

Much Ado About Gonski

By Gino Amato, SAASSO President

To listen to the Federal Government, teacher's union or the media over the last year, you would think Gonski is going to save education in Australia.

Fact One - Gonski is not a remedy to Australia's declining education standards. It is simply a review of the way we fund our schools.

Fact Two - Gonski is blunt about Australia's declining education standards; nothing SAASSO and others haven't been telling our government for years.

Fact Three - Gonski hasn't actually come up with a new funding model. It claims a new one is necessary, criticises the current one and suggests things a new model should include.

Background

There are 3.5 million students in 9468 schools. 416 are special schools.

2.3 million children attend public schools, with 713,289 in Catholic and 491,233 in Independent.

That is 66% in public schools. Catholic schools educate 20% & Independents 14%.

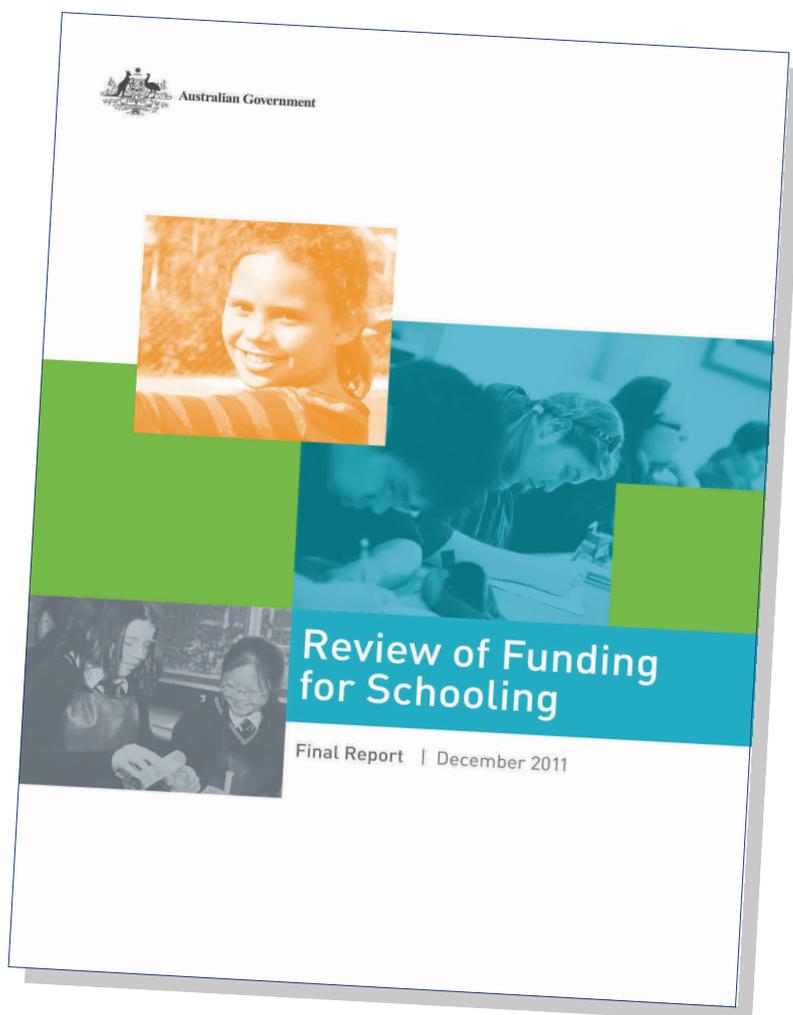
In the past decade, the number of schools in Australia has decreased by just 130.

- Public schools fell by 223
- Private schools grew by 91.

There are now 6742 public schools, 1708 Catholic schools and 1017 Independent schools.

While schools have decreased, the number of students has increased.

In all parts of the country, enrolments at private schools has increased greater than at public schools.



Catholic school enrolments have grown 6%, Independents jumped 14%, while public schools have grown at less than 2%.

'Funded' special needs students have increased by 64%, from 109,719 to 172,311.

Full-time Indigenous students have increased by almost 70%.

Indigenous students in Catholic and Independent schools have increased by 63 and 91 per cent respectively.

The number of disadvantaged students in private schools has risen in recent years by 90%.

However, most disadvantaged students still attend public schools. 36% of all public schools students are from the bottom socio-economic quartile, compared to 21% in Catholic and 13% in Independent.

80% of Independent schools are not part of a school system - they are stand alone entities, managed by a principal and overseen by a governing body.

Government spending on education is comparatively low by international standards. We spend 3% of GDP, while the world average is 3.5%.

Recurrent Funding

Public Schools

- 80% State Government
- 15% Federal Government
- 5% Private sources

Catholic Schools

- 20% State Government
- 57% Federal Government
- 23% Private sources

Independent Schools

- 12% State Government
- 33% Federal Government
- 55% Private sources

In 2009, Australia spent \$39 billion in all schools. 75% of this money went to pay 249,000 teachers and 8,700 specialist staff.

In 2000, the Federal Government spent \$4.8 billion in schools. In 2010, it had risen to \$20 billion.

60% of the increase in spending has been driven by teacher-related expenses. Most of this is due to wage increases and class size reductions.

The percentages each sector spent roughly matches their share of students. But, when you look at what is spent on buildings and facilities, the trend is reversed.

In 2009, \$6.6 billion was spent on capital.

- Public schools spent 49% with 66% of students.
- Catholics spent 26% with 20% of students.
- Independent spent 25% with only 14% of students.

What Do We Get For Our Money?

Gonski begins by telling us how the standard of our schools has declined at all levels over the last decade.

In South Australia, the decline is even worse than in most other states.

- A notable decline is in our top students.
- In addition to across the board decline, we have a growing gap between our highest and lowest performing students.
- This gap is 'far greater' than in many OECD countries.
- A concerning number of Australia's lowest performing students do not meet minimum standards.

There is an unacceptable link between student skills and poor and indigenous students.

PISA

One in seven students performs below baseline standards, meaning 500,000 of today's students will leave school without the skills and knowledge to participate in society.

“20% of public school students fail to meet baseline standards. 500,000 Australian students will leave school without the skills and knowledge to participate in society”.

20% of public school students fail to meet baseline standards.

Gonski states that 'no student in Australia should leave school without the basic skills to participate in the workforce and lead successful and productive lives'.

PISA also shows that we have a big gap between our highest and lowest performing students.

We have also seen a notable decline in our number of top performers.

TIMMS

Our maths skills have also declined relative to other countries; we are now outperformed by a dozen nations, with less than 10% of our children performing at advanced levels.

Simply put, an unacceptable number of Australian students are not meeting minimum standards - with a higher number of Indigenous students, poor students and students from remote schools not making the grade.

Gonski acknowledges a funding model alone won't fix anything and then tells us what will - quality teaching.

"The quality of an education system cannot exceed the quality of its teachers".

Gonski says we must:

- attract and retain the best teachers
- use data to generate continual assessment
- engage parents
- increase school autonomy and accountability.

Outcomes Across Sectors

In both NAPLAN and PISA, Independent schools had the best results, followed by Catholic schools, with the lowest results in public schools.

The same trend exists in year 12 completion, absentee rates and TER scores.

Equity In Australia

This is the key problem according to Gonski. Equity refers to whether all Australian children get an equal opportunity in education. The answer is a resounding, no.

Gonski defines it as 'ensuring differences in education outcomes are not the result of wealth, income, power or possessions'.

Gonski states the aim of this funding review 'is to ensure schools are appropriately funded to provide an internationally accepted standard of education for all students'.

Gonski goes on to say that 'Australia must focus on lifting the performance of students at the tail end'.

According to PISA we achieve only average equity - meaning that a child's background has a greater impact on their education than in other OECD countries.

It should be noted that 'average' is an improvement on 2000, when we were classified as a low-equity country.

But, the reason for this improvement is because fewer students from wealthy backgrounds are performing at the top end, not because more poorer students are improving their performance.



"The quality of an education system cannot exceed the quality of its teachers"

If we could reduce the underperforming tail by 10%, we would still only be halfway to closing the gap we have with Canada.

Again, Gonski stresses that to build 'a high achieving, high equity system, we must build quality and capability in teachers and principals'.

Gonski doesn't know how much money states spend on tackling disadvantage.

It is estimated that governments combined spend is \$4.4 billion, just over 11% of recurrent funding to deal with the five areas of disadvantage.

Socio-Economic

One in four children from the bottom socio-economic quartile perform below the baseline on PISA. The gap between the richest and poorest students is equal to almost three years of schooling.

Indigenous

Across all year levels, Indigenous children get lower NAPLAN scores than non-Indigenous students - a difference equal to two years of schooling.

In 2010, only 2% of commencing university students were Indigenous.

Remoteness

92% of metropolitan children met or exceeded minimum NAPLAN standards - only 79% of remote students and 45% of very remote students met these basic standards.

Similar trends exist for year 12 completion.

Disabled

There are 172,300 students receiving disability funding - about 5% of students. However ABS data suggests nearly 9% of school aged children have a disability.

Most funded students with a disability attend mainstream schools. 9% of disabled students attend special schools. There are 416 special schools - 332 of which are public.

In 2009:

- 30% of people with a disability aged 15-64 had finished year 12
- 55% of people without a disability had achieved the same
- 15% of people with a disability had a degree
- 24% of people without a disability had achieved the same.

The median income for a person with a disability is \$306 per week, compared to \$614 for a person without a disability.

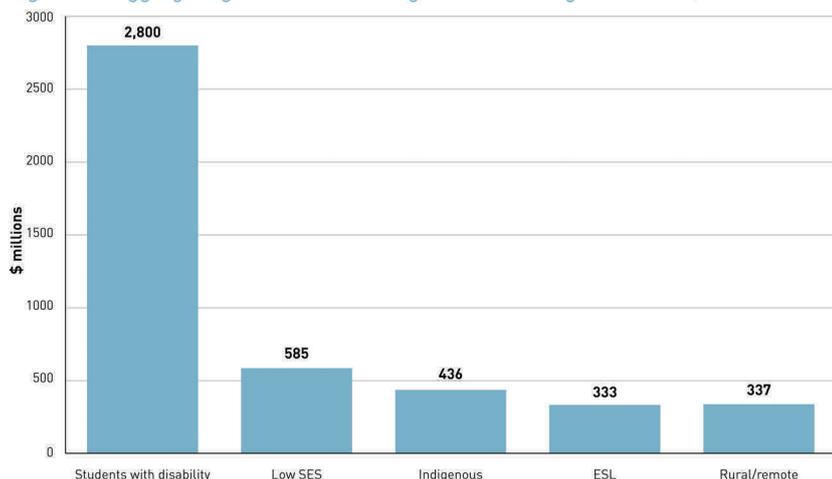
Strategies To Fix Equity

Again, Gonski stresses funding alone is not the solution.

'Countries like Canada and Finland show it is possible to do much more to reduce the impact of a student's background by investing in building capacity in school leaders and teachers....'

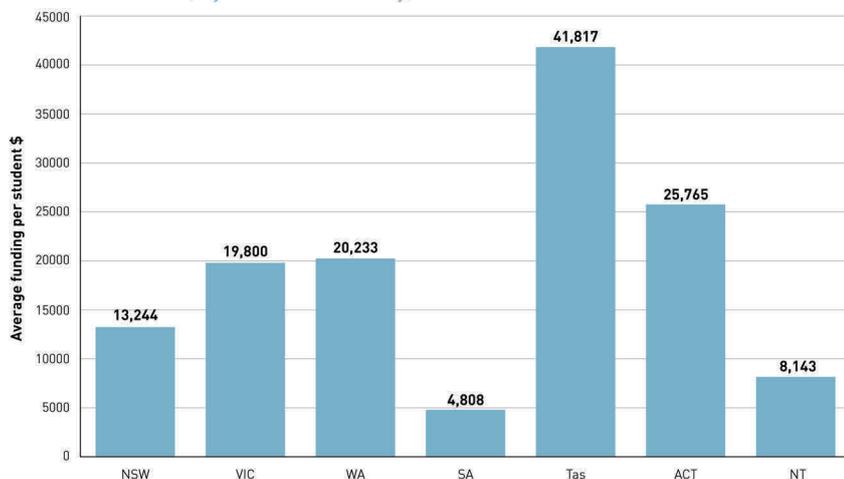
A recent study in NSW found strong evidence that the quality of teaching has an effect over and above each student's background and resulted in substantial benefit for students from low socio-economic backgrounds and Indigenous students.

Figure 47: Aggregate government funding for disadvantaged students, 2009-10



Source: Rorris et al. 2011.

Figure 48: Average funding per student for students with disability in government schools, by state and territory, 2009-10



Note: Excludes Queensland as insufficient data was received from the government sector to be included in the analysis.

Source: Reproduced from Rorris et al. 2011.

The Productivity Commission suggests specialist components on disadvantaged students should be incorporated into all teacher training courses.

The Nous Group says that performance management and regular school evaluation are critical to improvement.

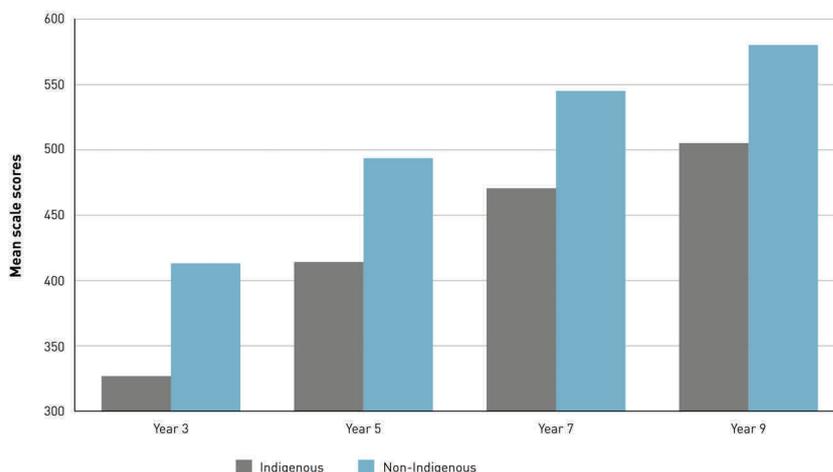
A large number of disadvantaged students can concentrate in one school and skilled leadership is vital to setting high and achievable goals for students.

There is also a strong relationship between student achievement and the way a school engages with its parents.

Given the sheer number of complaints SAASSO receives from parents each year about how they are treated by the education department, this is something South Australia's government should look at.

'Parents should be able to see why their schools are funded at a certain level'.

Figure 41: Indigenous and non-Indigenous student NAPLAN performance, Years 3, 5, 7 and 9, 2010



Current Funding Model

Gonski says the current way we fund schools is 'unnecessarily complex, lacks coherence and transparency and involves duplication of funding effort in some areas'. Something any Governing Council treasurer could have told you.

At the Federal level, there are nine different National Partnerships, most of which require a co-invest component by state governments. There is, however, no rule on how much state governments can retain for 'administrative' purposes.

Traditionally, the state government pays to run our public schools, while the Federal Government spends most of its education dollars in private schools. In our public schools, Federal money is usually spent on special projects, like the laptops in schools and the BER.

There are currently 34 different school systems in Australia, including 8 education departments, spending government education dollars, and each using their methods and formulas.

Gonski also criticises the lack of transparency in how our schools and the departments spend money.

Gonski's Plan

Gonski says we should have a new 'resource standard' for recurrent funding of a dollar amount per student for primary and secondary schools.

On top of this base funding, there should be loadings to cover additional costs, such as disability, poverty, Indigenous students, school size, location and English language proficiency.

To index and review this 'resource standard' we should create an independent 'National Schools Resourcing Body'.

Gonski also says that not only do schools need the right amount of money, but they also need the discretion to spend it efficiently on processes that work.

Gonski is clear that we must link funding to outcomes.

What Will Gonski Cost?

Gonski based its numbers of 2009 data and acknowledges the math needs to be updated for a 2014 start:

- Primary - About \$8,000 per child
- Secondary - About \$10,500 per child

Loadings would be added as percentages of this base amount. These numbers are estimates only, with Gonski saying governments must do the work to accurately calculate what it will cost. This should have been completed by early 2013 at the latest.

Add to this the loadings in the table below, and you can see why we will need an extra \$5 billion to pay for this.

Special needs students are missing - Gonski doesn't know how many there are or what funding is needed. The government was meant to calculate this by January of this year.

Also, remember, this is recurrent funding - what it costs to run schools; pay teachers and staff and carry out minor maintenance. This is not capital funding - what it costs to fix our broken schools and build new ones.

How Did Gonski Decide These Numbers?

After repeated reminders that dollars don't equal scores and that many factors influence a student's education - Gonski simply looked at a group of schools getting good scores and then looked to Myschool to see what these schools spend to estimate a per student amount.

They identified 'reference schools', chosen because they had at least 80% of students achieving above minimum standards in NAPLAN. Currently, only 1408 (or 16%) of schools reach this benchmark.

Half the 'reference schools' were public and half private. A higher percentage of private schools met the benchmark than public. Clearly then, they had lower levels of disadvantage.

Why did they set it at 80%? Because if they set it at 90%, only 271, or 3% of all Australian schools would have qualified and the 'reference group' would have been too small.

Who Will Pay?

It is vital to keep in mind, this isn't just for public schools - Catholic and Independent schools would also get increases. Gonski says that the Federal Government should increase its role in funding public schools and that the state governments should increase their role in funding private schools.

Partially, the Federal Government's funding will be covered by cancelling targeted programs in schools. According to Gonski, it doesn't work and it would be better to give the money directly to the states to use.

Gonski says there is an argument for all levels of government making a more balanced contribution to funding both private and public schools - but they don't say what this argument is.

Table 22: Schooling resource standard loadings – indicative ranges

	From (lower end of range)	To (upper end of range)
School size and location	10% <i>for medium-sized schools in remote locations</i>	100% <i>for very small schools in very remote locations</i>
Low socioeconomic status	10% <i>for each low SES student in schools with under 10% of students in the lowest SES quarter</i>	50% <i>for each low SES student in schools with more than 75% of students in the lowest SES quarter</i>
Indigeneity	40% <i>for each Indigenous student in schools with between 5% and 25% of students who are Indigenous</i>	100% <i>for each Indigenous student in schools with more than 75% of students who are Indigenous</i>
Limited English language proficiency	15% <i>for each student with limited English proficiency</i>	25% <i>for each student with limited English proficiency (for example, recently arrived refugees)</i>

What Should The Funding Aim At?

Getting at least 80% of our students achieving about the national minimum in NAPLAN.

Gonski makes 41 recommendations. One I found interesting was that in public schools, 'Australian governments should fully fund the recurrent costs'.

When you add this to Prime Minister Gillard's guarantee that no school will be worse off under a new funding model - this is the perfect and perhaps only time to do away with our state's Materials and Services Fee!

Gonski's priority is to limit the impact wealth and poverty have on our children's education - put simply, he wants to level the playing field. Well, when good schools in wealthy suburbs charge hundreds of dollars more for extra student resources than their poorer cousins, it isn't a fair playing field.

Capital Funding

'Schools are strongly influenced by the design of learning spaces and the facilities in a school'.

State Governments are mainly responsible for this in public schools. There is a clearly uneven spend on infrastructure in schools. It is also clear that some public schools are simply not at a comparable standard to private schools. Again, no revelation for parents on Governing Councils who fundraise for years to pay for basic facilities in their schools.

In 2009, even with the massive investment of the BER, only 49% of all money spent on school buildings was in public schools - even though they accommodate 66% of our children.

Gonski is equally critical of the capital funding system stating, 'There is a lack of data and public accountability ... which makes it difficult for school communities to understand their capital funding rights and needs'.

Gonski also refers to claims by stakeholders about the poor condition of our public schools - after the BER. This lack of facilities not only means not all students have the same opportunities, but also that some teachers and students don't feel safe in their schools.

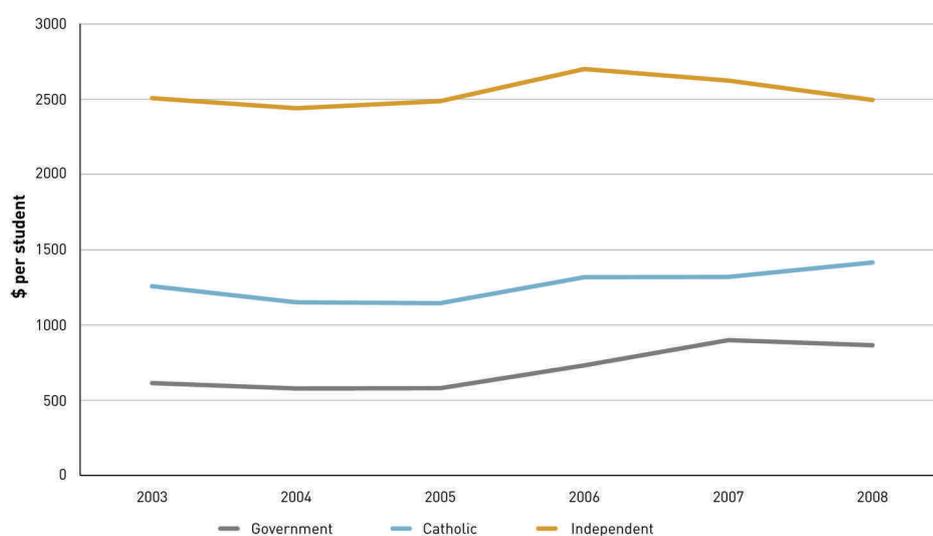
Gonski's Capital Funding Plan

You will recall that earlier you read that Gonski's main criticism of the current way schools are funded is too complex and confusing ... so what is it's plan for how we fix and build new schools?

First, set up School Planning Authorities in each state to 'manage planning and development of new schools and major expansions to existing schools.

These authorities would not have a role in actually managing the money - this will be done by the State Government.

Figure 33: Average capital investment per student (in 2008 dollars)



Gonski points out that there is no clear standard as to what is a quality facility in our schools.

Next, the Australian Government should set up a School Growth Fund in each state for new schools and school expansions.

The Australian Government should also set up a School Infrastructure Development Grants program for fixing existing schools.

Governance

Who will manage this new simplified model? Gonski says we should establish yet another group - the National Schools Resourcing Body. It will be responsible for the ongoing maintenance of the Schooling Resource Standard and loadings.

Gonski says this 'Body' should be independent of governments ... but it won't actually make any decisions ... it will make recommendations to ... the government. And who decides who is on this 'independent' body ... the government.

As this 'body' is independent from the government, there should also be an advisory group so that schools have input. And who will be on this advisory group? Government officials.

Where Gonski Is Wrong

Gonski says, "needs based funding for non-government schools is generally accepted within the Australian community". I've put three children through school and volunteered in school and at SAASSO for a decade. I've also served on two national parent boards ... I have not once heard anyone support government funding for private schools.

As part of their research, the Gonski Panel visited schools in every state. In South Australia, the only public school they visited was Adelaide High.

Gonski also says the federal government should stop funding programs and just give the money to the states.

Giving the money to the state departments is a bad idea. Look at what has happened in the past.

Computers In Classrooms was meant to increase the ratio of laptops to students. But in South Australia, the state government used the money to replace old computers in public schools.

And, what about the BER? A federal task-force recommended the program be scrapped because of mismanagement by the states.

Finally, there's the 'administration costs'. SAASSO and the principals association have both calculated that as much as a third of funds are spent running the education department bureaucracy.

Mr. Gonski, give the money to the states and see just how much of the \$8,000 and \$10,500 per child actually makes it into the school.

“I have not once heard anyone support government funding for private schools”.

Gonski cites the 'principle of subsidiarity': which says that the level of government closest to the communities receiving the services, should fund and regulate them.

Ideally then, funding should be organised at the local level - but Gonski says in public schools it shouldn't ... even though they recommend that in Independent schools it should.

Give the money directly to the schools, managed by the principal and overseen by the Governing Council.