



Submission

to the

Productivity Commission inquiry into Australia's productivity performance

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Introduction

The Australian Education Union (“AEU”) makes this submission on behalf of over 198,000 AEU members employed in the public primary, secondary, early childhood and TAFE sectors throughout Australia. AEU members in all three sectors have been at the frontline of the pandemic in Australia, and investment in early childhood education, public schools and TAFE will be essential to Australia’s economic recovery and improved productivity.

Three policy opportunities

This submission identifies three education policy opportunities that would significantly improve Australia’s productivity:

1. Proper funding of public education – in early education, schools, and TAFE – would improve the productivity of the education workforce and of the next generations of Australian workers. In schools, this requires the Commonwealth to provide the funding necessary for all public schools to achieve at least 100% of the Schooling Resource Standard (SRS). It will also require the Commonwealth to engage with the states and territories to ensure that they provide the full investment needed to reach their share of the SRS. In early education, this requires the funding of preschool in the two years prior to school and committing to funding the sector’s significant and growing need for both teachers and education support personnel. In TAFE this involves restoring the billions of dollars cut from the sector over the last decade, and rebuilding the TAFE system, including investing in the TAFE teaching workforce and state of the art TAFE facilities.
2. Improving the wages and conditions of the public education workforce would dramatically benefit Australia’s productivity. Decent salary and conditions outcomes lead to a higher standard of living for the profession and therefore greater capacity to contribute to society and the economy. Furthermore, the workload and work expectations of teachers is high and increasing, but these increased expectations are not reflected in teacher salaries – reducing participation, retention, and productivity in the teaching workforce. Salary increases should be met by reference to teachers’ professional pay claims – not by reference to or implementation of discredited ‘performance pay’ pay schemes – and should respect, reward and value the work of teachers and education support personnel. Inadequate salaries are exacerbated by state and territory wage cap policies.
3. Reforms to promote secure work would improve productivity. Public sector education workers experiencing insecure work are more likely to leave the sector in pursuit of

secure employment, leading to sector-wide losses in expertise and experience, and overburdening the remaining teaching and support staff cohort, compromising their ability to provide quality education to students. This is an issue that impacts on all sectors of the workforce

This submission concludes with recommendations for reform. The AEU calls on federal, state and territory governments to urgently adopt the AEU's recommendations for reform, and notes in particular that this submission is made in the lead up to the March 2022 Federal Budget and the 2022 Federal Election, both of which provide the Morrison Government and the Federal Opposition with opportunities for the announcement of significant reforms.

Beyond productivity

Reflecting the scope in this inquiry's terms of reference and call for submissions, this submission is principally focused on productivity. However, the AEU notes that productivity is not a determinative metric for assessing and improving Australians' material and broader quality of life. In particular, the AEU contextualises its submissions regarding productivity within two broader perspectives.

First, that the benefits of properly funded, accessible public education extend *far beyond* its productivity impacts. Quality public education provides a bedrock for Australians' quality of life – from early childhood education and primary schools teaching foundational life skills like literacy, numeracy, creativity and social skills, to secondary schools and TAFE providing practical, occupational, and academic knowledge, skills and qualifications.

In addition to the benefits to the individual learner, public education is a public good; the availability of a comprehensive education available to all benefits the whole of society. Public education provides lifelong benefits through improved health, wellbeing and employment options, improves society by increasing equity and social cohesion, and promotes and secures Australian values and Australia's democracy.

Second, that productivity improvements alone do not improve Australians' material quality of life. The *distribution* of the benefits of improved productivity is an equally crucial measure of Australians' material quality of life. The AEU believes in the equitable distribution of the benefits of improved productivity, and particularly in ensuring that the wealth generated by improved productivity is re-invested in free, accessible and quality public education for all, regardless of background and circumstance.

Accordingly, the AEU encourages the Productivity Commission to make two acknowledgements in its interim and final reports in this inquiry. First, to acknowledge the broader social, cultural, civic, and democratic benefits of quality public education. Second, to acknowledge that Australia's material quality of life is not improved by productivity in and of itself, but rather by the intersection of improved productivity and the fair distribution of the benefits provided by increased productivity.

Proper funding of public education

Underfunding of public schools

Accessible, quality public education is under threat due to chronic underfunding of schools. The funding shortfall is demonstrated by reference to the Schooling Resource Standard (SRS) benchmark for assessing equitable school funding: the SRS – a concept introduced in the 2011 Review of Funding for Schooling known as the ‘Gonski Report’ – provides an estimate of the minimum public funding a school needs to meet its students’ minimal educational needs.¹

Australia’s public education system is significantly underfunded. By 2023, with the exception of schools in the Australian Capital Territory, all other states and territories public schools will be 5-20% below the minimum funding required by the SRS.² By 2023 only 1.3% of public schools will receive funding which meets the SRS from combined federal, state and territory government contributions – this is in contrast to over 90% of private schools predicted to meet minimum funding standards.³ The combination of *almost all private schools* and *almost no public schools* meeting minimum funding standards perpetuates and increases the effect of socio-economic status on educational outcomes.⁴

In addition to SRS funding shortfalls, recent bilateral schools funding agreements made between the federal, state and territory governments in 2018 and 2019, with the exception of the ACT, include an accounting practice that deprives public schools of significant funding. The agreements permit “additional expenditure items” such as capital depreciation charges and transport costs to be accounted for within SRS calculations *for public schools only*. These items have never previously been included in SRS calculations and are not included in national SRS calculations. This narrows the gap between actual spending and the SRS goals by four percentage points and further reduces the actual effective SRS contribution made by each state or territory. It also undermines the entire concept of the SRS as a benchmark for equitable funding in schools and amounts to a separate capital depreciation tax levied only on public schools. As Adam Rorris notes:

The effect of the ‘capital depreciation charge’ is to apply a segregated rort against public schools. It harms public schools primarily in that it allows state/territory governments to effectively reduce their cash allocations for public schools, by inserting into their ‘contributions’ towards the SRS the entirely notional figure for capital depreciation. This is an accrual-based allocation that does not touch the side of any real classroom or school. It is in effect a capital depreciation tax.

The injustice of the ‘capital depreciation tax’ is magnified because it is only and arbitrarily applied to public schools. No such ‘capital depreciation tax’ is applied to the private sector. Nor are the private schools apportioned (based on their enrolment size) a share of the public costs associated with authorities responsible for education standards and curriculum.⁵

¹ Gosnki D. AC (Chair), Review of Funding for Schooling, December 2011, accessible [here](#).

² Rorris A., The Schooling Resource Standard in Australia 2020-23, September 2020, p 5, accessible [here](#).

³ AEU, Pre-Budget submission to the Department of Treasury on priorities for the 2019-2020 Budget, February 2019, p 2, accessible [here](#).

⁴ Mitchell Institute, ‘Factsheet: a persistent link between socio-economic status and educational opportunity’, 2020, p 1, accessible [here](#).

⁵ Above n 2, p 8.

The total effect of SRS funding shortfalls – and of the “segregated tort” of the “additional expenditure items” provisions – in the 2018 and 2019 bilateral funding agreements, is that, over 2020-23, public schools will be underfunded by \$19 billion.⁶

Negative productivity effects of underfunding of public schools

Negative effects of the chronic underfunding of public schools include the *direct effects* on the functionality and productivity of schools and the public education workforce, and the *later, flow-on effects* of schools not meeting the educational needs of the emerging labour force.

As identified in the introductory comments to this submission, Australian students have the right to access high quality public education for much more than its positive productivity effects. To address the productivity implications of public education funding: students’ educational outcomes correlate to their later skills, qualifications, and occupational capabilities in the workforce. Accordingly, any shortfalls in current students’ educational outcomes harms the next generations of the Australian labour force’s skills, qualifications, and occupational capabilities. The underfunding of public education will negatively affect Australia’s ability to sustain an internationally competitive, highly skilled, adaptable, qualified labour force.

Evidencing the negative effect of failing to properly fund schools, the Organisation for Economic Co-operation and Development-standard Programme for International Student Assessment (PISA) metric demonstrates that Australia’s performance in reading, science, and maths has steadily declined since 2000.⁷ Moreover, a significant number of Australian students do not meet international STEM-related achievement benchmarks: the 2019 Trends in International Maths and Science Study (TIMSS) results demonstrate that between 68%-78% of Australian students achieved the TIMSS Intermediate international benchmark – the nationally agreed proficient standard – compared to more than 90% of students in the highest achieving country, Singapore.⁸

The SRS funding model accounts for multiple factors affecting educational disadvantage, including a student’s socioeconomic status, Indigeneity, English language proficiency, disability, and schools being in rural, regional and remote locations. A key *direct* negative productivity and functionality effect of failing to meet and exceed SRS funding requirements is the reduced capacity for schools to appropriately cater for the needs of students experiencing SRS-identified educational disadvantages, particularly those experiencing *compound disadvantage*.⁹ Compound disadvantage is experienced by students experiencing multiple disadvantages, which intersect and have cumulative, negative effects on learning.¹⁰ Further demonstrating the negative effect on the functionality of schools – and productivity of the education workforce – the AEU’s 2021 State of our Schools survey of public-school teachers, principals and education support staff found:

⁶ Ibid.

⁷ Organisation for Economic Co-operation and Development, PISA 2018, p 1 and p 4, accessible [here](#).

⁸ Thomson, S., Wernert, N., Rodrigues, S., & O’Grady, E., *TIMSS 2019 Australia. Volume I: Student performance*, Australian Council for Educational Research, 2020, p.xvi, accessible [here](#).

⁹ Pham L., ‘How socioeconomic background makes a difference in education outcomes’, Australian Association for Research in Education, 26 August 2019, accessible [here](#).

¹⁰ Australian Council for Educational Research (ACER), *Unfinished business: PISA shows Indigenous youth are being left behind*, 2014, accessible [here](#); and ACER, *Session K – Educational disadvantage in regional and rural schools*, 2014, accessible [here](#).

- 83% of all principals say they do not have sufficient resources to appropriately meet the needs of students with disability at their school.
- 89% of principals use funds from other budget areas to cover funding shortfalls for students with disability at an average of \$101,000 per year.
- 64% of principals say that students with disability or learning difficulties would benefit the most from funding schools to 100 per cent of the SRS.
- 87% of principals say that teachers would benefit most from additional classroom support when teaching students with disability or learning difficulties with 100 per cent of SRS.

Positive productivity effects of properly funding public schools

Proper funding of public schools would provide significant economic returns to Australia; high quality education provides the foundations for Australia's competitive, highly skilled, qualified and capable national labour force. A report commissioned by the AEU in 2016 showed that an increase in the average PISA score of 25 points would deliver significant long term economic benefits through improved skills, life outcomes and a lower requirement for government assistance. The report found that the economic benefits would include:

- An average \$65 billion in increased economic benefits each year until 2095, an additional benefit of approximately 5% of GDP.
- A future economic benefit of \$5.2 trillion (discounted for inflation) until year 2095 - an economic benefit that is 335% of current GDP.
- A GDP level that will be 29% higher in 2095 due to the reform.¹¹

Productivity effects of early education

A long-term effect of Australia's inadequate provision and funding of early childhood education and learning is the reduction in school students' educational performance, and the flow-on effect of a reduction in the skills, capacities and qualifications of the intergenerational Australian labour force. Specifically, Australia's failure to provide two years of preschool education puts us below the OECD average rates for enrolment in early childhood education. Proper funding and provision of early education is central to Australia maintaining its comparative national economic advantage of a highly skilled, productive workforce.

A landmark longitudinal study, the Effective Provision of Preschool Education Project, found that two years of preschool before starting school is a transformational policy intervention that enhances the all-round development in children, and significantly benefits children from disadvantaged backgrounds.¹² Preschool from the age of three years old provides the knowledge and skills that enable children to succeed at school, and throughout their lives. It develops the whole child – their social and emotional skills, their ability to communicate, get along with others and manage their behaviour and emotions. These critical physical, emotional and cognitive skills enable children to thrive during their transition to school and help them become lifelong learners. Preschool is an opportunity to build strong foundations for optimal early development and school readiness.¹³

¹¹ Rorris A., *Australian Schooling – The Price of Failure and Reward for Success*, 2016, p 6, accessible [here](#).

¹² Harrington M., 'Preschool Education in Australia', Background Note, Australian Parliamentary Library, May 2008, accessible [here](#).

¹³ Ibid.

Demonstrating the profoundly positive effects of preschool education, the OECD found that students who had attended preschool education perform better in PISA at age 15, after accounting for the students' socio-economic status. They found that a longer period of preschool has the largest impact on a child's literacy at age five apart from parental education and income.¹⁴ That is, that two years of early childhood education is the best policy change to immediately improve children's literacy. The positive impact of at least two years of early childhood education on teen literacy is approximately 60% higher than less than two years of preschool and is equivalent to more than an entire year of schooling. Regarding the broader economic benefits of preschool education, 2019 modelling by PwC Australia found that for every dollar invested in preschool, Australia receives a dividend of twice that over the life of a child.¹⁵

Despite the preponderance of evidence in favour of the comprehensive provision of two years of preschool, currently Australia does not guarantee provision of preschool for three year olds, and, as a result, nearly one quarter of Australian children arrive at school without the skills they need to thrive.¹⁶ The OECD's *Education at a Glance 2021* report shows that from 2005-2019 Australia's enrolment rate, measured according to OECD standards, improved from 77% to 83% of 3-5 year olds, but still lags behind the OECD average of 87% and the European Union average of 91%.¹⁷ Only 65% of three year olds are enrolled in ECE in Australia, far behind the OECD average of 78%, and 87% of four year olds are enrolled in ECE in Australia, again lower than the OECD average of 88%.¹⁸ This places Australia squarely in the bottom third of the OECD rankings for both 3 and 4 year old enrolment, behind the top half of OECD countries, all of which have enrolment rates above 90%.¹⁹

To improve early childhood education outcomes, and secure future generations' later educational performance and workforce productivity, the AEU recommends that the Federal Government support the full implementation and funding of Universal Access to preschool for three year olds. Additionally, the Federal Government, to improve the retention, sustainability and enhanced professionalisation of the early childhood education workforce, and accordingly improve learning outcomes in early childhood, should support the recruitment of the 16,000 educators and 8,000 teachers identified as being required in the sector by November 2025.²⁰

Productivity and TAFE

Australian students have the right to quality, accessible vocational education in TAFE. As referred to at the beginning of this submission, the benefits of properly funded TAFE to the individual learner and to society as a whole extend far beyond productivity. TAFE develops the whole individual and facilitates lifelong learning, TAFE is the centrepiece of Australian vocational education and training (VET), and TAFE makes broad, significant contributions to Australia's broad social and economic development, particularly in response to the effects of the Covid-19 pandemic. TAFE promotes regional labour market outcomes, bridges access to jobs pathways, promotes social cohesion, reduces income inequality, and compared to other

¹⁴ OECD, 'How do early childhood education systems differ around the world?', 2014, accessible [here](#).

¹⁵ PwC Australia, 'A Smart Investment for a Smarter Australia: Economic analysis of universal early childhood education in the year before school in Australia', June 2019, accessible [here](#).

¹⁶ Mitchell Institute, 'Preschool – Two Years are Better Than One', accessible [here](#).

¹⁷ OECD, *Education at a Glance 2021*, Figure B.2.1, p 170, accessible [here](#).

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Australian Children's Education & Care Quality Authority, National Children's Education and Care Workforce Strategy (2022-2031), September 2021, p 11, accessible [here](#).

VET providers, provides greater access to education for Aboriginal and Torres Strait Islander students and students with disability.²¹

Regarding its productivity effects, the TAFE sector is a direct contributor to the skills, capacities and qualifications of Australia's labour force – TAFE is an indispensable factor affecting the productivity of Australian labour. However, Australia's TAFE sector has been devastatingly impacted by systemic underfunding and government policy settings on privatisation and marketisation – indeed, the Productivity Commission used uncommonly strong language recognising that VET in Australia is “fractured” and “a mess”, and has called for immediate government action in the space.²² Industry stakeholders similarly recognise the central role TAFE plays in vocational education, and called for appropriate funding.²³ With TAFE a direct contributor to the labour force's productivity through the provision of skills, capacities, and qualifications, the Federal Government's negative policy agenda and inadequate funding of TAFE is hampering Australia's productivity.

Demonstrating the productivity impacts of underfunding TAFE, the Institute for Workplace Skills & Innovation (IWSI) reported in 2020 that there are 200,000 roles with employers that cannot be filled due to a skills mismatch.²⁴ A properly funded TAFE sector has the capacity to address this mismatch, to assist with Australia's pandemic-related economic recovery and rebuilding by skilling and up-skilling Australian workers and to provide career pathways for all Australians.

Recently, although the Federal Government contributed an additional \$1 billion to funding VET in 2020 due to the JobTrainer program, this followed a precipitous decline of \$438 million in the previous three years, and decades of billions of dollars of cuts prior to that.²⁵ Moreover, the vast majority of 2020 VET funding was in the form of employer assistance; less than one quarter of funding being allocated to TAFE.²⁶ This deliberate and consistent funnelling of investment away from TAFE and towards private employers and providers is a significant missed opportunity for the Federal Government to deliver to Australians the profound economic and social benefits of quality, accessible TAFE.²⁷

In its ground-breaking 2020 report regarding the contribution of TAFE to Australia's national wealth and wellbeing, the Centre for Future Work at the Australia Institute found that, despite years of significant funding cuts and “policy vandalism”, the TAFE system continues to make a strong and disproportionate economic and social contribution to Australia.²⁸ The report measures the continuing economic and wider social benefits of Australia's historic investment in TAFE, in terms of higher earnings and productivity for TAFE graduates and the resulting increased tax revenues and profits to employers, the additional economic footprint of TAFE

²¹ Pennington A., ‘The Economic and Social Benefits of the TAFE System’, *The Australian TAFE Teacher*, Spring 2020, accessible [here](#).

²² Productivity Commission, *Shifting the Dial: 5 Year Productivity Review*, 2017, p 86, accessible [here](#).

²³ Business Council of Australia, *Future-proof: protecting Australians through education and skills*, October 2017, p 77, accessible [here](#).

²⁴ Australian Apprenticeships & Traineeships Information Service, ‘VET and Australia's future: where we've been and where we're headed in Australia's post-COVID-19 recovery’, p 10, accessible [here](#).

²⁵ ‘Decade of neglect leaves TAFE with fewer courses and demoralised teachers — how will it lead the coronavirus recovery?’, ABC News, 9 July 2020, accessible [here](#).

²⁶ National Centre for Vocational Education Research, ‘Government funding of VET 2020’, December 2021, accessible [here](#).

²⁷ Pennington, A., *An Investment in Productivity and Inclusion: The Economics and Social Benefits of the TAFE System*, Centre for Future Work at the Australia Institute, 2020, accessible [here](#).

²⁸ *Ibid*, p 8.

purchasing and supply chains and the fiscal benefit of reduced social assistance and public healthcare expenditure arising from TAFE's contribution to lowering unemployment and supporting a healthier workforce and society.²⁹ The economic benefits of TAFE include \$6.1 billion produced by the TAFE sector's economic footprint, \$1.5 billion in fiscal savings and social benefits, and – particularly significant to the productivity focus of this inquiry – a *substantial \$84.9 billion in higher earnings and productivity*.³⁰

Teachers' work and wages

In Australia, teachers' workload is increasing, but teachers' wages and conditions are not keeping up. As a result, the profession is becoming less attractive to prospective teachers, and more teachers are leaving the profession.³¹ This has precipitated both current and looming teacher shortage crises: in NSW, significant teacher shortages exist in key subject areas and in particular geographic locations,³² and it is projected that by 2030, 11,000 new teachers are required just to meet the number of public school enrolments.³³

Teachers' work is becoming increasingly complex and time-consuming. Nationally, teachers' average weekly hours of work are now well in excess of 50 hours – far beyond the national maximum 38 hours per week.³⁴ Workload and work intensification are equally extreme, with hours, range of tasks, and work complexity increasing.³⁵ The 2021 Gallop Report, the outcome of an independent inquiry into the state of the teaching profession in NSW public schools, found that new work processes and tasks include: higher administration workloads; increased contact with parents and students; increased mandated accreditation and professional learning; significant workload increases related to the National Assessment Program – Literacy and Numeracy (NAPLAN); increased provision of increasingly personalised learning plans for students; increased work expectations caused by rapid changes in technology (particularly during the COVID-19 pandemic); increased provision of student welfare and behaviour support; increased ongoing assessment reporting and data collection; and increased pace of policy and curriculum changes.³⁶ Reflecting the even higher demands on teachers in school leadership positions, the Gallop Report found that on average school principals work 62 hours per week.³⁷ Crucially, despite the significant increase in workloads, the Gallop Report found that teachers' salaries did not proportionally increase.³⁸

The undervaluing of teachers' work and the increase in teachers' workloads was recently recognised in a significant decision of a Full Bench of the Fair Work Commission regarding the historical and current undervaluing of early childhood teachers' work.³⁹ The Commission held that the rates of pay for such teachers were never properly set, with the rates of pay failing

²⁹ Ibid, p 8.

³⁰ Ibid, p7.

³¹ Gallop G. AC (Chair), *Valuing the Teaching Profession: an Independent Inquiry*, February 2021, p 90, accessible [here](#).

³² Ibid, p 91.

³³ Rorris A., 'Impact of Enrolment Growth on Demand for Teachers', NSWTF, June 2021, accessible [here](#).

³⁴ Gavin M., Stavey M. 'Why we never want to be in Kansas', Australian Association for Research in Education, 18 January 2022, accessible [here](#), summarising findings in Gavin M. et al, *Teacher Workload in Australia: National Reports Of Intensification And Its Threats To Democracy* (Routledge, 2021).

³⁵ Ibid.

³⁶ Gallop Inquiry Factsheet: Workload, February 2021, accessible [here](#). The full Gallop Report is accessible [here](#).

³⁷ Ibid.

³⁸ Above n 31, p 126.

³⁹ 'Equal Remuneration and Work Value Decision' [2021] FWCFB 2051, accessible [here](#).

to reflect teachers' work value as degree-qualified professionals.⁴⁰ In addition to recognising this historic injustice, the Commission went on to detail the increased work value of teachers in the sector since 1996, highlighting the increase in training requirements required to enter the profession; the increasing professional accountability (particularly greatly increased expectations regarding reporting and being accessible to parents and families); the increasing complexity of the work (e.g. outcomes-based education and differentiated teaching, with associated increases in documentation and analysis of students' individual educational progress); and the teaching and caring for a more diverse student population (particularly for children with additional needs).⁴¹

The overworking and undervaluing of the teaching profession directly harms the productivity of the teaching workforce, and in turn harms Australia's intergenerational productivity by harming the education of students, with subsequent implications of a less skilled, less capable, less qualified labour force. Directly, the productivity of the teaching profession is reduced by the constant turnover and loss of expertise and experience caused by teachers leaving a profession due to unsustainable work demands and inadequate compensation for high work demands.

The AEU recommends urgent and significant improvements to teachers' wages and conditions in order to properly respect, reward and value teachers' work in line with the Gallop Report's recommendation of significant increases to teacher salaries.⁴² Unfortunately, with the exception of the ACT, all state and territory governments have announced public sector-wide pay freeze or pay cap policies. Such policies amplify the crisis of the undervalued work of teachers and are self-defeating and unsustainable. The AEU calls for such policies to be abandoned.

Insecure work in public education

Exacerbating the negative effects of the disparity between teacher workloads and salaries, the crisis of insecure work in key sectors of public education is negatively affecting student educational outcomes and teacher and educational support personnel productivity.

There is an unacceptably high number of public education workers in casual and fixed-term employment. Most acutely, 72 per cent of new teachers are beginning their careers in temporary positions,⁴³ and recent media and academic coverage has documented employers' inappropriate engagement of teachers in ongoing casual and 'rolling' fixed-term employment to perform what are effectively permanent roles.⁴⁴

The Gallop Report made numerous findings and recommendations regarding the misuse of casual and fixed term employment in schools, and its negative impact on teachers and on support staff:

⁴⁰ Ibid, at [645].

⁴¹ Ibid, at [604]-[644].

⁴² Above n 31, p 14.

⁴³ Sullivan A, Johnson B., Simons M, *Attracting and Keeping the Best Teachers: Issues and Opportunities*, (Springer, 2019), p 171.

⁴⁴ Stacey M et al, 'Teachers, fixed-term contracts and school leadership: Toeing the line and jumping through hoops', 29 March 2021, *Journal of Educational Administration and History*, accessible [here](#), and 'Everyone's bailing': Australian teachers speak on stress and uncertainty of increasing casual contracts', *The Guardian*, 4 July 2021, accessible [here](#), and 'It is unsustainable': Guardian readers on the crisis of Australian teacher shortages', *The Guardian*, 30 June 2021, accessible [here](#).

- That there are negative professional implications for casual and fixed-term teachers due to funding arrangements designed to support teachers' transition from provisional to proficient accreditation: "[T]he phenomenon of temporary and casual teaching for the first years undermined the intentions of teacher accreditation, especially where initial engagements were often for 6 months or less."⁴⁵
- In regard to the challenges of achieving proficient accreditation as a teacher when engaged as casual or fixed-term employee: "So many casual and temporary teachers struggle to have their teaching practice considered by busy principals when they are only present for limited periods of time."⁴⁶
- Recommendation 2 of the Gallop Report provides that: "In respect of staffing matters the Department of Education should address as a matter of priority staffing levels and processes that address the excessive use of temporary teacher employment, in particular of beginning teachers."⁴⁷

In early childhood education, teachers tend to be more precariously employed than in schools. For example, in South Australia, whereas 81% of teachers in schools are employed in secure work arrangements, only 66% of preschool and children's services teachers have secure work.⁴⁸

TAFE institutions rely on a significant cohort of casually employed teachers. For example, in 2010, in TAFE NSW, 73% of its teaching workforce was engaged in casual or sessional employment.⁴⁹ Employer demand for casual and temporary forms of employment in the TAFE sector is increasing.⁵⁰ TAFE teachers report exceedingly long duration of casual contracts, with reports of workers engaged for 10, even 20 years in casual employment arrangements.

Most recently, demonstrating the cumulative effect of weak laws and entrenched managerial preferences for casualised TAFE workforces, TAFE NSW, relying on the recently introduced, weak casual conversion 'entitlements' in the *Fair Work Act*, failed to offer a single conversion to over 7700 long-term casual teachers, citing generic "reasonable grounds" for its blanket decision.⁵¹

Engaging casual and fixed-term employees in what are effectively permanent roles, but without the benefits of permanency, is a fundamental breach of the Australia work-wages bargain. Moreover, the COVID-19 pandemic has brought into sharp relief the public health-related effects of insecure work, demonstrating the profoundly dangerous implications of employers systematically seeking to avoid providing workers with sick leave. Casualised workers often are not in a financial situation to stay home sick without pay, are more likely to be compelled to attend the workplace, and therefore are more likely to spread the virus.⁵²

⁴⁵ Above n 28, p 64.

⁴⁶ Ibid, p 15.

⁴⁷ Ibid, p 11.

⁴⁸ Department of Education, 'Workforce Profile Issue 10 – June 2020', p 4, accessible [here](#).

⁴⁹ Submission by the NSW Teachers Federation to the Productivity Commission Vocational Education and Training Workforce, July 2010, p 5, accessible [here](#).

⁵⁰ 'Safe and secure?', *AEU News*, 6 November 2020, accessible [here](#).

⁵¹ NSWTF, 'Government denies permanent work to long-term TAFE teachers', media release, 30 September 2021, accessible [here](#).

⁵² Stanford J., *Shock Troops of the Pandemic: Casual and Insecure Work in COVID and Beyond*, Centre for Future Work at the Australia Institute, October 2021, p 5, accessible [here](#).

To address insecure work in public education, the AEU recommends that federal, state and territory governments create meaningful conversion entitlements for the public education workforce, imposing strong obligations on employers to offer conversion to employees inappropriately engaged in casual and fixed-term employment, and obliging employers to regularly review the use of casual and fixed-term employment in their education workforces, and to consult with the relevant unions when doing so.

Conclusion

The way forward to secure Australia's recovery and enhance productivity

Over the past two years students and teachers in Australia's public schools, preschools and TAFEs have been at the frontline of the COVID-19 pandemic. They have endured unprecedented uncertainty with regard to their teaching and learning. Students, in particular those students who experience disadvantage, have dealt with a huge disruption to their education.

Substantial and sustained investment in public education is now required more than ever. If Australia is to continue its recovery and continue its return to growth following the economic shock of the last two years, the upcoming 2022-23 Budget must have a significant focus on building for the future. This focus should be directed where it can have the most immediate and long-term impact, towards public education – to preschools, schools and TAFE.

It is abundantly clear that now is the time to invest in public education. The benefits of such an investment, as we have outlined throughout this submission, would return many times the initial cost over the long term and would almost certainly encourage GDP growth in excess of the ongoing debt servicing cost on an annual basis.

The Commonwealth has received multiple reports and reviews concluding that investment in public preschool, schools and TAFE provision is one of the most effective stimulus levers available, investment in education returns many times its cost and accrues multiplying benefits across generations.

Now is the time to act and to fund Australia's future.

Recommendations

Proper funding of public education

Schools

1. Fund public schools to a minimum of 100% of the SRS, including fully funded loadings for students with disability, Aboriginal and Torres Strait Islander students, students from low socioeconomic status backgrounds, rural, regional and remote students, and students whose first language is other than English.
2. Remove the legislated 20% cap on the Commonwealth share of the SRS for public schools and remove the 4% capital depreciation tax for public schools in school funding bilateral agreements.

3. Establish an ongoing capital works fund for public schools to help meet rising enrolment growth, undertake essential upgrades and develop modern learning environments.

Early childhood education

4. Provide sufficient and ongoing funding for 15 hours of preschool education per week for all 3 year old children delivered by a fully qualified early childhood education teacher.
5. Secure funding to enable the full implementation of the National Children's Education and Care Workforce Strategy to attract and retain the thousands of new ECEC teachers and educators that are required.

TAFE

6. Guarantee a minimum of 70% of total government funding to the public TAFE system.
7. Restore funding to and rebuild the TAFE system, including by re-investing in the TAFE teaching workforce, and developing a capital investment strategy for TAFE.
8. Conduct a comprehensive independent inquiry into TAFE to consider a broad range of issues including: the collapse in confidence and support for competency-based training and training packages, micro credentials, the lack of overall investment and the development of curriculum and courses.

Multi-sector recommendations for Aboriginal and Torres Strait Islander students and teachers

9. Ensure that access to quality early childhood education, school and beyond school pathways is open to all Aboriginal and Torres Strait Islander students, with a focus on closing the gaps in student achievement.
10. Address the dire and entrenched under resourcing to support Aboriginal and Torres Strait Islander students with disability.
11. Establish a comprehensive Aboriginal and Torres Strait Islander teaching workforce strategy that builds on the outcomes of the More Aboriginal and Torres Strait Islander Teachers Initiative.

Teachers work and wages

12. Significantly improve teachers' wages and conditions in order to properly respect, reward and value teachers' work.
13. Abolish state and territory governments' self-defeating public sector pay freeze and pay cap policies, which amplify the undervaluing of teachers' work.

Insecure work in public education

14. Create meaningful conversion entitlements for the public education workforce, imposing strong obligations on employers to offer conversion to employees inappropriately engaged in casual and fixed-term employment.
15. Oblige public education employers to regularly review their use of casual and fixed-term employment, and to consult with the relevant unions when doing so.