



31 March 2011

Secretariat
Review of Funding for Schooling
Location C16MT4
GPO Box 9880
Canberra ACT 2601

Emailed to: schoolsfundingreview@deewr.gov.au

AHISA SUBMISSION IN RESPONSE TO THE REVIEW'S EMERGING ISSUES PAPER, RELEASED DECEMBER 2010

AHISA appreciates the opportunity to engage in the initial round of consultations for the Review of Funding for Schooling and the time taken by the Review Chair, Mr David Gonski and panel member Mrs Kathryn Greiner to talk with AHISA National Chair, Mr Simon Murray and AHISA Chief Executive, Mr Allan Shaw in August 2010.

AHISA commends the Review for further engaging public discussion through the release of its Emerging Issues Paper.

In this submission AHISA provides comment on several points raised in the Emerging Issues Paper:

1. Diversity, choice, autonomy and quality schooling
2. Autonomous school principalship
3. Professional development of school leaders
4. Quality teaching
5. Equity in school education
6. Students with high level needs

ABOUT AHISA

The membership of AHISA Ltd comprises principals of 355 independent schools with a collective enrolment of some 357,000 full-time equivalent students, representing just over 10 per cent of total Australian school enrolments and 30 per cent of enrolments in the non-government sector, including both Catholic systemic and independent schools.

The primary object of AHISA is to optimise the opportunity for the education and welfare of Australia's young people through the maintenance of collegiality and high standards of professional practice and conduct amongst its members.

AHISA has identified as key attributes of the autonomous school principal a passion for education and excellence, and a willingness to contribute to education beyond the boundaries of the school. These leadership values inform this submission.

National Chairman
Mr Simon Murray
Headmaster
St Peter's College, Adelaide
E: nat.chair@ahisa.edu.au

Chief Executive
Mr Allan Shaw
E: allan.shaw@ahisa.edu.au

National Secretariat
Unit 17
National Associations Centre
71 Constitution Avenue
Campbell ACT 2612
P: 61 2 6247 7300
F: 61 2 6247 3677
E: enquiries@ahisa.edu.au

www.ahisa.edu.au

ABN 99 006 107 124

RESPONSE TO THE EMERGING ISSUES PAPER

AHISA recognises the diversity of views in the independent schools sector. The broad range of these views and accompanying concerns in relation to public funding of education are represented by the Independent Schools Council of Australia (ISCA) in its response to the Emerging Issues Paper. AHISA asks the Review to note particularly AHISA's support for the following positions outlined in ISCA's submission:

- Schools need stable and predictable funding arrangements
- School funding models should include a basic funding entitlement for students with additional needs-based funding to address disadvantage
- Adequate government support is needed to meet the needs of students who suffer disadvantage because of specific factors including disability, Aboriginal or Torres Strait Island background, language background other than English, or rural or remote location
- The AGSRC is recognised as the most appropriate measure to index government grants currently available
- The direct funding relationship between the Australian Government and independent schools is valuable and should be maintained
- School funding models should provide an incentive for parents to contribute their after-tax income to their children's education
- Governments need to support the future capital demands of schools in relation to projected enrolment growth
- Any changes to government funding arrangements should not leave any school or student worse off in real terms
- Accountability arrangements must not compromise the governance, innovation and autonomy of independent schools.

AHISA supports the criteria for assessing schools funding models proposed by ISCA.

AHISA also asks the Review to take account of the following:

1. The role of diversity, choice and autonomy in achieving world class schooling

As noted in the Review's Discussion Paper and Draft Terms of Reference (page 4), 'high quality schooling is essential for Australia's future prosperity' and 'it is important that schools funding supports the delivery of a world class school system in Australia'.

AHISA believes that a high quality schooling system in Australia depends on:

- Parents having the freedom to exercise their rights and responsibilities in regard to the education of their children
- Students and their families having the freedom to choose among diverse schooling options
- Schools having the autonomy to exercise educational leadership as they respond to the emerging needs of their communities in a rapidly changing society.

Independent schools contribute significantly to the diversity and choice currently available in Australia's school system. It is AHISA's view that the robustness and high quality of Australian schooling owes much to this diversity as expressed through independent schools. This view is supported by evidence from the OECD's Programme for International Student Assessment (PISA).

Analysis published in *OECD Education Working Papers, No. 13*, 'School Accountability, Autonomy, Choice, and the Level of Student Achievement: International Evidence from PISA 2003'¹ shows that across countries differences in accountability, autonomy and choice can explain large differences in student achievement. Findings include:

- Private school operation in OECD countries is 'strongly and significantly' positively associated with student achievement

'Going from a [country] system without any private school operation to a system where half the schools are privately operated increases the [average student] achievement level by substantially more than the equivalent of one year's average learning in mathematics (three quarters of a grade-level equivalent in science).' (Page 20)

- Students in countries with a larger share of privately managed schools perform substantially better in international tests

Students in countries with a larger share of privately managed schools perform substantially better in both PISA and the Third International Mathematics and Science Study (TIMSS). (Page 43)

Further, this analysis supports the provision of government funding for non-government schools:

- Student performance is better in countries which combine relatively high shares of private school operation with relatively high shares of government funding for private schools

'The results show that a larger share of privately operated schools is associated with better student achievement. At the same time, students perform better where the average share of government funding is larger [. . .] Both private operation and government funding increase the extent of choice in the system, and the result seems to be better learning outcomes for students. Both effects are quite large. For example, the estimated difference in achievement between a system like the Netherlands with three quarters of schools privately operated and systems such as Iceland, Norway, and Poland with hardly any private schools is equivalent to more than what students on average learn during two years.' (Pages 43-44)

- Government funding support for non-government schools positively affects national student achievement

'The difference in student achievement between a country that has full government funding of public schools but provides no government funding to private schools and a country that puts both types of school on par in their share of government funding is estimated to be 47.3 PISA test-score points, or more than two grade-level equivalents.' (Page 46)

¹ Wößmann, L. *et al.* (2007), 'School Accountability, Autonomy, Choice, and the Level of Student Achievement: International Evidence from PISA 2003', *OECD Education Working Papers*, No. 13, OECD Publishing. doi:10.1787/246402531617

These findings suggest that the high quality of Australia's school system is strongly linked to the diversity and choice provided by its productive mix of publicly supported government and non-government schools.

The findings from PISA are supported by three other international student achievement tests: the Third International Mathematics and Science Study (TIMSS), TIMSS-Repeat, and Progress in International Reading Literacy Study (PIRLS). Analysis across all test results has concluded that, 'In sum, student performance seems to be higher in education systems where taxpayers' money is allocated by private schools rather than by the public schooling system'.²

In other words, the autonomy of non-government schools over resource allocation contributes to the positive effects of non-government schools on student achievement.

It is AHISA's view that schools funding models should recognise and support the contribution of the independent schools sector to the quality of Australia's national education system both through the quantum of that funding and the measure of autonomy independent schools have over the allocation of those funds.

It is also AHISA's view that if governments accept the value of diversity in schooling provision this should be reflected in schools funding models through specific provision to support the establishment of new non-government schools. It is projected³ that by 2020 there will be an extra 711,890 students in Australian schools. Clearly demand will outstrip the capacity of existing schools to provide for these students and it will benefit governments and families if the non-government sector can participate in provision. To do this, government support for infrastructure development and start up resources will be required.

The issue of autonomy is further addressed in the following section.

2. Autonomous school principalship

Recent international research shows that principals are crucial drivers and enablers of school improvement and a school's success in delivering a quality education to its students.⁴ It is not surprising, then, that OECD research⁵ has identified school leadership as a focus of education policy development internationally.

AHISA commends the Australian Government for its recognition of the importance of, and support for quality teaching and school leadership through

² Wößmann, L. (2006) 'Growth, Human Capital and the Quality of Schools: Lessons from International Empirical Research' (page 83) in OeNB Workshops Proceedings, *Strategies for Employment and Growth in Austria*, 3 March 2006; available at http://www.oenb.at/de/img/woeszmnn_tcm14-46132.pdf

³ Daniels, B. (2011) My School 2.0 and independent schools. *Independence* 36(1). In press.

⁴ The International Successful Schools Principalship Project (ISSPP) focuses on the knowledge, qualities, skills and capabilities that principals exhibit in successful schools. In this research project, a successful school is defined as one offering rich student and teacher learning experiences and high levels of school and student achievement. A brief description of the ISSPP appears in an article by Dr Joy Doherty in AHISA's journal *Independence*, 32(2):70-73.

⁵ Pont, B., Nusche, D. and Moorman, H. (2008) *Improving School Leadership, Volume 1: Policy and Practice*. Paris: OECD.

the Australian Institute for Teaching and School Leadership (AITSL). AHISA appreciates that a nominee of the four national principals' associations has a place on AITSL's board. AHISA also welcomes the Australian Government's interest in supporting autonomous school principalship as a means to achieve higher quality schooling through its Empowering Local Schools reform.

It is AHISA's view that if autonomous school principalship is to be promoted by governments as a means to drive school improvement in Australia then the concept must embrace a much wider and deeper understanding of school autonomy than simply the freedom to select staff or manage infrastructure projects and maintenance budgets. If schools are to offer rich learning experiences in an environment conducive to high levels of student and teacher achievement, principals must have the operational autonomy to positively shape and lead the educational, pastoral, community, financial, spiritual, cultural and managerial practices of their school. All of these elements combine to create a holistic educational environment and all are subject to the primary strategic goal of student success.

A good example of how these elements are interdependent in an autonomous school model can be seen in the implementation in the independent schools sector of projects funded under the Australian Government's Building the Education Revolution (BER) program. Independent schools were able to maximise the value of BER grants to support their strategic goals and therefore have maximum impact on the teaching and learning environment.

Autonomous school leadership carries a cost, both in terms of principals' salaries to reflect higher duties and the need for additional staff to support the principal in educational leadership and operational tasks. In independent schools these costs are borne by parents through school fees. However, the cost of greater principal responsibility should not preclude further investigation of its application in systemic schools nor of the means to publicly fund it.

In response to increasing government focus on school leadership AHISA has developed a model of autonomous school principalship to define key aspects of this distinctive form of school leadership. A brochure describing this model is attached.

AHISA is already engaged in discussion with the Australian Government on the nature of autonomous school leadership based on this model. AHISA takes this opportunity to express its willingness to continue to contribute to policy development in this way. AHISA members are highly regarded leaders of independent schools and their combined experience represents a national knowledge bank on autonomous school leadership.

3. Professional development of school leaders

AHISA believes school leadership in Australia is of a high standard and that the collegial sharing of knowledge among principals has proven to be an effective form of professional development and in-time support.

The role of professional associations in fostering and supporting contribution and collaboration among principals should be acknowledged. AHISA supports email networks for members and their key staff and hosts biennial conferences for members, for their senior staff and pastoral care staff as well as school

governors. AHISA also publishes a biannual journal that features innovation and best practice in members' schools.

Australia's four national principals' associations have been proactive in meeting the demand for professional development and support and joined together to establish Principals Australia for this purpose. Principals Australia also effectively delivers two federally funded student wellbeing projects, MindMatters and KidsMatter.

AHISA acknowledges the Australian Government's investment in professional development for principals through AITSL and believes that governments should also recognise the capacity of professional associations to deliver targeted professional development.

4. Quality teaching

AHISA supports the view that teaching quality is of first importance in improving student achievement. AHISA commends Australian Government interest in teaching quality and the funding of programs aimed at improving teaching quality.

A significant level of initial and beginning teacher education and ongoing teacher professional development and learning occurs in schools. Independent schools are finding that, in particular, the education of teachers in the use of digital technologies for both administrative and educational purposes now carries a substantial cost to the school.

For most independent schools the cost of teacher professional development is primarily resourced through fee income. AHISA asks the Review panel to note that, in the process of subsidising the cost of their children's education, parents of students attending independent schools are also contributing to the development of Australia's teacher workforce and pedagogical knowledge bank.

5. Equity in school education

In its treatment of equity, the Emerging Issues Paper notes that the Review panel 'believes that a commitment to equity means that differences in educational outcomes should not be the result of differences in wealth, income, power or possessions; it is not meant to suggest that all students are the same or will achieve the same outcomes'. In terms of developing a funding model that embraces this concept of equity the Emerging Issues Paper notes that one approach could be to 'specify a common funding amount for all students, with additional support attached to students with greater educational needs' (page 20).

AHISA recognises that such a funding model already exists for the allocation of Australian Government per capita general recurrent grants for independent schools and that there is wide support in the independent schools sector for a model comprising a basic funding entitlement for students and a component of needs-based funding.

If governments in Australia accept a national school education system that embraces a mixed model of schooling provision then every student attending a not-for-profit school has a legitimate claim to public support for their education irrespective of the school's ownership. This is consistent with the demands of

formal equity, that is, that governments should not discriminate negatively among children in their allocation of support for children's school education. It also reflects the responsibility of governments and the nation's interest in ensuring children are educated in a manner that allows them to participate in and contribute to Australian society.

It is AHISA's position that a reasonable basic funding entitlement for students attending non-government schools is an essential component of any government funding model for Australian schooling.

It is right that Australians should hold a high expectation that their governments will address equity issues in school education as defined by the Review panel. Currently governments choose to address this in part by differentiating the funding allocated to schools and their students, concentrating more resources in schools serving disadvantaged students. AHISA accepts that a needs-based component in schools funding models is a viable means for governments to address relative disadvantage.

There can be no benefit to any Australian school or school student if government funding models serve to inhibit private contribution to the costs of schooling. Previous federal schools funding models that penalised private contribution did not address disadvantage and simply served to create a greater impost on the public purse. There is anecdotal evidence to suggest that limiting private contribution to schooling also has an adverse effect on the willingness and ability of schools to invest in innovation.

While the Review's Emerging Issues Paper refers to philanthropy in terms of giving to schools, it must be recognised that independent schools, through fees and bequests, have long-established cultures of contribution and philanthropic programs of giving to the wider community, for example, through student and teacher scholarship and bursary programs, student social justice and community service programs, sharing of facilities, teacher training through practicum placements, sharing of expertise of teachers on curriculum bodies and through subject teacher associations, and sharing of leadership expertise at conferences and through publications or membership of government taskforces and committees. AHISA members' schools are also continuing to make a well-documented contribution to the education of young Indigenous Australians, particularly those from rural and remote regions, through their own and other philanthropic scholarship programs.

To adequately address equity issues, governments must look beyond school-age provision to early childhood services. The Australian Government has already implemented some reform in this area. It should be recognised that many independent schools have provided community leadership by establishing early learning centres as part of their education provision. As well as responding directly to the needs of families in their communities, these school leaders recognise that the 0 to 5 years age group is a critical time in childhood development and quality learning experiences at this point contribute significantly to future schooling success.

6. Students with high level needs

The high cost of providing a quality schooling experience for students with high level needs warrants consideration of targeted additional funding over and above general recurrent funding. AHISA appreciates the government funding currently

available to help meet the needs of students with disability, students of Aboriginal or Torres Strait Islander background and students from a language background other than English. However, as government subsidy represents only a portion of the cost of educating students with high level needs, independent school communities struggle to meet the full cost of educating these students. Independent schools, like schools in other sectors, are also having to resource interventions and special programs for the increasing number of students who present with behavioural and learning difficulties.

AHISA supports the case for funding for students with disability who attend independent schools as advocated by ISCA. The level of government support for students with disability should not be dependent on the school they attend or the state or territory they live in.

OTHER CONCERNS

7. Resourcing 21st century schooling

The Australian Government's Digital Education Revolution (DER) program has highlighted the ongoing need of schools for investment in digital technologies and the infrastructure that supports them. There is a role for national initiatives such as DER that recognise the impact of social and technological change on schooling provision and which do not discriminate by ownership of the school in the allocation of grants that help schools meet such change. Currently in independent schools, most of the costs associated with innovation and development, and the cost of implementing such nationally mandated initiatives as the Australian Curriculum, are borne by parents through fees.

8. Funding misinformation campaigns

AHISA is concerned the Review of Schools Funding has provided a platform for continued public misrepresentation and misreporting of the funding of independent schools.

AHISA commends publication of the information sheets on funding made available on the Review's page on DEEWR's website and the explanation of the government funding arrangements pertaining to schools in the Review's Discussion Paper and Emerging Issues Paper. AHISA believes the Review Chair and panel members have a role to play in public condemnation of funding misinformation.

AHISA is also concerned that issues of funding are linked by some to claims that non-government schools are undermining Australia's social cohesion. These claims have been leveled against non-government schools for decades, yet there is still no evidence forthcoming to support this.

Australia's independent schools sector provides ample evidence that autonomous schools – diverse in character and resources and operating in a competitive environment – can engage cooperatively for the betterment of all students and in so doing contribute to the overall quality of Australian school education. It is a dynamic model of schooling that effectively meets national goals and public expectations for school education. AHISA believes the success of this model is related to the way Principals and teachers work collegially and collaboratively within and across school sectors through their professional associations and through schools associations. The success of the model is also

linked to the freedom of autonomous school leaders to build strong school communities that engage students and their parents, and to the focus of independent schools on building and supporting strong learning partnerships with students and their parents.

AHISA would welcome the opportunity to speak to its submission should the opportunity arise.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S Murray', with a stylized initial 'S'.

Simon Murray
AHISA National Chair

Attachment: The AHISA Model of Autonomous School Principalship