

Isolated Children's Parents' Association of Australia Inc.

"Access to Education"



Submission

to the

National School Resourcing Board

on the

Review of the SES score methodology

from the

Federal Council

of the

Isolated Children's Parents' Association of Australia Inc.

ICPA (Aust)

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The Isolated Children’s Parents’ Association of Australia, ICPA (Aust), is pleased to provide comments that address the Terms of Reference for the Review of the socio-economic status (SES) score methodology and appreciates the opportunity to contribute to this important area of decision making.

Since 1971, ICPA (Aust) has represented families living in rural and remote regions of Australia, who are passionate about the sustainability and prosperity of the industries they work in. The goal for our 2700 member families is to achieve equity of educational opportunity for all children living in rural and remote areas, thus ensuring they have access to a continuing and appropriate education determined by their aspirations and abilities rather than the location of their home.

Remote and isolated locations in Australia provide the greatest challenges for improving provision of education options and pathways for children and families. Research indicates that the ability to access affordable and appropriate educational services plays a major factor in determining if a family will remain in rural and remote locations. Due consideration must be given to factors which affect the education of these children that do not necessarily need to be considered within the context of metropolitan education.

In order to efficiently and effectively meet the needs of these students, inequity issues must be understood. Generally, these children are not considered vulnerable because they are not impacted by extreme levels of poverty. Rather, due to geographic isolation from services, many rural and remote families are expected to cover out of pocket costs for the education of their children from early childhood through to tertiary education, which is not experienced by urban families.

Every child should have access to the best possible education, regardless of where they live, the income of their family or the school they attend.

ICPA (Aust) has lodged a number of submissions and attended public hearings in relation to School Funding over time and still remains concerned about the “capacity to contribute” methodology and how it impacts rural and remote families.

1. What are the strengths and limitations of the current SES methodology that is used to determine the capacity of a school community (school, family, parent) to contribute to the recurrent costs of the school? Please provide any supporting evidence.

STRENGTHS

In most cases using the SES methodology to determine the financial status of a school’s community is beneficial. ICPA concurs that using the SES score to identify the needs of small rural and remote schools, is a valuable, transparent, evidence based tool. However, ICPA (Aust) will argue that transparency and accuracy of the financial position of a family becomes an issue when addressing the needs of rural and remote students who, out of necessity, attend boarding schools in large centres.

LIMITATIONS

Using the SES methodology is self-limiting when considering the make-up of school communities in large centres who educate rural and remote students who need to live away from home in order to access compulsory education. The following points highlight the concerns raised by ICPA (Aust) on behalf of our members.

- a) **Appropriate funding to non-government boarding schools is vitally important to enable affordable access to education for rural and remote students. The majority of boarding schools located in large metropolitan centres, coupled with high SES rankings, indicate that a school’s community has the capacity to contribute substantially to costs of education. For**

many families living in rural and remote locations the tuition fees are beyond the means of many who must send their children away and do not reflect their true ability to contribute.

- b) **The SES methodology does not recognise the disadvantage in educational outcomes for students who must relocate from geographically isolated for their secondary schooling.**

The need to live away from home to receive an appropriate education is often a necessity at some time in the school life of a student residing in rural or remote Australia if they are to achieve the same outcomes as their urban peers. Families must often make the difficult and costly decision to send their children away to schools offering suitable residential and pastoral care facilities so their children can access a secondary school on a daily basis.

It is important to our members that non-government schools offering boarding do not lose indexation of their funding arrangements. Accommodation providers such as hostels and boarding schools have to be regarded as a necessity for access to education by students who need to leave home to complete their compulsory years of education and must be affordable.

A number of hostels in rural towns only cater for a small number of children and sometimes only offer care throughout the week, with students needing to go home for weekends, which can make it difficult for families living further distances away to utilise their service. Overhead costs for hostels are high and they struggle to keep afloat with the rising costs of insurance and wages. Many small student hostels which provided pastoral care and a place for students to reside while attending a school, often in the local community, have closed over recent years so the students living in these communities are required to move to a larger centre to access an education, thus increasing the costs to families. In December 2008 the successful Non-Government School Term Hostel Programme finished. Whilst funds from targeted programs such as the one above are now assigned to the states to administer, the states are not required to assign the funds to the same target area. Continued recurrent funding, specifically assigned to these accommodation providers, is critical for student hostels which provide a vital service in enabling rural and remote children to access an appropriate education.

The Federal Government's Assistance for Isolated Children's (AIC) scheme contributes financially in reducing the out-of-pocket expenses associated with boarding, but it does not assist with the high tuition fees charged by schools. While many schools offer scholarships or bursaries, they are limited in what they can offer, citing taxes such as the Fringe Benefit Tax incurred for boarding staff living on-site as a major expense for those schools located in large cities.

While some States provide reasonable assistance for travel to and from boarding schools, others offer little to no financial assistance. While these costs may not be addressed through current SES methodology, they do impact on a family's capacity to contribute to their school.

Future insight into costs and issues that affect families in rural and remote locations when accessing secondary education for their children can be found in ICPA (Aust) **Boarding School Access Research for Geographically Isolated Students** conducted in 2016.

<https://www.icpa.com.au/page/attachment/82/final-boarding-school-survey-icpa-aust-with-comments-2016>

Key Findings

The survey gathered data and statistics on the impact increasing costs are having on families who need to send their children to boarding school to access their secondary education. Survey respondents were enthusiastic about contributing to the research and providing details of their personal situations.

Numerous concerns were raised about the level of debt being carried to service school fees and the ability to pay schooling costs when impacted by economic downturn in the agricultural industry. In

times of long term drought, the ability to pay is further impacted. A number of comments were made by families living in or near small communities with a small secondary school, about the ability of that school to meet the needs of their children. Students in rural and remote communities are identified as educationally disadvantaged simply due to their location and are deprived of a variety of educational opportunities because of small enrolments. Families in these small communities are not able to access any assistance to send their children to boarding school unless the local school is nominated by that State as a bypass school or there are special circumstances applicable to the family situation which meets the AIC guidelines. Our organisation is concerned to read the many comments outlining the lengths families are going to, in order to access an affordable education, some seeing families separating with the mother and children relocating to larger centres.

Both Government and Non-Government boarding schools have played an important role in the education of rural and remote students throughout Australia. Remote and very remote schooling outcomes are only partially correlated with socio-economic status and indigeneity, suggesting that being resident in a remote area has separate and distinct disadvantage which is not already explained by other factors. However, under the Gonski funding structure, boarding schools taking on rural or remote students have not been recognised for their role for delivery of education to those students beyond the funding and loadings already attributable to socio-economic status, indigeneity and other factors.

2. *What refinements or alternative methodologies could be considered to improve on the current SES measure, including how frequently should measures be updated?*

- a) **The SES methodology does not recognise the actual home location of a student which can be a great distance from the school they attend.**
- b) **The role boarding schools play in educating rural and remote students.**
- c) **Does not recognise times of financial crisis such as economic downturn, natural disaster or prolonged drought.**

ICPA (Aust) is very concerned by unintended consequences that may result from considering the school community's capacity to contribute towards high tuition fees charged by many of the boarding schools. For families who must send their children away from home for their secondary education, attending boarding schools is done out of necessity and not by choice and has no reflection on a family's ability to afford these expenses.

Boarding schools operate in an extremely competitive environment which is to a large part based around competing on educational outcomes, and more specifically, final year results and ATAR rankings. As a considerable gap in educational outcomes based on location of student has emerged prior to secondary school, as a generalisation boarding schools in taking on rural and remote students may have a greater role in remedial education, and more "ground to make up" to attain equivalent outcomes when compared to an intake of metropolitan and provincial students only.

Widening gaps: what NAPLAN tells us about student progress by Pete Goss and Julie Sonnemann:
<http://www.grattan.edu.au/report/widening-gaps/>

The report indicates that: *the learning gaps between Australian students of different backgrounds are alarmingly wide and grow wider as students move through school. Importantly, the learning gaps grow much larger after Year 3. Disadvantaged students are falling further behind each year they are at school. Bright kids in disadvantaged schools show the biggest losses, making two-and-a-half years less progress than students with similar capabilities in more advantaged schools.*

Figures outlining the number of rural students attending boarding schools can be found in the paper produced by the Australian Boarding Schools Association (ABSA).

<http://www.boarding.org.au/userfiles/absamvc/Documents/AboutUs/Census%202017.pdf>

The Organisation for Economic Co-operation and Development (OECD), *stated that the provision of incentives to make disadvantaged students attractive to high quality schools is an option to “balance choice availability against negative equity consequences.”* In order to continue the role of educating rural and remote students who often may not have reasonable access to an alternative appropriate education, boarding schools require sufficient incentive to continue to enrol those students. Just as schools are funded for other disadvantaged students through loadings on indigeneity, socio-economic status, disability and language other than English, ICPA (Aust) believes **both government and non-government boarding schools should receive financial incentives for enrolling rural and remote students.** This incentive should operate so as to make boarding and tuition fees lower to increase affordability and therefore access to rural and remote families, who do not have comparable levels of choice in their local schooling when compared to metropolitan families.

Incentives based around formulas for socio-economic status do not form a sufficient or efficient incentive for this purpose as socio economic status is only partially correlated with remoteness.

Even after accounting for other forms of disadvantage, government schooling in rural and remote areas is more expensive than delivering education in metropolitan areas. The savings to government in respect of a remote student transferring from rural or remote government schooling to a metropolitan or provincial boarding school is greater than the saving in respect of a metropolitan student. This greater saving forms a source of funds with which to create financial incentives for metropolitan or provincial boarding schools to continue their intake of rural and remote students, so as to participate in the OECD) notion of balancing choice against negative equity consequences.

Throughout the Gonski review, one option that was offered, which ICPA (Aust) believes has merit, was to have a voucher system where funding followed the student. While the SES methodology is sufficient in most cases, an additional arrangement that recognised the home address of the student and educational disadvantages experienced prior to secondary school is an option that should be explored.

In regard to the four-year review of the SES system, ICPA (Aust) considers this timeframe to be sufficient. However, our members educating children at boarding schools continually raise concerns about the huge financial impact felt during times of financial hardship such as economic downturn, natural disaster or prolonged drought. Therefore, ICPA (Aust) advocates for a system that recognises crisis situations within the four-year timeframe. ICPA (Aust) believes the voucher system could be effective in these situations too.

Further information can be found in ICPA’s 2016 Issues paper:

<https://www.icpa.com.au/module/documents/download/1008>

Droughts can carry on for numerous years with long term effects. The drought itself and the recovery process once the drought has broken, are times of limited income and meagre means for rural communities and families who sustain their livelihoods from the land. Other unforeseen industry impacts (live export ban, dairy crisis) also adversely affect rural families at times. The cost of boarding school continues to rise and the federal and state allowances which assist families with the cost of accessing education, are not keeping up with the actual cost of boarding and tuition. Our members have indicated that the out of pocket costs range anywhere from \$10,000 to \$30,000 per child, per year depending on where students live or allowance/scholarship that may be available.

Boarding schools have been supportive of rural students during the current drought, but at the end of the day, they must run as a business and many are finding it difficult to continue to carry multiple students whose families cannot pay the required fees over such a long period.

3. Are the guiding principles appropriate to assess alternative approaches or are there other principles that should be considered?

Any future funding allocation mechanisms to address barriers to educational achievement must be supported by accurate, comprehensive, evidence-based analysis. It must be recognised that funding allocation mechanisms based on a school's socio-economic status alone are too narrow in their focus when considering students living in rural and remote Australia, particularly those who need to attend boarding schools in large centres, great distances from their home. Funding should instead be formulated according to the ability to provide for educational needs, and the costs associated with this provision.