they attend.

Australia's education system stands out amongst OECD nations for its high levels of socio-economic segregation, a consequence of policies that have inadvertently concentrated disadvantaged students in under-resourced public schools while simultaneously subsidising more affluent students attending private institutions. This entrenched disparity limits opportunities and perpetuates inequity. In contrast, Canada, where over 90% of students attend publicly funded schools operating within a tightly regulated framework—including those privately operated but publicly funded—demonstrates a markedly different approach. This stricter regulatory environment, which focuses on ensuring equitable access and resource allocation across all publicly funded schools regardless of their operational model, has yielded demonstrably higher academic achievement and fostered a more equitable educational landscape for all students. Canada's success serves as a compelling example of how prioritising public education and implementing robust regulations for all publicly funded schools can lead to both improved outcomes and greater fairness.

This Bill must move beyond simply maintaining the status quo and strive for a genuinely needs-based funding model, applied consistently, free from political interference, and within a unified regulatory and accountability framework covering all schools receiving public funds.

Funding Measures: Investing in Equity and Excellence

ASPA advocates for a legislative guarantee that *all* schools are funded at 100% of the Schooling Resource Standard (SRS) as a minimum, and as a matter of urgent priority. This investment is crucial to ensure that every school has the resources necessary to meet the diverse learning needs of its pupils. Furthermore, the Bill should reflect the aspirations of the Alice Springs (Mparntwe) Education Declaration of 2019, which sets out ambitious goals for equity and excellence in Australian education. We urge all levels of government to recommit to these goals and enact legislative reforms that will effectively deliver on these commitments, including a comprehensive review of current funding mechanisms to ensure equity, transparency, and demonstrably improved outcomes for all pupils.

Transparency and Accountability Measures: Ensuring Responsible Use of Public Funds

Australia's highly segregated and socio-economically stratified schooling system is exacerbated by existing funding and regulatory policies that concentrate disadvantaged pupils in under-resourced state schools in lower socio-economic communities, whilst subsidising more advantaged pupils attending private schools in affluent areas. ASPA contends that public funding must be coupled with robust accountability. Therefore, we propose the following measures:

1. **Measuring Socio-economic Diversity:** Move beyond simplistic indicators like parental education and occupation. Adopt a multi-faceted measure of socio-educational advantage, such as ACARA's Index of Community Socio-Educational Advantage (ICSEA), while also considering additional contextual factors like community income levels, housing affordability, and access to essential services. Furthermore, measure and report on the socio-economic composition of individual schools, including the proportion of students from different socio-economic backgrounds. This will provide a more accurate picture of the distribution of disadvantage within the system.

2. **Quantifying the Impact of School Segregation:** Develop metrics to assess the impact of school segregation on student learning outcomes. This could involve comparing the academic progress of similar students in schools with differing socio-economic compositions, controlling for individual student background. Analyse the correlation between school socio-economic composition and student achievement across different school sectors (public, Catholic, independent). Track the extent to which the socio-economic profile of schools reflects the communities they serve.
3. **Assessing School Contribution to Disadvantaged Students:** Develop a "Community Contribution Index" to measure the extent to which schools are enrolling and supporting students from disadvantaged backgrounds, particularly in relation to the public funding they receive. This index should consider factors such as the proportion of students from low socio-economic backgrounds, Indigenous students, and students with disabilities enrolled in the school, compared to the prevalence of these groups in the surrounding community. Adjust the index based on the level of public funding received by each school, ensuring that schools receiving greater public subsidies have a proportionally higher expectation of contribution to the education of disadvantaged students.
4. **Monitoring Fees and Enrolment Practices:** Track changes in compulsory fees and charges levied by non-government schools over time. Analyse the impact of these fees on the accessibility and affordability of these schools for students from low-income families. Scrutinise selective enrolment practices and their impact on access for disadvantaged students. This data should be publicly reported to ensure transparency and accountability.
5. **Public Reporting and Transparency:** All data collected should be publicly reported annually, disaggregated by school sector and geographic location. This will facilitate informed decision-making by parents, policymakers, and the broader community, and promote greater accountability within the education system.

By incorporating these recommendations, such a 'New Measurement Framework' can provide a more robust and comprehensive understanding of the complex interplay between socio-economic factors, school funding, and student outcomes, ultimately driving more effective policies to promote equity and excellence in Australian education.

Equitable Contractual Requirements for All Schools Receiving Public Funding: To ensure that public funding contributes to a more equitable and effective education system, all schools receiving such funding should be subject to contractual obligations that address the current imbalances. These requirements should be designed to mitigate the impact of socio-economic disadvantage, promote greater diversity within schools, and ensure accountability for the use of public funds. These could include:

1. **Capped Fees and Transparency:** non-government schools receiving public funding should be subject to a cap on the fees they can charge. This cap should be linked to the Schooling Resource Standard (a ceiling for parent fees in direct proportion to the amount of public funding received per student), and the socio-economic profile of the school's catchment area, ensuring affordability for families from diverse backgrounds. Furthermore, all schools should

be required to publicly disclose their fee structures, including any additional levies or charges, to promote transparency and allow parents to make informed decisions.

2. **Enrolment Policies Prioritising Local Catchment and Diversity:** All schools receiving public funding should be required to implement enrolment policies that prioritise students from their local catchment area. This will help to prevent the creation of "exclusive" schools that cater primarily to affluent families, promoting greater socio-economic diversity within each school. Furthermore, schools should be incentivised to enrol students from disadvantaged backgrounds, potentially through targeted funding or other support mechanisms. This could include scholarships or bursaries for students from low-income families, or partnerships with community organisations to support students from disadvantaged backgrounds. Clear guidelines should be established to ensure that enrolment practices are transparent, non-discriminatory, and comply with anti-discrimination legislation. Regular audits of enrolment practices should be conducted to ensure compliance.
3. **Transparency and Accountability in Admissions Practices:** All schools receiving public funding, particularly those with selective admissions processes, must operate under a transparent and accountable framework. This includes publicly disclosing their admissions criteria, providing clear information about the application process, and ensuring that decisions are made based on objective measures of academic merit and potential, rather than socio-economic background. Appeals processes should be readily accessible and clearly defined. Data on admissions outcomes, disaggregated by socio-economic background and other relevant factors, should be publicly reported to ensure accountability and enable monitoring for potential bias.
4. **Needs-Based Funding Distribution and Targeted Support:** The distribution of public funding should be genuinely needs-based, with additional resources allocated to schools serving higher proportions of students from disadvantaged backgrounds. This targeted funding should be used to provide additional support services, such as specialised teaching staff, counselling services, and extracurricular programs, to address the specific needs of these students. The use of these funds should be subject to transparent reporting requirements to ensure accountability and effectiveness.

By requiring more rigorous and detailed contractual requirements for those receiving public subsidy, in conjunction with the robust data and analysis provided by an updated, fit-for-purpose Measurement Framework, the Commonwealth can drive the development of a more equitable and effective funding system for all Australian schools. This will help to ensure that all students, regardless of their background or postcode, have access to a high-quality education that allows them to reach their full potential.

ASPA acknowledges the inherent complexities and challenges in achieving consensus on school funding reform within the Australian federation. However, we implore policymakers from all political positions and governance tiers to consider the needs of *all* Australian children and young people in the spirit of the fair go. This Bill presents a rare opportunity to transcend entrenched divides and forge a bipartisan approach to long-term, transformative education reform. By working together, we

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can build a more equitable and effective education system that empowers every student to reach their full potential, securing a brighter future for our nation.

