

Refocusing School Education in Victoria

Chris Curtis

July 2014

Contents

Purpose	3
Policy Summary	4
1. Teacher training and development	7
2. School staffing	8
<i>Hours of Work</i>	8
<i>Primary Conditions and Staffing</i>	8
<i>Secondary Conditions and Staffing</i>	10
3. School funding (including private schools)	11
<i>Funding Myths</i>	11
<i>An Explicit Funding Formula</i>	11
<i>School Running Costs</i>	13
<i>Teacher Salaries and On Costs</i>	15
<i>Student Learning Entitlement (SLE)</i>	17
<i>Base Funding</i>	17
<i>Special Needs (ESL, Disability, SES)</i>	17
<i>Concentration of Disadvantage</i>	18
<i>Program Funding</i>	18
<i>The Problems with the Gonski Report</i>	18
<i>Funding Private Schools</i>	19
<i>School Eligibility</i>	21
<i>Funding Summary</i>	23
4. Aligning the teacher career structure with student learning	23
<i>Phase One</i>	24
<i>Phase Two</i>	26
5. Returning to permanent employment as the standard	30
Conclusion	33
Appendix 1 Staffing Calculations	34
<i>Staffing and Conditions (Primary) Table</i>	34
<i>Notes to Staffing and Conditions (Primary) Table</i>	35
<i>Staffing and Conditions (Secondary) Table</i>	37
<i>Notes to Staffing and Conditions (Secondary) Table</i>	38
<i>Worked Examples</i>	39
Appendix 2 Funding Issues	41
<i>The educational value of small classes</i>	41
<i>The educational value of small schools</i>	42
<i>Teacher Workload</i>	42
<i>The way in which teachers are unjustly attacked</i>	45
<i>The ability of the governments to fund education</i>	46
<i>The private-public debate</i>	50
Appendix 3 The Problems with the Gonski Model	52
<i>Summary</i>	52
<i>Misleading and Inaccurate Reporting on Funding Issues</i>	52
<i>A History of School Funding</i>	55
<i>The problem of Social Segregation in Education</i>	58
<i>The Conceptual Flaw in “Capacity to Contribute”</i>	59
<i>The Flaws in the Calculation of the Schooling Resource Standard</i>	59
<i>Bibliography to Senate Inquiry Submission</i>	63
<i>Appendix to Senate Inquiry Submission: “Overfunded?”</i>	64

Purpose

The purpose of this paper is to elaborate on some improvements needed in Victorian education.

It is not the intention of the paper to cover every field of need, but to concentrate on improving the quality of teaching and resourcing in schools.

Specifically, it looks at

1. Teacher training and development
2. School staffing
3. School funding (including private schools)
4. Aligning the teacher career structure with student learning
5. Returning to permanent employment as the standard.

In summary, it argues for

- * more rigorous requirements on those entering and graduating from teacher training,
- * more support for ongoing professional development;
- * a staffing formula based on educationally effective class sizes, fair teaching loads and sufficient positions to enable each school to function efficiently;
- * a funding formula for both government and private schools based on that explicit staffing formula, the needs of individual students, the efficient allocation of resources and the principle of social integration;
- * the re-institution of centrally determined (though locally appointed) leadership positions to focus schools on their core purposes and
- * the introduction of the often-promised but never delivered leadership positions for teachers who remain full-time in the classroom.

Policy Summary

1. Teacher training and development

The registration requirements for teachers should include, via legislation, the achievement of at least 3 Bs at VCE (or the equivalent in different jurisdictions and in different eras) and satisfactory literacy and numeracy.

The Victorian Institute of Teaching should be reconstituted as the Victoria Institute of Teachers, as originally intended, and elected teachers should comprise half the members of its council, as once legislated.

The student resource package should provide for ongoing professional development, to a greater extent in schools with large numbers of inexperienced teachers

2. School staffing

Schools should have an explicit staffing formula based on defined teaching conditions and school leadership requirements.

The government should achieve a long-term settlement of teaching and learning conditions in the state.

Primary teaching conditions should be based on a maximum class size of 25 students for years 3 to 6 and 21 students for prep to year 2, a maximum teaching load that provides 45 minutes of preparation and correction for every hour of class time (21 hours) and a school leadership pool with a base of 60 hours (from 160 students on) plus 2.6 hours per teacher.

The primary staffing formula should be:
a base of 2.0 once a school reaches 60 students
an enrolment factor of one teacher for every 15 students for prep to year 2,
an enrolment factor of one teacher for every 18 students for years 3 to 6.

Secondary teaching conditions should be based on a maximum class size of 25 students, a maximum teaching load that provides one hour of preparation and correction for every hour of class time (17.5 hours or 21 50-minute periods) and a school leadership pool with a base of 76 periods plus 4 periods per teacher.

The secondary staffing formula should be:
a base of 8.0 - a principal, three vice-principals (one for each of curriculum, discipline and welfare, and operations), two librarians, a careers teacher and a student welfare coordinator,
an enrolment factor of one teacher for every 15 students.

Further staffing should be provided for special needs and special programs.

3. School funding (including private schools)

The school funding formula should be based on the explicit staffing formula.

The primary funding formula should be:

a base of \$276,750 to cover the staffing base of 2.0,
a student learning entitlement of \$9,225 per student for prep to year 2 to cover the enrolment factor of one teacher for every 15 students,
a student learning entitlement of \$7,736 per student for years 3 to 6 to cover the enrolment factor of one teacher for every 18 students.

The secondary funding formula should be:
a base of \$1,107,000 to cover the staffing base of 8.0,
a student learning entitlement of \$9,225 per student to cover the enrolment factor of one teacher for every 15 students.

Further funding should be supplied to support special needs and special programs staffing.

The government should provide the base funding for government schools, but not private schools.

Private schools should be responsible for raising their own base funding from fees or other private income.

The government should provide the full student learning entitlement to all government schools and to private schools whose fees are no more than \$941 in the case of a primary school and no more than \$1,876 in the case of a secondary school provided such schools:

accept at least 5 per cent of their students at half the set maximum fee and one per cent of their students at no fees,
are run by largely elected school councils of parents and teachers,
focus on curriculum priorities and leadership positions as outlined in Section 4 of this paper. (Other requirements regarding curriculum, teacher registration, equal opportunity, etc should apply to all schools, whether funded or not.)

The government should renegotiate the Victorian agreement with the federal government to ensure it can implement this policy.

4. Aligning the teacher career structure with student learning

The system should reward the best teachers to stay in the classroom.

The system should ensure that promotion positions meet the curriculum and teaching priorities that improve student learning.

The government should provide for 2,000 leading teachers (classroom) in addition to the current number of teachers in our schools.

The government should appoint approximately 500 additional leading teachers (classroom) to primary schools from within the existing teacher numbers.

The government should allocate 1,250 leading teachers (classroom) to the top two-thirds of schools by SES – about 500 in secondary schools and about 750 in primary schools.

The government should allocate 1,250 leading teachers (classroom) to the bottom one-third of schools by SES – about 500 in secondary schools and about 750 in primary schools.

The government should allocate one leading teacher (classroom) for every 300 students in the top two-thirds of schools.

The government should allocate one leading teacher (classroom) for every 150 students in the bottom one-thirds of schools.

The government should require schools to have the following principal class structure (where the school is big enough):

1. principal
2. vice principal for curriculum
3. vice principal for discipline and welfare
4. vice principal for operations.

In the long run, the government should require in the case of a primary school, the first leading teacher appointed to be the literacy convenor, the second leading teacher appointed to be the numeracy convenor, the third leading teacher appointed to be the early years convenor, the fourth leading teacher appointed to be the convenor of a creative area (art, music, projects, gardening, community engagement, etc) and the fifth leading teacher appointed to be a leading teacher (classroom).

In the long run, the government should require in the case of a secondary school, the first leading teacher appointed to be the English convenor, the second leading teacher appointed to be the maths convenor, the third leading teacher appointed to be the history or geography or languages convenor, the fourth leading teacher appointed to be the science or technology convenor, the fifth leading teacher appointed to be the convenor of a creative area (art, music, projects, gardening, community engagement, etc) and the sixth leading teacher appointed to be a leading teacher (classroom).

The government should allow some flexibility as to time fractions in individual schools for these promotion positions as long as the integrity of the system is maintained.

The government should require funded private schools to meet these promotion requirements, though with some flexibility.

5. Returning to permanent employment as the standard.

The government should return to permanent employment as the standard model.

The government should establish a relieving teacher system to cover long absences.

The government should establish an excess transfer system to manage changing enrolments.

1. Teacher training and development

It has been argued for some years now that the quality of entrants to teacher training needs to be improved. There are two sides to this issue. On the one hand, entry requirements (e.g., ATAR scores, literacy levels) can be tightened. On the other hand, pay and conditions can be improved. The first will bar the less able. The second will attract the more able. Both are required.

It used to be taken for granted that anyone who passed year 12 had good literacy levels. This is no longer the case as VCE is little more than an attendance certificate. Thus we have demands for separate literacy and numeracy tests for those entering or leaving teacher training. It would be a brave politician indeed who insisted that a pass at year 12 require the achievement of a solid level of literacy or numeracy, the one step that would make literacy tests at least unnecessary for those becoming teachers. It follows that a test of literacy and numeracy skills for potential teachers makes sense. It is possible to impose a test for employment by the department that is additional to the requirements for registration as a teacher. However, the government has to be concerned with the quality of all teachers, not just those who work in government schools, so whatever the standard set, it must be universal and therefore it must be a condition of registration not only a condition of employment by one employer.

It is possible to add a literacy and numeracy test to the requirements for passing VCE.

It is possible to achieve the end by requiring entrants to teacher training to achieve more than a pass at year 12, to require them, for example, to achieve at least a B in three VCE subjects (though that assumes the quality of a B is the same in each subject).

As teacher registration is the domain of the Victorian Institute of Teaching, a government that wants to ensure literacy and numeracy are adequate would have to include those requirements in legislation for the VIT to apply in the accreditation of teacher training courses and in teacher registration.

The VIT needs to be restored as a professionally representative body, rather than the quango it has become. As the body of the teaching profession, it should be renamed the Victorian Institute of Teachers, as originally intended. Half the council members need to be elected by and from teachers, with the remaining half of the council appointed from teacher employers, teacher training institutions and parents. The half elected by teachers does not need to be divided into categories of primary and secondary or government and non-government. Teachers ought to be free to vote for whichever member of the profession they think will best represent the profession and not be restricted to voting for someone who happens to be in their own part of it.

Teachers do not cease to learn once they begin teaching. It is vital that opportunities for professional development continue throughout a teacher's "career". The Student Resource Package ensures that schools are funded on a rational basis, so those schools with more inexperienced teachers have more money available for PD, including making time available from more experienced teachers' classroom loads to mentor beginning teachers.

2. School staffing

In some fields, such as manufacturing, technological development has led to a huge reduction in employment as machines take over tasks. In other fields, such as health, technological development has not reduced employment but has enabled far more productive results by those in the field. In education, technological development has neither reduced employment nor enabled more productive results. It may do one or the other eventually, but this paper is based on the current level of technology in schools and thus the current requirements to employ teachers and other education workers.

The work of schools is teaching. It is done by teachers. The number of teachers a school needs can be determined mathematically as it used to be. A pupil teacher ratio of 15:1 would provide sufficient teachers for years prep-2 and 7-12 and a PTR of 18:1 would provide sufficient teachers for years 3-6. A base of 2.0 in all but the smallest primary schools and of 8.0 in all secondary schools would provide principals, librarians, curriculum range in small schools, etc.

The staffing proposal is based on

- * keeping the decent-sized classes that are predominant, though not universal, in Victorian schools,
- * encouraging smaller schools (i.e., of a few hundred students in the case of primary and of fewer than 1,000 in the case of secondary),
- * decent teaching loads so that teachers are not regularly required to put in exhausting weeks just to keep up with the ordinary demands of the job,
- * the hard work that teachers do and their need for set working conditions rather than their being subject to the whims and power of individual schools or principals,
- * maintaining the efficiencies and the advantages that a large system provides.

Hours of Work

Any staffing formula has to be based on the class sizes and teaching loads that are reasonable.

The ordinary employee works 38 hours a week for some 46 weeks of the year once public holidays are taken into account. That equals 1,748 hours a year.

Schools are open some 200-201 days a year, meaning that teachers are at work for approximately 40 weeks of the year. In addition, they work in their holidays. Surveys of teachers show that they average 50 or more hours a week, giving a total of some 2,000 hours a year, before holiday work is taken into account. Some say this is reasonable because they are professionals or well-paid (historically not true). Those who say that have forgotten the eight-hour day, won in Victoria in 1856. If you allow teachers two weeks of work in their holidays, you need to divide the average person's total of 1,748 hours a year by 42 weeks, giving an average working week of 41.6 hours. This is misleadingly precise, but it is better to be precise at this stage. Otherwise, every step of the calculation will introduce new fuzziness and the end will be vague.

Primary Conditions and Staffing

Primary schools have traditionally had larger classes and higher teaching loads than secondary ones reflecting the extra work in the latter in correction and preparation,

while in recent years prep to year 2 classes have been capped at lower numbers. The long-term teaching loads in primary schools suggest three quarters of an hour is reasonable for preparation and correction for each hour of class. The following basic set of conditions for primary teachers makes sense:

21.0 hours (maximum timetabled class teaching load)

15.8 hours (preparation and correction related to the above)

36.8 hours (sub-total)

1.0 hour (yard duty)

3.0 hours (meetings and professional development)

0.8 hours (minor organisational duty)

41.6 hours

Primary teachers do not do extras. Time for any organisational duties not minor in nature would be deducted from the 36.8-hour sub-total. The time allocated would be roughly the time required for the proper performance of the duties. In order to ensure fairness, the school would be required to have a minimum number of hours in a School Leadership Pool.

It is necessary to staff primary schools so that prep and grades one and two have no more than 21 students in them and other grades no more than 25. It is necessary to reduce the maximum teaching load in primary schools to 21 hours. This assumes that every hour in class requires 45 minutes for preparation and correction, with further time required for home group, yard duty, meetings, professional development, minor organisational duties, etc. The time allocated for preparation and correction in a primary school has always been less than in a secondary school and reflects the smaller class sizes in prep to year 2 and the lower work output of primary students. In addition, there ought to be a School Leadership Pool to provide for reduced teaching loads for those with leadership responsibilities (principals, subject coordinators, etc). That pool is calculated from an enrolment of 160 students as a base of 60 hours and 2.6 hours per teacher in the Establishment.

Primary schools need a base staffing factor such as secondary schools have long had. It is obviously ridiculous to staff a school of 20 pupils on a base of 2.0 plus an enrolment factor. Smaller primary schools should be staffed on the number of classes they must have to meet the class size requirements with some time built into the formula for administration and support. Larger primary schools would have a base factor to cover the minimum administration and support of the school (principal, librarian, say) with the enrolment factor allowing more resources for those roles as the size of the school grew.

The following formula would work well for primary schools. A base of 1.8 teachers, then small increments until enrolment reaches 60 students would apply to the smallest schools. For schools of 60 students and above, a base of 2.0 plus one teacher per 15 students until a total of 180 students, then 1.0 teacher per 18 students, until there are more than 180 prep-year 2 students, in which case the prep to year 2 students above 180 will also be staffed on the basis of 1.0 teacher per 15 students.

The Staffing and Conditions (Primary) Table attached shows the application of this staffing formula and the staffing and leadership positions to primary schools of varying sizes. (The table is worked on steps of 44 students from 420 students on; i.e., 20 in prep-year 2 and 24 in years 3-6.)

The maximum class size for prep to year 2 is 21 students. The maximum class size for years 3-6 is 25. The calculations are based on averages of 20 and 24 respectively to provide some flexibility. (It should be noted that small primary schools have run multi-level classes for more than a century.) In effect, every 20 students in prep-year 2 provide 1.33 teachers and every 24 students in years 3-6 provide 1.33 teachers. A factor of 1.33 teachers provides 49 hours in total, 25.0 hours of teaching, 18.75 hours preparation and correction, 1.75 hours towards library time (1.0 hour contact and 45 minutes preparation and correction) and 3.5 hours towards the School Leadership Pool, and thus covers the class that has produced it.

A PTR of 15:1 would provide sufficient teachers for years prep-2 and 7-12 and a PTR of 18:1 would provide sufficient teachers for years 3-6. A base of 2.0 in all but the smallest primary schools and of 8.0 in all secondary schools would provide principals, librarians, curriculum range in small schools, etc.

Secondary Conditions and Staffing

Experience suggests that one hour in class requires another hour of preparation and correction for a secondary teacher. In addition, there are many other duties that teachers are required to perform. The following basic set of conditions for secondary teachers makes sense:

17.5 hours (21 50-minute periods, the maximum timetabled class teaching load)

17.5 hours (preparation and correction related to class teaching)

0.4 hours (home group at 5 minutes a day)

0.4 hours (preparation and follow-up related to home group)

35.8 hours (sub-total)

1.0 hour (yard duty)

0.8 hours (extra)

3.0 hours (meetings and professional development)

1.0 hours (minor organisational duty)

41.6 hours

Time for any leadership duties not minor in nature would be deducted from the 35.8-hour (43 50-minute periods) sub-total. The time allocated would be roughly the time required for the proper performance of the duties. In order to ensure fairness, the school would be required to have a minimum number of hours in a School Leadership Pool.

It is necessary to staff secondary schools so that no class has more than 25 students. It is necessary to reduce the maximum regular teaching load in secondary schools to the 17.5 hours that applied in high schools throughout the nineteen-eighties. This assumes that every period in class requires another period for preparation and correction, with further time required for home group, yard duty, extras, meetings, professional development, minor organisational duties, etc. In addition, there ought to be a School Leadership Pool to provide for reduced teaching loads for those with leadership responsibilities (principals, subject coordinators, etc). That pool is calculated at calculated as a base of 76 periods and 4 periods per teacher in the Establishment.

Clear thinking about how secondary schools work suggests a base of 8.0 - a principal, three vice-principals (one for each of curriculum, discipline and welfare, and

operations), two librarians, a careers teacher and a student welfare coordinator. The tripartite division of secondary school leadership is blindingly obvious to anyone who works in one. By placing a vice principal in charge of each major division, we are giving each equal importance in the successful running of the school. In particular, we are restoring curriculum to the central focus of schools. Smaller secondary schools would not have three designated vice principals, but would have leading teachers in those roles. An enrolment factor of one teacher for every fifteen pupils would ensure that curriculum needs and teacher workload needs could both be met.

The Staffing and Conditions (Secondary) Table attached shows the application of this staffing formula and the staffing and leadership positions to secondary schools of varying sizes.

The maximum class size is 25, but we cannot expect every class to be exactly on that maximum, so we allow a 10 per cent adjustment for flexibility. In effect, every 22.5 students provide 1.5 teachers. A factor of 1.5 teachers provides 64.5 periods in total, 30 for regular class teaching, 0.5 for home group, 30.5 for the preparation and correction associated with both the regular class teaching and the home group and 3.5 periods towards the School Leadership Pool, and thus covers the class that has produced it.

3. School funding (including private schools)

Funding Myths

One of the issues in school funding is that there are so many myths circulating. Despite these myths, the truth of the matter is

- a. that smaller class sizes are educationally effective,
- b. that smaller schools are both educationally more effective and more efficient than larger schools,
- c. that teachers do not have privileged conditions,
- d. that education spending has done no more than keep up with economic and population growth,
- e. that public spending per student is less in private schools than government schools,
- f. that total spending per student is less in large numbers of private schools than in government schools but much more in elite private schools,
- g. that schools that receive more public funding than the SES model would allocate are not necessarily overfunded,
- h. and that the Gonski model, rather than replacing the flawed SES model, applies it to all schools and will thereby increase social segregation in our school systems.

Appendix 2 Funding Issues deals with these in detail.

An Explicit Funding Formula

An explicit staffing formula requires an explicit funding formula. Just as staffing has a base factor and an enrolment factor, funding should also have a base factor and an enrolment factor (called the student learning entitlement in this paper, but analogous to the Gonski report's school resource standard). The student learning entitlement needs to be based on an explicit pupil teacher ratio, which itself must be based on an explicit class size limit, an explicit teaching load limit, an explicit provision for

leadership time and an explicit provision of non-classroom teaching time, which ought to be the same in all schools, public and private.

The issues of class sizes and teaching hours cannot be avoided in any discussion of a quality education system. They may be dismissed by some as industrial relations matters, but they are far more than these. Behind any cost per student must be an explicit pupil teacher ratio, and behind that must be a commitment to decent class sizes and decent teaching loads (including reductions for those with leadership responsibilities in schools). It is not good enough to calculate a figure based on current practice. A once-in-a-generation settlement of learning and thus teaching conditions can be achieved, even if the settlement cannot be implemented at once.

Prior to 2004, Victorian schools had a staffing formula. It was then changed to a funding formula. There are objections raised to this because the salary bill in some schools is higher than that in others even with the same number of teachers on staff. However, the model – if not the amount – is perfectly reasonable.

Imagine two schools with a 1,000 students. Leafy Suburbs High has 70 teachers, mostly highly experienced, and thus a salary bill of, say, \$6 million. Western Suburbs Secondary College also has 70 teachers, mostly inexperienced, and thus a salary bill, of say, \$5 million. An extra million dollars is going to the students in Leafy Suburbs High. This is outrageous as the taxpayer is giving greater financial support to one group of students than to another purely because one schools manages to keep experienced teachers while other does not. A global budget approach gives both schools the same amount of money and allows Western Suburbs Secondary College to use the million it has saved through having inexperienced staff to employ additional staff or provide other resources.

When we pay experienced teachers more than inexperienced teachers, we are saying that the extra experience is adding something to the education of students taught by the former. Otherwise, there is no justification for paying more to experienced teachers. We are therefore also saying that students who have inexperienced teachers are comparatively disadvantaged. Good public policy says that this disadvantage must be made up in some way.

The problem with the global budget/student resource package is that the inadequate amount provided does not so much compensate the students with lots of inexperienced teachers as punish those with lots of experienced teachers. Thus principals cope with the inadequate amount by reducing the numbers of teachers they employ, by pushing up teaching loads and class sizes in schools with lots of experienced teachers, which adds to the workload of those teachers, or by reducing the number of promotion and allowance positions, which punishes those taking leadership roles in such schools compared with those undertaking leadership roles in schools with lots of inexperienced teachers.

It is thus good public policy to develop a funding formula that will staff schools adequately but that does not spend one million more dollars on one group of students than another group precisely the same as the first. The essence of this proposal is that that extra cost incurred by any school because it enrolls one more student should be borne by the taxpayer, provided that the school does not have a significant financial

barrier to enrolment. Base funding to provide for the basic costs of running any school would be funded by the taxpayer in the case of government schools only.

School Running Costs

In order to calculate the learning entitlement, we have to determine the costs of running a school. There are base costs, which will apply whatever the size of the school, and other costs which rise in line with student enrolment, either directly or at particular points; e.g., one more student may require only the photocopying of 24 sheets instead of 23 or, more tellingly, the creation of a whole extra class in the school.

The major component of school costs is salaries, and the major component of salaries is those of teachers so we need a staffing formula for schools that will enable them to meet the educational needs of their students.

Some 84 per cent of a school's budget goes on teacher remuneration (salaries and on-costs). Once you have determined a staffing ratio, adding 19 per cent of the 84 per cent gives you a national resource standard for a mainstream student. Further work can refine this figure.

Below is the 2004 global budget for a Victorian secondary school.

Total Core Cost is \$6,500,824.69. Teacher salaries, including on costs, are \$5,444,756.44, 83.7 per cent of the total core funding.

Teaching Support Cost is \$778,746.1, 12.0 per cent of the total core funding. 7.0 per cent (\$458,012.10) is for the employment of ancillary staff. The remaining 5.0 per cent (\$320, 734.71) is for curriculum materials, office supplies, IT support, professional development, etc.

Premises Cost is \$277,321.44, 4.3 per cent of the total core funding.

In summary:

Teacher Costs	83.7 per cent
Teaching Support Personnel Costs	7.0 per cent
Teaching Support Materials Cost	5.0 per cent
Premises Costs	<u>4.3 per cent</u>
	100.0 per cent

Leadership and Teaching

Principal	101,140.00	
Core Teaching	4,051,725.00	
Size Supplement	270,405.85	
Middle Years of Schooling	68,189.80	
Student Welfare	40,021.62	
<u>L&T Salaries Sub-total</u>	<u>4,531,482.27</u>	
Payroll Tax (Core Teaching)	237,902.82	
Superannuation (Core Teaching)	488,040.64	
WorkCover (Core Teaching)	125,866.70	
Relief Teaching	61,464.00	
<i>Leadership and Teaching Sub-Total</i>		<u>5,444,756.44</u>

Teaching Support

<u>Teaching Support – Credit (Salaries*)</u>	<u>385,539.84</u>	
Payroll Tax (Core Non-Tchg)	20,240.84	
Superannuation (Core Non-Tchg)	41,522.64	
WorkCover (Core Non-Tchg)	10,708.78	
	458,012.10	
Teaching Support – Cash (Other*)	277,816.32	
Professional Development	22,060.46	
Information Technology Support	20,857.93	
<i>Teaching Support Sub-Total</i>		<u>778,746.81</u>

Premises

Contract Cleaning	134,208.10	
Grounds	14,446.40	
Utilities	75,600.27	
Maintenance & Minor Works	47,322.12	
Essential Services/Contracts	5,744.55	
<i>Premises Sub-Total</i>		<u>277,321.44</u>

Core Total 6,500,824.69

Disabilities (Salaries**)	192,903.30	
Special Learning needs (Salaries**)	96,733.00	
ESL (Salaries)	139,240.00	
Priority programs (Salaries)	311,792.10	
<u>Non-Core Salaries total</u>	<u>740,668.40</u>	
Payroll Tax (Non-Core)**	23,962.81 (38,885.09)	
Superannuation (Non-Core)	79,769.99	
WorkCover (Non-Core)	20,572.84	
Disabilities – Relief Teaching	78.80	
ESL – Relief Teaching	2,025.16	
Priority programs – Relief Teaching	3,703.60	
Priority programs (MIPS, VCAL)	81,208.80	
<i>Special Programs Total</i>		<u>951,990.40</u>
(Salaries Total 5,657,690.51)		

Total Budget 7,452,815.09

* Budget specifies credit because it is to be spent on salaries of ancillary staff. Budget specifies cash because it is to be spent on supplies.

** Salaries total is for the purposes of superannuation. Payroll tax is in fact charged on only part of the salaries budget as some of the salaries budget may be spent on non-salary items. \$38,885.09 would be the payroll tax amount if all of the budgeted salaries were subject to it.

Superannuation is notional as there are three different superannuation schemes in Victoria, the most generous giving a notional 21 per cent of salary and the least, 9 per cent. Different states have different superannuation schemes, different payroll tax schemes and different WorkCover schemes. All of these are part of the costs of education but are not directly related to the results; e.g., a school with a higher cost because its payroll tax rate is higher is not less efficient than a school whose payroll tax rate is lower.

There is limited scope for saving in teaching support costs. The school whose budget is given above employed a laboratory assistant, a library aide, a first aid officer, a business manager, a domestic science assistant and about four office staff. This is in the Victorian system, which has devolved a lot of administrative duties from the department to each school. The cash component has to cover all material expenses. A 10 per cent saving in cash expenditure would result in only a 0.43 per cent saving in total costs. A 10 per cent saving in professional development costs would result in only a 0.03 per cent saving in total costs.

There is limited scope for savings in non-teaching costs. A 10 per cent saving in utilities costs, even if possible, would result in only a 0.12 per cent saving in total costs. A school within a jurisdiction with higher electricity rates is not less efficient than a school in a jurisdiction whose electricity rates are lower.

The key cost is teacher employment. This cost is derived from class sizes, teaching loads and salaries.

The fact that different jurisdictions have different teacher salary levels is a further reason to base the national resource standard on the required staffing levels. This benchmark would allow different jurisdictions to continue to pay different salaries but would ensure that all schools are properly staffed. Whatever national resource standard is determined, the federal government would need to pay a fixed percentage of it, with each jurisdiction being free to spend an amount per mainstream student that would lift the students in its care above that national resource standard. However, it would be a mistake to set the national resource standard at the lowest possible level as this would encourage another race to the bottom, and, given the current federal government, Victoria has to make its own way to a sensible funding system.

Teacher Salaries and On Costs

This paper uses the top unpromoted salary rate in Victoria to begin to determine the funding amount. That salary as at August, 2015 (post the next budget), will be \$94,961. It also provides for 30 per cent of positions to be promotion positions – principal, vice principal (a term I think is more meaningful than “assistant principal”, which has been used in Victoria for about the last 20 years) and leading teacher. Long experience in schools suggests that the salaries for leading teachers and vice

principals should be the same as they generally contribute the same value in the running of schools, though a vice principal in a large school ought to be paid slightly more. This paper sets the VP/LT salary at 10 per cent above the top unpromoted salary; i.e., at \$104,457.

Principals in Victoria are paid salary packages. The story of the principal's salary packages is a fascinating insight into power and rorting. It is complicated and while reported to a journalist years ago and the auditor-general, there was no result.

The Revised Superannuation Scheme was closed in 1988. It was a defined benefit scheme in which the government as employer made no contribution until retirement, when teachers received a CPI-indexed pension. Actuarially, the government 'contribution' was calculated to be about 21 percent of salary. The New Scheme remained defined benefit but lump sum only with a lower government 'contribution'. After 1992, the New Scheme was also closed down and all new employees were forced onto the federally mandated scheme, which now has an employer contribution of 9 per cent. This means that a teacher in the Revised Scheme earning \$60,000 is really getting an additional deferred benefit of \$12,600, but one in the mandated minimum scheme is getting an additional deferred benefit of only \$5,400. That makes a huge difference over a 30-year period. The reason for this cut to the long-term living standards of teachers was the claim that the state could not afford to be so generous!

However, principals are exempt from this cut. A principal in the Revised Scheme on a salary package of say \$136,000 will have about \$28,560 deducted for superannuation, leaving an actual salary of \$107,440. One in the mandated minimum scheme on the same salary package will have only \$12,240 deducted, leaving an actual salary of \$123,760. In other words, principals get a monetary benefit – in this case, an extra \$16,320 - for not being in the Revised Scheme, while teachers do not. Assistant principals get the same benefit.

The reason for this bribe was to keep principals on side with the 1992-99 Coalition government as they went about implementing the government attack on the teaching profession. They also had access to 'performance' bonuses. The bonuses have gone, but the rort of the superannuation scheme remains.

A reasonable principal salary for small school would be some \$10,000 more than a vice principal salary. Let us say \$114,457, or \$133,915 with on costs. It would be increased at certain enrolment points. It seems reasonable to provide about \$60 in the SLE to go towards this salary increase. That would mean a principal in a school of 400 would cost about \$157,915 and one in a school of 800 about \$181,915.

We need to add about 17 per cent to salaries to cover on costs – superannuation, payroll tax and WorkCover premiums. Thus, the top unprompted salary package would be \$111,104. The Leading Teacher/Vice Principal salary package would be \$122,215, or \$11,111 more than the top unprompted salary package.

There are two sides to this proposal;

- the calculation of the amount per student (learning entitlement)
- the particular requirements on schools to access this learning entitlement

Student Learning Entitlement (SLE)

If the Enrolment Factor is 1.0 teacher per 15 students, the teacher employment cost per student is $\$111,104/15 = \$7,407$.

If the Enrolment Factor is 1.0 teacher per 18 students, the teacher employment cost per student is $\$111,104/18 = \$6,172$.

If 30 per cent of positions are funded at the leading teacher level, then we need to spread the additional \$11,111 cost for each leading teacher across 50 students in the first case (\$222 per student) and 54 students in the second (\$206 per student).

We then need to make allowance for the principal cost (at \$60 per student) and for special payments in schools for additional duties (at, say, \$60 per student).

The SLE needed to cover staffing for prep-year 2 and for years 7-12 reaches \$7,749. That needed to cover staffing for years 3-6 reaches \$6,498.

Teacher salaries make up around 84 per cent of a school's core recurrent costs. If we adjust the SLE for this, it becomes \$9,225 for prep-year 2 and for years 7-12 and \$7,736 for years 3-6.

Additional SLEs would be paid for disabled students, ESL students, socio-economically disadvantaged students and the like.

Base Funding

There are five areas of funding that ought to support a high quality education system:

Base Funding

Student Learning Entitlement

Special Needs (ESL, Disability, SES)

Concentration of Disadvantage

Program

Base funding is that amount necessary to provide the funding that any school needs to operate before student enrolment is taken into account. This base level can be set at a level to provide support to smaller schools because of the educational advantages that such schools have.

The state government ought to be responsible for providing this funding for public schools.

Private schools would be responsible for providing these amounts from fees or other private income.

The base staffing of 8 teachers for a secondary school would produce a base funding level of \$1,107,000. The base staffing of 2 teachers for all but the smallest primary school would produce a base funding level of \$276,750.

Special Needs (ESL, Disability, SES)

There is a need to balance the proportions of students with various disadvantages,

currently concentrated in the public schools, among all types of schools. There should therefore be additional special needs learning entitlements as well as the standard student learning entitlement, available to schools on a less restricted basis than the standard SLE.

The Victorian SRP has designated amounts for ESL students based on the amount of ESL teaching they need. These amounts ought to be made available to all schools, public and private, with ESL students as a way of balancing the proportion of ESL students in the different education systems.

The Victorian SRP has designated amounts for disabled students based on the degree of disability. These amounts ought to be made available to all schools, public and private, with disabled students as a way of balancing the proportion of disabled students in the different education systems.

The Victorian SRP has designated amounts for lower SES students based on the degree of SES disadvantage. These amounts ought to be made available to all schools, public and private, with lower SES students as a way of balancing the proportion of lower SES students in the different education systems, though care must be taken to ensure that private schools do not use scholarships to cream off the most able lower SES students.

Concentration of Disadvantage

Disadvantage is not simply individual. There are additional costs to learning when large numbers of disadvantaged students are concentrated in the one school. A pre-determined percentage of disadvantaged students in one school would trigger a concentration of disadvantage funding, the percentage and amounts to be based on further study.

Program Funding

State and territory governments have developed various programs at different stages to deal with different needs; e.g., the Victorian Certificate of Applied Learning. They should remain free to do so, provided such programs are open to both public schools and private schools with fees of no more than the allowed amount (see pages 20-21).

The Problems with the Gonski Report

The funding of private schools is contentious and complex. The Review of Funding for Schooling that was meant to resolve this issue has not done so, and the implementation of the report's recommendations has been derailed by the current federal government.

The faults in the Gonski recommendations are dealt with in detail in Appendix 3 The Problems with the Gonski Model.

In summary:

1. The serious flaw in the Gonski school funding model (as legislated in Clause 54 of the Australian Education Act 2013) is its continuation of the socio-economic status funding model. In fact, the new funding model as legislated is in one respect worse than the model that it replaces in that it gradually removes the compensation paid to

schools that would have been penalised by the SES funding model, thus exposing them to its full perverse effects.

2. The reporting and commentary on the previous school funding model, on the compensation some schools received because of its injustice, on the Gonski report and on the subsequent legislation have been highly misleading and inaccurate, with the consequence that the general line pushed to the public is that the SES funding model has been replaced when in fact it has been entrenched.

3. One problem in Australia education is the social segregation of our schools. This social segregation lowers overall education achievement. The SES funding model is the main reason that we have social segregation. Any potential increase in social segregation in education has been thus far been held back by the compensation paid to those schools that would be punished by the application of the SES funding model. The removal of this compensation is likely to increase social segregation and thus work against an improvement in levels of achievement.

4. In addition, the relabelling of the SES funding model as “capacity to contribute”, while sufficient to fool just about every journalist and commentator in the country, changes the conceptual basis on which education is funded and thus increases the pressure for means-tested fees in government schools.

5. The method of determining the schooling resource standard is completely illogical as it ignores the prime cost driver in education – teacher employment – and includes varying costs in different jurisdictions that have nothing to do with educational achievement in order to produce an artificial national figure.

6. A funding model that would lower social segregation in education must take account of the school’s actual resources, not a theoretical capacity to contribute based on census collector districts. The funding model must also recognise the key role of teachers in educating children and be based on an explicit staffing formula that allows a long-term settlement of teaching conditions in the country. Finally, the funding model must allow for variations in costs and policies in each jurisdiction.

The task of the next Victorian government is to align the private school funding model with the need for social integration of students. The scope it has to do so will be limited by federal policy and it is a political and legal issue as to how to proceed.

Funding Private Schools

The Victorian government has funded its schools on a mostly per student basis since 2005. However, it also has base funding for each school (Student Resource Package).

The inclusion of base funding in the new federal funding system would have certain advantages. Specifically, it provides a mechanism for states and territories to have some flexibility in the funding of their own systems, while preserving the integrity of the school resource standard, and it provides an intellectual basis for the differential public funding of private schools as opposed to public schools. In the absence of a federal system, Victoria ought to continue with base funding for government schools and support private schools on the basis that they obtain base funding from the fees of their parents.

Size loadings, as in the Gonski report, are an unnecessary complication and have the effect of allocating extra funds inefficiently in that they will be applied to two small schools near each other when one school would be sufficient to meet the educational needs of the community. It is a misuse of public funds for two small schools near each other to get extra public funding because they are small. A base funding factor would not provide public support to two small schools near each other because the public authority would make (ideally) rational decisions about the locations of its schools as it would be the body paying the base funding for each one, whereas private school authorities wishing to establish a small school would be responsible for their own base funding. If they decided to establish another small school, they, not the taxpayer, ought to be responsible for the extra costs incurred by virtue of its small size.

Base funding allows the states and the territories to make reasonable planning decisions about where to locate schools and to have some flexibility in funding them. It is not necessary that the base funding amount be mandatory, only that it be provided for. Victoria phases out the base amount as enrolments increase. Again, there is no necessity for a phasing out being mandatory. Indeed, there are good arguments against having it phased out.

If base funding is included, it is necessary to recalculate the schooling resource standard. The logical basis is that the state and territory authorities plan where schools are needed. If a private school wishes to establish in the same area, it is illogical for the public purse to pay twice for the base funding of the school, though not illogical for it to pay for the marginal recurrent cost of any student in the private school (subject to various other requirements, particularly student needs). Thus, the base funding amount should determine the amount of fees a private school may charge before its public funding is reduced.

In the case of a primary school, the base funding factor is based on a minimum of two teachers; i.e., the equivalent of the funding for 30 students at the prep to year 2 rate (\$9,225), or \$276,750 in total. There can be different points of a view on the viable minimum size of a school. If the minimum size of a viable primary school is set at 14 classes of 21 students (the ideal class size for prep to year 2) or 294 students in total, the base funding works out at \$941 per student. We can expect the private school parents to contribute that amount and for the public purse to contribute the full SLE provided certain conditions (detailed later) are met. If the school charges fees above \$941 (leaving aside capital costs), public support should reduce. The school would not be required to charge \$941. It could charge any amount it liked below that figure and still get full public support at the marginal recurrent cost per student rate.

In the case of a secondary school, the base funding factor is based on a minimum of eight teachers; i.e., the equivalent of the funding for 120 students at the secondary rate (\$9,225), or \$1,107,000 in total. If the minimum size of a viable secondary school is set at four classes of 25 students at years 7 to 11 (the ideal class size for years 7 to 12) and a 90 per cent retention rate to year 12 or 590 students in total, the base funding works out at \$1,876 per student. We can expect the private school parents to contribute that amount and for the public purse to contribute the full SLE provided certain conditions (detailed later) are met. If the school charges fees above \$1,876

(leaving aside capital costs), public support should reduce. The school would not be required to charge \$1,876. It could charge any amount it liked below that figure and still get full public support at the marginal recurrent cost per student rate.

If the minimum viable school sizes are determined to be greater than those above, the fee level at which public funding would start to reduce would be lower.

The concept of a base funding factor provides a more logical and publicly justifiable basis for determining the cut-off level for private schools support than the arbitrary recommendation that private school fees be assumed to be 10 per cent of the SRS, particularly as the level of private school fees would have no effect on public funding if the SES model or parental capacity to pay were to be the method for determining the level of public funding.

The provision of full public support to the poorest private schools would not be more costly than the 10 per cent deduction recommended from the SRS because the amount under this system is the marginal cost amount and there are no size loadings.

School Eligibility

There needs to be a clarification of what the differences between public and private education actually are. Both systems teach the same curriculum. Both systems are subject to oversight by government education authorities. Both systems employ teachers trained in the same way and who must be registered in the same way and who must uphold the same set professional standards and ethics. Both systems, with the exception of some expensive private schools, pay their teachers the same sort of salaries. Conditions are somewhat worse in terms of teaching loads and class sizes in Catholic schools, but not in the more expensive private schools.

Government schools used once to be owned by the public, but in this era of public private partnerships even that is no longer necessarily the case.

The differences are in ethos and enrolment policies. We can hardly refuse parents the right to enrol their children in any school they wish if that school meets the legal requirements. That does not mean that the taxpayer must fund whatever choice the parents make.

All schools have an ethos. Many parents choose private education because they have particular religious values. Others do so because they think that private schools will provide a higher academic standard or better discipline. The evidence for the former is scanty indeed as the general higher performance of private schools in VCE exams and the like is entirely due to the social class enrolled in them and once students are enrolled in university the advantage disappears. It is also the duty of the state to ensure that government schools provide strong discipline and high academic standards. As Victoria has not had compulsory zoning for decades, parents have the freedom to choose any government school that has room for their students. They can look at the ethos of government schools too.

The enrolment policy may be faith-based or it may be wealth-based. There can be no argument that compels parents to make their children mix with other children they do not want them to mix with. The argument is not against high-fee schools, but against

unnecessary subsidies to high-fee schools, which exclude disadvantaged children, which lower the overall educational achievement of the nation by the social segregation that they create and which add to overall inefficiency by unnecessarily multiplying the number of schools in existence.

Schools eligible for the student learning entitlement must meet certain public purposes, including a commitment to a system that distributes the best teachers among all schools, not one that allows them to concentrate in the best-off schools. It is inequitable that education be treated purely as a market in which the better off can buy better teachers and thus entrench their advantage.

Thus the issue of teacher pay cannot be avoided in any discussion of a quality education system. In particular, there needs to be system that distributes the best teachers among all schools, not one that allows them to concentrate in the best-off schools. That means that the cost per student must fund pay levels for some teachers above the ordinary; i.e., that the funding level covers these costs in all schools in the system.

Schools eligible for the student learning entitlement must meet certain public purposes, including a commitment to low fees. High fee private schools will always be with us and will always be able to take the wealthiest members of the community out of the public system, irrespective of the amount of public money granted to them. The social problem arises not when one group of schools covers the bottom 95 per cent of income levels. It arises when it covers the bottom 45 per cent of income levels. It is contrary to good public policy for the taxpayer to assist in establishing a highly income-segregated education system.

Schools eligible for the student learning entitlement must meet certain public purposes, including democratic governance. That means that they must be largely run by elected councils of parents and teachers, on which parents form the majority. This does not mean that a larger organisation cannot direct such schools to some extent just as the existence of school councils in Victorian public schools does not mean that the Victorian Department of Education and Early Childhood Development cannot direct them.

To be eligible for the SLE, private schools would have to meet the usual standards set for all schools. In addition, they would have to set low fees and be subject to governance by school councils that represented both the parents and the teachers in the schools, with the parents forming the majority on those councils.

As the aim of the funding model is to reduce social segregation, all fully funded private schools would be required to provide on a non-scholarship basis at least five per cent of their enrolment at half-fees and at least one per cent at no fees. The government would fund all 6 per cent at an additional half-fee amount, meaning that a private secondary school would be expected to find efficiencies equivalent to \$5534 in a budget of \$6,549,750, or less than one tenth of one per cent.

The current Victorian Financial Assistance Model needs to be revised in such a way that the state government first determines the federal funding of each private school and uses state funds to meet state policy objectives.

The current 25 per cent of average costs needs to be divided into a basic per student amount and specific loadings for disadvantage in accordance with the Gonski report principles.

The implementation of these funding arrangements will be constrained by the 2013 funding agreement with the federal government. How constrained only time will tell.

Funding Summary

<u>Category of Funding</u>	<u>Public</u>	<u>Private</u>
Base Funding Per school	State/territory governments (<\$276,750/\$1,107,000)	Fees
SLE (\$7,736 /\$9,225) Per student	State/federal governments	State/federal governments (phased down from fees \$941/\$1,876) Fees (phased up from\$941/1,876)
Special Needs ESL Per student	State/federal governments	State/federal governments
Disability Per student	State/federal governments	State/federal governments
SES Per student	State/federal governments	State/federal governments (conditions-based)
Concentration of Disadvantage Per school	State/federal governments	State/federal governments (conditions-based)
Program Per school	State/federal governments	State/federal governments/Fees

4. Aligning the teacher career structure with student learning

For more than 30 years parents, students and teachers have been told that we need a career structure that rewards the best teachers for remaining as full-time teachers in the classroom. On several occasions, the claim has been made that such a career structure has been delivered. Every such claim has been a lie. Every career structure (from the introduction of advanced skills level 2 and 3 teachers to the various versions of leading teachers) that pretended to give substantial rewards to classroom teachers in fact required them to take on leadership duties outside the classroom. The one reform that did reward classroom teachers (advanced skills teacher level 1) provide a trivial payment of about \$10 a week after tax.

It is time to ensure that those rewards do exist and that students throughout the state have access to the best classroom teachers. This is not to downgrade the leadership positions that schools have, which are equally essential to the educational effectiveness of the system.

It is also essential to focus leadership positions in schools on student learning, which means taking account of subject expertise.

Rewarding the best teachers to stay in the classroom and ensuring that key priorities have leadership positions are principles that need also to be applied in private schools in receipt of government funding, though those schools ought to retain some flexibility in the process and nature of those roles.

There are two phases for this change in the government system. The first is to introduce the leading teacher (classroom) category as an addition to the staffing schedule of schools. The second is to establish a defined promotion schedule for each school in the state that integrates these leadership positions with those for leading teachers (classroom). The first phase establishes and appoints the new category. The second ensures that the new positions and the traditional leadership positions form a whole for each school.

Phase One

The proposal is to add 2,000 leading teachers (classroom) to the current number of teachers in our schools, with approximately 1,000 for the top two-thirds of schools – about 500 in secondary schools and about 500 in primary schools – and approximately 1,000 for the most disadvantaged schools, specifically the bottom third by socio-economic disadvantage – also about 500 in secondary schools and about 500 in primary schools. In addition, to cater for the larger primary enrolment, the proposal is to appoint approximately 500 additional leading teachers (classroom) to primary schools from within the existing teacher numbers – about 250 for the top two-thirds of schools and 250 for the bottom one third.

Disadvantaged schools would receive one leading teacher (classroom) for every 150 students. Other schools would receive one leading teacher (classroom) for every 300 students. Part-time positions would be provided at a minimum fraction of 0.8, meaning that every school with more than 240 students would have at least one and every disadvantaged school with more than 120 students would have one. If disadvantaged schools are spread evenly across the enrolment bands, that would cover more than 90 per cent of secondary schools and more than half our primary schools. It is not possible to provide LTCs to all primary schools given that so many of them are very small, but these schools would have leading teachers or principals with higher teaching skill with significant classroom commitments.

Leading teachers appointed as outstanding classroom teachers in secondary schools would be required to teach a minimum of 20 periods; in primary schools, 20 hours. Leading teachers (classroom) would not be eligible for time allowance positions as the whole intent of the classification is to keep the best teachers in the classroom. If such teachers want time allowance positions they have the option of applying for the other stream of leading positions. The small reduction from the maximum teaching load is to allow time for mentoring of student teachers and beginning teachers.

The tables below show the enrolment bands for government schools in Victoria.

Primary Schools

25 and under	106
25.1-100	206
100.1-200	214

200.1-300	184	
300.1-400	152>	
400.1-600	206>	
600.1-800	50>	
800.1+	17>	435
	<hr/>	
	1,137	

435 primary schools would get full-time leading teachers (classroom). An estimated 600-plus would get full-time or part-time leading teachers (classroom) once the lower ratio for disadvantaged schools is taken account of.

Primary-Secondary Schools

25 and under	1	
25.1-100	4	
100.1-200	15	
200.1-300	15	
300.1-400	4>	
400.1-600	8>	
600.1-800	7>	
800.1+	21>	40
	<hr/>	
	75	

40 primary-secondary schools would get full-time leading teachers (classroom). An estimated 50-plus would get full-time or part-time leading teachers (classroom) once the lower ratio for disadvantaged schools is taken account of.

Secondary Schools

25 and under	3	
25.1-100	4	
100.1-200	13	
200.1-300	19	
300.1-400	22>	
400.1-600	44>	
600.1-800	24>	
800.1+	116>	206
	<hr/>	
	245	

206 secondary schools would get full-time leading teachers (classroom). An estimated 220-plus would get full-time or part-time leading teachers (classroom) once the lower ratio for disadvantaged schools is taken account of.

Special Schools

25 and under	1	
25.1-100	30	
100.1-200	31	
200.1-300	9>	
300.1-400	5>	14
400.1-600		
600.1-800		
800.1+		
	<hr/>	
	76	

All special schools would be regarded as disadvantaged. Some 30 special schools would get full-time leading teachers (classroom). An estimated 40 would get full-

time or part-time leading teachers (classroom).

(From **TABLE 11: NUMBER OF SCHOOLS BY SIZE, SCHOOL TYPE AND SECTOR, FEBRUARY 2012**, *Summary Statistics Victorian Schools 2012*

<http://www.education.vic.gov.au/Documents/about/department/2012summarystats.pdf>)

(The 2013 figures do not make sense)

Leading Teacher (Classroom) Numerical Calculations

2000 LT (C)

1000 primary/1,000 secondary

1,000 top two thirds/1,000 bottom one third

Plus 500 LT(C) appointed within existing primary teacher numbers

Primary students 315,030

Bottom one third by SES 105,010 /500 LT(C) = 210

105,010/750 LT(C) = 140

Remainder 210,020 /500 LT(C) = 420

210,020 /750 LT(C) = 280

Secondary students 219,755

Bottom one third by SES 73,252 /500 LT(C) = 146

Remainder 146,503 /500 LT(C) = 293

(*Summary Statistics Victorian Schools 2013*

<http://www.education.vic.gov.au/Documents/about/department/2013summarystats.pdf>)

c40,000 teachers

30 per cent as promotion = 12,000

Prins 1500

VPs 1500

LTs 9000

LT(C)s 2500

= one in every 16 teachers

= one in every 3.6 LTs

Phase Two

Schools, particularly secondary schools, have gradually lost their focus on curriculum, and thus leadership positions in subject areas have been downgraded, while those to do with student discipline and management have been upgraded. It is time to reverse this trend and to focus schools on their educational purposes. One way of doing this is to require schools to appoint leading teachers to lead subject areas. However, it is important that education be seen as much more than the traditional academic disciplines, fundamental though they are. It is also important that teachers from all subject areas have a reasonable chance of becoming principals and vice principals to ensure that those positions can be filled on merit and not be restricted to teachers of traditional disciplines. Thus, schools ought to be required to appoint leading teachers across all curriculum areas, not just in the traditional academic ones. It is not possible

for every school to have leading teachers in charge of every subject, so a combination of central direction and local flexibility is required to meet the needs of the system as a whole.

This paper would require schools to have the following management structure:

1. principal
 2. curriculum coordinator (including learning technologies, professional development and the curriculum aspects of equal opportunity) (vice principal if there is one, otherwise LT if there is one)
 3. discipline and welfare coordinator (including the relevant aspects of equal opportunity) (vice principal if there is one, otherwise LT if there is one,)
 4. operations coordinator (timetable, daily organisation, calendars, buildings and grounds, etc) (vice principal if there is one, otherwise LT if there is one)
- (In the case of a school with funding for one vice principal, the curriculum coordinator would be the vice principal. In the case of a school with funding for two vice principals, the curriculum coordinator and discipline and welfare coordinator would both be vice principals. In the case of a school with funding for three vice principals, the curriculum, discipline and welfare and operations coordinators would each be vice principals.)

Schools that have fewer than three vice principals would be able to combine the above roles into two positions if they wished.

In the case of a primary school, the first leading teacher appointed would be the literacy convenor, the second leading teacher appointed would be the numeracy convenor, the third leading teacher appointed would be the early years convenor, the fourth leading teacher appointed would be the convenor of a creative area (art, music, projects, gardening, community engagement, etc), and the fifth leading teacher appointed would be a leading teacher (classroom). These positions could be part-time, as long as they were at least 0.6.

Leading teachers in small schools could combine the roles for vice principals with the subject-based roles that would be taken by vice principals in larger schools.

In the case of a secondary school, the first leading teacher appointed would be the English convenor, the second leading teacher appointed would be the maths convenor, the third leading teacher appointed would be the history or geography or languages convenor, the fourth leading teacher appointed would be the science or technology convenor, the fifth leading teacher appointed would be the convenor of a creative area (art, music, projects, gardening, community engagement, etc), and the sixth leading teacher appointed would be a leading teacher (classroom). These positions could be part-time, as long as they were at least 0.6.

All schools would be required to fill their remaining allocation of leading teacher (positions) with leading teachers (classroom) until they had one leading teacher (classroom) for every 300 students. Disadvantaged schools would continue to have leading teachers (classroom) centrally allocated on the basis of one for every 150 students.

Primary School Promotion Positions

<u>Enrolment</u>	<u>Promotion Positions</u>
60	1.8 1 principal, 0.8 leading teacher (literacy)
80	2.2 1 principal, 2 X 0.6 leading teachers (literacy, numeracy)
100	2.6 1 principal, 2 X 0.8 leading teachers (literacy, numeracy)
120	3.0 1 principal, 2 leading teachers (literacy, numeracy)
140	3.4 1 principal, 3 X 0.8 leading teachers (literacy, numeracy, early years)
160	3.8 1 principal, 1 vice principal, 3 X 0.6 leading teachers (literacy, numeracy, early years)
180	4.2 1 principal, 1 vice principal, 3 X 0.6/0.8 leading teachers (literacy, numeracy, early years)
204	4.6 1 principal, 1 vice principal, 3 X 0.8/1.0 leading teachers (literacy, numeracy, early years)
228	5.0 1 principal, 1 vice principal, 3 X leading teachers (literacy, numeracy, early years)
252	5.4 1 principal, 1 vice principal, 4 X 0.8/1.0 leading teachers (literacy, numeracy, early years, creative)
276	5.8 1 principal, 1 vice principal, 4 X 0.8/1.0 leading teachers (literacy, numeracy, early years, creative)
300	6.2 1 principal, 1 vice principal, 5 X 0.8/1.0 leading teachers (literacy, numeracy, early years, creative, classroom)
324	6.6 1 principal, 1 vice principal, 5 X 0.8/1.0 leading teachers (literacy, numeracy, early years, creative, classroom)
348	7.0 1 principal, 1 vice principal, 5 X leading teachers (literacy, numeracy, early years, creative, classroom)
372	7.4 1 principal, 2 X 0.8/1.0 vice principals, 5 X 0.8/1.0 leading teachers (literacy, numeracy, early years, creative, classroom)
420	8.2 1 principal, 2 X 0.8/1.0 vice principals, 5 X 0.8/1.0 leading teachers (literacy, numeracy, early years, creative, classroom), 1 leading teacher (open)
464	9.0 1 principal, 2 X vice principals, 5 X leading teachers (literacy, numeracy, early years, creative, classroom), 1 leading teacher (open)
508	9.8 1 principal, 2 vice principals, 5 X 1.0 leading teachers (literacy, numeracy, early years, creative, classroom), 2 X 0.8/1.0 leading teachers (open)
552	10.6 1 principal, 2 vice principals, 5 X 1.0 leading teachers (literacy, numeracy, early years, creative, classroom), 3X 0.8/1.0 leading teachers (open)
596	11.4 1 principal, 2 vice principals, 6 X 1.0 leading teachers (literacy, numeracy, early years, creative, 2 X 0.8/1.0 classroom), 2X 0.8/1.0 leading teachers (open)
640	12.2 1 principal, 2 vice principals, 6 X 1.0 leading teachers (literacy, numeracy, early years, creative,

..... 2 X 0.8/1.0 classroom), 3-4 X 0.8/1.0 leading
 teachers (open)
 684 13.0 1 principal, 3 X 0.8/1.0 vice principals, 6 X 1.0 leading
 teachers (literacy, numeracy, early years, creative,
 2 X 0.8/1.0 classroom), 2 0.8/1.0 leading
 teachers (open)

Secondary School Promotion Positions

<u>Enrolment</u>	<u>Promotion Positions</u>
90	4.2 1 principal, 3.2 leading teachers (English, maths, history or geography or languages, science or technology)
120	4.8 1 principal, 3.8 leading teachers (English, maths, history or geography or languages, science or technology)
150	5.4 1 principal, 1 vice principal, 3.4 leading teachers (English, maths, history or geography or languages, science or technology)
180	6.0 1 principal, 1 vice principal, 4 leading teachers (English, maths, history or geography or languages, science or technology)
210	6.6 1 principal, 1 vice principal, 4.6 leading teachers (English, maths, history or geography or languages, science or technology, creative)
240	7.2 1 principal, 1 vice principal, 5.2 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom)
270	7.8 1 principal, 1.8 vice principals, 5/6 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom)
300	8.4 1 principal, 1.8 vice principals, 5.6 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom, open)
330	9.0 1 principal, 1.8 vice principals, 6.2 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom, open)
360	9.6 1 principal, 2 vice principals, 6.6 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom, open)
420	10.8 1 principal, 2 vice principals, 7.8 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom, open)
450	10.2 1 principal, 2 vice principals, 8.4 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom, open)
480	10.2 1 principal, 2 vice principals, 9.0 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom, open)
510	12.6 1 principal, 2 vice principals, 9.6 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom, open)

540	13.2	1 principal, 2 vice principals, 10.2 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom, open)
570	13.8	1 principal, 2 vice principals, 10.8 leading teachers (English, maths, history or geography or languages, science or technology, creative, classroom, open)
600	14.4	1 principal, 2.8 vice principals, 10.6 leading teachers (English, maths, history or geography or languages, science or technology, creative, 2 classroom, open)

Some flexibility must be allowed at the school level for different time fractions in promotion positions provided that the integrity of the system is preserved.

Panels for leading teacher and vice principal positions would consist of the principal (or LT or VP nominee), a merit and equity trained nominee of the appropriate professional association (eg VATE for English convenor), and one or two elected teachers (at least one an LT or VP). The choice of candidate for LT or VP positions must be by consensus. The department of education should establish professional associations in areas where there are none. Panels for principal positions would consist of the school council president (if a parent), a parent elected by the school council, a merit and equity trained principal class person from outside the school appointed by the Victorian Institute of Teaching and two elected teachers (at least one an LT or VP). The vote for appointment would have to be four to one.

It is important to improve the quality of teaching in our schools. One step is to put the best person in charge of each teaching department in a school. Academic qualifications are one aspect of the best person. In the long term, consideration should be given phasing in a requirement for an honours degree or graduate diploma for subject convenors at leading teacher level in schools. (It is important to improve the quality of teaching in our schools. One step is to put the best person in charge of each teaching department in a school. Academic qualifications are one aspect of the best person.) One long term consequence of this will be the lifting of the academic level of the principal class as members of it will likely have been leading teachers first.

The system should also provide an option of a 'sabbatical' for a term or a year for principals to act as classroom teachers on full principal pay.

5. Returning to permanent employment as the standard

The growth of casual employment is an outcome of the modern mantra of 'flexibility', which has been imposed upon society as the forces of globalisation and economic rationalism have combined to exercise dominant power in Australia. In education in Victoria this retreat to the nineteenth century saw a government commit itself to a 30 percent target for teachers on contracts. In fact, all new teachers are appointed on contracts, and many face the prospect of annual (or more frequent) re-application for their own jobs - with all sorts of disastrous consequences for the individuals concerned and for the wider interests of the education system.

A rational system would end this unfair and inefficient method of employment.

The disadvantages of contract employment may be summarised as follows:

- * It downgrades the whole profession of teaching because those starting in it face such insecurity of employment that they cannot undertake other commitments in life, such as buying a house or a car.
- * It diverts the energy required for doing the demanding job of teaching into the task of applying for job after job.
- * It diverts school leadership teams from the task of overseeing the provision of a good education to the endless round of advertising, writing of job descriptions, reading applications and interviewing.
- * It detracts from the independence of the profession because teachers employed under contracts are more likely to operate out of fear than good judgement: they will not speak up for good educational practice in a school with a powerful authoritarian principal committed to the current government's dismantling of the state education system.
- * It creates a climate of uncertainty and unrest.
- * It undermines morale and leads thereby to a less effective workforce.
- * It deprives schools of stable teaching teams with the consequent need to continually induct new teachers into the ways of the particular place and with deleterious effects on students who cannot build stable bonds with known teachers.
- * It undermines the development of a school culture because the longterm memory of the institution fragments and dissipates.
- * It discourages able, confident people from entering teaching because they will not subject themselves to such a bizarre and debilitating future.

Schools work well when they are run by enthusiastic, intelligent professionals who have exercised their democratically expressed professional judgment over a period of time to build an effective, humane and unified institution which focuses on the real goals of teaching and learning. Secure, permanent employment underpins the freedom such professionals have to contribute their talents to building such schools. Contract employment destroys it.

The only argument that supports contracts is that which says the system, with its inevitable rises and falls in enrolments and the taking of leave by its employees, cannot afford to employ more people than it needs. In other words, it cannot replace people on leave with new permanent employees or teacher numbers will grow of their own accord, rather than in response to the clear needs of schools for more teachers. This unrestrained growth is not a problem at the moment, as the system is currently several thousands short of the number of teachers it needs to function properly. But once that shortage is corrected, it will be a problem. It is therefore necessary to employ teachers on contracts to replace permanent employees on leave. However, even that need can be reduced by a system of relieving teachers.

One key reform is to re-establish the education *system*. Currently, schools are seen as competing small businesses with all the inefficiencies that that entails. Over 1500 schools do the same work over 1500 times because there is no system to take advantage of economies of scale. Each school principal determines leave applications and then has to find a replacement in competition with other schools. A system would administer leave and allocate its overall resources to areas of need.

A system would also oversee the changing needs of individual schools as enrolments rose and fell. When we return to permanent employment as the standard for school employees, we need a mechanism for transferring teachers into schools with rising enrolments and out of schools with falling enrolments. Permanent employment cannot mean permanent employment at one school. It means permanent employment in the system.

There are good reasons - not pursued in this paper - to link schools more closely with local government. Setting up school districts based on local government areas makes sense. In that case, the larger of such districts would have a pool of relieving teachers available to replace teachers on leave. Smaller districts would be combined for such purposes.

Where no local reliever was available and none could be procured from an adjoining district, the school would employ a contract teacher for a period up to a year. If the teacher being replaced did not return at the end of a year and the school's establishment had a relevant vacancy, the school would be expected to transfer the contract teacher to permanent employment without further advertisement of the position, unless it regarded the contract teacher as unsatisfactory, the latter decision being subject to appeal by such teacher.

There need to be certain conditions attached to permanent employment. It should not need saying that unethical or unprofessional behaviour can lead to dismissal. The change here proposed is that the onus of proof moves to those doing the sacking. The procedures to be followed in such cases are outside the scope of this paper.

In the case of a school whose number of teachers exceeds its staffing establishment, the principal would declare an excess subject area and call for volunteers, for the obvious reason that free choices made by individuals lack the negative consequences of being declared not the best. If no volunteer came forward, the principal would name the teacher whose level of skill and suitability for that school was least. Safeguards against discrimination would apply. No teacher who had been transferred into the school as an excess teacher could again be named in excess. The excess teacher would be transferred by the system to a vacancy for which he or she was qualified within the school's district or the teacher's residential district or a school district adjacent to the teacher's residential district. In country districts where such a policy may lead to excessive travel times, there would be an additional transfer limit of 45 minutes' travelling time one way.

During the period in which no such vacancy was available, the excess teacher would remain at the original school with his or her salary coming out of the school's budget. The reason for this requirement is the need to share equitably the system's resources among schools. No school should gain an advantage from having excess teachers on its staff. Schools would be required to give such teachers a teaching allotment for the majority of the week, not simply extras. This requirement maintains the teacher's skills and morale. The teaching loads of other teachers would be reduced to allow them to take the additional extras no longer funded out of the CRT budget.

In the case of a school with an excess teacher and a short term vacancy, the school would be required to cover such a vacancy internally where possible. A relieving teacher or a contract teacher would be employed only when the subject qualifications of the teachers within the school prevented the vacancy being covered by them. The CRT component of the global budget would be restored for the period the excess teacher was back in the establishment.

At the start of term four in any year, any excess teacher from the previous year still not placed in an ongoing vacancy would be given the first choice of relevant vacancies arising in any school (with appropriate removal expenses for one at a greater distance from home), then the choice of a vacancy as a district reliever or voluntary redundancy. This process ensures that no school budget carries an excess teacher salary beyond one year. It also ensures that the teacher concerned has several opportunities to be re-integrated into a school in an ongoing capacity. It affirms that excess processes are not a way of punishing teachers or dealing with unsatisfactory teachers. They are a requirement produced by the need for the system as a whole to allocate its teachers fairly across all schools.

To facilitate stability of teachers within schools, long service leave would be allowed for a minimum of the whole of a term.

The particular problem of seven-year family leave would be dealt with by good long term planning. A teacher returning from family leave has to notify the principal the year beforehand of when he or she intends to return, so every school knows its situation before a school year begins. The problem arises when a school replaces a teacher on family leave with an ongoing employee and the teacher on such leave returns at a time that creates an excess situation in the school. This problem is exacerbated when more than one teacher returns in such circumstances. The system needs to keep track of family leave and match those returning with suitable vacancies in other schools when their circumstances change (eg, a change of residence). In other cases, the normal non-discriminatory excess procedures would apply.

Conclusion

The proposals above are designed to move away from the excessive regard for “flexibility” and to establish a centrally purposed education system that lifts student achievement by respecting and supporting teachers.

Chris Curtis

1/7/2014

Appendix 1 Staffing Calculations

Staffing and Conditions (Primary) Table

Enr	Est	Prom	Pri	VPs	LTs	TchH	NC	ClassH	NA	NA2	LiHs	NA3	P&C	SLP
18	1.8	1	1	0	0	66	1	25			3		28	12
20	2	1	1	0	0	74	1	25			3		28	13
30	3	1	1	0	0	110	1.5	37.5			4		41.5	18
40	4	1.2	1	0	0.2	147	2	50			6		56	23
60	6	1.8	1	0	0.8	221	3	75			8		83	33
80	7.3	2.2	1	0	1.2	268	4	100			10		110	43
100	8.7	2.6	1	0	1.6	320	5	125			12		137	53
120	10	3	1	0	2	368	6	150			14		164	63
140	11.3	3.4	1	0	2.4	415	7	175			16		191	73
160	12.7	3.8	1	1	1.8	467	8	200			17		217	81
180	14	4.2	1	1	2.2	515	9	225			18		243	83
204	15.3	4.6	1	1	2.6	562	10	250			19		269	86
228	16.7	5	1	1	3	614	11	275			20		295	89
252	18	5.4	1	1	3.4	662	12	300			21		321	91
276	19.3	5.8	1	1	3.8	709	13	325			22		347	94
300	20.7	6.2	1	1	4.2	761	14	350			23		373	96
324	22	6.6	1	1	4.6	809	15	375			24		399	99
348	23.3	7	1	1	5	856	16	400			25		425	102
372	24.7	7.4	1	1.8	4.6	908	17	425			26		451	104
420	27.3	8.2	1	1.8	5.4	1003	19	475			28		503	109
464	30	9	1	2	6	1103	21	525			30		555	115
508	32.6	9.8	1	2	6.8	1198	23	575			32		607	120
552	35.3	10.6	1	2	7.6	1297	25	625			34		659	125
596	38	11.4	1	2	8.4	1397	27	675			36		711	130
640	40.6	12.2	1	2	9.2	1492	29	725			38		763	135
684	43.3	13	1	2.8	9.2	1591	31	775			40		815	141
728	46	13.8	1	2.8	10	1691	33	825			42		867	146
772	48.6	14.6	1	3	10.6	1786	35	875			42		917	151
816	51.3	15.4	1	3	11.4	1885	37	925			42		967	156
860	54	16.2	1	3	12.2	1985	39	975			42		1017	161

Notes to Staffing and Conditions (Primary) Table

Column A – Student Enrolment

Column B – Staffing Establishment at Base of 2.0 and Enrolment Factor of 1.0 teacher per 15 students for the first 180 students, then of 1.0 teacher per 18 students, provided that any school with more than 180 prep-year2 students would have the Enrolment Factor for them remain at 1.0 teacher per 15 students.

Column C – Number of Promotion Positions at 30 per cent of Establishment

Column D – Number of Principal Positions (always 1.0)

Column E - Number of Vice Principal Positions (1.0 at 160 students, phased up to 3.0 at 772 students). The Numbers vary from those in secondary schools because they are related to the number of staff, not the number of students.

Column F – Number of Leading Teacher Positions (= Number of Promotion Positions minus Principal and Vice Principal positions)

Column G – The total number of Teacher Hours provided by the Establishment at 36.75 per teacher. This is equivalent to 21 teaching hours and 15.75 hours for preparation and correction.

Column H- The Number of Classes.

Column I – The number of Class Hours to be timetabled based on 25 hours a week for every class in Column H.

Column J – Primary schools do not have Student Welfare Co-ordinators.

Column K - Primary schools do not have Careers Teachers.

Column L - The number of hours for the Librarians, starting at 3.0 and phased up to 16.0 for a school with 8 classes and then 1.0 per class to a maximum of 42.

Column M – Primary schools do not have Home Groups.

Column N – The number of Preparation and Correction Hours, equal to the number of Class Periods and Librarian Periods on the basis that one hour of student contact creates three quarters of an hour of other work.

Column O – The School Leadership Pool (for principal time, subject coordination, level coordination, etc), phased in to be calculated from an enrolment of 160 students as a base of 60 hours and 2.6 hours per teacher in the Establishment. Every 20 P-2 students/24 3-5 students provide 1.33 teachers, who provide 2.6 hours towards the SLP. The remaining hours come out of the Base factor.

Column P – Principal Class Administration Time phases in to be calculated from an enrolment of 160 students as a base of 12 hours and 1.5 hours per teacher in the Establishment.

Column Q - Principal Class Teaching Time, calculated by deducting the Principal Class Administration Time from (the Number of Principal Class Positions times 36.75 hours).

Column R – The Non-Principal Class School Leadership Pool, calculated by deducting the Principal Class Administration Time from the total School Leadership Pool.

Column S – The number of Class Teaching Hours left after the provision for Librarians and the School Leadership Pool.

Column T – The discrepancy between the number of Class Teaching Hours available (Column S) and those required (Column I). There is a surplus in all cases.

Staffing and Conditions (Secondary) Table

Enr	Est	Prom	Prin	VPs	LTs	TchrPs	N.Cls	ClaPs	SWcPs	CaPs	LiPs	HGPs2	P&C
90	14	4.2	1	0	3.2	602	4	120	10	10	16	2	1
120	16	4.8	1	0	3.8	688	5.333	160	10	10	17	3	2
150	18	5.4	1	1	3.4	774	6.667	200	10	10	18	4	2
180	20	6	1	1	4	860	8	240	11	11	20	4	2
210	22	6.6	1	1	4.6	946	9.333	280	11	11	21	5	3
240	24	7.2	1	1	5.2	1032	10.667	320	11	11	22	6	3
270	26	7.8	1	1.8	5	1118	12	360	12	12	24	6	4
300	28	8.4	1	1.8	5.6	1204	13.333	400	12	12	25	7	4
330	30	9	1	1.8	6.2	1290	14.667	440	12	12	26	8	4
360	32	9.6	1	2	6.6	1376	16	480	13	13	28	8	5
390	34	10.2	1	2	7.2	1462	17.333	520	13	13	29	9	5
420	36	10.8	1	2	7.8	1548	18.667	560	13	13	30	10	6
450	38	11.4	1	2	8.4	1634	20	600	14	14	32	10	6
480	40	12	1	2	9	1720	21.333	640	14	14	33	11	7
510	42	12.6	1	2	9.6	1806	22.667	680	14	14	34	12	7
540	44	13.2	1	2	10.2	1892	24	720	15	15	36	12	7
570	46	13.8	1	2	10.8	1978	25.333	760	15	15	37	13	8
600	48	14.4	1	2.8	10.6	2064	26.667	800	15	15	38	14	8
630	50	15	1	3	11	2150	28	840	16	16	40	14	9
660	52	15.6	1	3	11.6	2236	29.333	880	16	16	41	15	9
690	54	16.2	1	3	12.2	2322	30.667	920	16	16	42	16	10
720	56	16.8	1	3	12.8	2408	32	960	17	17	44	16	10
750	58	17.4	1	3	13.4	2494	33.333	1000	17	17	44	17	10
780	60	18	1	3	14	2580	34.667	1040	17	17	44	18	11
810	62	18.6	1	3	14.6	2666	36	1080	17	17	44	18	11
840	64	19.2	1	3	15.2	2752	37.333	1120	17	17	44	19	12
870	66	19.8	1	3	15.8	2838	38.667	1160	17	17	44	20	12
900	68	20.4	1	3	16.4	2924	40	1200	17	17	44	20	12
930	70	21	1	3	17	3010	41.333	1240	17	17	44	21	13
960	72	21.6	1	3	17.6	3096	42.667	1280	17	17	44	22	13
990	74	22.2	1	3	18.2	3182	44	1320	17	17	44	22	14

Notes to Staffing and Conditions (Secondary) Table

Column A – Student Enrolment

Column B – Staffing Establishment at Base of 8.0 and Enrolment Factor of 1.0 teacher per 15 students

Column C – Number of Promotion Positions at 30 per cent of Establishment

Column D – Number of Principal Positions (always 1.0)

Column E - Number of Vice Principal Positions (1.0 at 150 students, phased up to 3.0 at 630 students)

Column F – Number of Leading Teacher Positions (= Number of Promotion Positions minus Principal and Vice Principal positions)

Column G – The total number of 50-minute Teacher Periods provided by the Establishment at 43 per teacher. This is equivalent to 21 50-minute teaching periods, 21 50-minute periods for preparation and correction and 1 50-minute period (25 minutes at five minutes a day for home group assemblies and 25 minutes for other work connected with being a home group teacher)

Column H- The Number of Classes derived by dividing the Enrolment by 22.5, a notional average class size. The average will be a lot smaller in small schools.

Column I – The number of Class Periods to be timetabled based on 30 periods a week for every class in Column H.

Column J – The number of contact periods for the Student Welfare Co-ordinator, calculated as a base of 10 plus one period for every 90 students above the first 90, to a maximum of 17.

Column K - The number of contact periods for the Careers Teacher, calculated as a base of 10 plus one period for every 90 students above the first 90, to a maximum of 17.

Column L - The number of contact periods for the Librarians, calculated as a base of 12 plus one period for every 22.5 students, to a maximum of 44.

Column M – The number of Home Group Periods at 0.5 periods per class of 22.5 students.

Column N – The number of Preparation and Correction Periods, equal to the number of Class Periods, Student Welfare Co-ordinator Periods Correction Periods, Careers Teacher Periods, Librarian Periods and Home Group Periods on the basis that one period of student contact creates one period of other work.

Column O – The School Leadership Pool (for principal time, subject coordination, level coordination, etc), calculated as a base of 76 periods and 4 periods per teacher in the Establishment. Every 22.5 students provide 1.5 teachers, who provide 3.5 periods

towards the SLP. The remaining periods come out of the Base factor. There ought to be a minimum requirement to provide time allowances to subject coordination, as this area has been downgraded in recent years. Yet the subjects being taught are the core business of a school. I suggest that a minimum 40 per cent of the School Leadership Pool, after Principal Class Administration Time is deducted, should go to subject coordination and a further minimum 40 per cent to level coordination. The remaining 20 per cent would cover a multitude of tasks.

Column P – Principal Class Administration Time, calculated to allow the principal of a small class to have a small teaching load and then calculated from an enrolment of 150 students (at which point a VP is appointed) as a base of 29 plus 2 periods per teacher in the Establishment, to a maximum of 141.

Column Q - Principal Class Teaching Time, calculated by deducting the Principal Class Administration Time from (the Number of Principal Class Positions times 43). Members of the principal class were required to teach prior to the 1992 Victorian election. This requirement was removed from them as part of the deal to get them onside with the government elected that year. However, as educational leaders, they ought to keep in touch with the classroom. A minimum teaching load related to the size of the school should be required of at least all vice principals.

Column R – The Non-Principal Class School Leadership Pool, calculated by deducting the Principal Class Administration Time from the total School Leadership Pool.

Column S – The number of Class Teaching Periods left after the provision for the Student Welfare Co-ordinator, Careers Teacher, Librarians, Home Groups and the School Leadership Pool.

Column T – The discrepancy between the number of Class Teaching Periods available (Column S) and those required (Column I). In small schools, there is a large surplus, which would allow such schools to run a reasonable range of subjects in middle school and senior school. In medium-size schools, the surplus is modest and necessary to allow some flexibility in enrolment patterns. In large schools, there is a small deficit, which can be coped with by running slightly larger classes than the 22.5 student average. However, it should be noted that the class size average is based on all students attending classes in all 30 periods of the week. In fact, every school I have heard of gives free periods to year 12s, who normally attend for only 25 periods a week and many schools work on a 9-day timetable in years 11 and 12 to allow a day or afternoon free for VET. In effect, the typical year 11 student is in a school class for 27 periods a week, and the typical year 12 student is in a school class for 22.5 periods a week. This arrangement ensures that the deficits in the table do not need to appear in a real school.

Worked Examples

Primary schools are more straightforward than secondary schools because they do not need to provide a range of senior school electives, so the worked examples are for secondary schools only.

A secondary school of 600 students would have, say, 106 at each of years 7-10, 95 at year 11 and 81 at year 12. There would be 20 classes of 21-22 students each at years 7-10, requiring a total of 600 class periods.

The school would have 48 teachers, able to take 816 class teaching periods, leaving 216 periods available for years 11-12. If each VCE unit was 4.5 periods a week (in accordance with the common 9-day fortnight at those levels), those periods would provide 48 VCE units, eight in each block, notionally four at year 11 and four at year 12, though there are mixed units in VCE.

The average class size at year 11 would be 23.8. The average class size in year 12 (remembering that one sixth of year 12s are free each period) would be 16.9.

A secondary school of 900 students would have, say, 157 at each of years 7-10, 142 at year 11 and 130 at year 12. There would be 28 classes of 22-23 students each at years 7-10, requiring a total of 840 class periods.

The school would have 68 teachers, able to take 1190 class teaching periods, leaving 350 periods available for years 11-12. If each VCE unit was 4.5 periods a week (in accordance with the common 9-day fortnight at those levels), those periods would provide 78 VCE units, 13 in each block, notionally seven at year 11 and six at year 12, though there are mixed units in VCE.

The average class size at year 11 would be 20.3. The average class size in year 12 (remembering that one sixth of year 12s are free each period) would be 18.1.

Appendix 2 Funding Issues

The educational value of small classes

Those who claim that smaller classes make no difference to student learning but effective teachers do should connect the two factors. Able people are more likely to become and remain teachers if they have decent working conditions, and smaller classes are one aspect of decent working conditions. Able people understand that every extra student increases the stress level in the classroom and the correction time demanded of a teacher. If a teacher with say, six different classes, spends ten minutes a week correcting the work of each student, then adding one student to each class will add one hour to the correction time for that week. Adding two students will add two hours. Adding five students will add five hours. Add too many students and the teacher adjusts to the increased workload by reducing the amount and/or thoroughness of correction.

In addition, the smaller the class, the more time the teacher can devote to each individual. Those who see teaching as a performance to a script may miss the point, but not every student learns in the same way or understands with the same clarity. There is often a need to go over some material a second, or even a third, time with some students. The more students in the class, the less time there is in class for the teacher to go over material with those individuals who have had trouble with it the first time. There is also more time for the teacher to prepare different approaches for those students who do not get it with the main approach.

The value of small classes has been conclusively demonstrated. Professor John Hattie, of New Zealand, has done a comprehensive study (EARLI Presentation by John Hattie for Web.ppt) of all the factors that lead to improved student achievement. He concludes that smaller class sizes are not as significant as other factors, but nonetheless he rates them as giving a nine-month improvement in student achievement. The Tennessee STAR study (available at <http://www.heros-inc.org/>) also showed that smaller classes result in improved student learning.

Average Victorian primary class sizes over the last few decades have been:

1982 – 26.5 (Report of the Victorian Commission of Audit)

1992 – 23.5 (Report of the Victorian Commission of Audit)

1999 - 25.4 (*Summary Statistics for Victorian Schools*, March, 2010)

2009 – 22.1 (*Summary Statistics for Victorian Schools*, March, 2010)

(In line with government policy, the average for prep to year 2 classes has gone from 24.3 in 1992 to 20.5 in 1999)

Average Victorian secondary class sizes over the last few decades have been:

1982 – 23.0 (Report of the Victorian Commission of Audit)

1992 – 20.0 (Report of the Victorian Commission of Audit)

1999 - 22.7 (*Summary Statistics for Victorian Schools*, March, 2010)

2009 – 21.6 (*Summary Statistics for Victorian Schools*, March, 2010)

The Victorian Auditor-General's report on literacy and numeracy showed improvements in Victorian students' performance at some levels and not at others between 2001 and 2007.

“The most substantial improvement was the ability of Prep to Year 2 students to

recognise written words although there is not data to confirm whether word comprehension has also improved. Moderate improvements in other areas of literacy were also evident for this age group”

“The improvements for Number by students in their early years were also encouraging”

Note that Prep to Year 2, the years that improved, are the levels funded to enable classes of no more than 21 students. In other words, smaller classes, as shown by the Tennessee STAR study of 20 years ago, do lead to improved learning. Smaller classes cost more money because they require the employment of more teachers, just as improving the quality of teachers costs money for the necessary salaries.

By contrast, there was no improvement at VCE. These are the students who spent the first five years of their schooling in the previous government’s chaotic, damaged and under-staffed system.

The funding proposal is based on keeping the small classes that are predominant, though not universal, in Victorian schools. It is founded on the needs of children to have teachers who actually teach them and utterly rejects the current recycled fad of the open classroom of the 1970s.

The educational value of small schools

There has been a push for larger and larger schools, with some in Victoria now exceeding 2,000 students. This is a false reading of the research. It results from looking at the cost per student rather than the effectiveness of the school. Students get lost in large schools. Communication breaks down. The wider subject choice is not that wide and not that meaningful.

The research says that smaller schools are not only more effective than larger schools but also more efficient than larger schools once you take account of the cost per successful student rather than the cost per student. The push for huge schools in Victoria is just another copy of failed overseas policy, which is already being reversed in New York.

http://www.gatesfoundation.org/NR/downloads/ed/researchevaluation/smallschools_bibliography.pdf

The funding proposal is based on encouraging smaller schools; i.e., of a few hundred students in the case of primary and of fewer than 1,000 in the case of secondary. It should not need to be pointed out that a system of senior and junior highs would allow a large choice of senior subjects without the school itself being huge. This means separate schools, not separate campuses of a multi-campus monster.

Teacher Workload

There are many professional people who work 50-, 60- or even 70-hour weeks. Some of them are well rewarded for this, financially and personally. It does not follow that this should be the norm. Victorian stonemasons won the eight-hour day in 1856. There is no argument that a teacher must consistently work beyond this. As a society we ought to encourage people to have time for their families, time for rest, time for

involvement in the community. We ought not to structure our working lives so that they dominate in a way they did not 150 years ago.

It is sometimes argued that teachers get so many holidays that they ought to work much longer weeks than every one else. The holidays are compensation for the stress that the job creates. They provide recovery time so that teachers can recharge their batteries and go back to another term with some energy.

School is open for 200-201 days a year and teachers actually work, according to surveys, about 50 hours a week. That makes their working year about 2,000 hours. The average worker works 46 weeks (once public holidays are taken out) of 38 hours each, making a total of 1,748 hours before over time is paid. Interestingly, Victorian teachers used to be paid overtime for taking extras. They agreed to give that up in 1982 in return for more teachers. Strangely (except to cynics), when the 1992-99 government took away those extra teachers - and a good many more as well - it did not restore the overtime payment.

Any long-term study of teacher salaries will show that the increased workload has been accompanied by a decline in relative earnings and, in some periods, a decline in real pay.

Here is a table from my submission to the Senate inquiry into the status of teachers in 1997 (with all figures in 1997 dollars):

<u>Year</u>	<u>Salary</u>	<u>Notes</u>
1974	35 846	Subdivision 7 - First Year Out
1975	38 929	
1976	38 612	
1977	39 760	
1978	40 982	
1979	42 607	
1980	43 221	
1981	45 051	Subdivision 12 - Top of the automatic scale
1982	55 302	Promoted to Senior Teacher - the top classification
1983	56 186	
1984	54 001	
1985	53 380	
1986	52 501	
1987	48 961	
1988	46 465	
1989	46 602	
1990	45 198	
1991	43 530	All STs demoted to Advanced Skills Teacher One
1992	44 671	(Total Pay Cut under Labor Government = \$10 631)
1993	48 510	Promoted to Advanced Skills Teacher Three (new top)
1994	47 605	
1995	46 889	
1996	45 847	
1997 (accredited)	47 572	All AST 3s demoted to Leading Teacher Twos

Below is a calculation done at the start of 2008:

‘Australian male average weekly ordinary time earnings were \$1180.00 (\$61,570 pa) in November last year (ABS 6302.0, November 2007).

‘In 1975, a Victorian beginning teacher was paid 118.8 per cent of MAOTE (*The Secondary Teacher*, No. 4, May, 1981). That equates to \$73,145. A beginning teacher started this year on \$46,127 - a relative cut of \$27,018 or 36.9 per cent. To put it another way, a first-year-out teacher needs a salary increase of 58.6 per cent to restore the relative value of that salary to what it was 33 years ago.

‘In 1975, after seven years a teacher reached the top of the scale and was paid 166.6 per cent. That would be \$102,575 at the start of this year, compared with an actual \$57,775 - a relative cut of \$44,800 or 43.7 per cent. To put it another way, an eighth-year-out teacher needs a 77.5 per cent salary increase to restore the relative value of that salary to what it was 33 years ago.

‘The new top level for most teachers, which now takes eleven years to reach, paid \$65,414 – a relative cut of \$37,161 or 36.22 per cent. To put it another way, a twelfth-year-out teacher needs a 68.5 per cent salary increase to restore the relative value to that of an eighth-year-out teacher 33 years ago.

‘In 1975, a senior teacher was paid 189.8 per cent. That would be \$116,859 for the highest paid leading teacher today, who was actually paid \$78,675 at the start of this year – a relative cut of \$38,184 or 32.7 per cent. To put it another way, a leading teacher needs a salary increase of 48.5 per cent to restore the relative value of the senior teacher’s salary to what it was 33 years ago.

‘There was only one level of senior teacher pay in 1975. There are six levels for leading teachers and the lowest of these is \$68,362 – a relative pay cut of \$48,497.

‘The decline in principal salaries is similar but much more complicated because they are on salary packages with ranges and bands.

‘In 1975, a principal in the largest schools was paid 252.1 per cent. That would be \$155,217 at the start of this year. The actuarially determined nominal employer contribution to superannuation was about 21 per cent of salary, giving a total salary package of \$187,812 at the start of this year, compared with an actual salary package of \$140,876 – a relative salary package cut of \$46,936 or 25.1 per cent. To put it another way, the highest paid principal needs a salary increase of 33.3 per cent to restore the relative value of the principal salary to what it was 33 years ago.

‘A WA teacher in 1975 was paid 176.8 per cent of Australian average ordinary time earnings (calculated from Andrew Leigh’s MP comparison table, using May salary and preceding December MAOTE). That would be \$108,855 today.’

In addition, the Victorian superannuation scheme used to provide an actuarially calculated nominal 21 per cent in employer superannuation, compared with 9 per cent today.

When the Victorian government gave teachers at the top of the scale a \$10,000 increase in 2008 it was condemned for caving into the supposedly powerful teachers union, but it still left teachers \$27,000 worse off than they were a third of a century earlier.

It is absolutely clear that teachers have not been financially compensated for their increased workload.

The funding proposal is based on decent teaching loads so that teachers are not regularly required to put in exhausting weeks just to keep up with the ordinary demands of the job.

The way in which teachers are unjustly attacked

Teachers undertake an important task that is to the benefit of the whole of society. Yet, far from being recognised for it, they are subject to the following sort teacher-bashing rubbish:

‘...teacher unions have “captured” the operation of education services in regard to staffing and working conditions so that the education system has become unduly teacher-driven.’ (Institute of Public Affairs, *Schooling Victorians*, 1992)

‘There is extensive over-staffing of teachers, inefficient work practices and “union” capture of education expenditure.’ (IPA, *Schooling Victorians*, 1992)

‘The schools are simply a racket and a rort for teachers who use it as a fully salaried system of outdoor relief.’ (Peter Ryan, “Teachers fail to get the point”, *The Age*, 1/8/1992)

‘Socialist Left ideology...is nicely entrenched throughout the state education administrative system, thanks to a continuing infiltration of the faithful throughout the Cain/Kirner years.’ (Michael Barnard, “Labor could not learn”, *The Age*, 28/8/1992)

‘The perks and privileges of this cosseted profession were absolutely sacrosanct.’ (“A lesson in anarchy”, *Herald Sun* (editorial), 19/11/1992)

‘Schools...appear to be run more for the benefit and convenience of their employees than for their users.’ (Claude Forell, “A reckoning unions had to have”, *The Age*, 25/11/1992)

‘The Kennett Government is pledged to a course that promises to break the debilitating union stranglehold...’ (Michael Barnard, “Teachers in a state of intellectual undress”, *The Age*, 27/11/1992)

‘A strong moral case for the present Government unilaterally renouncing all agreements entered into by the previous Government with its employees can be made on the grounds that they were not arms-length agreements.’ (Professor Ross Parish, “Let the Public Service pay towards cutting the ranks”, *The Age*, 11/12/1992)

‘Mr Kennett...set out to break the power of the education unions which had been running then system...’ (“A hundred high speed days” (editorial), *Herald Sun*, 11/1/1993)

‘The present system has allowed education to become captive of its bureaucracies and powerful lobbies.’ (“A testing year in education” (editorial), *The Age*, 25/1/1993)

‘Money for schools was channelled into creating more jobs and better conditions for teachers.’ (“School lessons in economic necessity” (editorial), *The Age*, 27/1/1993)

‘The emergency teacher system...had not existed before 1980...’ (Don Hayward, quoted in Denis Muller, “Schools already feel bite of education cuts”, *The Age*, 1/3/1993) [As a school daily organiser, I knew this was untrue because I had employed emergency teachers without restriction in 1978.]

‘Money which could have been saved by reduced teacher numbers has been used to improve teachers’ working conditions...the education budget has been allowed to become unnecessarily bloated...Throwing more money at a problem, by itself, can never be guaranteed to achieve the desired result.’ (Kevin Donnelly, “Why we’re inefficient”, *Herald Sun*, 3/5/1993)

‘That structure is prone to “capture” at the centre and the extremities by organised interest groups such as teacher unions...(page 9, Vo. 2, Report of the Victorian Commission of Audit, 1993)

‘The powerful public sector unions were permitted by default to run...education...’ (‘Jim Kennan scratches”, *Herald Sun* (editorial), 29/6/1993)

‘...during the 1980s, the union movement “captured” the operation of the public sector. This led to considerable over-staffing and restrictive work practices...’ (Des Moore, “Why government needs to be rolled back”, *The Age*, 5/7/1993)

‘...cosy deals with teacher unions...wasteful school work practices...It is understandable that some union officials who rode the Labor gravy train are resistant to reform.’ (Alan Stockdale, “Education’s future depends on savings”, *The Age*, 22/9/1993)

‘Unions have focused on industrial relations to build up a cosy bracket of work practices rather than concentrate on professional standards.’ (Don Hayward, quoted in Felicity Dargan, “100 schools to go”, *Herald Sun*, 30/9/1993)

Thus, any proposal to fund schools well is attacked as a scheme for making teachers’ lives easy, as union feather-bedding. Behind these claims are the general attacks on public sector expenditure and staffing, usually based on dodgy figures, carefully chosen periods of comparison, etc. There is a longer analysis of one such attempt at: <http://blogs.crikey.com.au/pollbludger/2009/11/02/newspoll-57-43-to-labor-in-victoria-2/comment-page-1/#comments>.

Behind these attacks is outcomes-based education, which argues that inputs do not count. This is the failed model imposed on Victoria in the 1990s. It must be vigorously resisted.

The flexibility mantra is prominent today. It is often nonsense. Teachers, like all employees, deserve a standard set of working conditions that enable them to do their jobs well and not exhaust themselves or neglect their families.

The funding proposal is based on the hard work that teachers do and their need for set working conditions rather than their being subject to the whims and power of individual schools or principals. It will not concede an inch to the teacher-bashers or the anti-government brigade.

The ability of the governments to fund education

The Grattan Institute made a sloppy claim that a 44 per cent increase in total spending occurred in the nine financial years to 2008-09. This figure, which is meaningless, now has a life of its own and that keeps getting changed and exaggerated by the gullible. Sometimes it is 40 per cent; sometimes it is 40-50 per cent. Sometimes it is over ten years; sometimes it is over nine years. Sometimes it is over the last decade. Sometimes it is earlier. Sometimes it is total spending; sometimes it is spending per student:

Frank Furedi - a large increase (“Raise status of teachers, add some authority and watch our students blossom”, 3-4/3/2012, *The Australian*);

Ben Jensen - 40 per cent between 2000 and 2009 (“Funding consensus of school sectors the real test”, 6/3/12, *The Australian*);

Scott Prasser - 44 per cent (“AEU blitz a class in bully tactics”, 4/7/2012, *The Australian*):

Paul Kelly - 44 per cent over the 2000-2009 decade (“Wake-up calls on Asia century”, 16-17/6/12, *The Australian*);

Christopher Pyne - 44 per cent over the past decade (“Better teachers, not more, the ‘education revolution’ we need”, 21-22/7/12, *The Australian*);

Christopher Pyne - 44 per cent in the last 10 years (“Labor’s ‘top five’ goal for schools”, 3/9/12, *The Australian*);

Barry O’Farrell - 40-50 per cent over the past decade (“Do the maths: states cut as Gonski gives”, 13/9/12, *The Australian*);

Martin Dixon’s - 40 per cent over the past decade (“Student testing to step up a notch”, 12/12/12, *The Age*);

Bjorn Lomborg - “growth in education spending rose by 44 per cent in the past decade” (“Let’s talk about our future”, *The Weekend Australian*, 9-10/11/2013).

Judith Sloan has the prize for the greatest exaggeration; viz., that real per-student recurrent spending had risen by nearly 50 per cent in the 2000s (“Why I don’t give a Gonski for more school spending”, *The Australian*, 28/8/2012). She backed away slightly in her next claim by saying that it was a more than 40 per cent “increase in real-per-student spending” (“ALP’s school zeal will have to wait until 2525”, *The Australian*, 4/9/2012)

Recurrent per capita expenditure on government schools, by level of education, Australia, 1999–2000 to 2008-09 financial years (accrual basis) (\$)

	Primary		Secondary		Overall	
	Actual	Jan 2012 \$s	Actual	Jan 2012 \$s	Actual	Jan 2012 \$s
1999-2000(1)	7,329	10,595	9,356	13,525	8,115	11,731
2000-01(1)	7,956	10,871	9,765	13,342	8,435	11,525
2001-02(1)	8,050	10,666	10,344	13,705	8,937	11,841
2002-03(2)	8,676	11,157	11,072	14,239	9,605	12,352
2003-04(2)	9,015	11,326	11,552	14,513	10,003	12,567
2004-05(2)	9,748	11,937	12,222	14,967	10,715	13,121
2005-06(3)	10,280	12,246	12,729	15,163	11,243	13,393
2006-07(3)	10,938	12,619	13,315	15,361	11,874	13,699
2007-08(3)	11,557	12,950	14,306	16,031	12,639	14,163
2008-09(4)	Not given		Not given		13,544	14,637

(1) *National Report on Schooling in Australia 2002*, Chapter Three, Resourcing Australia's Schools

(2) *National Report on Schooling in Australia 2005*, Chapter Three, Resourcing Australia's Schools

(3) *National Report on Schooling in Australia 2008*, Chapter Three, Resourcing Australia's Schools

(4) *National Report on Schooling in Australia 2009*, Chapter Three, Resourcing Australia's Schools

The Reserve Bank of Australia Calculator was used to determine January, 2012, dollars, using December of the first year in each financial year as the starting point

The per capita increase between 1999-2000 and 2008-09 is \$2,906 in real terms. That is a real increase over nine years of 24.7 per cent.

As the ABS says, "In the 10 years to 2007-08, GDP per person grew from \$41,000 to \$51,000 in real (chain volume) terms, an annual average increase of 2.2%".

(1383.0.55.001 - Measures of Australia's Progress: Summary Indicators, 2009 LATEST ISSUE Released at 11:30 AM (CANBERRA TIME) 30/04/2009)

1999-2000 \$8,115: in January 2013 dollars = \$12,038

2010-11 Overall \$15,002: in January 2013 dollars = \$15,792

http://www.pc.gov.au/_data/assets/pdf_file/0003/121764/06-government-services-2013-chapter4.pdf (Table 4A.11)

Increase \$3754 (31.2 per cent)

Accrual accounting was introduced in the 1999-2000 Australian budget.

Average weekly full-time adult earnings Nov 1999 \$762: in January 2013 dollars = \$1124.80

([http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/C74F96874D9B4948CA2568BD0013504D/\\$File/63020_Nov%201999.pdf](http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/C74F96874D9B4948CA2568BD0013504D/$File/63020_Nov%201999.pdf))

Average weekly full-time adult earnings Nov 2010 \$1,272.50: in January 2013 dollars = \$1339.47

(<http://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/22FDF0816A4F088FCA257728001931B0?opendocument>)

Increase = 214.67 (19.1 per cent)

There are a lot of unjustified claims about education spending being increased without making any difference. These claims are dubious for the following obvious reason: there is no comparison case. If we did spend more money and achieve no better result, it may simply be that the circumstances that we are dealing with are now a lot more challenging than they were years ago. In other words, if we had not spent the extra money, we would be much worse off.

The Centre for Independent Studies that says real government spending on primary and secondary education more than doubled between 1987-88 and 2011-12. If that increase really was a mistake, we can reverse it: we can cut teacher salaries by more than 50 per cent (i.e., to less than \$43,734 for the top classroom level in Victoria), increase the maximum class size by more than 100 per cent (i.e., to over 50 students in a secondary school), increase teaching loads by more than 100 per cent (i.e., to over 45 hours a week in a primary school) or do some diabolical combination of all three backward steps, with a consequent exodus of almost every teacher in the state.

Or we can look at a more relevant fact. As the report itself reveals, government spending on school education “increased” from 2.6 per cent of GDP in 1987-88 to ...drum roll... 2.6 per cent of GDP in 2011-12 (<http://www.cis.org.au/images/stories/target30/t30.09.pdf> (p 25)).

Those who think that the total increase in real expenditure per student of 333 per cent between 1964 and 2003, as revealed by Andrew Leigh (<http://people.anu.edu.au/andrew.leigh/pdf/SchoolProductivity.pdf>), was outrageous should do the exercise in reverse by cutting teacher salaries by 77 per cent (i.e., to around \$19,900 for the top level in Victoria in 20134), by increasing the maximum class size by 333 per cent (i.e., to 108 students in a secondary school), by increasing teaching loads by 333 per cent (i.e., to 97 hours a week in a primary school) or by some combination.

These long-term comparisons show how meaningless long-term figures on increased spending are.

The major component of education spending is teacher salaries. We could have frozen teacher salaries at their 1960 levels. Had we done so, we would have no teachers left. In other words, we had to increase teacher salaries in some way to retain the pool of teachers we started with. We could have simply refused to buy TVs, VCRs, computers. We could have stayed with chalk and slates. We did not. We realised that we had to adapt schools as society changed. We could have refused to provide ESL. Instead, we realised that the migrant community had a wonderful contribution to make to Australia and we were going to ensure that children from other language backgrounds learnt English. In other words, some of the increased spending just enabled us to stay still.

There is evidence that the decline in teacher salaries has led to a decline in the entrance score for teacher training. This decline in ability in the teaching workforce takes decades to show its effects as there are still teachers in the system who came in with high scores 30 and even 40 years ago. They have not all been replaced yet.

Long-term evidence comparing teacher salaries with school staffing shows that we are perfectly able to fund education well. Basically, education spending has fallen as a percentage of state budgets because other priorities have taken over. Even so, in the long run, we have been able to improve the staffing of our schools.

The primary pupil teacher ratio has been:

1974 (40 years ago) – 22.6:1

1981 (last full year of the previous Liberal government) - 18.1:1

1992 (last year of the previous Labor government) – 15.8:1
 1999 (last year of the previous Coalition government) - 17.2:1
 2010 (last year of the last Labor government) – 15.6:1.

The secondary pupil teacher ratio has been:

1974 (40 years ago) – 14.1:1
 1981 (last full year of the previous Liberal government) - 10.9:1
 1992 (last year of the previous Labor government) – 10.8:1
 1999 (last year of the previous Coalition government) – 12.6:1
 2010 (last year of the last Labor government) – 11.8:1.

There has been a long-term decline in teacher pay relative to average earnings. This decline has been greater than the increase in staffing of secondary schools in the 1974-81 period. Secondary schools are now much worse staffed than they were 30 years ago, so the pay decline cannot be justified by reference to any staffing improvement over that period.

In 1980, the average face-to-face teaching load in a Victorian high school was 15.9 hours for an assistant class teacher, 14.7 hours for a teacher with a responsibility position and 12.5 hours for a Senior Teacher, giving an overall average of some 15.3 hours (Legislative Council Hansard, col 1092-1093, October, 1980).

Conditions Agreements that applied to Victorian schools in the 1980s and early 1990s provided decent staffing levels, particularly at the secondary level. Schools had a base factor, from 9.5 to 13.2 teachers s, and an enrolment factor. The base factor was cut to 4.0 in the 1990s and has never been restored to its earlier useful level. There is no reason that the state cannot staff its schools as well today as it did then.

The funding proposal is based on the undoubted ability of governments - and the thus the taxpayers - to fund education as well as they did in past decades.

The private-public debate

The previous federal government was widely criticised because it funded private school students at about four times the rate at which it funded public school students. The criticism was always illogical because it ignored the opposite and greater bias in funding by state governments. However, it was politically effective. The criticism now applies to the current government with exactly the same force as that with which it applied to its predecessor.

Any cursory reading of the state aid debate over the past 40 years will come across assertion after assertion.

It is claimed that the government provides schools, so if you want your own you should pay the full price, a claim not made in regard to Medicare rebates which are paid to all those using private GPs. This ignores the duty of the state to ensure that all children are properly educated. Schools are not the same as roads or railways. They are not the same as shops. We require children to attend them from age five or six to the late teens. We must therefore recognise the prior right of parents to determine something of the shape of the education that their children will gain.

If we imagine no government education system at all, the argument will be clarified. Those who could afford an expensive education would simply buy it, like they buy food. Those who could afford a cheap education would simply buy it like they buy food. Those who could not afford any education would do without.

We don't do this because we recognise the importance of education to the state. We have some compulsory requirements and some freedom of choice.

The UK gives 100 per cent funding to most private schools, which are integrated into the public system. It does not fund elite private schools, but most private schools are not elite. They are open to all, but they are privately run. New Zealand is similar with Catholic schools that are integrated into the public system. The Netherlands funds religious schools. Sweden fully funds private schools. Denmark gives substantial government subsidies to private schools. Belgium funds private schools. Spain funds private schools. Canada's provinces fund private schools, as does Germany. Even the US funds private charter schools. It is a complete myth that Australia is the only OECD country that funds private schools.

“In Sweden, Finland, the Netherlands, the Slovak Republic and the partner economy Hong Kong-China, principals in privately managed schools reported that over 90% of school funding comes from the government, while in Slovenia, Germany, Belgium, Hungary, Luxembourg and Ireland, between 80% and 90% of funding for privately managed school does.”

(Public and Private Schools How management and funding relate to their Socio-economic Profile, OECD)

Average public spending per student is \$13,540 in government schools, \$8938 in Catholic schools and \$5893 in independent schools (Enrolments, funding and student staff ratios by sector, November 2011). Private fees lift the total amount spent per student in independent schools, but not in Catholic systemic schools, above that spent in government schools. But the averages conceal the different costs of students with different needs in each system; e.g., government schools have a higher percentage of disabled students than private schools, so their average cost should be higher.

The majority group of them has less. In 2010-11, the average net recurrent income per student was \$10,334 in a Catholic school, \$11,523 in a government school and \$14,456 in an independent school (http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BN/2012-2013/schoolfunding).

The funding proposal is based on socially integrating students while allowing for variety in educational provision.

Appendix 3 The Problems with the Gonski Model

(Based on Submission to the Senate Inquiry into School Funding)

Summary

1. The serious flaw in the Gonski school funding model (as legislated in Clause 54 of the Australian Education Act 2013) is its continuation of the socio-economic status funding model. In fact, the new funding model as legislated is in one respect worse than the model that it replaces in that it gradually removes the compensation paid to schools that would have been penalised by the SES funding model, thus exposing them to its full perverse effects.
2. The reporting and commentary on the previous school funding model, on the compensation some schools received because of its injustice, on the Gonski report and on the subsequent legislation have been highly misleading and inaccurate, with the consequence that the general line pushed to the public is that the SES funding model has been replaced when in fact it has been entrenched.
3. One problem in Australia education is the social segregation of our schools. This social segregation lowers overall education achievement. The SES funding model is the main reason that we have social segregation. Any potential increase in social segregation in education has been thus far held back by the compensation paid to those schools that would be punished by the application of the SES funding model. The removal of this compensation is likely to increase social segregation and thus work against an improvement in levels of achievement.
4. In addition, the relabelling of the SES funding model as “capacity to contribute”, while sufficient to fool just about every journalist and commentator in the country, changes the conceptual basis on which education is funded and thus increases the pressure for means-tested fees in government schools.
5. The method of determining the schooling resource standard is completely illogical as it ignores the prime cost driver in education – teacher employment – and includes varying costs in different jurisdictions that have nothing to do with educational achievement in order to produce an artificial national figure.
6. A funding model that would lower social segregation in education must take account of the school’s actual resources, not a theoretical capacity to contribute based on census collector districts. The funding model must also recognise the key role of teachers in educating children and be based on an explicit staffing formula that allows a long-term settlement of teaching conditions in the country. Finally, the funding model must allow for variations in costs and policies in each jurisdiction.

Misleading and Inaccurate Reporting on Funding Issues

It is clear from recommendations 2, 3, 20 and 21 of the Gonski report and from Clause 54 of the Australian education Act 2013 that the SES funding model remains intact. Yet report after report claims the opposite. The most recent such report was this week:

The Independent Schools Council of Australia (ISCA) signed an agreement with the Rudd government last July that delivered an extra \$150 million over six years to private schools. The council is now pushing for a system similar to the

scrapped socio-economic status model, which distributed funding to independent schools based on their postcodes

The Gonski review, commissioned by the previous Labor government, rejected this approach in favour of a needs-based, sector-blind funding model. Under the Gonski approach, a base level of funding is set for each primary and secondary student, with schools receiving additional loadings for disadvantage....

(Matthew Knott, "Key Gonski funding model 'unachievable' says independent schools sector", *The Age* on line, March 14, 2014,

<http://www.theage.com.au/federal-politics/political-news/key-gonski-funding-model-unachievable-says-independent-schools-sector-20140313-34pmj.html>)

The inaccurate post-Gonski reporting follows a decade of inaccurate pre-Gonski reporting on how the previous funding model actually worked. This inaccuracy continues into the post-Gonski period:

"The consistency and equity of the SES funding arrangements is undermined by the fact that almost half the non-government school sector is funded outside the 'straight' SES model," the internal report said.

The Commonwealth model used census data to measure a school's need, based on the socio-economic status of student families.

The confidential department review said the system had entrenched "inequities". It found no justification for the unfair distribution of funds within the non-government sector, other than "purely historical" reasons. The Howard government had struck a "no-losers" agreement with non-government schools ensuring none would lose money. Even if, over time, they qualified for less under the formula if student families became wealthier.

More than half of mainstream Catholic schools and a quarter of independent schools were found to be funded above their strict entitlement under the formula.

("Pyne in \$230m school cash vow", "Pyne's broken promise set to haunt Abbott (on line title), *The Age*, 28/11/2013,

<http://www.theage.com.au/federal-politics/political-opinion/pynes-broken-promise-set-to-haunt-abbott-20131127-2ya8p.html>)

LORETO Mandeville Hall is a prestigious Catholic girls' school in the leafy suburb of Toorak. Just over six kilometres away is Trinity Grammar, in the equally well-heeled suburb of Kew.

According to the federal government, the socio-economic status of students at the two schools is identical, based on census data.

Theoretically, therefore, both schools should be entitled to the same amount of Commonwealth money per student under the federal government's formula for funding private schools. However, because of a controversial anomaly, Loreto Mandeville Hall was last year allocated \$4181 more per secondary student than Trinity Grammar.

Loreto Mandeville Hall is not unusual - almost half of non-government schools are allocated more federal funding than they are entitled to under the socio-economic status (SES) model.

The special funding arrangements exist because the Howard government promised no school would be worse off when it introduced the SES funding model in 2001 and expanded it to cover Catholic schools in 2005...

(Jewel Topsfield, "Education report to tackle school money divide", *The Age*, February 15, 2012

<http://www.theage.com.au/victoria/education-report-to-tackle-school-money-divide-20120214-1t46c.html>)

Yet again, there is no explanation that the difference in funding is due to the differences in fees that the schools charge, just an assumption that the SES model is rational and fair and therefore that any school that receives more than the SES funding model would give it is getting too much.

This was a rerun of a previous article by the same journalist:

WEALTHY Catholic schools in Melbourne's eastern suburbs are allocated millions of dollars more from the federal government than they are entitled to under the controversial socio-economic status (SES) funding formula.

An analysis of federal figures has revealed the top 20 "overfunded" private schools in Victoria - all Catholic schools in high-income areas - were last year allocated \$39 million more than they were entitled to under the SES model.

Loreto Mandeville Hall in Toorak, Genazzano FCJ College in Kew, St Kevin's College in Toorak, Sacre Coeur in Glen Iris and Siena College in Camberwell were the secondary schools allocated the most overfunding per student, according to the analysis by former Productivity Commission economist and public education advocate Trevor Cobbold.

They were allocated a combined \$14.4 million more than they were entitled to under the SES model last year.'

Under the SES formula, introduced by the Howard government in 2001, private schools are funded according to the income, occupation and education of parents within the school's census district. Schools that draw students from higher SES areas receive lower levels of funding than those from average or low SES areas.

Controversially, however, 60 per cent of Catholic schools and 25 per cent of independent schools were funded above their SES entitlements, because the Howard government guaranteed that no school would lose money when the model came in....

(Jewel Topsfield, "Catholic schools' \$39m bonanza", "Catholic schools overfunded to the tune of \$39 million" (on line title), *The Age*, February 28, 2011

<http://www.theage.com.au/victoria/catholic-schools-overfunded-to-the-tune-of-39-million-20110227-1ba1h.html>)

Yet again, there is no explanation that the difference in funding is due to the differences in fees that the schools charge and no explanation that the extra is compensation for the fact that the SES funding model penalises schools that try to keep their fees comparatively low so that they can take poorer students from middle-class areas. Instead there is the standard assumption that the SES funding model is rational and fair and therefore that any school that receives more than the SES funding model would give it is getting too much.

There are more examples of inaccurate articles in the Appendix and many more examples at Review of Funding for Schooling in Australia (http://community.tes.co.uk/tes_opinion/f/31/t/576719.aspx?PageIndex=1).

A History of School Funding

Prior to the Howard government's changes, schools were funded on the basis of their own income. A low-fee school with few private resources would get more government support than a high-fee school with lots of private resources. It did not matter whether the school was attended by people with wealthy neighbours or people with poor neighbours. It did not matter if the parents of the children were wealthy or poor. The system supported social inclusion because it gave more money to a low-fee school than to a high-fee school. Thus, a low-fee school serving a middle class neighbourhood could keep its fees low and thus still take comparatively poorer children. It was not forced to put up its fees and drive poorer children out of it because it drew students from a middle class area.

In 2000, the Howard government changed this. The SES model ignored school fees. It ignored school income. It ignored school resources. Instead, the SES level of the students' neighbours would decide the level of government support. It used census collector districts to determine how well off the neighbours were. Thus, a school that drew students from a poor area would get more support than one that drew students from a well-off area. This SES model punished low-fee private schools in middle class areas, the sort of schools that had kept their fees low so that just about everyone could attend them. They would have to put up their fees and thus drive poorer families out of them, making the education system more socially stratified than it already was.

In order to avoid this result, they did a deal with the Howard government to accept the SES model in return for a guarantee that, if it cut their funding, they would be funded as if Labor's education resources index model were still in place. This allowed them to keep serving lower-income families. The public education lobby calls this "over-funding". It looks at what a school would get under the SES model, declares that to be the fair amount and condemns any extra. Yet the extra is compensation for the failings of the SES model. The "extra" simply restores the school's level of support to what it would have been if the SES model had never been introduced. It restores the school's level of support to what it would have been if the school's fees and other income were taken into account. It restores the school's support to what it would have been under the previous Labor government's education resource index model.

The SES model also broke the nexus between funding and fees. There was no longer any incentive for a school to keep its fees low, as the fees charged had no effect on the level of taxpayer support.

The Gonski panel recommended keeping this system, which makes as much sense as charging patients a particular fee in hospital according to how well off their neighbours are.

The Gonski report says:

Recommendation 2

In a new model for funding non-government schools, the assessment of a non-government school's need for public funding should be based on the anticipated capacity of the parents enrolling their children in the school to contribute financially towards the school's resource requirements. (p xxi)

Recommendation 3

For the purposes of allocating public funding for non-government schools, the Australian Government should continue to use the existing area-based socioeconomic status (SES) measure, and as soon as possible develop, trial and implement a new measure for estimating the quantum of the anticipated private contribution for non-government schools in consultation with the states, territories and non-government sectors. (p xxi)

Recommendation 17

Australian governments should base public funding for most non-government schools on the anticipation that the private contribution will be at least 10 per cent of the schooling resource standard per student amounts. (p xxiv)

Recommendation 20

For the purposes of allocating public funding for non-government schools and systems, all Australian governments should:

- adopt a common concept of need for public funding based on the capacity of the school or system to contribute towards its total resource requirements*
- commence work as a priority to develop, trial and implement a better measure of the capacity of parents to contribute in consultation with the non-government sectors.*

The Australian Government should continue using the existing area-based SES measure until this better measure is developed. (p xxv)

Recommendation 21

For the purposes of allocating public funding for non-government schools, the minimum private contribution should be anticipated for schools with SES scores in the lowest quarter of scores. The minimum public contribution should apply to schools with SES scores above around 130. The precise school SES scores and the shape of the anticipated private contribution between these two points should be set in a way that balances:

- minimising the extent and incidence of any differences between the schooling resource standard required by each non-government school and system and the resources currently available to it from all sources*
- preserving reasonable incentives for an adequate private contribution towards the schooling resource standard across non-government schools with various capacities to contribute. (p xxv)*

Note that the Gonski report specifically says to continue with the Howard government's SES model while developing a new way of doing the same thing.

The Gonski panel explicitly rejects taking account of a school's actual resources, whether fees or other income, in determining how much money the school will be given:

The panel considers that basing public funding on the level of private resources a school is likely to be capable of raising for itself is preferable to relying on the private income that it actually receives. As argued in Chapter 2.3, linking public funding directly to a non-government school's private income, expenditure or assets would be inherently complex and difficult to implement equitably given that different schools finance their recurrent and capital needs in very different ways. It would also accentuate disincentives for parents to invest in their children's education.

The panel's preferred approach is that some measure of a school's capacity to contribute private funds to a schooling resource standard should be used, such as the SES of the school and its students. The current SES measure is derived from the characteristics of the census Collection Districts in which a school's students live. However, this is subject to a potentially large degree of inaccuracy as the students attending a particular school are not necessarily representative of the socioeconomic averages of the areas in which they live.

A more precise measure of the SES of a school would be more accurate and credible. This could take the form of a measure based on smaller areas, such as the mesh blocks which represent the smallest unit of the 2011 census, or alternatively, a direct measure of parental SES. The latter would need to be developed and tested on a school-by-school basis.

The panel considers that work should commence as a priority to develop a more precise measure of capacity to contribute to replace the existing SES measure. In the meantime, the existing SES measure has been used by the panel as the basis for estimating the quantum of the private contribution that should count towards meeting the resource standard in non-government systems and schools. In the case of a non-government system this would be the enrolment weighted average SES score of all the schools in the system. (p177)

The panel makes it clear that it wants to put pressure on parents to pay more for the education of their own children, a policy that will socially stratify our education system as school fees rise in some schools driving poorer children out of them:

As discussed in Chapter 2.3, there is long-established diversity in levels of parental contributions within the non-government sector. In particular, there are a large number of Catholic systemic schools and independent schools at different school SES levels which aim to offer relatively low-fee education. The panel also noted that, if governments fully funded the difference between the schooling resource standard and what parents and others actually contribute to schools, incentives for private contribution would be weakened. It would also lead to different levels of public funding for non-government schools with

similar capacity to contribute from private sources. (p 178)

The illogic in the following is breathtaking:

The panel also noted that, if governments fully funded the difference between the schooling resource standard and what parents and others actually contribute to schools, incentives for private contribution would be weakened. It would also lead to different levels of public funding for non-government schools with similar capacity to contribute from private sources.

No argument is presented as to why incentives for private contributions should exist at all.

No argument is presented as to why the levels of public funding for non-government schools with similar capacity to contribute from private sources should be the same. Given that the SES funding model is irrational, there is no reason that schools with the same SES profiles should receive the same government funding.

The previous Labor government endorsed the continuation of the Howard government's SES model:

Non-government schools will receive a proportion of the per student amount, based on the schools' capacity to raise private contributions, as is currently the case.

(National Plan for School Improvement long version - <http://www.schoolfunding.gov.au/docs/national-plan-school-improvement-long-version>)

One of the reasons that the Gonski recommendations produced a list of 3,000 losing schools is that they kept the SES model, the one that ignored school fees. Naturally, all those schools protected from the injustice of the SES model would find their protection ended if the SES model were to be continued.

Under the legislation, schools that currently get more government funding per student than the Gonski SES model would allocate have a lower indexation rate than other schools. Thus, over time, the schools currently compensated for the injustice of the SES funding model will lose that compensation. While they will not be worse off in real terms they will be worse off in comparative terms and will need to increase their fees at a greater rate than other schools in order to retain the same resources as those other schools. This will drive poorer students out of them into lower-SES schools and thus increase social stratification in our education system.

The Gonski model is guaranteed to socially stratify our schools because it says the more you earn the less your child gets. Thus, the wealthy, the upper middle, the middle middle, the lower middle and the poor all have to concentrate in their own schools because the funding system segregates them. A school that wants to take both middle class and poor students will not be able to because the presence of middle class students will cut its government funding and thus push its fees up and thus drive out the poor, who will end up at the public school. There is no better way to create public school ghettos than this Gonski proposal

The problem of Social Segregation in Education

The Gonski report report recognises the problem for educational achievement that concentration of disadvantage brings. It thus recommends a system of loadings for disadvantage with the percentage of those loadings increasing with the percentage of disadvantaged students in each school.

Parents have an interest in the education of their own children, in ensuring that they get the best schooling possible. They have the right to choose the best school and the right to spend as much of their own money on their children's education as they wish.

The state, however, has an interest in the education of every child. It has an interest in constructing an education system that will achieve the highest education standard possible for every future citizen. It has an interest in not just the future productivity of its citizens but also their functioning as informed citizens in a democracy. It has an interest in the social glue that holds a nation together. It therefore needs to ensure that the education system is not one that promotes social segregation and generational disadvantage.

The SES funding model is based on social segregation. It explicitly provides public fund based on a notional "capacity to contribute" of the parents of each private school. Thus a school that wants to keep its fees low cannot do so unless it restricts its intake to students from a poor area. A school that wishes to keep its fees low in order to provide a social mix of students – poor, middle-class and well-off – will be unable to do so because the presence of students from the middle-class area reduces its government funding, forces its fees up and drives the poorer students out of it. A model based on the individual SES of families at the school would have precisely the same effect. The SES model is intrinsically set up to segregate students.

The Conceptual Flaw in "Capacity to Contribute"

In the long run, the Gonski panel wants government support to be based on the income of each parent whose child is at a private school. This, of course, will never happen, but if it did, it immediately changes the principle under which education is funded everywhere. It becomes inevitable that public school parents start to pay fees based on their income. The income tax system is meant to redistribute income and then everyone, poor or rich gets access to public services. If "capacity to contribute" becomes the principle for private school funding, it will become the principle for public school funding.

The Flaws in the Calculation of the Schooling Resource Standard

There are three serious flaws in the calculation and application of the school resource standard – the so-called high-performance schools methodology, the absence of an explicit staffing ratio and the insistence on one national figure.

- The Flaws in the High-Performing Reference Schools Methodology

The Gonski report makes the following recommendations on the national schooling resource standard:

Recommendation 1

The Australian Government and the states and territories, in consultation with the non-government sector, should develop and implement a schooling resource standard as the basis for general recurrent funding of government and non-government schools. The schooling resource standard should:

- *reflect the agreed outcomes and goals of schooling and enable them to be achieved and improved over time*
- *be transparent, defensible and equitable and be capable of application across all sectors and systems*
- *include amounts per primary and secondary student, with adjustments for students and schools facing certain additional costs*
- *complement and help drive broader schooling reform to improve Australia's overall performance and reduce inequity of outcomes. (p xxi)*

Recommendation 4

From 2014, non-government schools should be funded by the Australian Government on the basis of a common measure of need that is applied fairly and consistently to all.

Recommendation 9

The Australian Government, in collaboration with the states and territories and in consultation with the non-government sector, should:

- *initially base the per student component of the resource standard on an outcomes benchmark that at least 80 per cent of students in reference schools are achieving above the national minimum standard, for their year level, in both reading and numeracy, across each of the three most recent years of NAPLAN results*
 - *conduct additional research to validate the composition of the reference group used for setting the per student amounts to apply from 2014 onwards*
 - *broaden over time the scope of student outcomes covered in the benchmark to include other nationally consistent, whole-of-cohort measures*
 - *review regularly the scope, methodology and data required to set the student outcomes benchmark.*
- (p xxii-xxiii)*

The Gonksi report's recommendations in this area are based on the Allen Consulting Group's *Feasibility of a National Schooling Recurrent Resource Standard Final Report*, which concludes in 112 pages that it is possible to establish a national schooling recurrent resource standard but which does not get around to actually determining one (even though one had already been presented to the review panel).

The Allen Report does not determine the amount needed to resource schools and the methodology it suggests that someone else use to do the job is flawed. The underlying failing in the report is the reliance on the language of the 1990s about "providers", "service delivery" and "purchasers", a philosophy that did so much damage to Victorian education in that period. The national resource standard needs to be based on an explicit staffing ratio for schools, not the success, however determined, of "reference" schools under the current model. The report has taken something conceptually simple and buried it in complexities.

To determine the school resource standard by looking at what so-called "high-performing" reference schools cost is both bizarre and dangerous. It is bizarre because some differences in expenditure have nothing to do with education (e.g., the different WorkCover levies in different states) and nothing meaningful is to be learnt by averaging out the costs of a \$30,000-fee private school and a \$10,000-a head

public school that just happen to meet the same student results benchmark. It is dangerous because it adopts the “inputs don’t matter” philosophy that so damaged Victorian schools in the 1990s.

Different schools have different electricity charges, different water charges, different gas charges, different WorkCover rates, etc. Public schools pay payroll tax; private schools do not. All these differences have nothing to do with the educational effectiveness or the educational efficiency of the school, but they feed into the cost formula.

One school might run a government-funded Victorian Certificate of Applied Learning program, which costs money and thus feeds into the formula, but VCAL runs at years 11 and 12 and has nothing to do with the school’s year 9 NAPLAN results. Indeed, the school’s year 9 NAPLAN results are affected by where the students were when they arrived in year 7, the results of their primary school education, yet the model takes no account of this.

If a high-fee private school charges \$30,000 per student and a middle-class public school spends \$10,000 per student, averaging them to get \$15,000 is meaningless. Indeed, Appendix H in the Gonksi Report hints, in particularly obscure language, that high-fee schools have had their fee levels discounted to calculate the average:

Step 3 – Setting base school characteristics

To obtain estimates of per student amounts holding everything else equal, a number of assumptions need to be made about the characteristics of the ‘base’ school, that is, one with no significant disadvantage that would attract per student amounts only and minimal if any loadings. The main variables that need to be set in this way are:

....• The percentage of NRIPS sourced from private income – there are significant differences within the reference school group in the proportion of NRIPS that is publicly and privately funded. In the government sector higher NRIPS is associated with smaller and more remote schools with higher levels of disadvantage, which is controlled for in other settings. In the non-government sector, especially among secondary and combined schools, higher NRIPS is associated with higher private contributions, which have the potential to skew the estimated per student amounts. (Appendix H)

The report does not say exactly how it adjusted for the different proportion of private income in different schools. If it got the data from lots of schools, including high fee ones, to determine the cost of educating a mainstream student and then deducted the extra costs of the high-fee schools, that prompts us to ask why they would be in the mix in the first place only to be taken out because they had high fees.

It is not logical to put all the “successful” schools in a basket, make a statistical adjustment because some of them have high private income and then declare an average.

While the report has attempted to make adjustments for the different types of students in its reference schools, the whole exercise was completely unnecessary from the start. We know that teachers teach, and what students need is teachers. We know that more than 80 per cent of the recurrent core costs of a school are teacher employment.

- *The Logic of an Explicit Staffing Ratio*

There is no need to specify any outcome standard. This view flies in the face of the recent fashion for outcomes based education, brought to Victoria in the 1990s as the justification for cutting the resources in schools. The outcomes sought and achieved are dependent on what is done with the resources provided, if those resources are sufficient to employ an adequate number of teachers to do the job required in each school. If the number of teachers employed is inadequate, teachers will cover the shortfall for a period of time by working extra hard, but eventually their morale will fall and their effort will decrease. There is a quantifiable amount of work to be done in schools. Preparation of courses and lessons, the delivery of lessons and the assessment and reporting on what students have or have not learnt are all takers of time – hours every week. To ignore this fundamental fact is absurd. The cost-cutting mentality simply ignores this fact as it is based on exploitation to the point of exhaustion.

The Gonski report was an opportunity for a long-term national settlement of teaching conditions; i.e., class sizes, teaching loads, time allowances for leadership responsibilities and promotion levels (classroom and administrative). It is not necessary that the federal government specify what these should be, but it would be valuable if the funding system made such a settlement possible.

It is essential that the government make the PTR behind a national resource standard explicit. The fact that different jurisdictions have different teacher salary levels is a further reason to base the national resource standard on the required staffing levels. This benchmark would allow different jurisdictions to continue to pay different salaries but would ensure that all schools are properly staffed. Whatever national resource standard is determined, the federal government would need to pay a fixed percentage of it, with each jurisdiction being free to spend an amount per mainstream student that would lift the students in its care above that national resource standard. However, it would be a mistake to set the national resource standard at the lowest possible level as this would encourage another race to the bottom.

The Gonski report recommends different rates for primary and secondary students. Several jurisdictions have recognised the importance of extra attention for students when they commence schooling and thus fund prep to year 2 at higher levels than years 3 to 6. Indeed, there are good grounds for funding prep to year 2 at the same level as secondary schools. The national SRS should provide for this.

Bibliography to Senate Inquiry Submission

Croke, Brian, "Gonski panel must come up with new funding model", *The Australian*, April 29, 2011

(<http://www.theaustralian.com.au/national-affairs/commentary/gonski-panel-must-come-up-with-new-funding-model/story-e6frgd0x-1226046537662>)

Curtis, Chris, *Submission to the Review of Funding for Schooling*

(http://www.deewr.gov.au/Schooling/ReviewofFunding/SubGen/Documents/Curtis_Chris.pdf)

Curtis, Chris, *Submission to the Review of Funding for Schooling – Staffing and Conditions (Primary)*

(http://www.deewr.gov.au/Schooling/ReviewofFunding/SubGen/Documents/Curtis_Chris_Attachment_1.pdf)

Curtis, Chris, *Submission to the Review of Funding for Schooling – Staffing and Conditions (Secondary)*

(http://www.deewr.gov.au/Schooling/ReviewofFunding/SubGen/Documents/Curtis_Chris_Attachment_2.pdf)

Curtis, Chris, *Review of Funding for Schooling Submission 2*

(http://www.deewr.gov.au/Schooling/ReviewofFunding/SubEip/AtoF/Documents/Curtis_Chris.pdf)

Curtis, Chris, *Review of Funding for Schooling Submission 3*

(http://www.deewr.gov.au/Schooling/ReviewofFunding/SubResearch/AtoM/Documents/Curtis_Chris.pdf)

Curtis, Chris, *Implementing Gonski*, April 2012

(<http://community.tes.co.uk/forums/t/576719.aspx>)

Curtis, Chris, *Submission to the Inquiry into the Australian Education Bill 2012*: No. 46 at

http://www.aph.gov.au/Parliamentary_Business/Committees/House_of_Representatives_Committees?url=ee/auseducation/subs.htm

Curtis, Chris, *Submission to the Inquiry into the Australian Education Bill 2013*: No. 3 at

http://www.aph.gov.au/Parliamentary_Business/Committees/House_of_Representatives_Committees?url=ee/auseduconseq/subs.htm

Gonski, David et al, *Review of Funding for Schooling - Final Report*, December 2011

(www.schoolfunding.gov.au)

Appendix to Senate Inquiry Submission: "Overfunded?"

The following is a selection of extracts from various papers and articles making the assumption that any school getting more than the SES model would allocate it is being overfunded. In no case does the author make the slightest attempt justify that assumption.

'The powerful wealthy private school lobby successfully pushed the Gillard Government into agreeing to the same "no school worse off" promise that resulted in the funding maintenance scandal that has plagued John Howard's SES funding model. Many of the very wealthiest private schools that already enjoy \$3000 or \$4000 per student each year in public funding will be even better off.'

(John Kaye, "Why Public Schools Are Different", <http://newmatilda.com/2012/09/10/why-public-schools-are-different>)

'WEALTHY Catholic schools in Melbourne's eastern suburbs are allocated millions of dollars more from the federal government than they are entitled to under the controversial socio-economic status (SES) funding formula.'

(Jewel Topsfield, "Catholic schools overfunded to the tune of \$39 million", *The Age*, 28/2/2011, <http://www.theage.com.au/victoria/catholic-schools-overfunded-to-the-tune-of-39-million-20110227-1ba1h.html>)

'CATHOLIC schools in Melbourne's affluent suburbs are the most over-funded in Victoria, with students receiving almost \$3000 more than their federal entitlements, according to new research.'

(Farrah Tonmazin, "Two thirds of private schools 'over-funded'", *The Age*, 30/5/2008, <http://www.theage.com.au/national/twothirds-of-private-schools-overfunded-20080529-2jk4.html>)

'Worse, thanks to the no-loser clause in the SES policy, such schools are now overfunded to the tune of \$2.8 billion over four years, because they keep their so-called disadvantaged status whether they enrol more students from disadvantaged areas or not.'

(Jane Caro, "Schooled in denial of systemic, creeping apartheid", *The Sunday Age*, 25/1/2009, <http://www.theage.com.au/opinion/schooled-in-denial-of-systemic-creeping-apartheid-20090125-7p60.html?page=-1>)

'Many medium to high SES private schools are particularly well-favoured by the current funding model. Under the "funding maintained" (FM) arrangements a majority of these schools get more funding than warranted by their SES score. This over-funding amounted to \$615 million in 2010 according to the Gonski report. None of it goes to low SES private schools.'

(Trevor Cobbold, "Make or Break Time for Gonski", 25/2/2013, <http://www.saveourschools.com.au/equity-in-education/make-or-break-time-for-gonski>)

'The second major issue with Catholic school funding stems from what is known as the "funding maintained" arrangement. As the name suggests, public funding for what are effectively elite Catholic schools is maintained even if a school would not be entitled to as much under the SES funding model that applies to other private schools. The Gonski review strongly criticises these arrangements.'

(Nicholas Reece, "Going for the 'full Gonski'", *The Age*, 7/12/2012, <http://www.theage.com.au/opinion/politics/going-for-the-full-gonski-20121206-2ay8z.html>)

'Theoretically, therefore, both schools should be entitled to the same amount of Commonwealth money per student under the federal government's formula for funding private schools. However, because of a controversial anomaly, Loreto Mandeville Hall was last year allocated \$4181 more per secondary student than Trinity Grammar.

'Loreto Mandeville Hall is not unusual - almost half of non-government schools are allocated more federal funding than they are entitled to under the socio-economic status (SES) model.'

(Jewel Topsfield, "Education report to tackle school money divide", *The Age*, 15/2/2012, <http://www.theage.com.au/victoria/education-report-to-tackle-school-money-divide-20120214-1t46c.html>)

'More than half of Australia's private schools now receive more public funding than they are entitled to according to their SES ranking, thanks to the politically expedient funding maintained and funding guaranteed sweetheart deals done between the powerful private school lobby groups and successive governments.'

(Jane Caro, "The deserving rich v the undeserving poor", *On Line Opinion*, 16/8/2010, <http://www.onlineopinion.com.au/view.asp?article=10829>)

'Under the SES formula, introduced by the Howard government in 2001, private schools are funded according to the income, occupation and education of parents within the school's census district. Controversially, however, 60 per cent of Catholic schools and 25 per cent of independent schools were funded above their SES entitlements.'

(Jewel Topsfield, "My School shows funding disparity", *The Age*, 10/3/2011, <http://www.theage.com.au/victoria/my-school-shows-funding-disparity-20110309-1bolg.html>)

'The funding mechanism for non-government schools is supposed to be a formula based on the socio-economic status (SES) of the students rather than the resource base of the school. This might be fair enough, provided it applied to all students. It does not.

'The SES funding basis only applies to the non-government schools it advantages. It does not apply to non-government schools for which the formula would reduce the funding. And it doesn't apply to government schools because, if it did, it would involve a massive increase in funding.

'The non-government schools that would lose out under the SES formula are "funding maintained", which collectively gives them \$800 million more than if the SES formula were applied.'

(Kenneth Davidson, "Public schools sacrificed for a win at any cost", *The Age*, 9/8/2010, <http://www.theage.com.au/opinion/public-schools-sacrificed-for-a-win-at-any-cost-20100808-11q61.html>)