

AACS Submission to the Review of the regional School Resource Standard loadings

6 November 2020

Dear Board,

The Australian Association of Christian Schools (AACS) welcomes the opportunity to provide feedback to the Review of the regional Schooling Resource Standard loadings.

About the Australian Association of Christian Schools

AACS represents over a hundred schools located in every state and territory across Australia, ranging from very small to large; urban to regional, rural and remote. Characterised as low-fee schools that operate from a faith-based foundation, our schools operate autonomously and are accountable to their parent and school communities. Our schools were established by parents who desired to see their children grow up in a teaching and learning environment where they could be nurtured in their faith. They make a deliberate choice to place their children in a school that models a value and belief system that is in keeping with what is expressed in their home environment.

School Funding Model

AACS is supportive of the Government's new Capacity to Contribute (CTC) funding framework because many of our schools are located in high SES areas, with low to moderate parent fees, and experienced considerable financial challenge within the previous funding model. Our analysis has shown that the average SES score for our schools in 2016 was 96 but under the new CTC model our average DMI score has decreased to 94, with 62 per cent of our school experiencing a decrease in their score between 2016 and 2020.

Response to Issue Paper

Although there have been benefits to our sector under the new base funding model, there is a strong case to be made for the regional loadings to be increased to enable our schools to provide students with a more even playing field to their metropolitan counterparts.

A recent survey by Cardus Australia highlighted the disparity between the educational attainment between regional and metropolitan graduates across the Government, Catholic, Independent and Christian school sectors. The survey showed that for Christian school graduates, bachelor's degree attainment rates were 20% for regional graduates compared to 39 % for graduates from metropolitan areas.¹ There were similar disparities found between regional and metropolitan school graduates in the Government, Catholic and Independent school sectors.

¹ Cheng, A. & Iselin, D., *The Cardus Education Survey Australia: Australian schools and the common good*, 2020 p. 34: https://carduseducationsurvey.com.au/wp-content/uploads/2020/08/Cardus-Education-Survey-Australia_Full-Report-Final.pdf

While higher educational attainment is only one measure of educational success, it is closely associated with increased wealth, social advantage and overall wellbeing for life.² We believe that “equitable and accessible pathways for all Australian students irrespective of their postcode or region is a key area to address in ensuring shared commitments to the common good are worked out within all communities and regions.”³

To ensure country students are able to start their life journey on the same footing as their city cousins it is paramount that regional schools are adequately funded to provide students with all the educational opportunities they deserve. Our member schools have described the challenges and the increased costs associated with the delivery of educational services in these areas. As they operate and are funded independently, they do not have access to the economies of scale that are available to larger or systemic schools.

Some of the elements specific to school location that increase the cost of delivering education in regional and remote areas have been identified as:

- Difficulty in attracting qualified staff, in particular executive staff;
- Higher staff recruiting costs due to travel and moving expenses;
- Business management and accounting services are more difficult to obtain on a part-time basis;
- Building costs are significantly higher and proportionally so for smaller schools;
- Purchasing educational resources tend to be higher;
- IT costs are much higher due to distance factors;
- Expert consultant costs are higher due to travel and accommodation;
- Travel costs are significantly higher for special educational events such as camps; and
- Teacher student ratios are often higher and result in higher costs to the school.

In sum, our schools view the current dollar value of the school location and school size loadings as insufficient to meet the additional costs specific to school location and school size. It is also important to note that for some schools up to 20% of funding is subject to loadings which results in funding variability in the range of \$60-\$100,000 year on year which is extremely difficult for small regional schools to absorb. Truly independent schools such as ours are unable to obtain economies of scale by sharing resources across schools and therefore need greater financial support through increased regional loadings.

We thank the Board for the opportunity to provide this feedback to the review and are happy to elaborate further on any of the points raised above. We look forward to reading the final report.

Yours faithfully



Mrs Vanessa Cheng
Executive Officer, Australian Association of Christian Schools

²Department of Education, Skills and Employment, *Benefits of Educational Attainment*, 2019:
https://docs.education.gov.au/system/files/doc/other/beap_wealth_0.pdf

³ Cheng & Iselin, 2020, p.33