



Australian Youth
Affairs Coalition

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Submission to the
**Senate Select Committee
Inquiry into School Funding**

March | 2014

About the Australian Youth Affairs Coalition

The Australian Youth Affairs Coalition (AYAC) is the national peak body for young people and the youth sector. We strive to improve the lives of young people by building their capacity to be contributors to the Australian economy and society.

We undertake a range of activities including the development of research and policy advice, youth workforce coordination and development, and youth engagement. We work with and for young people aged 12 to 26 in collaboration with government, research institutions and the community sector.

We have over 200 members including YMCA Australia, Scouts, Girl Guides, the Inspire Foundation, the WA Association of Youth Workers, the Centre for Multicultural Youth, the Foundation for Young Australians, Anglicare WA, Left Right Think Tank, UN Youth and state and territory youth peak bodies, as well as individual researchers, youth workers and young people. Our members' collective breadth and depth of expertise and experience in youth affairs is unsurpassed.

AYAC and its members are experts working for and with young people and seek to ensure they have access to mechanisms that allow them to make decisions about issues that affect them, and to contribute to the success of their communities and to the productivity of the nation.

Through our networks and membership, AYAC is able to canvas the diverse experiences of young people across the country. We are particularly committed and experienced in hearing and sharing the views of young people who experience barriers in gaining access to services and opportunities in education and employment and are often hard to reach by other means of engagement.

We are able to contribute to policy development across government and the community by sharing the views and insights of young people into their own experiences and to their own hopes in contributing to Australia's future as well as the perspectives of services who work with them.

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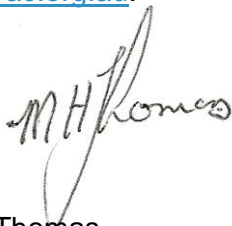
Wednesday, 19 March 2014

Dear Secretariat,

The Australian Youth Affairs Coalition (AYAC) welcomes the opportunity to provide a submission to the Senate Select Committee into School Funding. AYAC provided two separate submissions to the Review of Funding for Schooling conducted on behalf of the then Department of Education, Employment and Workplace Relations in 2011.

Several of the findings of the review panel align closely with what AYAC and its members believe is required to support equity in opportunities and outcomes for Australia's students. Therefore, the sustainable implementation of needs-based funding arrangements on an ongoing basis is of the utmost importance to young people across Australia and their families and communities.

If you have any questions in relation to this submission, please contact Mr Reynato Reodica, AYAC Deputy Director (Youth Sector) via 02 9212 0500 or rey@ayac.org.au.

A handwritten signature in black ink, appearing to read 'M Thomas', with a stylized flourish extending downwards.

Martin Thomas

Board Member

(on behalf of the AYAC
Board of Governance)

Introduction

AYAC acknowledges the commitment of both current and former Australian Governments to improving funding for schools across Australia. Consistent funding to support students in need is vital for the future prosperity of the nation and its young people.

However, the Australian Government and its state and territory counterparts have significant work remaining in order to ensure a sustainable funding model for schooling across Australia, with resources targeted to where they are needed most and will have the greatest impact.

Current funding arrangements are inconsistent, lack transparency and accountability in relation to where federal funding is directed and for what purpose these funds are provided. As such, the arrangement risk wasting valuable taxpayer funds in an inefficient system that does not achieve the outcomes that students need, and misses the economic and social benefits that good education policy and funding can provide.

List of Recommendations

AYAC recommends:

- That the Australian Government include provisions in the 2014 and 2015 federal budget forward estimates for its contribution to achieving the Schooling Resource Standard by 2019.
- That the Australian Government work through the COAG Education Council to agree on appropriate transparency and accountability arrangements for federal funding provided to each state and territory for the purpose of increasing equity.
- That the Australian Government work through the COAG Education Council to develop nationally consistent funding arrangements for all schools in all states and territories. These arrangements should remain consistent with progress towards the schooling resource standard recommended by the Review of Funding for Schooling panel.
- That the Australian Government include provisions in the 2014 and 2015 federal budget forward estimates for its contribution to achieving the Schooling Resource Standard by 2019.
- That all schooling systems across Australia facilitate the provision of academic and wellbeing support within schools. School-based youth workers, psychologists and other qualified welfare support workers can assist young people to address issues such as family conflict, precarious accommodation, and mental health problems, enabling them to stay in school.
- That all schooling systems across Australia support the development of a 'students first' approach to planning. Young people who are consulted about the design and content of their education are more likely to stay in school because their education will be more relevant to their needs and they will be provided with a sense of belonging to the school community

Background

In December 2008, State, Territory and Commonwealth Ministers for Education released the *Melbourne Declaration on Educational Goals for Young Australians*, committing governments in each jurisdiction to measures to improve educational equity and excellence. The Melbourne Declaration highlighted the particular need to increase Year 12 completion rates and to work with all school sectors to improve educational outcomes for Aboriginal and Torres Strait Islander young people and disadvantaged young Australians, especially those from low socioeconomic backgrounds.

Within the context, the previous Australian Government initiated a comprehensive review of funding for schooling, to be conducted by a panel of experts and Chaired by Mr David Gonski AC.

The Australian Youth Affairs Coalition (AYAC) welcomed this review and provided two submissions to inform this process. In each submission, AYAC drew from its vast networks of young people, youth-focussed organisations and youth development and support services to inform its contribution to this important national discussion.

AYAC and its members are pleased that the final report on the Review of Funding for Schooling addressed several of the issues raised in our submissions, including that young people need a well-resourced education and that education funding must be matched to the individual needs of young people, including socio-economic background, disability, English language proficiency, and the particular needs of Indigenous students.

In the intervening period since the final report of the Review was presented in December 2011, much work has been undertaken by both the former and current Australian Governments to deliver on many of the recommendations from the review panel.

Both the current and former Australian Governments must be congratulated on their significant work to deliver the Schooling Resource Standard, including the development of the model, the passage of the *Australian Education Act 2013*, and reaching agreements with all states and territories to provide an increase in federal funding to all school systems in the 2014 school year.

However, AYAC remains concerned about the lack of clarity in various aspects of the funding reform process and the lack of certainty provided to state and territory governments, non-government school systems, as well as students and parents across the community.

Much work is required by the federal government in order to achieve the model of funding for schooling across Australia that our students need and deserve.

Commonwealth funding arrangements

ToR (a)(i) Commonwealth funding, methods for the distribution of funds, funding arrangements and agreements with states and territories, as well as related accountability and transparency measures

AYAC believes the Australian Government must be congratulated on the substantial increase in federal funding for education in each state and territory across Australia as a result of the education funding reforms. This includes the recent bilateral agreements reached between the current Australian Government with the governments of Western Australian, Queensland and the Northern Territory, to ensure federal education funding increases are delivered to these jurisdictions for the 2014 school year.

The Australian Government must also be acknowledged for honouring agreements made between the former Government and the remaining five jurisdictions over the current forward estimates, representing a commitment of \$2.8 billion over the four years to 2016/17. AYAC also notes that this timeline corresponds with the four-year periodic review of the Schooling Resource Standard recommended by the review panel, in order to ensure “that it continues to reflect community aspirations”.¹

AYAC also encourages the Australian Government to ensure that its contribution to the national goal of meeting the Schooling Resource Standard by 2019 is factored into the forward estimates in federal budgets in 2014/15 and into the future.

AYAC notes that the current Australian Government’s approach has deviated significantly from the approach to education funding negotiations under the former Government. The Hon. Christopher Pyne MP, Minister for Education has stated that the new model will be less prescriptive and less restrictive for states and territories in exercising their powers in the area of education policy, which has traditionally been a state/territory responsibility.² While there is merit in the decision of the Australian Government to respect traditional federal roles and decision-making authority in this way, the Australian Government remains a significant provider of funding to schools around Australia and therefore this approach risks failure in addressing the concerns in relation to the “significant overlap in the funding priorities of the Australian Government and state and territory governments”, as identified by the Review of Funding for Schooling panel.³ The panel went on to note that this overlap “leads to duplication and inefficiency, and makes it difficult for governments and policy makers to decide how best to fund the needs of school systems and schools.”

AYAC believes there is scope within Council of Australian Governments (COAG) arrangements to ensure that states and territories are able to deliver on their responsibilities in relation to education without unnecessary interference from the Commonwealth, while ensuring that there is an appropriate level of transparency and accountability for federal funding provided for the specific purpose of increasing equity and performance in each school system. As the review panel noted:

“Additional resources are required to achieve sustained improvements and move Australia to a high-performing and high-equity schooling system. These

¹ Gonski D et al, 2011, Review of Funding for Schooling – Final Report p xvi

² Transcript of Press Conference, The Hon Christopher Pyne, Minister for Education, Tuesday 26 November 2013

³ Gonski D et al, 2011, Review of Funding for Schooling – Final Report p xv

*resources must be targeted at those school-based and classroom-based teaching and learning strategies which are critical to success*⁴

AYAC recommends:

- That the Australian Government include provisions in the 2014 and 2015 federal budget forward estimates for its contribution to achieving the Schooling Resource Standard by 2019.
- That the Australian Government work through the COAG Education Council to agree on appropriate transparency and accountability arrangements for federal funding provided to each state and territory for the purpose of increasing equity.

Equity of educational opportunity

ToR (a)(iv) the implementation of needs-based funding arrangements, from 1 January 2014, for all schools and school systems including... the consequential equity of educational opportunity between states and territories, schools and students

The reforms of funding for schooling have been problematic for both the current and former federal governments. As a result, true equity of educational opportunity and consistency between states and territories envisaged by the Review of Funding for Schooling panel has proven to be unattainable. As a result, there currently exists three classes of agreement between states and territories and the Commonwealth, depending on whether the jurisdiction:

1. Entered into a 6 year bilateral agreement with the former Australian Government as well as signing up to the National Education Reform Agreement (NERA) – i.e. NSW, ACT and SA,
2. Signed up to NERA only – i.e. Vic and Tas, or
3. Failed to enter into any agreement with the former Government, but has since agreed to funding arrangements for the 2014 school year – i.e. WA, Qld and NT.

As a result, the three jurisdictions who entered into bilateral agreements with the former government have funding certainty for four years, while WA, Queensland and Northern Territory schools and students must await new funding arrangements to be negotiated for 2015. Furthermore, the two states that signed up to NERA but did not enter into bilateral agreements, now have ultimate discretion in whether they meet those commitments or not.⁵

For students, these inconsistencies mean that students in several states may not receive the basic resourcing levels identified as required by the Review of Funding for Schooling panel, including students with additional resourcing requirements.

AYAC strongly believes that schools and students require long-term and nationally consistent commitments to equitable funding for schooling in order to achieve the outcomes that schools, families and communities require.

AYAC recommends:

- That the Australian Government work through the COAG Education Council to develop nationally consistent funding arrangements for all schools in all states

⁴ Gonski D et al, 2011, *Review of Funding for Schooling – Final Report* p 221

⁵ Senate Committee Hansard (Proof Copy), Education and Employment Legislation Committee – Estimates, 26 February 2014, p 83

and territories. These arrangements should remain consistent with progress towards the schooling resource standard recommended by the Review of Funding for Schooling panel.

Progress towards the Schooling Resource Standard

ToR (a)(v) the implementation of needs-based funding arrangements, from 1 January 2014, for all schools and school systems including... progress towards the Schooling Resource Standard

AYAC has previously advocated that funding should follow a person-centred approach, based on the demonstrated needs of the individual, with a combination of basic program level funding as well as resources to support individualised needs.⁶ AYAC applauds the review panel for making the Schooling Resource Standard the centrepiece of its new funding model, including loadings for students with particular needs.

As noted above, there are three classes of agreements between the states and territories and the Commonwealth and therefore the commitment to progress towards the Schooling Resource Standard varies across jurisdictions. There is also a lack of clarity in relation to federal funding commitments beyond the current forward estimates.

AYAC recommends:

- That the Australian Government include provisions in the 2014 and 2015 federal budget forward estimates for its contribution to achieving the Schooling Resource Standard by 2019.

Meeting the needs of all schools & students

ToR (b) how funding arrangements will meet the needs of all schools and individual students, including Indigenous students, students with disability, small schools, remote schools, students with limited English, and students from socially and economically disadvantaged backgrounds

AYAC wishes to reiterate the point noted in its submission to the Review of Funding for Schooling that for young people, “school education provides the potential to:

- Develop skills and have a sense of achievement in academic, sporting, artistic and leadership fields
- Experience supportive relationships with adults and peers to prepare for future career success
- Develop a life long love of learning.”⁷

While AYAC wholly endorses and supports the findings of the review panel and the school funding model proposed, we also wish to highlight that the panel noted in their report that they were limited in scope by their Terms of Reference, to focus “on funding for schooling and its impact on outcomes as they are currently measured by

⁶ AYAC, 2011, *Second submission to the Review of Funding for Schooling*, p21

⁷ AYAC, 2009, *Submission to the Draft National Strategy for Young Australians*, p6.]

governments both nationally and internationally”.⁸ The panel went on to discuss the importance of broader outcomes not covered by the review, observing that:

“focus on the outcomes of schooling should not dwell solely on educational achievement and should embrace a broader sense of the goals of education to the extent possible. It should include attendance, retention and completion as well as post-school destinations. It should also, to the extent possible over time, acknowledge the formative role of schooling in shaping young people who are honest, resilient, optimistic, tolerant, enterprising and ethical with a commitment to democracy and fairness as envisaged in the Melbourne Declaration.”⁹

In 2012, AYAC conducted research into what is known as the ‘Learn or Earn’ Program, a 2009 Australian Government initiative that places requirements on young people to engage in education or employment. In-depth face-to-face interviews with highly disadvantaged young people from across Australia who had disengaged from the education and employment systems showed that these young people would be much more likely to remain in school if there were more flexible options that allowed them to co-manage other demands, particularly those arising from family breakdown, insecure housing or homelessness, mental illness, being a carer or becoming young parents.¹⁰

As a result of these consultations, AYAC believes that current and future funding arrangements can meet the needs of all students if funds are targeted to programs that address these needs, within a schooling context that recognises the broader outcomes and the formative role of schooling in the lives of young people. This includes funding for education programs that engage in collaboration with young people and their families. Young people with particular needs and their families ought to have a real say in planning services and supports. This means having their views respected and having the ability to exercise greater choice and control over services and supports.

This view has been reinforced through various surveys and consultations AYAC has conducted focussing on the views and needs of young people with disability, with limited English proficiency, from socially and economically disadvantaged backgrounds or with Aboriginal and Torres Strait Islander young people.

For example, in July 2011 AYAC consulted with young people with disabilities and their parents on their experiences with the education system via an online survey. Some indicative responses to this survey were as follows:

“There is just not enough support in all areas for students with disabilities. The more severe the less support.”

“A lot is being done, but we have a long way to go. Understanding staff and students makes all the difference, so does flexibility and empathy, There also needs to be a lot more funding so flexibility can occur. A tick list of supports doesn’t work.”

AYAC also works closely with the Multicultural Youth Advocacy Network (MYAN) Australia, which is a key member of the AYAC Policy Advisory Council. MYAN Australia has previously highlighted that the absence of intensive English language support for refugee and newly arrived students can result in young people from this cohort leaving formal education without sufficient literacy and language skills to

⁸ Gonski D et al, 2011, *Review of Funding for Schooling – Final Report* p xiii

⁹ *ibid* p 157

¹⁰ AYAC, 2012, *Beyond Learn or Earn*

participate productively in the workforce or pursue further education or training.¹¹ [MYAN submission to review].

The additional loadings for these, and other groups, are vital in order to ensure that schooling is able to meet their educational and developmental needs.

AYAC recommends:

- That all schooling systems across Australia facilitate the provision of academic and wellbeing support within schools. School-based youth workers, psychologists and other qualified welfare support workers can assist young people to address issues such as family conflict, precarious accommodation, and mental health problems, enabling them to stay in school.
- That all schooling systems across Australia support the development of a 'students first' approach to planning. Young people who are consulted about the design and content of their education are more likely to stay in school because their education will be more relevant to their needs and they will be provided with a sense of belonging to the school community.¹²

Economic impacts

ToR (d) the economic impacts of school education policy;

Young people have never been so willing to engage with education: Teenagers (15-19 year olds) and young adults (20-24 year olds) are participating in formal education and training at higher rates than in the past.¹³

The Australian economy cannot afford to have young people that are not engaging in education and employment, especially when they are willing to do so. School completion is key and one of the major areas for improvement identified in the Melbourne Declaration. Loadings under the Schooling Resource Standard for students with specific needs could be utilised for programs targeting young people who are at risk of disengaging from school education, which have been shown to have significant and ongoing economic impacts. Investment in flexible learning approaches, such as Hands on Learning (see case study, below), have a significant return on investment with a \$12 return for every \$1 spent on countering early school leaving.¹⁴

Case study: Hands On Learning Australia

Hands On Learning (HOL) was founded in 1999 as a way to engage students struggling with the mainstream curriculum. HOL is an approach to student wellbeing that enables schools to better deal with disengaged and disengaging students

¹¹ Multicultural Youth Advocacy Network (Australia), 2011, *Submission to the Review of Funding for Schools*

¹² See also Murdoch University Centre for Learning Change and Development, 2011, *The Secondary Engagement Evaluation Project, report to the Western Australian Department of Education*.

¹³ ABS, 2013, Education and Work, Australia, 6227.0, May 2012; FYA, 2013, *How Young People are Faring*

¹⁴ Hands On Learning (2012) *The socio-economic benefits of investing in the prevention of early school leaving*, Deloitte Access Economics, accessed 7 Jan 2014, p i.
http://handsonlearning.org.au/DAE_investing_in_preventing_ESL_via_HOL_September_2012.pdf

identified as most at risk of leaving school early. The aim is to intervene early to prevent circumstances from reaching crisis levels for disenfranchised young people, and help schools avoid becoming locked in to a reactive response mode.

HOL supplements mainstream schooling by providing one day a week where two adults work with ten students for an entire day, including the preparation and sharing of breakfast and lunch, in a cross-age and supportive environment.

Students spend part of this time outside of classrooms, working on creative and meaningful building projects in different parts of the school. Role modelling, mentoring, behaviour modification, and feedback into the classroom have all proven to be highly effective in this setting, with far-reaching benefits from a relatively small investment in time and resources.

The psycho-social needs of HOL students are addressed through the building of strong and supportive relationships with adults and peers in a non-academic context that reinforce their sense of self-worth and sense of contribution to the school community.

Interestingly, the approach allows students to modify disruptive and destructive behaviours in this setting, which result in increased connectedness to the school environment and better learning outcomes when they return to the classroom context.

HOL has enabled many vulnerable students at high risk of educational disengagement to:

- sustain a student's education
- increase their literacy
- give young people numeracy and applied learning skills through application to real life
- help them transition into senior years, vocational education and employment, and
- give young people an experience of positive participation in the wider community.

Success factors include:

- Timely early intervention and support
- Holistic approach, coordinates education and community services for each young person
- Adaptable to each school's circumstances and student needs
- Long term and sustainable
- Works within and alongside a mainstream school setting