Australian Council of State School Organisations Limited



One voice for every child in public education

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Mr Michael Chaney AO Chair National School Resourcing Board By email: NSRBsecretariat@education.gov.au

Review of the Socio-Economic Score Methodology

The Australian Council of State School Organisations (ACSSO) would like to thank you for the opportunity to respond to the Review of the Socio-Economic Score methodology conducted by the National School Resourcing Board.

ACSSO is the national peak parent organisation supporting families and communities of over 2.5 million young people attending Australia's public schools. ACSSO is a strong advocate of ensuring all young people have opportunity and access to quality education that allows them to follow their talents and interests.

The SES funding model has had a mixed reception from the very beginning and fair to say that those supporters of the public education system have been rigorous in identifying the anomalies from that time and over the next 20 years as amendments were made. The Catholic system also have had issues and sought to lose until separate arrangements were put in place by the then Prime Minister, John Howard.

ACSSO is of the belief that funding should be fair (based on needs); simple (easy to understand the methodology, no special deals) and transparent (information publicly available in a form that is easily understood and provides ALL funding sources)

In examining the level of taxpayer dollars to a private enterprise we also raise the following questions: should the public funding to private education only apply to basic education provision according to the Australian Curriculum; should it just provide for the teaching element.

The current calculation of the SES funding is not specific to the families its serves but rather the SES of the community the families are drawn from. The calculation does not consider the more affluent families that reside in the area. This can be particularly misleading in our rural and remote areas.

There is no definitive approach to this however there are some key elements that should inform the calculation process. The capacity to contribute should consider:

• the capacity of the <u>actual families</u> using private school service

Basing any funding on anything less than the capacity of the individual families involved will always open the formula to criticism and scrutiny. The NSW Priority Schools program calculated the SES based on a thorough survey of the school's families every four years. The metrics in this examined family education, occupation, ATSI, Language background and family make up.

• the weightings be based on family capacity to earn; their income

Family income can be masked by the ability to negative gear; reduce tax

• family education levels; family occupation

Education levels are not only an indication of capacity to earn but capacity to support the learning; also, opportunity is provided to the young person through networking of families.

 a validation process that is not confined to just ABS data; ABS data can often reflect a negative income when family is affluent

Whilst ABS data is informative it can also be inaccurate

• where parents live in separate households - (often both households are contributors to the child's education – the capacity to contribute in these instances often are underestimated)

Both parents are required to contribute to the child's education and therefore this should be taken into the calculations particularly when seeking government funding for private education

should be reviewed no less than every three years

The data changes and this would be a minimal time

that it be transparent and publicly available

When assessing the funding to the non-government sector there should also be an understanding that if a school is already receiving sufficient funding i.e. greater per student than the local public school is any form of government funding necessary – are we funding need?

Fees charged by many private schools meet or exceed the recurrent costs of making adequate provision for its students as measured by the SRS. Should there be additional government funding provided to these schools? Does this already determine a family's capacity to contribute?

Consideration should be given to the resources and wealth of the individual school. Schools in the non-government sector often have additional sources of income that are unavailable to the public system. They often have income from capital assets and other income generating assets not related to education, they are often beneficiaries of very handsome bequests, they have deductable gift recipient status and as such attract donations from Alumni, commercial sponsorships, scholarship trusts etc.

Care should also be taken to establish the true financial resources of an education provider to ensure creative accounting has not allowed the operational side of education provision to appear impoverished as a means of attracting a greater subsidy.

We thank you for the opportunity to contribute and would be happy to discuss should the opportunity arise
Dianne Giblin AM Chief Executive Officer