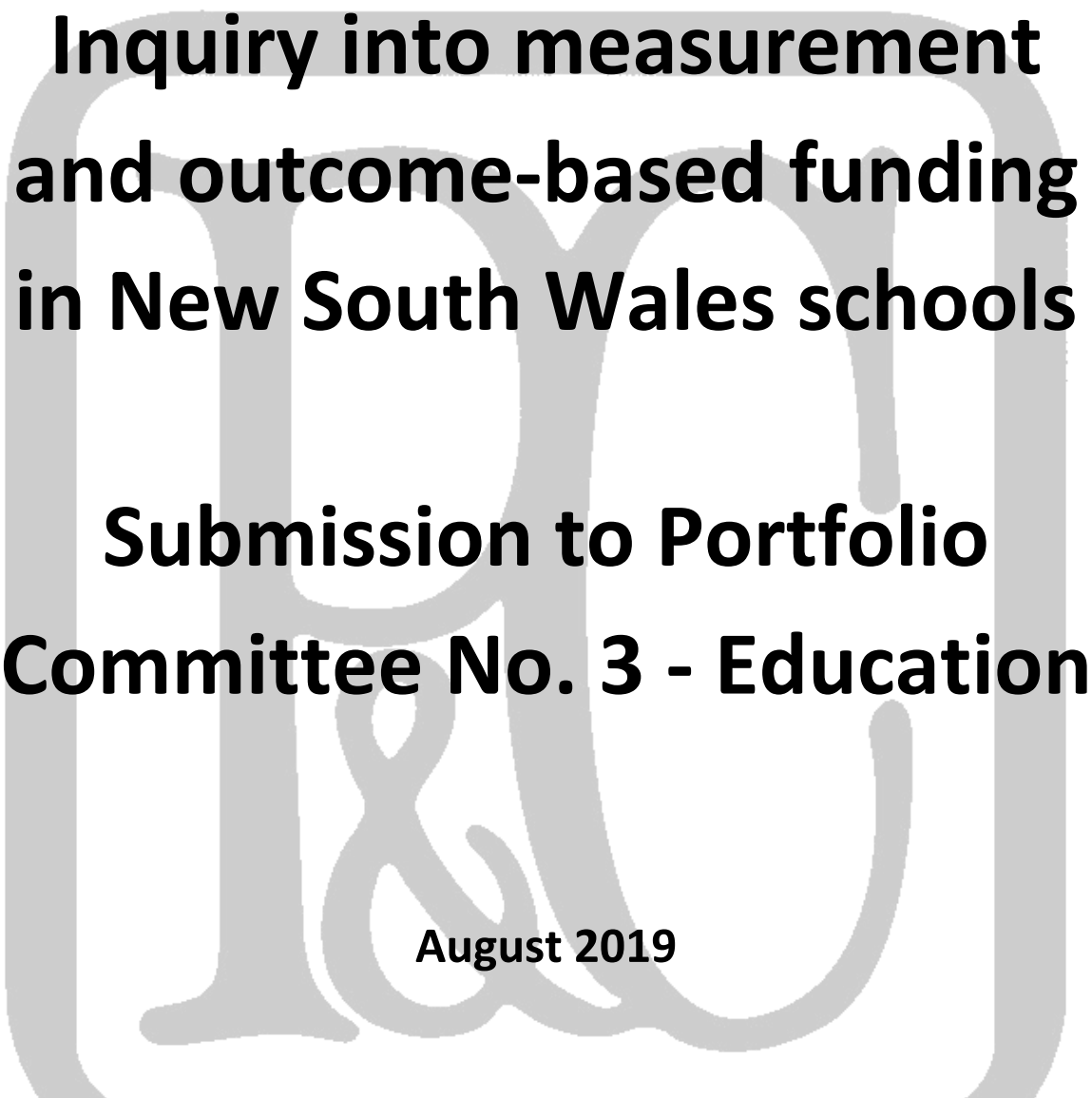


INQUIRY INTO MEASUREMENT AND OUTCOME-BASED FUNDING IN NEW SOUTH WALES SCHOOLS

Organisation: Federation of Parents and Citizens Association of New South
Wales

Date Received: 18 August 2019



**Inquiry into measurement
and outcome-based funding
in New South Wales schools**

**Submission to Portfolio
Committee No. 3 - Education**

August 2019

Prepared by: Federation of Parents and Citizens Associations
of New South Wales

FEDERATION OF PARENTS AND CITIZENS ASSOCIATIONS OF NEW SOUTH WALES

Website: www.pandc.org.au

ABN: 37 439 975 796

Introduction

Federation of Parents and Citizens Associations of New South Wales (P&C Federation) is thankful to the Legislative Council for this opportunity to contribute to this inquiry into the measurement and outcome-based funding in New South Wales schools. P&C Federation supports the position of individual educational and developmental needs met by a range of differential services expressed through appropriate and well-planned curricula, programs and environments conducted by sensitive and well-trained personnel in conjunction with parents¹ and families.

The core belief of P&C Federation is that the education of our children and youth is the most fundamental means of ensuring individual and collective success and, as a result, our greatest national resource. We also support the concept that it is primarily the responsibility of governments to ensure education is well rounded and funded. The right to free primary school education is further codified in the United Nations Declaration of Human Rights and Convention on the Rights of the Child, both of which Australia has signed.

P&C Federation Submission

While the concept of ‘outcomes-based funding’ in the context of NSW education remains vague, the statements about it in the State Budget papers and subsequently by NSW cabinet ministers cause us concern. We have three broad concerns outlined below:

1. The NSW Government ignores the fact that public schools remain underfunded.

The media release announcing the formation of this inquiry stated that *“New South Wales school results have been going backwards compared to other States and countries. Increased funding has not led to increased academic results. Something inside the system has gone wrong.”* In his NSW Budget Speech, NSW Treasurer Dominic Perrottet claimed that while *“no state has been more committed to implementing the Gonski principles than New South Wales”*, they must ensure that funding increases are *“matched by a corresponding increase in education outcomes.”*

The implication of these statements is that the current level of education funding from the NSW Government is adequate, and therefore poor funding cannot be the reason behind any weak educational outcomes. However, a central component of the Gonski principles is the Schooling Resource Standard (SRS), an estimate of how much total public funding a school needs to meet the educational needs of its students. This has continued to be referenced and used by governments, although without the same methodology as the original Gonski model. Although under legislation agreed by state and federal governments, the NSW State Government is conceptually required to eventually fund 80% of the SRS of NSW public schools while the Federal Government will conceptually fund the other 20%, the State Government

¹ “Parent” refers to anyone with legal care of a child, such as a parent, carer or legal guardian

currently avoids paying the full SRS to public schools and has agreed with the Federal Government to divert up to 4% of the public school SRS to New South Wales Education Standards Authority (NESA) and to capital depreciation.² While NESA is used by all systems within NSW, it is funded only out of the public schools' SRS. We find this inappropriate to say the least, given that the Federal Government's funding is inclusive of a capital works contribution, while they provide special arrangements for capital works in addition to the SRS to the non-government school sector.

We therefore see little reason for the State Government's complacency about its current funding levels, as the public figures show that the combined government funding in 2019 provides the SRS for public schools at a level less than 100%. In NSW, the State Government provides 70.84% and the Federal Government provides 20%, so the removal of up to 4% for NESA and for capital depreciation leaves less than 87% of the funding of the SRS for government schools.

2. There are inherent flaws and limitations in current outcomes measurements

Currently, the most readily available measure of how NSW schools perform relative to other States/Territories is NAPLAN results. On an international level, PISA is broadly similar to NAPLAN, though the published PISA results do not focus on NSW specifically. We assume it is these tests the Committee's media release referred to when speaking of NSW school results "*going backwards compared to other States and countries*" The most recent NAPLAN report for 2018 shows NSW to be among the strongest performing states, where students consistently achieved or exceeded the national minimum standard at a higher rate than the national level, and with Victoria being a notable state that often performs as well as or better than NSW.³

We have strong reservations about using PISA & NAPLAN figures to judge the quality of our education system. Given that NAPLAN tests are narrow in scope and are point-in-time tests that bear no relationship to curriculum being delivered at the time within every school, it is difficult to use their results with confidence to judge which schools or jurisdictions are most effective for student outcomes. These figures cannot by themselves reveal why the average standardised test scores in a school or jurisdiction are high or low, since there may be a host of other factors behind the scores, such as demographic or chance factors. For instance, smaller schools may show greater natural variation in their scores than larger schools, so it does not necessarily follow that low-performing small schools have poor teaching or education policies. It is also possible that the portion of students from a non-English speaking background will make a difference to a school or jurisdiction's test scores. Random fluctuation is also always a factor – even at an individual level, a student's NAPLAN score may fluctuate

² *National School Reform Agreement - New South Wales Bilateral Agreement*. November 2018. Section 25

³ Australian Curriculum, Assessment and Reporting Authority (ACARA) 2018. *National Assessment Program Literacy and Numeracy Achievement in Reading, Writing, Language Conventions and Numeracy. National Report for 2018*.

by as much as $\pm 12\%$, simply due to chance.⁴ Similar criticisms have been made of formulating education policies based on PISA scores; Cambridge University statistician David Spiegelhalter argued that the amount of random fluctuation in PISA scores is probably underestimated, and concluded that “*PISA provides performance indicators – no more and no less. It does not measure the functioning or the quality of an education system.*”⁵

For these reasons, we have deep misgivings about any notion of distributing education funds based solely on the scores of standardised tests, such as NAPLAN or PISA. From public statements, we are concerned that this is what the government does indeed mean by ‘outcomes-based funding’. While low scores of such standardised tests can indicate that a problem exists in a school or jurisdiction, it may be difficult to confirm from scores alone that a problem definitely exists, and the scores cannot be used to determine where the problem stems from or what policies should be implemented. For this, deeper investigations beyond test scores will always be necessary.

3. Basing education policies on standardised test scores may worsen education

Given that what standardised tests measure is inherently narrow and point-in-time, we do not believe they should be the sole or even central criterion by which to determine educational policies or funding. If this is the path the NSW Government intends to go down under its proposed outcomes-based funding, we foresee several dangers:

1. Funds may be taken from schools with the greatest need.

The NSW Treasurer Dominic Perrottet stated that they want to ensure every “*investment we make is worth it*” and that “*parents want to know that every dollar we spend will improve their kids' education.*” It is difficult to discern from the public statements so far if this means that schools that do not meet educational outcomes will see some of their funding withdrawn. If so, this would be a perversion of the Gonski principles that the Treasurer invoked, which is to provide funding on a needs basis, and not as a means of penalising schools. It would also directly contradict Goal 10 of the Department’s 2018-2022 Strategic Plan, which is for the education system to reduce the impact of disadvantage.

We also note that determining whether these investments are ‘worth it’ can only be done after the full life cycle of a child’s education, which is up to 13 years long. Given that governments change funding based on election cycles, we consider it more likely that any poor results can be attributed directly to political interference by those that have less interest in the success of our nation’s youth than they do in being re-elected. It is time that education is taken out of the political whims of our politicians.

⁴ Wu. 2009. *Interpreting NAPLAN Results for the Layperson*.

⁵ Spiegelhalter. *Why learning lessons from PISA is as hard as predicting who will win a football match*. Education Media Centre. 6 December 2013

2. Schools and teachers may be unfairly punished

In other jurisdictions where education funding was linked to standardised test scores, the underlying assumption was that low overall scores must be due to deficiencies in teaching. This was the case with programs in the United States, where the *No Child Left Behind Act* under President George W. Bush and the *Race to the Top* program under President Barack Obama both involved lowering funding to schools and even lowering teachers' salaries if students did not perform sufficiently well in standardised tests. As noted earlier, test scores alone cannot confirm such deficiencies, as demographic aspects or even random fluctuation could be factors behind test scores. The result of this is that schools could have their funding reduced unnecessarily.

We would add that even if poor results can be linked to deficiencies in teaching, this is still not a reason withhold funding for schools. The likeliest reason for problems in teaching lies in the training and accreditation process of teachers, and the failure of the government in providing high quality, subject-specialist teachers. One 2015 survey by the Australian Primary Principals Association (APPA) found that 54% of graduate primary teachers could not teach reading to a reasonable level and 51% could not do so for mathematics. It also found 60% of graduate primary teachers could not deliver lessons that catered for the range of students needs and 59% could not design or implement valid assessment.⁶ A leaked report in 2018 from University of Sydney Professors John Mack and Rachel Wilson indicated that in NSW and ACT, "students who scored in the bottom 50 per cent of school leavers made up half of all those offered places in teaching degrees."⁷

Such issues can be addressed without affecting SRS funding that is intended to help students reach their full potential.

3. The quality of education could be harmed

Among the most frequent criticisms of centring standardised tests scores in education policies and funding is that it inevitably leads to a 'teach to the test' approach in schools. The reason is obvious – if a school's well-being (in terms of funding or their rank in league tables) depends on standardised test scores, then maximising those test scores will become the central goal of that school. This has been the experience with NAPLAN, which has led to an enormous cottage industry of NAPLAN assistance tools, from NAPLAN holiday camps, to textbooks and tutorial services promising to upskill students in their ability to pass NAPLAN tests. There is also much anecdotal evidence of schools discouraging lower-performing students from sitting NAPLAN tests for fear of lowering their school's ranking in published NAPLAN results (though as far as we know, such practices have never been investigated). Much of this coaching is

⁶ APPA. *Initial Teacher Education: Teacher Preparation, Course Content and Specialisation at all levels but particularly in Primary Schools*. June 2015.

⁷ ABC News. *Students with lowest ATAR scores being offered places in teaching degrees: secret report*. 18 September 2018.

unregulated and unaccountable, and is a further symptom of the government's failure to provide specialist teachers that students deserve.

Such gaming tactics not only undermine the utility of the tests, but the excessive focus on the tests diverts education and assessment away from their legitimate purpose. P&C Federation has the following view:

Assessments should ultimately inform teaching and learning by helping students gauge their achievements and identify where they can improve, and by allowing educators to measure the strengths of their courses and areas needing improvement. Assessments should ultimately exist as part of an educational framework that fosters creative inquiry and intellectual rigour, and equips students with the tools to think and learn autonomously. They should not exist as passive exercises in relaying memorised information, for if students treat tests as simply hurdles to cross, the tests carry little educational value. In order for assessments to be fair and useful diagnostic tools, they must be directly linked to the curriculum. Within this educational framework, the role of professional educators is to guide students in their intellectual development.

This view is broadly consistent with the NSW Department of Education's goal to "prepare young people for rewarding lives as engaged citizens in a complex and dynamic society"⁸ and statements from Ministers of Education against the increase of teaching to the test.⁹

However, there is a tension between these stated positions and the practice of centring the education system around the passing of tests. Teaching students to be good learners and critical thinkers is not the same as teaching them to pass tests. Indeed, teaching them to pass tests may directly undermine their ability to become good learners and critical thinkers, if it increases rote learning at the expense of genuine learning. The result of this may be improved educational outcomes on paper, in the form of boosted NAPLAN or PISA results, but a worsened education system in practice and young people not achieving their potential.

Conclusion

We emphasise that we do not oppose the existence of standardised tests. What we oppose is reifying standardised test scores into a measure of the quality of our educational system as a whole. This has occurred to a large extent under the current NAPLAN system, under which maximising NAPLAN scores has become the primary purpose of many schools, and it is why we believe the current NAPLAN system is greatly flawed. We are concerned that proposals to make education funding 'outcomes-based' will increase the focus on standardised test scores, and thereby entrench and exacerbate the flaws of the current NAPLAN system.

⁸ NSW Department of Education. *Strategic Plan 2018-2022*. 20 November 2018

⁹ Jordan Baker, 'NAPLAN is being used, abused and must be urgently dumped: Stokes', *Sydney Morning Herald*, 3 May 2018

Standardised test scores may certainly be valuable as indicators of how schools or education policies are delivering. However, when it comes to judging the quality of the education system, or determining how education funds are distributed or what education policies should be implemented, evidence beyond standardised scores will always be necessary.

This is why we concur with educational statistician Margaret Wu, who suggested the following way to use standardised test results meaningfully:

“An appropriate way to use school level student results is for education authorities to identify schools with low scores and, in private and in consultation with the school, conduct further investigations into the reasons for low scores. When possible reasons are identified, remedial actions can be taken.”¹⁰

If the NSW Government wishes to introduce more measurement of outcomes when determining funding or policies, it should only be under a framework like this.

We also reiterate our more general opposition to constant political interference in education funding. To achieve a high-quality education system, equitable funding is one of the baseline requirements. The government must therefore amend the funding model to providing public schools their full SRS, and the funding model must be allowed to run a full cycle (i.e. 13 years) before its effectiveness can be fairly assessed and amended accordingly. If the government does not provide equitable funding for a full cycle, it cannot validly judge the quality of the education system.

Since both the NSW and Federal Government underfund government schools and overfund non-government schools, we have continued and growing concerns relating to the neglect and bias the NSW government continues to promote and deliver in relation to educational funding in the state, which is creating continued social divide amongst our most vulnerable citizens, children and young people.

¹⁰ Wu. 2009. *Interpreting NAPLAN Results for the Layperson*, p.4