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PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**BILLS**

**Australian Education Bill 2012**

**Second Reading**

**SPEECH**

**Tuesday, 12 February 2013**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

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**Speaker** Pyne, Christopher, MP

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**Question No.**

**Mr PYNE** (Sturt—Manager of Opposition Business) (17:09): It is certainly disappointing to members on this side of the House that the government has not agreed to adjourn debate on the Australian Education Bill 2012. On the weekend the Minister for School Education, Early Childhood and Youth attended a protest outside the office of the Premier of New South Wales. The protest concerned school funding and the minister apparently joined with about 50 present to call on the New South Wales government to immediately release details of their school funding changes.

It is absolutely remarkable—for the past year, we have been calling on the minister to release the details of the new funding model and he has refused to do so. We do not know who will pay or what per cent they will have to pay. We do not know what impact these changes will have on schools and we do not know whether they will force school fees up, further adding to the burden on parents. For the minister for schools to suggest that the New South Wales government should release costings is staggering hypocrisy, and the evidence is this bill we are debating today.

The Australian Education Bill 2012 contains absolutely no detail as to how the government's new funding model will operate. The government have already flagged that very substantial amendments to the bill will be necessary after the next meeting of the Council of Australian Governments. We have not yet had the opportunity to consider any recommendation that might arise from the House Standing Committee on Education and Employment inquiry into this bill. I find it most odd that the government do not wish to consider any of the inquiry findings before this debate even begins and I find it more peculiar that the member for Melbourne would vote against adjourning the Australian Education Bill when he has put himself on the inquiry into it. He wants it debated before he has even considered the submissions that have been made and before the public hearings, which have been scheduled to commence this Friday. I know that coalition members look forward to engaging with schools and their sector representatives in order to hear what they have to say about the bill over the coming months.

The Australian Education Bill was described by the Prime Minister as the most important bill of 2012, yet the bill is just nine pages and 1,400 words long. It is full of words that signify hope and aspiration for schooling, words that nobody could disagree with, but it lacks any detail at all of how the Prime Minister's goals for schooling are to be delivered. Because of this the coalition does not oppose the bill in its current form. How could we? As it stands currently, this bill has no financial impact and is not even legally enforceable. It would have to be one of the few bills introduced in the history of this parliament that are not legally enforceable. The paradox of this bill is that the parliament is being asked to legislate a change in law that has no legal enforceability. It is utterly absurd. Only this government could introduce a bill that contains at its heart a paradox—legislation that has no legal enforceability. The coalition will wait for further details from the government on both the financial impact and the future regulatory arrangements that will apply to schools before we finalise our position on this bill.

Given the government has outlined their aspirations and goals for schooling, I too wish to take this opportunity to outline to the House the coalition's own set of principles that underpin our values for schooling. These principles will guide us as we continue to further deliberate on the bill as it is updated. The coalition has 10 broad principles that we believe should underpin any approach to school funding and reform. We also believe that future government funding should be provided through a direct legislative relationship with schools or school systems and that school communities require funding certainty. These are the matters that I will speak about today, and I will move the following amendment to the Australian Education Bill at the end of my speech:

That all words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the bill a second reading, the House is of the view that the:

(1) objects of the bill should be amended to read:

(a) families must have the right to choose a school that meets their needs, values and beliefs;

- (b) all children must have the opportunity to secure a quality education;
  - (c) student funding needs to be based on fair, objective, and transparent criteria distributed according to socio-economic need;
  - (d) students with similar needs must be treated comparably throughout the course of their schooling;
  - (e) as many decisions as possible should be made locally by parents, communities, principals, teachers, schools and school systems;
  - (f) schools, school sectors and school systems must be accountable to their community, families and students;
  - (g) every Australian student must be entitled to a basic grant from the Commonwealth Government;
  - (h) schools and parents must have a high degree of certainty about school funding so they can effectively plan for the future;
  - (i) parents who wish to make a private contribution toward the cost of their child's education should not be penalised, nor should schools in their efforts to fundraise and encourage private investment; and
  - (j) funding arrangements must be simple so schools are able to direct funding toward education outcomes, minimise administration costs and increase productivity and quality.
- (2) definitions in the bill should be supplemented to define a non-systemic school as a non-government school that is not a systemic school, and a systemic school as an approved school that is approved as a member of an approved school system; and
- (3) bill should provide that the current funding arrangements be extended for a further two years, to guarantee funding certainty for schools and parents."

Now I wish to outline how each of our principles for schooling will inform our thinking as this bill is updated by the government. The first coalition principle is that families must have the right to choose a school that meets their needs, values and beliefs. The coalition explicitly acknowledges that no two schools are ever the same and that parents choose an education for their child based on myriad different reasons. There are hundreds of reasons that inform choice for parents in schooling. These include academic reasons, religious reasons, the school's location, the values and ethos of the school, and the teaching methods of curricula, often including the extracurricular activities offered, such as sport. We are lucky to have a diverse range of schools in this country.

Broadly speaking, there are two types of schools—government and non-government schools. Government schools are defined in this bill under part 4, and I quote the definition from the bill:

**government school** means a school in a State or Territory that is conducted by, or on behalf of, the Government of the State or Territory.

Non-government schools, on the other hand, are not operated by the government. In 2011, according to the ABS, there were about 2.3 million students attending government schools and 1.2 million students attending non-government schools. Non-government schooling in Australia is very diverse, and non-government schools serve a wide variety of communities. Accordingly, the way in which these schools are recognised by government is critically important if we are to properly acknowledge the needs, values and beliefs of Australian families.

Catholic systemic schools, for example, operate very differently to some independent schools. The largest non-government systemic school system in Australia is the Catholic school system. It has 1,704 schools, 723,000 students and 83,000 staff. About one in every five Australian students attends a Catholic school. Under the current funding arrangements Catholic schools are mostly systemically funded by the Australian government in recognition that they share a common ethos. This means that the funding they attract is provided by the Australian government to the state or territory Catholic education commission for local needs based distribution between Catholic systemic schools. The Catholic Education Diocese of Cairns, for example, outlines the Catholic education ethos as follows:

The mission of Catholic schools is to be more than providers of high quality education, advancing the common good of Australian society. Their belief in the ultimate intrinsic value of each student is based on a distinctive educational vision inspired by the example and message of Jesus Christ.

Through their culture, ethos and mission, and through the commitment of their staff and their educational programmes, Catholic schools demonstrate that there is no separation between learning and living the Christian life.

Catholic schools teach that a life lived in the love of God and in the Christian community service of others has purpose and meaning.

The diocese then goes on to explain:

Research shows that parents and students choose Catholic schools for reasons including:

the Christian values taught by Catholic schools

the care of students, teachers and staff

a commitment to the holistic development of students - spiritually, intellectually, physically culturally, socially and emotionally

the pursuit of academic excellence

the teaching of self-discipline based on respect for others

a vision of hope for the future

strong partnerships with parents, parish and community

Some 60 independent Catholic schools are not systemically funded, which means, unlike systemic schools, they receive Australian government funding directly. For example, some of the Jesuit Catholic schools are recognised as independent schools by the Australian government for the purposes of funding. There are also over 1,000 independent schools in Australia. Independent schools can also be connected to Christian denominations—for example, Lutheran schools, Presbyterian schools, Seventh-day Adventist schools, Greek Orthodox schools, Uniting Church schools and Anglican schools, just to name some.

Some schools are non-denominational Christian schools, like Pembroke School in Kensington Park, located in my electorate. Pembroke is a coeducational school with an enrolment of 1,600 students, including 130 boarders. The school takes pride in offering a second language commencing in the junior school, being Spanish. They also offer the well-recognised International Baccalaureate Diploma, which requires the study of a foreign language. Then, of course, there are non-Christian independent schools such as Jewish schools and Islamic schools.

Independent schools are unique and attractive to parents not just because of their religious beliefs. Some parents are attracted to the educational curricula offered at the school—for example, the alternative curricula offered at Montessori schools or Rudolf Steiner schools.

There are also many non-religious independent schools. They operate for community reasons and are often established by community groups. These schools might cater for students with a disability, be Indigenous community schools or be schools that cater for students at risk with social or other behavioural issues. One such community school I visited recently is the Albury Wodonga Community College in Wodonga, Victoria. This principal's story is an inspiring one. The school principal enrolls the students from the Albury-Wodonga region who are most at risk of not completing their schooling. The community college is an independent school, but it also offers adult learning, childcare services and vocational training qualifications.

This school enrolls young people who previously dropped out of their schools due to alcohol or substance abuse, or for other reasons like domestic violence at home. This independent school principal takes in the most difficult students that neighbouring schools either will not, or do not have the capacity to manage. For the model of learning he has adopted, based on programs he had seen work in Maori communities in New Zealand, the

principal is supporting and engaging these students not only to finish school but he is also helping them to turn their lives around through broader education, leading to employment opportunities.

I spoke to one single teenage mother who shared with me that she felt that she had only been able to finish year 12 because of enrolling at the Albury Wodonga Community College. As the childcare centre was co-located with the school it meant she was able to study during the day but also visit, feed and attend to her baby as she liked during breaks, or even during class. Having enjoyed completing her studies at the school, she had then been able to progress to undertaking a vocational training qualification at the same college.

Community schools like the Albury Wodonga Community College are a good reminder that non-government schools really can turn lives around for some of the most disadvantaged students in Australia. Recognising and adequately resourcing both government and non-government schools and students are equally as important if we want to address educational disadvantage in this country.

As yet, the government has not included definitions in this bill that accurately recognise the diversity in the non-government school system. In the current Schools Assistance Act there are over 70 definitions relating to schooling. Accordingly, funding is distributed amongst schools based on these definitions, and sometimes funding flows through various authorities dependent on how they are defined under the act and recognised by government. The Australian Education Bill 2012 has just five definitions.

While the government has made clear it intends to update the bill as the detail of a new funding model is worked out, it is obvious that the five definitions in the bill, as they stand now, do not adequately capture the richness and diversity of Australian schooling. At the very least the Australian government must explicitly recognise and define the difference between a systemic and non-systemic school. That would later allow funding to flow from the Commonwealth to non-government system authorities if they are systemic, or direct to the school if they are not systemic.

This was highlighted in the Gonski report, and I quote:

Public funding for school systems would be provided to system authorities for distribution to their schools. There would be an expectation that systems would be publicly accountable for their decisions on the redistribution of that funding. Non-systemic schools would receive funding directly from governments.

In line with the Gonski report recommendation, and in order to better recognise the role diversity plays in our Australian education system to meet the needs, values and beliefs of Australian families, I hope the government will agree with our amendment, which I outlined before.

The second coalition principle is that all children must have the opportunity to secure a quality education. The Prime Minister suggested three goals for this bill; these are outlined at part 1. The first goal includes, and I quote:

... for Australian schooling to provide an excellent education for school students ...

The coalition strongly supports this goal in the bill as it is consistent with our values for schooling. The third coalition principle is that student funding needs to be based on fair, objective and transparent criteria distributed according to socioeconomic need.

The bill as it currently stands provides no detail as to how funding will be distributed. We simply do not know how the new funding model will be created, how it will operate, how much individual schools will receive, how this funding will be calculated and what other obligations will be placed upon the sector. Until such as time as the new criteria is added into the bill the coalition cannot make an assessment of whether we think the funding arrangements will be based on need or are fair, objective and transparent.

The fourth coalition principle is that students with similar needs must be treated comparably throughout the course of their schooling. Sadly, this is not the case for some students, such as those with a disability. The Gonski report found that the funding arrangements for students with a disability are unfair and inequitable. The coalition sincerely hopes that the government will act on this finding and do something about it as the bill gets amended in the future, as we propose with our education card, which the shadow minister for finance will remember from the last election.

The fifth coalition principle is that as many decisions as possible should be made locally by parents, communities, principals, teachers, schools and school systems. The coalition notes that this bill suggests that a new National Plan for School Improvement will include reforms in the area of empowering school leadership. But beyond listing a description of reform direction, the bill does not provide any further information about planned reforms to school and principal autonomy. The coalition looks forward to examining the detail of the government's reform agenda in this area as they are added to this bill during the debate.

The sixth coalition principle is that schools, school sectors and school systems must be accountable to their community, families and students. Again, the government suggests that the new National School Improvement Plan will include transparency and accountability measures. However, there is only one small paragraph in this bill dealing with the issue. The paragraph suggests that the schools will be made more accountable to the community, but does not specify how.

The seventh coalition principle is that every Australian student must be entitled to a basic grant from the Commonwealth government. The coalition believes that every child is deserving of some government support toward their education. Given that parents pay taxes, it is only fair that every child receives at least a basic grant from the government. Past Labor leaders have not supported this principle and have not supported students in so-called 'wealthy schools' being eligible to receive a basic grant toward their education. Many interpreted the statement in the Prime Minister's speech at the National Press Club on 3 September last year regarding a citizenship entitlement as a reversal of past Labor policy. The Prime Minister said:

The Australian Education Act will erect our nation's support for a child's education as one of the entitlements of citizenship.

Yet, there is no mention of a citizenship entitlement in this bill, which the coalition believes there should be in order to reflect that every student should be entitled to a basic grant.

If the government agrees to our amendment, that seeks to acknowledge explicitly that every child should receive a citizenship entitlement for education through the form of a basic grant from the Australian government, it will address this government oversight.

The eighth coalition principle is that schools and parents must have a high degree of certainty about school funding so they can effectively plan for the future. This bill does not specify any detail about school funding. States, school systems and schools are becoming increasingly uncertain and some have expressed great frustration that they are unable to plan beyond the end of this school year.

For example, the education minister in Western Australia said just days ago:

It continues to be disappointing and frustrating that the Commonwealth is still yet to provide the states with any proposed funding model, particularly in light of the Prime Minister announcing the date for this year's federal election yesterday, an announcement which is meant to provide the electorate with certainty.

A school principal running a school in the federal seat of Mayo wrote to me recently highlighting this uncertainty. He said:

My Board is somewhat anxious given there is no information as to our State and Federal Government funding sources ... beyond 2013. Given we are an employer of some 91 staff, and we are in a growth phase and attempting to plan building and expansion over the next 20 years, I am at a loss as to the advice to provide my Board.

Schools are becoming increasingly anxious about their future funding arrangements. As such, I have given my assurances to the Minister for School Education, Early Childhood and Youth that he can count on the coalition's support to extend the current funding arrangements—including the same quantum of funds plus indexation—for a further two years in the event this should turn out to be required.

The ninth coalition principle is that parents who wish to make a private contribution toward the cost of their child's education should not be penalised, nor should schools be penalised in their efforts to fundraise and encourage private investment. The bill as it stands provides no information as to how private income will be treated under the government's new funding model. I know the member for Menzies has an electorate replete with non-government

schools that are full of parents who are making a contribution of their own private income for the education of their own children yet have no recognition from this government.

While it is clear where both the Australian Greens and the coalition sit on the issue of private income, it is far less clear where the government sits on it. I can only speculate that Labor's policy on this area will be made clear as the bill is updated with new information about the school funding model. Rumour has it that the government are due to largely retain the socioeconomic status—SES—funding methodology introduced by the Howard government for non-government schools as part of the new funding arrangements. This is despite the Prime Minister having suggested many times on the public record that she opposes the SES methodology. For example, in a second reading speech the Prime Minister gave in the year 2000 on school funding she said:

The last objection to the SES model is more philosophical, that the model makes no allowance for the amassed resources of any particular school. As we are all aware, over the years many prestige schools have amassed wealth—wealth in terms of buildings and facilities, wealth in terms of the equipment available, wealth in terms of alumni fundraising, trust funds, endowment funds and the like.

She went on to say:

... it must follow as a matter of logic that the economic capacity of a school is affected by both its income generation potential—from the current class of parents whose kids are enrolled in the school—and the assets of the school. The SES funding system makes some attempt to measure the income generation potential of the parents of the kids in the school but absolutely no attempt to measure the latter, the assets of the school. This is a gaping flaw ...

If the government have in fact reversed their previous policy on private income they may well have to work with the coalition to get the bill through the House, given the Australian Greens do not support SES methodology. The Greens have long argued that school assets, including income raised through school fees, should be taken into account when determining the need for public funds.

The 10th principle is that funding arrangements must be simple so schools are able to direct funding toward education outcomes, minimise administration costs and increase productivity and quality. As the bill has not yet been updated with any details on conditions to be placed on schools in return for public funding, we can only wait until the bill is updated in order to assess whether the new arrangements will minimise administration costs for schools.

Some non-government school sector authorities—for example, the Catholic Education Office in the Diocese of Parramatta—have expressed concern that the government may impose a range of conditions on the new funding model through the National Plan for School Improvement, which may have the potential to increase the administrative burden on teachers and limit flexibility in driving school improvement at the local level.

To conclude, no-one would disagree with the notion that we would like Australia's schools to be the best in the world. Under Labor's education revolution our schools have fallen further and further behind in international testing in literacy and numeracy, which deeply troubles the coalition. One hopes that Labor's 'education crusade' might fare our students better than the failed 'revolution'. But until the full details on how the new plan is to be implemented by jurisdictions, including how the key elements of the plan are to be monitored, are presented to this parliament we reserve our final judgement.

The Minister for School Education, Early Childhood and Youth has completely and manifestly failed to outline to the school systems—to the Catholic system, to the Independent Schools Council of Australia and to all the other systems such as Lutheran, Orthodox and so on—what this bill will actually mean for students. And yet the government has had the Gonski report since November 2011. A new funding model is due to begin on 1 January 2014. The sector needs much more time to implement a new school funding model. There is no possibility that the government can implement a new funding model even if they get agreement with the states, with the Independent Schools Council of Australia and the National Catholic Education Commission at the COAG in April. They need to pass these bills with a new funding model in what is left of this parliament by the end of June. And schools are expected to implement a new funding model in a six-month period. Usually schools around Australia are given at least a year to change their systems in order to cope with a new funding model. This gross uncertainty that is being introduced into the school education system in Australia is causing real anxiety amongst principals, administrators and parents.

The coalition have been very upfront about our position on education. We have said from the beginning that we will support a model that does not increase the school fees paid by parents in either government or non-government schools across Australia because we do not believe that now is the time to be putting further burdens on parents of school aged children. The government has not given such a commitment. The Minister for School Education uses weasel words to say that no school will be worse off. But, when pressed on whether that means no school will be worse off in real terms, he runs from the debate. He is incapable of giving a straight answer because he is following the lead of his Prime Minister, who is in exactly the same boat.

The government's approach to school education has been all about a mirage, an education revolution that wasted billions and billions of dollars on overvalued school halls. Nobody in the coalition opposed more infrastructure for schools. But we did not want to see parents and schools ripped off as they were in states like New South Wales under the Building the Education Revolution. So embarrassed was the Prime Minister by the failure of the Building the Education Revolution that when she announced the 2010 election she did not even mention it in her speech to the National Press Club, so traduced had it been by the rorts and rip-offs, particularly from the New South Wales government and other governments around Australia of the Labor persuasion.

So we approach this bill with an open mind. We are disappointed that the Standing Committee on Education and Employment has not had time to report before it is considered. I look forward to the debate, particularly from our side of the House, on the impacts of this bill on our students across Australia.

As I flagged in my second reading speech, I move:

That all words after "That" be omitted with a view to substituting the following words:

"whilst not declining to give the bill a second reading, the House is of the view that the:

(1) objects of the bill should be amended to read:

- (a) families must have the right to choose a school that meets their needs, values and beliefs;
- (b) all children must have the opportunity to secure a quality education;
- (c) student funding needs to be based on fair, objective, and transparent criteria distributed according to socio-economic need;
- (d) students with similar needs must be treated comparably throughout the course of their schooling;
- (e) as many decisions as possible should be made locally by parents, communities, principals, teachers, schools and school systems;
- (f) schools, school sectors and school systems must be accountable to their community, families and students;
- (g) every Australian student must be entitled to a basic grant from the Commonwealth government;
- (h) schools and parents must have a high degree of certainty about school funding so they can effectively plan for the future;
- (i) parents who wish to make a private contribution toward the cost of their child's education should not be penalised, nor should schools in their efforts to fundraise and encourage private investment; and
- (j) funding arrangements must be simple so schools are able to direct funding toward education outcomes, minimise administration costs and increase productivity and quality.

(2) definitions in the bill should be supplemented to define a non-systemic school as a non-government school that is not a systemic school, and a systemic school as an approved school that is approved as a member of an approved school system; and

(3) bill should provide that the current funding arrangements be extended for a further two years, to guarantee funding certainty for schools and parents."



The DEPUTY SPEAKER ( Mr Murphy ): The original question was that this bill be now read a second time. To this the member for Sturt moved an amendment that all words after 'that' be omitted with a view to substituting other words. If it suits the House, I will state the question in the form that the amendment be agreed to. The question now is that the amendment be agreed to.