

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

Organisation: New South Wales Teachers Federation

Date Received: 29 November 2019



New South Wales Teachers Federation

a branch of the Australian Education Union
AEU NSW Teachers Federation Branch ABN 86 600 150 697



29 November 2019

In reply please quote: 914/2019/MF/jam

Ms Madeleine Foley
Director Committees
Legislative Council of NSW
Parliament House
Sydney NSW 2000

Via Email: portfoliocommittee3@parliament.nsw.gov.au

CC: Shu-Fang Wei
Senior Council Officer

Via Email: portfoliocommittee3@parliament.nsw.gov.au

Dear Ms Foley

**Re: Submission from the Australian Education Union NSW Teachers Federation Branch
Inquiry into Measurement and Outcome Based Funding in NSW Schools**

I refer you to the attached submission on Inquiry into Measurement and Outcome Based Funding In NSW Schools for your consideration.

Please direct your inquiries about this submission to
I may be contacted on or by email

Yours sincerely

John Dixon
General Secretary

Attachment



**AUSTRALIAN EDUCATION UNION
NEW SOUTH WALES TEACHERS FEDERATION BRANCH**

SUBMISSION TO

**Ms Madeleine Foley
Director Committees
Legislative Council of NSW
Parliament House
Sydney NSW 2000**

ON

**Inquiry into Measurement
and
Outcome Based Funding in NSW Schools**

Authorised by

**John Dixon
General Secretary
AEU NSW Teachers Federation**

29 November 2019

Inquiry into Measurement and Outcome Based Funding in NSW Schools

NSW Teachers Federation Response

Introduction

The NSW Teachers Federation represents teachers, executives and principals in NSW public pre-school, infants, primary and secondary schools, schools for specific purposes and teachers working in consultant/advisory positions. Teachers in TAFE are also represented by the Federation. The current financial membership totals over 60,000 practising teachers and student members.

1. The Importance of Needs Based Funding for NSW Schools

The National Education Reform Agreement (NERA) was a landmark agreement which set out new funding, reporting and reform arrangements to ensure schools deliver a high quality education for all students. Under NERA, underfunded schools would have reached their fair funding level (95 percent of the SRS) in 2019. It provided a foundation for both levels of government to work cooperatively to support growth and improvement over a six year trajectory. This funding would have ensured that schools provide life changing support and interventions for students.¹

Under the Australian Education Amendment Bill however schools were left \$22.3 billion worse off than they would have been NERA. It meant that there were fewer resources for Australian school students risking our ability to give each child a high quality education. Under this Bill the Commonwealth abandoned all responsibility for ensuring that Australian students reach, at a minimum, ninety- five percent of the School Resourcing Standard (SRS). It resulted in 85 percent of public schools being funded below their SRS target and provided the majority of funding for the non-government sector, despite the public sector educating the majority of educationally disadvantaged children.²

The Australian Education Union noted at the time: "To cut this funding and to end the co-operative arrangements designed to ensure that no child misses out is something that no political party should support." The Independent Education Union stated: "This legislation is not a needs based model and is not a further iteration of the model proposed by Gonski. The model fails to measure and fund actual need."

The NSW Teachers Federation noted: "The Turnbull Government Plan will reduce the funding necessary to meet students' educational needs, ensure that the great majority of public schools will not reach the Schooling Resource Standard of the Gonski model, and widen the gap between advantaged and disadvantaged schools."³

The NSW Government was particularly clear that this Bill represented a funding cut and a broken promise. The Liberal minister, the Hon. Robert Stokes MP stated: "We've got a legitimate expectation to receive for the schools in NSW the money that parents, that teachers, that students were promised. We're not asking for special treatment. We're just asking for the deal that we currently have, to be honoured."

In an unprecedented political alliance, the passage of the Australian Education Amendment Bill saw representatives from the Coalition government, the Labour party and the Greens join with the Public Education Alliance. The NSW Education Minister Rob Stokes acknowledged the successes achieved in schools through the first four years of Gonski funding and spoke of the Government's commitment to funding the full Gonski model.⁴

2. Consequences of Outcome Based Budgeting for NSW

In December 2018 the NSW Government introduced Outcome Budgeting for the allocation of public resources. This common framework was to ensure budget decisions focused on delivering the best outcomes with an emphasis on performance.⁵ The intention was to create a situation in which Government spending can be justified via measureable outcomes. Education was to be the first department where Outcome Budgeting was to be implemented.

This linking of funding to outcomes has resulted in much criticism by academics. Targeted results such as NAPLAN have been shown to have an enormous impact on teachers and students. When used as a basis for managing performance through the data they provide, they can change the role and conduct of teachers. Focusing on standardised test results serves only to lock in outcome inequality for low socio-economic and ethnic minority students.⁶

On June 19th, 2019 the current Government announced that education would be the first department to have a clear focus on outcomes. This was perceived by many to be a move by the Government from a needs based funding model to an outcomes based one.⁷

The Government stated that the outcomes based approach would simply provide a way to review investment priorities and strategies at schools. "What will be monitored will be efforts made towards an improvement in literacy and numeracy, student attendance, wellbeing and equity."⁸

On July 4th, 2019 One Nation MP Mark Latham stated that "teachers and principals should get bonuses if their students perform well and schools should be given financial incentives to achieve better results." He also noted that traditionally the funding system has been needs based, but believed the best way of meeting needs is to get better outcomes. Further, he stated that those schools that had strong results should receive a better share of the funding.⁹

3. How Schools should be Funded

3.1 The Gonski Review of Funding

The initial Gonski Review of Funding for Schooling was established to develop a funding system for Australian schooling which was transparent, fair, financially sustainable and effective in promoting excellent outcomes for all Australian students. The review team concluded there was not a consistent approach across Governments and Territories to collecting and reporting data on certain student cohorts, nor on the effectiveness of funding in meeting the educational needs of students.

The panel believed that the key was to strengthen the current national schooling reforms through funding reform. They argued that Australia needed an effective arrangement for funding schools across all levels of Government arrangements that ensure resources are being provided where they are needed. The funding arrangements were aimed at achieving an internationally competitive high standard of schooling where outcomes are not determined by socio-economic status or the type of school the child attends.¹⁰

The implementation of the Gonski schools funding model was one of the most significant achievements in the history of the NSW Teachers Federation. The campaign significantly altered the political discourse away from the ideology of choice and competition to one of equality of outcomes for all students. Federation succeeded in creating a widespread understanding of the importance of needs based school funding to the educational attainment of individual students. Underpinned by the equal opportunity principle that the quality of a child's education should not be determined by parental wealth, income, power or possessions, the Gonski model required that

Government and Federal Governments invest in schools to an extent that is sufficient and proportionate to the educational needs of all students.¹¹

3.2 Dismantling the Needs Based Model

As early as 2015 as reported in the Sydney Morning Herald (29th December, 2015) the Minister for Education, Senator Birmingham, was quoted as saying that although he supported the underlying principles of the Gonski model which distributes more funding to schools with disadvantaged students, "simply spending more money would not necessarily improve educational outcomes".

The Ministers comments were in direct contradiction to the compelling evidence that clearly showed the additional Gonski resources were making a significant difference to the educational outcomes of students. The importance of using Gonski funding to address student disadvantage caused by increasing inequality in Australia was further highlighted in a study commissioned by the NSW Department of Education - New Estimates of Intergenerational Mobility in Australia (September, 2015).

The original Gonski review developed the schooling resource standard (SRS), a measure of the resources needed to meet the educational needs of every child. While most private schools are now funded well above the SRS with combined NSW Government and Federal funding, to date no NSW public school has received anywhere near 100 per cent of the funding required to support teachers and give every student a fair start in life. This reflects the fact that Australia has one of the most unequal education systems in the OECD.

Recent research by education economist Adam Rorris has produced further evidence supporting the need for fairer funding of public schools. Analysis of 270 private schools, based on data obtained under Freedom of Information (FOI) applications to the Federal Government and the NSW Government have highlighted a net over spend by the NSW Government of almost \$75 million dollars in 2018. The study also identified Catholic schools, as a system, as currently receiving more than their legislated entitlement from the Government to the tune of \$85 million in 2018. This analysis highlights a combined NSW over spend in the non-Government sector of \$160 million in 2018 alone and a corresponding \$470 million underspend for NSW public schools.¹² (refer Appendix 1 for full Expenditure Analysis).

3.3 Impact of Needs Based Funding on Students from a Disadvantaged Background and Students with Disability

Proper funding of the public school system would mean significant improvements to teaching and learning conditions, including smaller class sizes, additional permanent teaching positions, more support staff, increased release time, systematic support for curriculum delivery as well as one on one time and support for children with specific learning needs.¹³

A recent survey of 7,800 members by AEU revealed that four out of five school principals feel they lack the resources to properly educate students with disabilities, raising fresh concerns about school funding. The survey revealed that 88 percent of principals are redirecting funds from other areas of the school budget to help cater for children with disabilities.¹⁴

Students with disabilities have been largely invisible in the debate about school funding and deserve adequate Government funding to ensure they have the same opportunities as other students.

The Federal Government was scheduled to fully fund the Students with Disability (SWD) loading in 2015. This did not happen. Students with disability remain seriously underfunded. The needs of approximately 268,000 students with disability across Australia continue to be unmet. In some Governments and Territories, the SWD funding has been cut.¹⁵

The local public school is the only guarantee all parents have. The public school system does the heavy lifting, educating our most needy, disadvantaged and vulnerable students.

Disadvantaged students in Australia are two to four years of learning behind their advantaged peers by age 15.¹⁶ The vast majority attend public schools; only a small proportion attend private schools. In 2017, 84 percent of all Indigenous students attended Government schools as did 81 percent of remote area students.

3.4 The Effectiveness of the Local Schools, Local Decisions Policy

The NSW Teachers Federation regards Local Schools, Local Decisions as an economically motivated attack on public schools.

Local Schools, Local Decisions has been a dispiriting experience for public school teachers since its introduction in 2012. As a direct consequence of this agenda, the work and professional judgement of teachers has been undervalued. Schools have become burdened by administrative tasks that are often extraneous to teaching and learning, emanate from a burgeoning Department culture of compliance, and reflect a near meaningless pre-occupation with the collection of data where the educational return is rarely commensurate with the labour required to gather and enter such data. This technocratic turn has transformed the role of the school principal from educational leader to administrative compliance manager.

It must not be forgotten that Local Schools, Local Decisions was part and parcel of the NSW Government's plan to cut \$1 billion from the NSW public school system. It was, and remains, an economically motivated attack on the educational and moral purpose of a quality public school system.

Under the guise of greater school autonomy, the Local Schools, Local Decisions policy was designed as a mechanism to devolve Government and departmental responsibility to the school level. Through a command-and-control regime of administration and compliance, schools would be forced to implement the funding cuts and carry the weight of accountability and blame for the diminishing provision of public education.

In response, Federation members took strike action that defeated proposals for the staffing of schools to be determined by an actual staffing budget.

It is equally important to remember that it was the Gonski campaign that also prevented the full catastrophe of Local Schools, Local Decisions from being realised in NSW public schools. The cuts were stopped before they could be fully implemented. In short, the then ALP Federal Government was only prepared to commit billions of additional dollars to the NSW education budget if the Government withdrew its program of funding cuts to NSW public schools. The NSW Gonski agreement was signed only months after the Local Schools, Local Decisions funding cuts were revealed.

3.5 Conclusion: The Future of Needs Based Funding

A recent review of the Melbourne Declaration on Educational Goals for Young Australians prioritised improving educational outcomes for indigenous youth and disadvantaged young Australians, especially those from low socio economic backgrounds.¹⁷ Central to realising this goal was providing all students with access to high quality schooling.

In June 2017, the Australian Education Amendment Act 2017 was passed by the Turnbull Government. This legislation unilaterally terminated all National Education Reform Agreements, thus dismantling the genuine needs-based funding of schools and enforcing arbitrary funding cuts upon public schools. Over the 10 year lifespan of the legislation, the financial impact on the nation's schools will be a cut of \$17 billion. In 2018 and 2019 the Federal Government has cut \$2.2 billion worth of funding from all schools across the nation.

The NSW Teachers Federation continues to reaffirm at successive Annual Conferences that:

“Properly delivering on needs based funding will ensure that every child will be given the opportunity to learn. Access to high quality education provides all children with the opportunity to realise their potential and become confident, respected and valued citizens.”¹⁸

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