

1 2007-8 Budget Changes for Education

	Pre-budget (2007)	Post-budget (2008)																																							
<p>CGS cluster funding levels</p> <p><i>HoR Inquiry Recommendation 11b: That the Australian Government from 2008, increase the Commonwealth Contribution Amount for an Equivalent Full-Time Student Load in the Education cluster [to], the same level as that applying to the Foreign Languages, Visual and Performing Arts cluster.</i></p>	<table border="1"> <thead> <tr> <th>Disciplines in new clusters</th> <th>Funding in 2007</th> <th>Funding in 2008*</th> </tr> </thead> <tbody> <tr> <td>Law</td> <td>\$1,642</td> <td rowspan="2">\$1,674</td> </tr> <tr> <td>Accounting, Administration, Economics, Commerce</td> <td>\$2,703</td> </tr> <tr> <td>Humanities</td> <td>\$4,556</td> <td>\$4,647</td> </tr> <tr> <td>Mathematics and Statistics</td> <td>\$5,381</td> <td rowspan="3">\$8,217</td> </tr> <tr> <td>Behavioural Science and Social Studies</td> <td>\$7,233</td> </tr> <tr> <td>Education</td> <td>\$7,950</td> </tr> <tr> <td>Computing, Built Environment, other Health</td> <td>\$8,057</td> <td rowspan="2">\$10,106</td> </tr> <tr> <td>Clinical Psychology</td> <td>\$7,233</td> </tr> <tr> <td>Allied Health</td> <td>\$8,057</td> <td rowspan="2">\$11,280</td> </tr> <tr> <td>Foreign Languages, Visual and Performing Arts</td> <td>\$9,908</td> </tr> <tr> <td>Nursing</td> <td>\$10,953</td> <td>\$11,280</td> </tr> <tr> <td>Engineering, Science, Surveying</td> <td>\$13,411</td> <td>\$14,363</td> </tr> <tr> <td>Medicine, Dentistry and Veterinary Science</td> <td>\$16,810</td> <td rowspan="2">\$18,227</td> </tr> <tr> <td>Agriculture</td> <td>\$17,870</td> </tr> </tbody> </table> <p>*Estimates based on current rates of indexation (HEIF) and increases in 2008.</p> <p>The Commonwealth contribution for Education is equal to Behavioural Science/Social Studies as it was under the pre-HESA Relative Funding Model. The increase to Education (after indexation) is \$109. The effect is that Education has lost the 'practical component' that was presented as the trade off for not being able to charge variable HECS.</p>	Disciplines in new clusters	Funding in 2007	Funding in 2008*	Law	\$1,642	\$1,674	Accounting, Administration, Economics, Commerce	\$2,703	Humanities	\$4,556	\$4,647	Mathematics and Statistics	\$5,381	\$8,217	Behavioural Science and Social Studies	\$7,233	Education	\$7,950	Computing, Built Environment, other Health	\$8,057	\$10,106	Clinical Psychology	\$7,233	Allied Health	\$8,057	\$11,280	Foreign Languages, Visual and Performing Arts	\$9,908	Nursing	\$10,953	\$11,280	Engineering, Science, Surveying	\$13,411	\$14,363	Medicine, Dentistry and Veterinary Science	\$16,810	\$18,227	Agriculture	\$17,870	<p>Recommendation not adopted.</p>
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<p>Practical component</p> <p><i>HoR Inquiry Rec 12: That Aust Govt (a) commission an examination of the cost of providing practicum and increase the amount of the loading for practicum to fully reflect its costs; (b) calculate the amount of funding for the practicum component on the basis of the quantum of placement rather than taught load (c) pay the practicum component separately to universities and require them to acquit it separately as part of their financial reporting requirements.</i></p>	<p>Loading of \$717 included in cluster funding. That is, Commonwealth funding to Education = (Social Studies funding + practical component)</p> <p>The HReps made NO recommendation to increase placement days. It did recommend funding a National Teacher Education Partnership Fund to improve the quality (not quantity) of placement, but this has not occurred.</p>	<p>Recommendation not adopted.</p> <p>Loading remains included in cluster funding but 'neutralised' 2008 on. That is, Commonwealth funding to Education = Social Studies, so practical loading for Education no longer exists in that form.</p> <p>\$77 m over 4 years equating to \$450 per teacher education EFTSL. However, this is tied to a total minimum of 60 days for one to two year course and 120 for three to four year degree. Uncertainty about double degrees. Eligibility conditions: a) incorporation of extra days in courses, b) compliance with yet-to-be-developed literacy and numeracy standards. Administered under special individual contracts via the Schools Division not by Higher Ed.</p>																																							
<p>Student Contribution</p> <p><i>HoR Inquiry Rec 11a: That the Aust Govt commission an evaluation of the impact on teacher education courses of fixing the student contribution rate at 2004 levels (indexed) to determine whether this measure, as part of its strategy of identifying education as a National Priority Area, has met its stated objective</i></p>	<p>Maximum student contribution amount capped at previous 2004 HECS rates (indexed).</p> <p>Band 3: \$0-\$8 333 Law, Medicine, Dentistry, Veterinary Science</p> <p>Band 2: \$0-\$7118 Accounting, Administration, Economics, Commerce, Mathematics and Statistics, Computing, Built Environment, Health, Engineering, Science, Surveying, Agriculture,</p> <p>Band 1: \$0-\$4996 Humanities, Behavioural Science, Social Studies Foreign Languages, Visual and Performing Arts, National priorities \$0-\$3998 Education, Nursing</p> <p>The student contribution for Education places is now \$1018 less than for Behavioural Science and Social Studies because all Education places are embargoed from charging the 25% variable student contribution. Furthermore, only teacher education courses with practicum can claim the \$450 and then only after delivering significantly extra.</p>	<p>No change. Maximum still \$3,998 (indexed). No evaluation undertaken</p> <p>Band 3: \$0-\$8 500 Law, Accounting, Administration, Economics, Commerce, Medicine, Dentistry, Veterinary Science</p> <p>Band 2: \$0-\$7260 Mathematics and Statistics, Computing, Built Environment, Health, Engineering, Science, Surveying, Agriculture,</p> <p>Band 1: \$0-\$5096 Humanities, Behavioural Science, Social Studies Foreign Languages, Visual and Performing Arts, National priorities \$0-\$4078 Education, Nursing</p>																																							
Fully student funded places	Limited to 35% (Medicine) and 25%(other courses).	No limits.																																							
Over enrolment	Financial penalties for over and under-enrolment.	No penalties. Up to 5% over enrolment: CGS funding plus student contributions. Over 5%: Student contributions only.																																							

2 Cumulative effect on Education funding of changes under HESA (2003)

	Pre HESA 2003	Post HESA 2007			Post budget 2008		
	Comm'th contribn	Comm'th contribn	Student contribn	Income with 25%	Comm'th contribn	Student contribn	Total income
Beh science & social studies UG	\$9261	7223	0-4996	12 219	8217	0-5096	13 313
Education UG	\$9261	7950	0-3998	11 948	8217	0-4078	12 295
Education GradDipEd	\$9974	7950	0-3998	11 948	8217	0-4078	12 295
	<p>2003</p> <p>Under the Relative Funding Model (RFM) Education is in same cluster as so earns the same as Behavioural Science and Social Studies.</p> <p>UG Education is weighted at 1.3</p> <p>Pre-service Grad Dips earn more being weighted at 1.4.</p>	<p>2007</p> <p>Under HESA (2003) by 2007 UG and PG Education earns \$271 less than Behavioural Science and Social Studies</p> <p>That is, against pre HESA cluster, relativity has shifted to detriment of Education</p>			<p>2008</p> <p>UG and PG Education earns \$1,018 less than Beh Sc and Social Studies.</p> <p>Against pre HESA cluster, relativity shifted again to detriment of Education.</p> <p>In the old RFM terms, relative to Humanities at 1, Beh Sc is now 1.36, Education is now 1.26. For initial teacher education only, the \$450 would bring weighting to 1.31 with significant additional placement requirement.</p> <p><i>An additional \$450 per EFTSL is available for teacher education courses that adopt 60/120 days of placement and numeracy and literacy standards. Administered by contracts through School Division</i></p> <p><i>This \$450 will not be available to Education courses that are not initial teacher education, but embargo on variable HECS applies to all Education.</i></p>		

Comments about the \$450 placement income:

- The typical pattern at present is 40-50 days of supervised placement for 1-year courses and 80-100 days for 4-year courses. Given difficulties in making school placements, and that universities are at the mercy of others for places, some may be unable to guarantee always being able to deliver the additional placement — crisis will be the operative word.
- Note also that many of our students, particularly Grad Dip students, will struggle to be able to afford 12 weeks 'off work' – more than half are mature age and most get by only by having paid work.
- The cost of finding placements will escalate as the pressure on schools increases. Payments to teachers for additional placement will cost around \$26 per day, and university supervision and travel costs will increase proportionally. A secondary GradDipEd course that currently provides 40 days of placement, for example, will have to provide an extra 20 days at a cost of \$520+ in teacher payments alone.
- The \$450 is also contingent upon literacy and numeracy standards being adhered to. Not yet clear what this means.
- According to the Budget documents, the funding comes through education load (per EFTSU) so a four year course is likely to get funds for taught load in education during that four years, not total enrolment, even though the placement requirement will be the same regardless of how much is taught within Education.
- The embargo on charging the 25% applies to all of Education, but the \$450 only available for initial teacher education courses, all other Education courses will be unable to charge the 25% but equally unable to access the \$450.
- The additional \$77 m to supplement income by \$450 per EFTSL will not come through the usual higher education funding process. It will be administered by the Schools Division and will require universities to enter into contracts with DEST contingent upon meeting certain criteria in relation to Practicum and Literacy and Numeracy.
- Rather than investing in improving the **quality** of placements and building partnerships with schools, as recommended by H Repts Recommendation 6, this will drain funds and make it even more difficult than it has been to provide a quality experience. Some institutions may be forced to forgo the extra funding.