GRATTAN Institute

# Mental health in schools

## Submission to the Productivity Commission inquiry into mental health

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# 1 Introduction

The draft report of the Productivity Commission's inquiry into mental health rightly recognises that poor mental health is a major problem at various stages of education.

This submission seeks to expand on two points about mental health in schools that were made in the draft report:[1]

- The detrimental impact of poor mental health on student learning progress, and its link to broader socio-educational disadvantage; and
- The cost of the proposed wellbeing leaders in schools relative to the extra funding flowing into government schools.

We estimate that the higher prevalence of mental illness in students from disadvantaged backgrounds could account for **up to a quarter of the 'learning progress gap'** between students from low- and high-SES backgrounds.[2]

And we estimate that the proposed wellbeing leaders initiative would use about **13 per cent of the increased funding** that government schools would get if they received 100 per cent of their funding target, the School Resourcing Standard.

*Disclosure: Peter Goss is an unpaid member of the National Advisory Council for beyond blue's Be You initiative.*

[1] Chapter 17 of the draft report, particularly section 17.3.

[2] For the purpose of this submission, we define the 'learning progress gap' as how much the gap between low- and high-SES students widens from Year 3 to Year 9 NAPLAN. The gap widens because, on average, low-SES students make slower learning progress. See *Widening gaps* (Goss and Sonnemann, 2016).

## 2 The contribution of poor mental health to educational disadvantage

The draft report (p. 650) discusses the impact of mental illness on the learning progress of students:

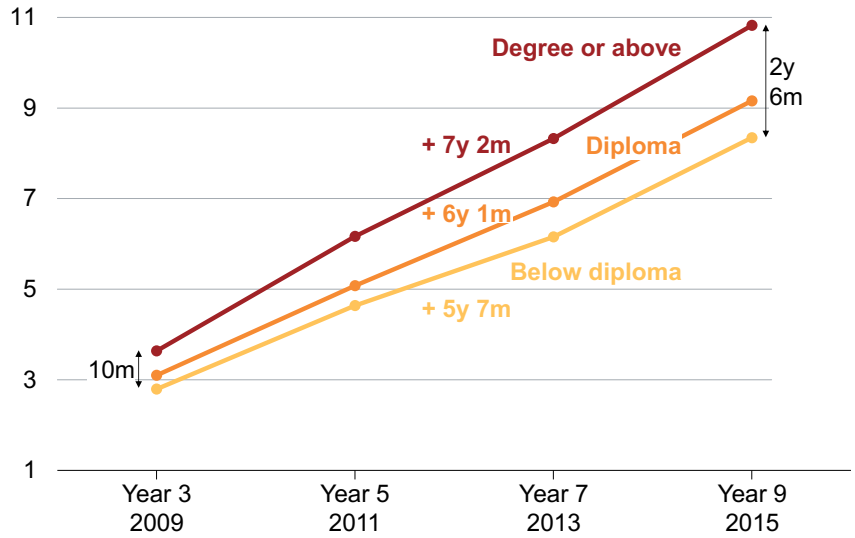
> *… in year 3, children with mental illness are lagging in their learning outcomes by about 7 to 11 months compared with children who are not affected by a mental illness, and this gap expands to 1.5–2.8 years by the time children reach year 9.*

Not only are students with mental illness are already well behind their peers by Year 3, but the size of the gap doubles or even triples by Year 9. In other words, mental illness is associated with 1-to-2 years less *progress* between Year 3 and Year 9.

This is a huge *progress gap* as well as a huge *achievement gap*. In fact, the impact of mental illness on a student is comparable to the difference between coming from a university-educated family versus having parents with a limited educational background, as shown in Figure 1.[3]

Using a different marker of disadvantage, the impact of mental illness is also comparable in size to the impact of coming from a family where no parent or carer is employed versus the national average.[4]

**Figure 1: The gap between students of parents with low and high education grows alarmingly between Year 3 and Year 9**
*Equivalent year level*, numeracy, median, Victoria, 2009-15




*Notes: Results show the estimated progress of students grouped by their parents' highest level of education as a proxy for socio-economic status. Black values are the gap between highest and lowest groups. Coloured values are the years of progress gained from Year 3. Source: Figure 10 from* Widening gaps *(Goss and Sonnemann 2016).*

[3] A limited educational background in this analysis could mean completing Year 12 or a vocational certificate. Educational outcomes for students whose parents did not complete school are lower than shown in Figure 1. Also note that the progress gap can't be fully explained by differences in individual student capability. Even when capabilities are similar in Year 3, students whose parents have low education fall on average 1 year and 5 months behind by Year 9 compared to those whose parents have a bachelor degree or above. See Figure 11 of Goss and Sonnemann (2016).

[4] Grattan analysis of NAPLAN data.

This analysis of the *progress gap* can be extended to estimate the contribution of poor mental health to educational disadvantage.

Poor mental health is more prevalent in students from disadvantaged backgrounds.[5] For example, mental illness is about 10 percentage points more common among students whose parents or carers did not have formal education beyond Year 10 (20.2 per cent of students in any given year) than for students who had a parent or carer with a bachelor degree or higher (10.8 per cent).[6] And mental illness is 20 percentage points more prevalent for students with an unemployed sole parent or carer than for students with two employed parents or carers.[7]

Figure 2 combines these elements to estimate that mental illness could be responsible for 7-to-28 per cent of the learning progress gap between low- and high-SES students from Year 3 to Year 9.

**Figure 2: Estimating the contribution of mental illness to the learning gap between low- and high-SES students**

$$\text{Contribution of mental illness to learning progress gap between low- and high-SES students} = \frac{\text{Differential prevalence of mental illness by SES} \times \text{Reduced learning progress for students with mental illness}}{\text{Difference in learning progress between low- and high-SES students}}$$

$$\approx \frac{\text{10-to-20 percentage points} \times \text{1-to-2 years slower progress (students with mental illness)}}{\text{1 year and 5 months slower progress (all low-SES students)}}$$

$$\approx \text{7-to-28\%}$$

*Notes: The learning progress gap is the differential rate of progress between Year 3 and Year 9 NAPLAN tests. The estimate of differential prevalence of mental illness by SES comes from Goodsell et al (2017). The estimate of the reduced learning progress for students with mental illness is also from Goodsell et al (2017), cited in the Productivity Commission draft report. The estimate of the difference in learning progress between low- and high-SES students comes from Goss and Sonnemann (2016), Figure 11.*
*Sources: Grattan analysis of Goodsell et al (2017), Productivity Commission draft report (2019), Goss and Sonnemann (2016).*

[5] Goodsell et al (2017, pp. 30-34) give estimates for the 12-month prevalence of mental disorders among 4-to-17 year-olds for students from various socio-economic backgrounds.

[6] Goodsell et al (2017), Table 2-4-2.
[7] Goodsell et al (2017), Table 2-4-3.

# 3 Putting the cost of the proposed school wellbeing leaders in context

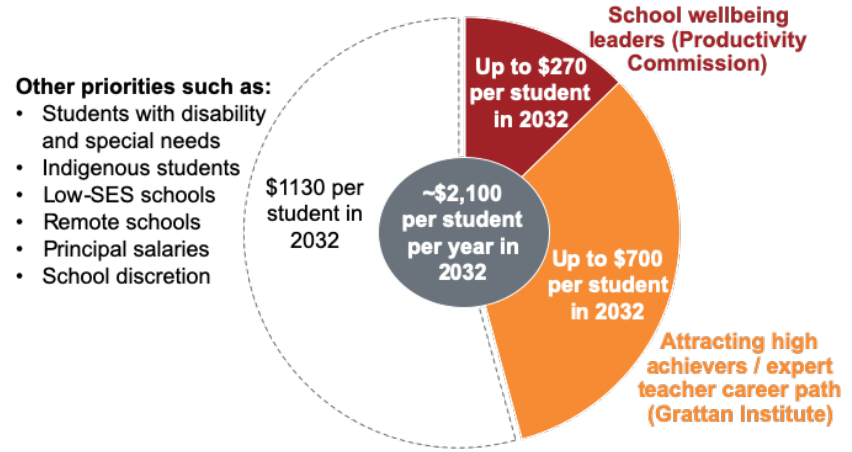
The Commission proposes that all schools in Australia should employ a school wellbeing leader, who would co-ordinate efforts to improve student mental health and wellbeing.[8] Without commenting on the specifics of the proposal, we believe it is valuable to put the potential cost of the initiative in the context of future funding increases for government schools.[9]

If government schools were fully funded by 2032,[10] the average government school would get about $2,100 more per student per year than they do today.[11] School wellbeing leaders would cost up to $270 per student per year, or 13 per cent of the increase.

For further context, Grattan Institute has proposed an expert teacher career path and other measures to attract high achievers to teaching. In 2032, the Grattan initiatives would cost about $700 per student per year. If both the Productivity Commission and Grattan initiatives were funded, the average government school would still have $1,100 per student per year more than today for other priorities, even after accounting for inflation (see Figure 3).

It is important to emphasise that government schools are not on track to full funding under current policy. Their average 2032 increase is projected to be about $1,150 per student per year above inflation.[12] This would cover the Productivity Commission and Grattan initiatives, but leave little room for other priorities.

**Figure 3: School wellbeing leaders would use 13 per cent of the extra money that government schools would get if fully funded**
Potential split of the 2032 funding increase for government schools if they were funded at 100 per cent of SRS, 2020$ per student




*Notes: Estimated 2032 figures adjusted for inflation. The $2,100 funding increase for government schools is the estimated average increase (above inflation) in per-student funding compared to 2020 if all government schools were funded at 100 per cent of SRS. See also Figure 6.5 of Goss and Sonnemann (2020). The $270 per student cost for school wellbeing leaders comes from the Commission estimate of up to $660 million for government schools (p. 689). The $700 per student cost for attracting high achievers and the expert teacher career path comes from Goss and Sonnemann (2020) Figure 6.4.*
*Sources: Productivity Commission (2019), Goss and Sonnemann (2020), Grattan analysis.*

[8] Draft report pp. 685-690.
[9] A similar logic would apply for non-government schools.
[10] I.e., they received 100 per cent of the School Resourcing Standard, or SRS.
[11] This increase is adjusted for inflation. Not all states would have the same increase – see Footnote 99 in Goss and Sonnemann (2020).
[12] See Figure 6.5 and Appendix H in Goss and Sonnemann (2020).

## References

Goodsell et al (2017). Goodsell, B., Lawrence, D., Ainley. J., Sawyer. M., Zubrick, S.R. and Maratos, J. *Child and Adolescent Mental health and educational outcomes. An analysis of educational outcomes from Young Minds Matter: the second Australian Child and Adolescent Survey of Mental Health and Wellbeing.* Graduate School of Education, The University of Western Australia. https://youngmindsmatter.telethonkids.org.au/siteassets/media-docs---young-minds-matter/childandadolescentmentalhealthandeducationaloutcomesdec2017.pdf.

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