THANK YOU FOR THIS INVITATION TO DELIVER A KEYNOTE ADDRESS TO YOUR NATIONAL CONFERENCE. YOUR CONFERENCE THEMES – THE NEED TO ENSURE THE PERSISTENCE OF OUR SOCIAL AND DEMOCRATIC VALUES, THE CHANGING ECONOMIC AND TECHNOLOGICAL CONTEXT AND INTENSIFYING GOVERNMENT AND COMMUNITY EXPECTATIONS ARE VERY PERTINENT TO THE FUTURE OF AUSTRALIAN SCHOOLING.

I WOULD LIKE TO TOUCH ON ALL THREE THEMES AND TO FOCUS ON THIS GOVERNMENT’S EXPECTATIONS OF SCHOOLS IN THIS CENTURY. IN COMMON WITH ALL OTHER WESTERN DEMOCRACIES, GOVERNMENTS AT BOTH COMMONWEALTH AND STATE LEVEL ARE DEMANDING MORE OF SCHOOLS IN TERMS OF PERFORMANCE, STANDARDS AND ACCOUNTABILITY. THIS CHANGE OF GOVERNMENTAL ATTITUDES MARKS A SHIFT IN THE WAY SCHOOLING IS NOW PERCEIVED. THE COMFORTABLE GOVERNMENTAL ASSUMPTIONS OF THE 1980’S – THAT CERTAIN OUTCOMES WOULD INEVITABLY FLOW FROM A BROAD PROGRAMME FOCUS ON INPUTS – WERE SHOWN TO BE FALSE.


IN THIS CONTEXT, OUR MAIN OBJECTIVES ARE TO RAISE STANDARDS OF LEARNING ACROSS THE CURRICULUM, TO ENSURE THAT SCHOOLS AND SCHOOL SYSTEMS CAN MEET THE EDUCATIONAL NEEDS OF ALL STUDENTS, AND TO IMPROVE STUDENTS’ TRANSITION FROM SCHOOL TO WORK AND TO FURTHER EDUCATION AND TRAINING.

THE LEGISLATION SECURING FUNDING FOR THIS GOVERNMENT’S PROGRAMMES OF FINANCIAL ASSISTANCE FOR SCHOOL EDUCATION FOR 2001 TO 2004, REFLECTS THE GOVERNMENT’S POLICY DECISIONS FOR THE NEW QUADRENNIUM INCLUDING:

- Implementation of the new socio-economic (SES) funding arrangements of non-government schools
- Introduction of a streamlined structure for Commonwealth targeted programmes for schools, improving accountability and permitting greater
flexibility in the application of Commonwealth funds to improving outcomes for educationally disadvantaged students.

- Strengthened accountability and reporting arrangements where education authorities will be asked to commit to reporting on student outcomes against agreed performance indicators and targets underpinning the National Goals of Schooling.

This Legislation acknowledges the right of Australian parents to choose the most appropriate schooling for their children. It supports the devolution of decision-making about education to where it belongs, to parents and communities. It aims to strengthen the likelihood that we have an education system that is responsive to student needs.

To support these commitments, the Government in this legislation will appropriate in excess of $18 billion for the coming 2001-2004 quadrennium. Consistent with the historic role of the Commonwealth as the main provider of public monies for non-government schools, under the States Grants legislation for 2001 to 2004, $11.6 billion will go to non-government schools. Government schools will receive $6.3 billion, an increase of $1.4 billion over the previous four years. These figures do not include funding for government schools which will become available through the New Tax System, nor does it include funding for Indigenous education and other sources of school funding outside the States Grants process.

This is a massive funding investment but equally important are the principles which underpin this legislation. The first principle is one of equity. This legislation will set in place the most significant reform of non-government schooling for nearly two decades. It shifts the focus of Commonwealth recurrent funding away from inputs and the way resources are managed towards the actual needs of communities served by non-government schools.

This Legislation includes provision for the new socio-economic status or SES based funding arrangements. This historic reform will provide a more transparent, objective and equitable approach to funding non-government schools.

One of the key principals that underpins the new SES funding arrangements is the acknowledgement by this Government, that, as there is a public benefit in the schooling of every child, it is appropriate that a public funding contribution be made on account of each child.

Under the new arrangements general recurrent funding will be distributed according to need and schools serving the neediest communities will receive the greatest financial support. This means that parents at all income levels will now have a realistic capacity to choose the most appropriate schooling for their child. The ceiling of maximum funding will be lifted from about 56 per cent of average government school recurrent costs or AGSRC, to 70 per cent, representing a 14 per cent funding increase to where it is needed most, for special schools and for schools with SES scores of 85 or below. The minimum entitlement is set at 13.7 per cent of AGSRC and will be payable to schools with an SES score of 130 or more. This entitlement is roughly equivalent to category 1 funding for secondary schools. There will be 45 funding increments under the SES model. Funding for schools with SES scores between 85 and 130 will be payable on a continuum. The new model will be more responsive to a school’s actual need for financial assistance. Unlike the current system, it will not discourage private investment in education and schools will be able to raise private income without penalty. It will also provide financial incentives for schools to attract students from low income families. This is a major leap forward, both for schools and for parents who may not have had such education choices open to them in the past.

Schools will be in a stronger position to respond to the changing needs of students and their families and to direct their resources towards achieving the best possible learning outcomes for their students.
The increased funding to schools is to be phased in over the quadrennium. Schools that are funded under the SES model will have their increased funding phased in at a rate of 25 per cent of the increase each year, so that by 2004 schools will be fully funded at their new level.

Financial security for all schools is guaranteed. No school will be financially disadvantaged by the move to the new SES funding system. Schools that would otherwise have their funding reduced under the new arrangements will have their year 2000 per capita entitlements maintained, with the year 2000 dollar rates adjusted annually in line with the latest AGSRC figures.

All other systems will be funded on the basis of the aggregate entitlement of their member schools. Individual systemic schools will have their funding entitlements assessed in the same way as independent non-systemic schools. Individual schools within systems will be funded either according to their individual SES scores or they will have their year 2000 funding maintained in the same way as independent schools. There are review provisions for schools which consider that their SES score is incorrect or has changed significantly because of changes in their student population.

New non-government schools not belonging to Catholic systems will have their entitlement to Commonwealth funding assessed according to an SES-based measure of need. Therefore, new schools that attract students from the neediest communities will also be eligible to receive a higher level of financial assistance. This is a vast improvement on previous arrangements for new schools and augurs well for the future health of the education sector.

Additional funding will be available for schools experiencing severe financial hardship or facing problems of viability during the transition to the new SES funding arrangements and establishment grants will be available to assist new non-government schools with costs incurred in their formative years and enable them to be competitive with existing schools.

In keeping with the Government’s commitment to choice and equity in schooling, recurrent funding will be provided for distance education students receiving that education from non-government schools.

I would like to say at this point that the new legislation reflects the Government’s commitment to all sectors. Since the 1970’s, the growth in the numbers of non-government students has reflected the growing confidence of parents in this sector. This in turn has lead to criticisms about increases in funding. However, these increases simply reflect the trend of parents in pursuing this educational choice for their children, increasing the proportion of new enrolments in the sector. It also must be remembered, that the non-government sector had for many years been underfunded compared to the resourcing of government schools.

I am concerned that some in the education sector are continuing to misrepresent the Commonwealth’s commitment to government schools. Current campaigns of misinformation which appear in the media may cause some parents to draw the inaccurate conclusion that Commonwealth funding to the government sector is being run down. In fact, the Commonwealth is making a major investment in government schooling.

Commonwealth spending on government schools is at the highest levels ever absolutely. Total direct Commonwealth funding for government schools in the budget this year is $2 billion and over the next four years will total $8.6 billion. Every State and Territory has received increased funding every year from the Howard Government for its government schools. There have been no cuts whatever to funding for government schools.

In fact, Commonwealth payments to the States for government schools have risen by 18 per cent in real terms since 1995-96. Over the same period, the number of students in government schools has risen by 2.3 per cent, so there has been a significant real improvement for each student.
Increased funding for government schools is part of a broader commitment to funding for all schools. Commonwealth school spending as a proportion of GDP is higher now than it was under Labor, despite exceptionally rapid growth in GDP in recent years.

For many years needy non-government schools have been operating at very low resource levels – levels well below those of government schools. The average taxpayer payment for every government school student is $5,600, whereas for students in non-government schools the figure is $3,500. It is the parents of the latter who make up the difference, and many of those can afford only low fees. Most non-government schools are moderate to low-fee schools meeting the desire for educational choice of lower-income parents. There are more children from families with incomes above $70,000 in government than non-government schools.

The non-government school sector caters for the education needs of a broad range of the Australian population and there are significant numbers of low income families whose children attend non-government schools. Recent data from the Bureau of Statistics shows that parental choice in schooling is not confined to families who can afford high fees. For example, of the 21 per cent of school students who come from families with an annual income less than $26,000 – 20 per cent attend a non-government school. In middle income brackets (between $41,600 and $77,999) over 32% of families choose non-government schools. For families in high income brackets (more than $104,000) 49% choose government schooling only.

This data shatters the idea that non-government schooling is somehow elitist and divisive. The willingness to exercise choice in schooling is clearly spread across all levels of Australian society. Parents are still looking for that desirable combination of safe, caring and secure environment, committed staff, high expectations and strong educational outcomes that make up good schooling.

There are also misconceptions regarding the diversity of the non-government sector and there is a need to educate the public on the breadth of affiliations and educational ideologies which make up 30 per cent of Australia’s schools. Organisations such as yours have a responsibility to dispel the inaccuracies and present an accurate image to the public.

The non-government sector is far from homogeneous. The sector contains schools representing a variety of social and religious traditions and pedagogical approaches, and caters for a wide range of students from different ethnic and socio-economic backgrounds. Some schools serve identifiable local communities, including Indigenous communities, others draw student from a wide geographical area. While religious affiliation is one of the main reasons for choice of non-government schooling in Australia, research shows that parents are also concerned with qualitative aspects of the school environment – safety, discipline, and respect for the individual.

The misconception that all non-government schools are wealthy also needs to be addressed. By far the majority of schools in the sector (accounting for over 70 per cent of non-government school students) are in funding categories 10 to 12, the schools assessed as the most needy. Only around 8 per cent of schools are in funding categories 1 to 4, the schools held to be less needy on the basis of the level of private resources available to them. Like government schools, non-government schools are characterised by a substantial degree of socio-economic difference.

There are also wide variations between non-government schools in relation to fees, levels of staffing, facilities, curricula and school governance. Support for this diverse range of schools indicates a tolerance for and valuing of social pluralism in Australian society, accepting different groups as being a legitimate part of the education community.

A key goal of the Government has been to provide parents with more options from which to choose a school to meet their child’s needs. The abolition of the
New Schools Policy has created a more flexible arrangement for the establishment of new non-government schools without duplicating services provided by the States and Territories. This is appropriate and has not been at anyone’s else’s expense.

The Commonwealth’s policies are aimed at helping those parents who are least served now by broadening the choices available to all parents. To force children into a school which may not meet their needs is to deny them the best chance of success. School choice also allows parents of “at risk” students to choose the school that best suits their child’s education and emotional needs, and allows parents to explore schooling alternatives before their child’s problems become too severe.

School choice has been particularly valued in the Indigenous community and has secured for Indigenous parents educational environments where they can feel confident the needs of their children are being met. School choice means better educational opportunity, because it uses the dynamics of consumer opportunity and provider competition to drive service quality. It re-asserts the rights of the parent and best interests of the child over the convenience of the system. Parental involvement and high expectations are fostered when parents are provided with the option to educate their children as they see fit.

These arrangements still do not have bipartisan acceptance as indicated in the recently released ALP draft platform which foreshadows the reintroduction of the New Schools Policy.

From 2001, there will be a revised structure for some Commonwealth programmes of targeted assistance for schools which is the outcome of the review foreshadowed in the 1999-2000 Budget.

The revised structure combines the literacy and numeracy – grants to schools programmes and the special education school support fixed and per capita grants into the Strategic Assistance for Improving Student Outcomes programme. This programme will be aimed at helping schools and school authorities to improve student learning outcomes of educationally disadvantaged students.

We have also changed arrangements and simplified distribution of funding for the special education per capita programme. The new approach will address the current inequitable differences in allocations to schools. Currently those schools which are most disadvantaged receive no additional funds for students with disabilities.

The new approach involves the introduction of an average special education per capita funding amount per student for every eligible non-government student. All non-government students who disabilities will attract the same amount of additional entitlement funding regardless of what school they attend. As well, funding maintenance arrangements will apply to ensure that schools will not receive less than was provided in the current quadrennium.

The priority and community languages programmes will be combined into the Languages other than English programme and administrative arrangements will be simplified under this programme. It will provide greater flexibility for funding to achieve improve learning outcomes.

Significant reforms in accountability for Commonwealth grants to schools are to be introduced from 2001. New accountability requirements will strengthen the link between the funding provided under Commonwealth programmes and improved outcomes for all Australian students.

The consequences of poor literacy and numeracy achievement include an increased likelihood of leaving school early, poor access to further education and training and a much higher risk of unemployment. The consequences follow an individual into their adult life and have long term effects on our nation as a whole. We all want quality education for all our children and improved accountability and outcomes will ensure the health of our education sectors and the future growth of our nation.
In essence, all education authorities – government and non-government – receiving Commonwealth grants will be required to commit to performance measure against the National Goals for Schooling and to report publicly on their achievement.

I expect that the reporting built into this legislation will have immediate and direct benefits. It will build public confidence in our schools by providing an agreed national framework against which parents can assess their children’s progress in keys areas. The Commonwealth is encouraging educational authorities to improve reporting parents including information on the performance of students against the national standards.

A major study of best practice in school reporting has been completed and all schools and teachers are being informed of the results so that schools can improve their reporting and build confidence in their communities about the education students are receiving. This research shows that parents are overwhelmingly of the view that the education of their children is principally their responsibility and that they require a range of information to support and guide their children’s learning and educational choices throughout their schooling and beyond.

The key principles governing the new legislation – equity, flexibility, accountability and choice – very much reflect the expectations of the Commonwealth Government for schools at the beginning of this century. We have reached another stage of historical change in expectations of schooling. We have moved from the 19th century expectations of universal primary schooling, through 20th century expectation of universal secondary schooling and now to increasing expectations of further education and life long learning. The new legislation will have important long-term effects. As standards of literacy and numeracy lift in primary school we will see this improvement move through the whole school system. I expect this will lead to further improvements to student retention within the education system.

The adoption of outcomes-focussed national goals are a key part of a strategy to achieve higher standards and build parent’s confidence in all government schools. As they succeed they will solve one of the reasons for early school drop-out and will therefore lift retention in government schools, very likely leading to an increased proportion of students in government schools.

The other key Commonwealth strategy to improve the retention of students in government schools has been the introduction of a major stream of vocational education and training to greatly expand options for the 70 per cent of school leavers who do not go straight from school to university. Essentially this involved broadening the senior curriculum through subjects which provide industry-recognised qualifications and work placement alongside the general academic certificate.

Just as with universities, schools in both sectors as they are currently conceptualised are going to be challenged as the century progresses by the growing attraction of on-line education. This is not necessarily a bad thing and there are many educational benefits to be had via the internet. As with other industries, schools in the 21st century will face the prospect of a globalised education industry.

Educators across Australia recognise that children living in an online world must have a school education that enables them to participate in and contribute to that world. School education provides the foundation for the knowledge society and for the development of citizens who are creative, confident and enterprising. Information and communication technology have the potential to transform all aspects of school education.

The Australian education and training sectors have developed an action plan for the information economy entitled: *Learning for the Knowledge Society*. The Plan seeks to provide a common agenda on which all stake holders - governments, education and training providers and the private sector - can work jointly to
achieve common national goals. The Plan, which will be published later this year, contains contributions from all parts of the education and training sector, and includes individual Action Plans for each, which have been endorsed by the relevant constituencies.

The Plan highlights the importance of the fundamental, enabling role of school education in the developing information economy. School education provides the foundation for the knowledge society, and for the development of citizens who have the capacity to manage, share and create knowledge.

The growth in the United States of non-traditional higher education providers such as for-profit universities like the University of Phoenix, virtual universities and corporate universities with a focus on high service standards and tailored curriculum, will have implications not only for the Australian higher education sector but also for the school education sector.

Both the government and non-government sectors will need to respond to the future likelihood of private providers offering on-line education which students can access at home. Already, non-traditional education providers are offering, for a price, accredited courses at the post compulsory level. In the future this will extend to the school sector as an options for parents to ‘home-school’ using accredited education packages. Both sectors are likely to feel the effect of parents who choose to ‘home-school’ their children in this way with education tailored to specific requirements.

In order to respond to these types of challenges, schools will need to provide parents with the opportunity to educate their children as they see fit. A variety of learning opportunities for students are necessary. Schools must be free to select programmes, approaches and personnel. Parents must have choices so they can find the best environment to challenge their unique child. Variety is important for teachers too. Proposals such as reducing class size won’t result in excellence. We must enact structural changes which ensure that each school has the flexibility and authority to raise the bar for all participants and require schools to then demonstrate success. Achieving greater flexibility for government schools principals and addressing the industrial factors undermining the status of teaching will require much more effective action by State governments than has so far been achieved, but this Government will continue to support initiatives to push forward these crucial agendas.

Overseas, new information suggests that there is an emerging consensus suggesting that school choice experiments have had largely positive results. In America, in areas where public and private schools compete for the same students, research has shown improvements in test scores of students in those areas who remained in public schools. From this research, (Harvard Economics Associate Professor Caroline Hoxby), concludes that public schools respond positively to competition by improving curriculum. Parents with greater choice are more involved in their child’s schooling and prefer a higher standard of achievement for both their children and their chosen school.

To remain competitive Australian schools have to be locked into an upward spiral of continuous evaluation and improvement. Meeting the needs of their clients—students, parents and their community, will be absolutely paramount. This new Commonwealth legislation is very much part of that process. The Government’s expectations of schools in this century are high but I know that Australian schools can meet them.

Thank you