



Direct Income Measure of Capacity to Contribute Technical Working Group

The Department of Education and Training has established the Technical Working Group to undertake further work on the implementation of the direct income measure of capacity of a school community to contribute to the cost of schooling. The Technical Working Group will also provide advice on refinements to the measure for further consultation and feedback, to support the development of a high quality, reliable and robust methodology for use in the Schooling Resource Standard funding model.

The Technical Working Group will meet on a regular basis and consists of representatives from the non-government schools sector, the Australian Government, state and territory governments.

Meeting 4 – 25 March 2019 | Communiqué

The Technical Working Group held its fourth meeting via teleconference on Monday 25 March 2019. The meeting focused on prioritisation of analysis and the approach to standardisation. Members discussed the benefits of using case studies to test the validity of results. It was agreed that case studies should focus on a region rather than a specific school and be based on themes (for example sudden economic changes).

Consultations have indicated that there are concerns that differences in the spread and range of incomes within a school community and skewness may impact on fairness of results if schools are not comparable. At this meeting members discussed if an adjustment was required and what methodologies could be used. Agreement was not reached on whether adjustments are required or the methodology that could be used. It was agreed that broader consultation and advice from experts should be sought on the issues and the methodological options.

Background

The National School Resourcing Board (the Board) undertook an independent review of the methodology used to calculate capacity of a non-government school community to contribute to the cost of schooling to ensure it is the fairest, most effective, accurate and transparent model available. The Board's final report made six recommendations, including that the capacity to contribute for a school be determined based on a direct measure of income of parents and/or guardians of the students at the school.

The Government has accepted all of the Board's recommendations and will use a direct income measure of capacity to contribute from 2020 based on the income of parents and/or guardians of students at a school. This more targeted, more accurate measure will ensure funding flows to the schools that need it the most.