

Queensland Government submission

National School Resourcing Board

Review of the Regional Schooling Resource Standard (SRS) Loadings

1. Summary

- 1.1 The Queensland Government is committed to ensuring every child receives a high-quality education regardless of where they live. Queensland is Australia's most decentralised state, with more than half of its population living outside the greater metropolitan area of Brisbane.
- 1.2 The challenges of providing a quality education in regional, rural and remote areas are considerable. The majority of Queensland government schools are located outside metropolitan areas and classified as either medium, small or very small schools. However, the size and location of these schools are only two components of a complex operating environment, which includes: 24 school campuses located on islands with no road links; extreme weather events and frequent natural disasters; and a large number of schools and students experiencing multiple disadvantage factors.
- 1.3 Together, these factors substantially increase operational, capital and maintenance costs. That Queensland successfully provides education to all students across the state is a testament to the hard work of teachers, support staff, parents and communities.
- 1.4 Changes to the SRS via the school size and location loadings would not alone address the inequity or funding issues facing government schools in regional, rural and remote areas, which is why the Queensland Government provides dedicated capital funding and has targeted supports to address inequities such as accessibility, curriculum offerings and resourcing.
- 1.5 Changing the SRS is not the most appropriate mechanism to address these challenges as it fails to recognise the impact of such changes on state budgets and that significant funding is provided outside of the SRS.

- 1.6 Making changes to individual loadings also presupposes that large government schooling systems can: (a) separately identify the cost impact of school size and location or resources these factors alone require; or (b) determine the dollar value of funding and resources provided to individual schools, when these may be shared by multiple schools or provided regionally or systemically.
- 1.7 The Queensland Government instead seeks urgent action by the Australian Government to increase federal funding for government schooling systems with a high proportion of regional, rural and remote schools, to recognise the challenges faced by state and territory governments in providing essential education services in these communities. This increase in funding should be provided without changing the value of the SRS.
- 1.8 Specific options for consideration are provided in response to Focus Questions 3 and 4 below. These aim to: provide state and territory governments with additional funding needed to deliver vital education services; and reduce the current disparity in total public funding for school education, with government schools at less than 95 per cent of the SRS, and non-government schools on average receiving at least 100 per cent of the SRS from 2021, plus capital and other non-SRS funding streams.

2. Focus Question 1: What are the elements specific to school location (i.e. not related to student characteristics such as socio-educational disadvantage, students with disability, low English language proficiency, Aboriginal and Torres Strait Islander students) that increase the cost of delivering education in these settings?

Focus Question 2: Are there additional elements associated with school size for smaller schools in regional and remote settings that increase the cost of delivering education over the costs for small schools in city areas (not related to student characteristics such as socio-educational disadvantage, students with disability, low English language proficiency, Aboriginal and Torres Strait Islander students)?

- 2.1 Queensland is a large state with a geographically dispersed student population. As at the August 2020 enrolment census, approximately 63 per cent (786) of Queensland's government schools were located outside Major Cities, providing education for approximately 37 per cent (210,820) of all Queensland government school students. Outer Regional, Remote and Very Remote schools account for over one third (442) of

all Queensland government schools and provide schooling for 17 per cent (98,746) of students.

- 2.2 Approximately 74 per cent (325) of Queensland's government schools in Outer Regional and more remote locations are classified as small or very small, and a majority of these (56 per cent or 247 schools) are primary schools. In Major Cities, the Queensland Government has no very small schools, 18 small primary schools and 13 small secondary schools.
- 2.3 Numerous recent reviews undertaken nationally have recognised the unique challenges of providing education to students in regional, rural and remote locations, e.g. the Independent Review into Regional, Rural and Remote Education, the National Regional, Rural and Remote Tertiary Education Strategy and the Inquiry on Education in remote and complex environments by the Standing Committee on Employment, Education and Training.
- 2.4 Consistent with the findings in these reviews, Queensland's regional and remote schools experience a myriad of complex challenges due to their location, including accessibility, extreme weather, constrained curriculum and wellbeing offerings, staff attraction and retention, and the provision of staff housing where no private rental market exists. Queensland's small schools also experience a range of challenges relating to their size, such as constrained curriculum offerings, and may not be able to achieve effective economies of scale. Infrastructure and capital costs are particularly challenging.
- 2.5 Despite these challenges, the Queensland Government recognises the long-lasting value of a high-quality education and continues to operate regional, rural and remote and small schools.

Resource and funding allocation

- 2.6 As an approved system authority, the Queensland Government uses its own needs-based funding arrangements informed by its knowledge of local contexts to provide a holistic funding model for government schools that addresses student needs. All schools receive core resources which may be supplemented by targeted resources that address specific needs, including the needs of regional, rural, remote and small schools.

- 2.7 The Queensland Government's public education commitments in regional, rural and remote locations are extensive and increasing.
- 2.8 In addition to the core school appropriation (which includes a measure of location), the Queensland Government provides regional, rural and remote government schools with targeted resourcing related to their location, e.g.:
- The Investing for Success improvement initiative includes a per student location loading for Outer Regional, Remote and Very Remote government schools.
 - The Rural and Remote Education Access Program provides funding to geographically isolated government schools and their communities to support appropriate curriculum for the educational needs of their students.
 - Through the *Advancing rural and remote education in Queensland state schools action plan*, the Queensland Government has invested over \$100 million over four years to address challenges faced by regional, rural and remote government schools.
- 2.9 Additional operational costs related to school size are also borne by the system. For example, Queensland's government school staffing allocation model includes supplementary staffing and support for small schools such as:
- a minimum secondary classroom teacher allocation for P-10 and P-12 schools, irrespective of enrolment size, to support delivery across the breadth of curriculum;
 - increased travel time factored into specialist teacher contact time; and
 - additional teacher aide support for one-teacher schools to support the preparatory year.
- 2.10 Queensland faces unique challenges as a result of the high proportion of Outer Regional, Remote and Very Remote schools in its government schooling system. These additional system costs are considerable and are not adequately accounted for by the SRS recurrent funding model.
- 2.11 However, reviewing the school size and location loadings in isolation from other components of the SRS funding model as a whole also overlooks the interaction

between different types of school and student disadvantage and the compounding effect of multiple disadvantage factors. For instance, students with disability attract the same rates irrespective of school location, despite the cost of bringing the appropriately qualified therapist into regional, rural and remote communities being far more (e.g. due to limited travel options, accommodation).

Challenges related to accessibility

2.12 The accessibility of schools in regional, rural and remote locations presents wide-ranging challenges, including:

- limited supplies, suppliers and appropriately qualified workers, restricting choice and affordability;
- limited travel options, and increased travel and associated costs (e.g. accommodation and storage), including the need for a local school bus or other student travel service and specialised transport to swiftly respond to critical incidents (e.g. chartering of a helicopter or plane);
- increased travel times, affecting opportunities for professional development and collaboration, and requiring staff to take more time away from their school and family;
- limited accommodation options for visiting contractors or staff;
- reliance on local arrangements for provision of utilities such as power (e.g. generators), water (e.g. tanks and water trucks) and sewerage (e.g. septic tanks); and
- compromised or less sophisticated internet services, making it difficult for schools to access online resources and participate in online training and remote delivery.

2.13 Queensland has 24 government school campuses on islands that have no road links, which adds further complexity and cost. For example, Tagai State College has campuses on Thursday Island and the outer islands of the Torres Strait. One of their campuses, the Stephen Island campus, has no air strip. As it is 180 kilometres from Thursday Island, a ferry service is not feasible, meaning it can only be accessed by helicopter. This unique transport requirement incurs higher costs due to fuel and

limited cargo space (requiring multiple trips to transport freight or visiting groups of staff).

- 2.14 Another school with unique accessibility issues is the Urandangi State School, which is located 180 kilometres from its closest major centre (Mount Isa) near the Northern Territory border. This school is not connected to a mains electricity grid, and has to rely on two alternating diesel generators and solar power to operate vital equipment such as computer servers and fridges. While the power supply is necessary to support students to fully participate in classroom activities, use of generators exposes the school to additional fuel and maintenance costs.

Increased capital and maintenance costs

- 2.15 To take account of the high variance in building costs across a highly decentralised state, the Queensland Government applies a building locality index to school maintenance allocations to ensure comparable schools receive equitable allocations (e.g. Thursday Island = 1.85; South East Queensland = 1). The maintenance allocation is determined by a statewide methodology, and the index is applied to the result. This supports remote schools to undertake necessary maintenance and provide attractive learning environments despite variance in cost, e.g. the approximate rate of roofing cost per m² for Tagai College (Kubin Campus) in the Torres Strait is \$333.16, which is more than double that for Bracken Ridge State School in Brisbane.
- 2.16 As one of the most natural disaster-prone states in the country, Queensland experiences tropical cyclones, torrential rainfall and flooding, bushfires and droughts with regularity, and regional and remote communities can be some of the hardest hit. This imposes additional costs on schools for two key reasons: schools often act as safe gathering places providing shelter, food, water and internet to families displaced from their homes due to natural disasters or extreme weather events; and damage caused by disasters and weather increases maintenance and repair costs.
- 2.17 Natural disasters and extreme weather events result in increased maintenance costs, faster depreciation of assets, and exacerbated accessibility issues (particularly during the wet season). For example, Lockhart River State School in Cape York experiences an annual monsoonal wet season between November and April. Roads in this region are frequently cut off by floodwaters for days to weeks at a time, with access only

possible by sea or air, considerably increasing costs of transport and freight. Systems like tropical cyclones Monica (2006), Zane (2013) and Trevor (2019) significantly impacted remote communities such as Lockhart River by damaging community infrastructure and disrupting school schedules.

- 2.18 The damage wrought by Tropical Cyclone Larry (2006) on Innisfail State High School resulted in significant engineering impacts for the school and most assets, to the extent that the school relocated and partnered with TAFE to combine a joint Secondary College and TAFE campus. Tropical Cyclone Yasi (2011) caused widespread destruction at Tully State High School, with major renewal of multiple buildings required to fix to significant damage.
- 2.19 In the past, the Australian Government has provided Special Circumstances Funding to eligible non-government schools when unexpected circumstances cause severe and temporary financial difficulty, including for the 2019 Queensland floods and 2019/20 drought affected areas. No equivalent support has been offered by the Australian Government to government schools.

Challenges related to staffing

- 2.20 Approximately 41 per cent (or 28,379) full-time equivalent staff (teaching and non-teaching) work in schools outside Major Cities. These schools typically experience increased difficulty in attraction and retention of qualified staff, leading to shortages, reduced curriculum offerings and reduced access to professional development.
- 2.21 On average, active teaching staff in Queensland's government schools have remained longer in schools located in Major Cities (9.9 years) compared to Remote (5.1 years) and Very Remote schools (5.3 years). To attract and retain teachers to these locations, the Queensland Government offers a range of financial assistance grants and scholarships to pre-service and beginning teachers, as well as incentive programs for permanent teachers, to seek a rural or remote teaching experience and to recognise the contributions of teachers returning from rural or remote service.
- 2.22 School-based staff in remote locations face physical and emotional challenges of living and teaching in isolated locations, e.g. residing on the school site, being a community leader and having to travel considerable distances to purchase household basics.

- 2.23 Through the four-year *Advancing rural and remote education in Queensland state schools action plan*, the Queensland Government is investing in a range of benefits for government schools and teachers in regional, rural and remote locations, including:
- approximately \$56 million to improve employee housing, with a focus on the most remote locations, and a further \$4.5 million to upgrade internet connectivity in their homes;
 - \$31.1 million to establish and operate four Centres for Learning and Wellbeing in regional, rural and remote areas of Queensland (Atherton, Emerald, Mount Isa and Roma) to provide professional learning, mentoring and coaching and facilitate inter-agency wellbeing support for staff, students and their families;
 - \$3.2 million for the Take the Lead program and principal induction programs – these targeted leadership capability development programs provide participants the opportunity to develop their personal and professional capabilities on their journey to becoming effective school and system leaders in Queensland’s regional, rural and remote state schools; and
 - \$3.2 million for a range of programs to support teachers to move to regional, rural and remote communities, including the Rural and Remote Teacher Experience program and Remote Ready program to build the resilience of staff new to remote areas.
- 2.24 Employee housing is also needed to staff Queensland’s regional, rural and remote schools. In mining towns for example, fluctuating markets can affect access to affordable teacher housing which further complicates recruitment.
- 2.25 In total, over 2,600 units of accommodation are provided for teachers in regional, rural and remote areas of Queensland. The costs associated with this provision are significant. In 2020-21 alone, in excess of \$56 million is allocated towards teacher housing, including \$32 million for lease costs, \$5 million for maintenance, nearly \$16 million for housing upgrades and \$3.4 million for minor works.
- 2.26 To ensure all schools have access to necessary resources, clusters are often formed whereby small schools pool their allocations to engage specialist teachers to teach across multiple schools, e.g. language teachers, physical education teachers,

instrumental music teachers and allied health professionals. While beneficial, these clustered arrangements may have a higher cost of delivery due to travel time and associated expenses.

- 2.27 Access to qualified relief teachers and other relief staff for planned and unplanned absences presents further difficulty, particularly for small regional, rural and remote schools. The District Relief Teacher model allows clusters of schools to share a relief teacher resource, resulting in a more reliable and cost-effective service for cluster schools. However, specific events or circumstances (e.g. increased teacher absences due to flu seasons) and access to further relief staff can be challenging.

Curriculum offerings

- 2.28 Queensland's regional, rural and remote government schools, small secondary schools in particular, are frequently faced with decisions about their breadth of curriculum offerings. Distance education is available as an alternative delivery mode but at a higher cost per student given smaller class sizes (e.g. typically half the usual student-teacher ratio).
- 2.29 Schools in regional, rural and remote locations also access distance education for subjects such as languages due to the difficulty attracting specialist teachers to these locations. To support this, remote schools typically require additional IT infrastructure and internet connectivity for students and staff (e.g. satellite dishes).

3. Focus Question 4: Are there elements specific to school location which have particular resourcing implications for certain types of schools in regional and remote areas, such as boarding schools and small non-systemic schools (as opposed to small systemic schools)? What are the elements?

- 3.1 School location interacts with a range of other factors to create resourcing issues for regional, rural and remote government schools – see response to questions 1 and 2 above.
- 3.2 A further critical issue relates to Aboriginal and Torres Strait Islander students attending boarding schools in regional, rural and remote areas. These students require a range of additional assistance to support their education, health and wellbeing and ensure a continuing connection to family and community.

- 3.3 The Queensland Government acknowledges the significant challenges Aboriginal and Torres Strait Islander students from remote communities face in leaving home to complete their secondary schooling. Queensland's Transition Support Service assists Aboriginal and Torres Strait Islander students traveling from remote communities in Cape York and Palm Island to complete secondary schooling. The annual budget for the support service for 2020-2021 is \$1.32 million.
- 3.4 The Queensland Government also funds three government school-operated residential boarding facilities in Weipa, Mount Isa and Dalby, providing residential boarding to students from Years 7-12. At Queensland's Dalby State High School residential facility, students are housed across 12 separate residences, over an entire campus area of 88 hectares, which requires increased supervision and management and adds additional complexity to school operations.
- 3.5 Recent reports, including the Grant Thornton report *Boarding: investing in outcomes for Aboriginal and Torres Strait Islander students* and the *Royal Commission into Institutional Responses to Child Sexual Abuse: Final Report*, note other significant resourcing implications for boarding/residential facilities. Regional, rural and remote facilities, particularly ones with a high proportion of Aboriginal and Torres Strait Islander students, have increased costs associated with complex health and wellbeing issues, in addition to increased costs associated with remoteness.
- 3.6 These reviews also acknowledge that existing sources of revenue for boarding schools (including ABSTUDY) are not sufficient to meet the full costs of boarding for Aboriginal and Torres Strait Islander students.¹
- 3.7 Consideration should be given by the Australian Government to the sufficiency of funding arrangements for boarding schools outside SRS funding, such as through ABSTUDY, to support Aboriginal and Torres Strait Islander students to receive appropriate wrap around supports (e.g. for health, nutrition, counselling and tutoring services) that allow them to be ready to learn.

¹ Grant Thornton Australia. 2019. *Boarding: investing in outcomes for Aboriginal and Torres Strait Islander students*. <<https://www.niaa.gov.au/sites/default/files/publications/boarding-investing-in-outcomes.pdf>>, p.8.

4. Focus Question 3: Is the dollar value of the current school location and school size loadings appropriate to meet the additional costs specific to school location and school size? (noting there are separate student-based loadings for socio-educational disadvantage, students with disability, low English language proficiency, Aboriginal and Torres Strait Islander students)

- 4.1 There are significant additional costs incurred by regional, rural and remote schools for a range of reasons, including their location and size. However, isolating the additional costs specific to school location and size, distinct from other factors that impact on costs of education delivery (such as levels of student disadvantage) is complex. It is particularly difficult to do so in a large government schooling system that allocates funding through needs-based funding arrangements where funding and resources may be shared between multiple schools or provided regionally or systemically.
- 4.2 For example, a contract for provision of internet at all government schools will include an additional cost to service Very Remote campuses on the Torres Strait Islands. However, the contract will not identify the cost of that component of remote service delivery as it is built into the overall price. Approaches to allocate costs to remote schools for such a contract would be imprecise as it is not feasible to individually represent the actual cost of providing services to these remote locations as if they were non-systemic schools.
- 4.3 Government schooling systems face significant cost pressures as they are responsible for providing access to education for all students and educate a higher proportion of disadvantaged students. In Queensland, these are exacerbated by additional costs of providing vital education services to towns and cities across a large, geographically dispersed state. For regional, rural and remote schools, these considerable costs relate to both recurrent and capital expenditure. With more than a third of its government schools in Outer Regional, Remote and Very Remote areas, Queensland incurs significant additional costs.
- 4.4 The SRS model fails to acknowledge the significant additional capital costs incurred by Queensland's government schooling system. Other than recurrent funding, only the items below count towards Queensland's reportable funding contribution shares:
- capital depreciation and direct school transport (up to 4 per cent of the SRS);

- regulatory funding for the purpose of the Queensland Curriculum and Assessment Authority;
- reform measures outlined in Part 1 of Queensland's Bilateral Agreement (excluding any capital funding); and
- national policy initiatives outlined in the National School Reform Agreement.

4.5 Queensland Government expenditure on capital does not count towards its achievement of the SRS target, even though capital investment is critical to education delivery and ensuring every child receives a high-quality education regardless of where they live.

4.6 The current federal funding arrangements also do not adequately address the significant burden on states and territories to provide recurrent and capital funding to government schools. Nor do they recognise states' more limited revenue raising capacity compared to the Australian Government. Given this context, it would be unreasonable for any changes to funding arrangements for regional, rural and remote schools to result in an increase in state contributions. The Queensland Government is already stretched to capacity providing record levels of capital and recurrent funding to government schools.

4.7 There are two key features of the current funding arrangements that demonstrate this:

- There is already disparity in total public funding for schools in Queensland, with government schools at less than 95 per cent of the SRS and non-government schools on average receiving at least 100 per cent of the SRS from 2021.
- The Australian Government provides multiple streams of additional funding outside the SRS to non-government schools that are not available to government schools, e.g. federal capital assistance and the Choice and Affordability Fund.

4.8 In this context, increasing the value of the SRS via the school size or location loading is not the only, or the most appropriate mechanism for addressing the funding challenges facing these schools. Further, changing these loadings would not recognise the significant additional costs borne by government schooling systems, particularly

those with a high proportion of regional, rural and remote schools such as Queensland, or the interaction between the various types of education disadvantage.

4.9 The Queensland Government instead seeks urgent action by the Australian Government to increase federal funding for government schooling systems with a high proportion of regional, rural and remote schools, to recognise the challenges faced by state and territory governments in providing essential education services in these communities.

4.10 For jurisdictions with 25 per cent or more of their government schools in Outer Regional, Remote or Very Remote locations, this additional funding could be provided by the Australian Government as:

- increased funding for recurrent costs based on increasing the Australian Government's share of the SRS by 5 per cent in Outer Regional, Remote and Very Remote locations (valued at approximately \$110 million per annum for Queensland government schools in 2019) – this funding could be delivered by either increasing the Australian Government's share of the SRS for Outer Regional, Remote and Very Remote government schools, or providing this amount as prescribed funding outside of the SRS; and/or
- a dedicated stream of capital funding for government schools calculated at 25 per cent of estimated capital costs, valued for Queensland at approximately \$215 million per annum.

4.11 Implementing these approaches would reduce the current inequity in federal funding arrangements and provide state and territory governments with the additional funding needed to provide vital educational services to all students.

5. Focus Question 5: Is Accessibility/Remoteness Index of Australia (ARIA+) the most appropriate basis for classifying locations and applying to the school location loading? Should another measure be considered?

5.1 Queensland is not aware of a more appropriate measure than the ARIA+ score. The continuous ARIA+ score measure provides a more nuanced differentiation between schools' location than alternative broad geolocation measures such as the Modified Monash Model.

- 5.2 Reviewing the location classification methodology in isolation from the SRS funding model as a whole would not be appropriate given the interaction between different types of school and student disadvantage, and the compounding effect of multiple disadvantage factors.

6. Focus Question 6: Are there new or emerging factors that should be taken into consideration when looking at the cost of education in regional and remote areas and/or small schools?

- 6.1 The Queensland Government is responsive to new and emerging factors that affect the cost of education in regional, rural and remote government schools. In recent times these have included economic and environmental factors, connectivity needs, and increasing demand for mental health and wellbeing support.
- 6.2 While our needs-based funding arrangements for government schools support responses to emerging needs, associated costs are increasing due to the following:
- Economic factors – Local economies are particularly vulnerable to disruptive economic events, as demonstrated by the impact of the COVID-19 health pandemic on the tourism industry. As local industries change, local student populations can rapidly expand and contract, adding complexity to planning and resourcing for schools already disadvantaged by their location and/or size.
 - Environmental factors – As extreme weather events increase in frequency and are projected to worsen as the climate warms, responsive school infrastructure is critical to ensuring the safety of students and staff and continuity of education. Tropical cyclones and riverine flooding have been identified as Queensland’s most disruptive and damaging natural hazards. This requires significant capital and recurrent investment in school infrastructure to manage flooding risks, comply with changing code requirements for cyclonic winds and fires, and ensure water security. As temperatures rise, the Queensland Government is also providing \$477 million over five years to air condition government schools, particularly in the hottest parts of the state.
 - Remote learning / connectivity – Reliable IT infrastructure in regional, rural and remote schools is becoming increasingly important as trends in the use of distance education, online learning and professional development are likely to continue.

- Mental health and wellbeing – With adverse mental health conditions on the rise, the capacity of schools to respond is increasingly important. Applications for special consideration under the Queensland Government’s Living Away from Home Allowances Scheme (LAFHAS) are increasing, as parents not normally eligible have applied for financial support to send their child to a boarding school due to mental health concerns for themselves or their children. Additional costs to remote schools are also anticipated for upskilling teachers to provide support between allied health services visits and additional technology for telehealth-style service delivery.
- VET and work experience – As identified in the *Review of Senior Secondary Pathways into Work, Further Education and Training*, all students should have access to high quality career advice, career education and vocational education and training (VET) – all of which can be challenging to deliver onsite in remote and/or small schools. Access to culturally appropriate career advice, work experience and VET can be problematic due to limited local opportunities or facilities, travel expenses and supervision needs. Additional funding was provided to Mornington Island State School (K-10) to support students to access work experience opportunities in Cairns or Mount Isa under a one-week trial program, due to limited local options on the island. Delivery of such valuable opportunities for students in remote schools comes at a significantly higher cost than for comparable metropolitan or regional schools.