



Australian Government



Review of Funding for Schooling

Final Terms of Reference | Updated November 2010

Final Terms of Reference for the Review of Funding for Schooling

The Review of Funding for Schooling will report to the Minister with responsibility for school education.

Purpose

The review will provide recommendations to the Minister with responsibility for school education on the future funding arrangements for schooling in Australia for the period beyond 2013.

The review's recommendations will be directed towards achieving a funding system for the period beyond 2013 which is transparent, fair, financially sustainable and effective in promoting excellent educational outcomes for all Australian students.

In making its recommendations, the review should consider the following issues:

Supporting educational outcomes

1. The role of funding arrangements in supporting improved educational outcomes, including:
 - a) links between school resourcing and educational outcomes; and
 - b) funding allocation mechanisms that address current barriers to educational achievement such as English language proficiency, indigeneity, location, disability and special needs, and other disadvantaged groups such as low socio-economic areas and other concentrations of disadvantage.
2. The roles of families, parents, communities and other institutions in providing or supporting educational partnerships with schools.

Allocation of funding

3. The roles of the Australian and state and territory governments in providing funding for schooling.
4. The baseline level and allocation of funding for schools, including:
 - a) costs of ensuring all students have access to a world class education;
 - b) factors influencing growth in costs and whether current indexation arrangements are appropriate;
 - c) supply and demand considerations including the likely growth and distribution of demand and student need, based on current student enrolment trends and projections;
 - d) cost drivers of school funding, including teaching, capital, technology and other costs of schooling;
 - e) place of voluntary and private contributions and other income sources in school funding arrangements for government and non-government schools; and
 - f) role of government funding in providing parents with choice among diverse schools.

Funding mechanisms

5. The most effective means of distributing funding for schooling, including:
 - a) the different funding models used in States and Territories and relevant overseas examples, especially in high performing school systems, and how these may link to outcomes in their respective education systems;
 - b) the best funding mechanism(s) for delivering optimal educational outcomes, financial efficiency and sustainability, including whether a basic entitlement for every student is required and how this could be defined and determined;
 - c) ways to increase the simplicity, transparency and effectiveness of school funding arrangements, including the forms of school and system-level autonomy within those arrangements that best support improved educational outcomes; and
 - d) the transitional assistance that should be offered to schools in making the transition to any new system.

Accountability and regulation

6. What forms of accountability, transparency and regulation are necessary to promote high standards of delivery and probity among schools receiving public funding, and the data required to monitor and assess these standards of delivery and educational outcomes.