



# *Australian Education Union*

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Schools Workforce Study  
Productivity Commission  
LB2 Collins Street East  
Melbourne VIC 8003

Attention : Yvette Goss  
Email : [schools@pc.gov.au](mailto:schools@pc.gov.au)

Dear Ms Goss,

**Re : AEU Supplementary Submission to the Productivity Commission Study  
Schools Education and Training Workforce**

Please find attached the Australian Education Union supplementary submission to the Productivity Commission Study into Schools Education and Training Workforce.

Please contact me if you have any questions in relation to this submission.

Yours sincerely,

Susan Hopgood  
Federal Secretary



**Australian Education Union**

**Supplementary Submission to the**

**Productivity Commission Study**  
**Schools Education and Training Workforce**

**February 2012**

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The Australian Education Union (AEU) made an initial submission to the Productivity Commission's study of the Schools Workforce. The Commission's Draft Research Report, November 2011, invited interested persons to provide written comment on the Report before its finalisation.

The AEU welcomes this opportunity to provide further comment. In providing these comments, the AEU will not traverse or canvas the wide range of matters which are the subject of the Commission's Report. Instead the AEU will concentrate upon a limited number of matters with which it takes issue and provide additional comment on a number of matters about which the Commission has asked for further information.

Broadly, these matters concern:

- remuneration incentives for hard-to-staff positions;
- performance-based career structures, including performance pay;
- pre-service teacher education;
- teacher performance including unsatisfactory performance; and
- flexibility in industrial relations regimes

#### Remuneration incentives for hard-to-staff positions

In its draft research report, the Commission's summation on this issue is spread across Draft Finding 4.1 (that there would be benefit in exploring options for embedding variations in pay more explicitly into the remuneration framework), Information Request 4.1 (seeking input on implementation issues arising from increasing remuneration for hard-to-staff positions) and Draft Recommendation 10.1 (having MCEECDYA initiate and oversight a program based evaluation of the effectiveness of such schemes in addressing shortages).

In general terms, the AEU is supportive of greater evaluation, both pre and post implementation, of the effectiveness of programs and notes this is also the Commission's preference as outlined in chapter 10 of the Draft Report. It is a little incongruous therefore to see the Commission's Draft Finding 4.1 and Information Request 4.1 which provide at least implicit 'pre-approval' for such programs prior to any evaluation – and assumes some tweaking or better focus will remedy problems.

For the reasons outlined in its initial submission, the AEU does not support and will actively oppose, the introduction of explicit pay differentials in the sense being foreshadowed: they do not work, are not based on any principles of wage fixation, will undermine professional collegiality and send the wrong 'market signal' by elevating personal monetary reward to the teacher over improving student educational outcomes as a motivator for entering or continuing in the career.

In its initial submission, p17, the AEU referred to successful strategies in balancing supply and demand and addressing issues in hard-to-staff positions without resorting to remuneration variations as adopted by various high-performing countries in the OECD. The Commission has provided no reasons for rejecting this evidence and pursuing the market oriented 'remuneration' pathway.

Nonetheless there are further issues which militate against adopting any proposal for increasing remuneration in hard-to-staff positions:

- (i) *Difficulties in determining the specific criteria for ‘hard-to-staff’ on which to fix the higher remuneration.*

Are these criteria socio economic status, geographic location, curriculum area, religious denomination, student characteristics or time-of-year variables? Are these criteria separately determinant or do they exist in various combinations? How do they, whether singly or in combination, vary over time generally or in any particular case?

- (ii) *Striking the appropriate ‘attraction and retention’ rate or premium.*

As an example, attracting and retaining a secondary maths & science teacher to higher socio-economic status schools in major metropolitan areas is a different exercise to doing the same in rural and remote locations let alone ensuring that all primary teachers have the appropriate levels of maths and science education.

- (iii) *Capacity to pay or provide requirements.*

Despite the operation of existing schemes, the continuing issues of supply strongly suggest it is the resourcing levels behind such schemes which is the issue rather than the schemes themselves. The same problem, inadequate resourcing, would persist with any adoption of variation in remuneration schemes. Worse, the adoption of such schemes denies appropriate remuneration to other teachers.

- (iv) *Distortion in the labour market.*

Without substantial and effective regulatory oversight, especially in policy settings encouraging greater autonomy for schools in selection of staff, differential or variation in remuneration schemes of the sort suggested would encourage ‘gaming’ practices on the part of schools and their staff, eg, schools adopting selective curriculum offerings or teachers volunteering to teach ‘out-of-area’ as a means of gaining additional resourcing. (See Western Australia Auditor-General Report, ‘*Right Teacher, Right Place, Right Time: Teacher Placement in Public Schools*’, August 2011, p19)

#### Performance-based career structures, including performance pay

The Commission’s summation is found in Information Request 6.2 (issues arising in establishing a performance-based career structure) and Draft Recommendation 6.2 (deferral of a national performance bonus scheme and continuing smaller scale experimentation).

As noted in its initial submission (pp21-26), the AEU has long supported and advocated a Professional Pay scheme based on a standards-referenced career structure over and above existing incremental salary scales as well as evidencing the historical and current international research evidence demonstrating the failure of performance bonus schemes or inadequacy of student outcome measures of teacher effectiveness. It continues to be a supporter of national professional standards for teachers and school leaders.

Career structures, especially the ‘spine’ of classification systems on which wages and salary levels are based, are fundamental to the working lives of the schools workforce. They are

matters which must be negotiated with, even driven by, employees and their unions NOT developed by employers or governments and imposed on the workforce. They must be incorporated into the industrial instruments regulating employees' careers.

The results of the failure to do so are epitomised by the results of the trials conducted in Victoria. In the Victorian Progress Report 2011 on the Smarter Schools National Partnerships, some 21 teachers and 4 schools received reward payments and the report's authors noted the problem of 'trial size' (See the Report at: <http://www.smarterschools.gov.au/ParticipatingSchools/Documents/VIC/SSNP-Progress-Report-VIC.pdf>, pp22-23 & 50).

The cost effectiveness of such trials has to be highly questionable and, given the lack of any pre or post evaluative exercises, as espoused by the Commission, the AEU wonders at the efficacy of and motive for continuing advocacy of such initiatives.

The AEU further notes the Australian Government's announcement of significant change to its proposed Teacher Rewards scheme, moving away from a concept of performance-based pay and towards higher payments, albeit as a once-off bonus rather than as funding for a substantive salary increase, based on achievement of accreditation or certification at higher professional standards, something which is more consistent with the AEU approach in its Professional Pay proposal.

#### Pre-service teacher education;

The AEU has welcomed as an important development, the introduction of standards for national consistency in teacher pre-service education programs through MCEECDYA's approval of the standards for Accreditation of Initial Teacher Education Programs as developed by AITSL.

Draft Recommendation 5.2 calls for the modification of one element of those standards, namely that the proposed two year duration (rather than the current predominantly one year programs) for graduate entry teacher training courses become optional rather than mandatory. The Commission's reasons for this proposal are related to the sizeable costs associated with the transition from 1 to 2 year programs and the potential to exacerbate workforce shortages.

The submissions to the Commission's study and the draft Research report itself acknowledge that, clearly, there have been problems with initial teacher education programs. The content of such programs is becoming so increasingly diverse to the extent that their graduates query whether their own professional preparation is adequate. The move to two year programs is a move towards better professional preparation. Management of the increased costs involved is an important public policy issue but the solution is not to make constraint, or reduction, in professional training costs a driver in resistance to change.

The potential to exacerbate workforce shortages through increases in training time and cost would appear to be largely fearful misperception. The shortages that do exist arise despite the predominance of one year graduate training programs. Arguably, the logic of that argument should see advocacy of even shorter teacher training programs! However the evidence is that duration of training is not a substantial barrier to entry to training. The Commission's draft Report itself notes (p62) that one of the most visible changes in teacher training has been the

increase in length of primary undergraduate training courses to four years. Yet there are no general shortages of primary teachers.

The AEU does support the call, in draft Recommendation 5.1, for longitudinal data collection on the effectiveness of pre-service training, induction and professional development of teachers but it does not support the proposal in draft Recommendation 5.2 that two year graduate teacher training courses be an option rather than a mandatory requirement. How and when that mandatory requirement is to be met is something the jurisdictional accrediting authorities and the teacher education institutions are currently working through.

### Efficacy of Unsatisfactory Teacher Performance Procedures

The Commission seeks further evidence on whether current procedures are effective and, if not, how they should be improved (Information Request 6.1).

The first thing to note, as the structure of the chapter on this subject in the Commission's draft Report indicates, is that while there is a link, there is a significant difference between performance management and the management of unsatisfactory performance. That is, in a somewhat clichéd truism, as a manager, you only get to manage unsatisfactory performance if you have unsatisfactorily managed performance to begin with!

Without appropriate, and appropriately resourced, teacher and school leader performance development systems in place – without a performance review and development culture at the school level - the focus will swing to dealing with poor performance. To concentrate upon incidence of poor performance and the effectiveness of its management simply begs the question and leads to equally simplistic and ineffective solutions such as providing the principal with the right to 'hire and fire' and the calls to 'get rid of dud teachers'.

Consistent with what the AEU argued in its initial submission (pp 19, 25-26), school leaders and teachers need to be provided with the skills, training, job designs, time and physical resources at the school level to develop the practice-based, pedagogical knowledge and skills in being effective.

The second thing to note, at least as far as the government school systems are concerned, is that managing unsatisfactory teacher and school leader performance procedures are matters which the employer, ie, the State or Territory government develops and implements. Almost universally, they are policy documents and 'procedures manuals' and are not negotiated and agreed through the processes of collective bargaining and codified in enterprise agreements or industrial awards. While the AEU through its respective state branches or associated bodies is consulted, the employer maintains its perceived prerogative in this area. If the procedures are ineffective, it could be this is a result of this 'structural inefficiency' in their development, ie, there is no effective counter-weight to employer prerogative. Perhaps this is matter that could be redressed in the industrial arena

The third thing to note is that the procedures for managing unsatisfactory performance have evolved over time taking into account developments in case law. Where the consequences for continuing unsatisfactory performance have potentially severe consequences for the teacher or school leader, escalating from counselling through reprimand to monetary penalties and dismissal, the jurisprudence has established procedural fairness or natural justice as a key element in such procedures. The AEU is acutely aware, through the involvement of its

officers, of the time and expense involved in implementing these procedures in any particular case and at the systemic level. This can lead to ‘defensive’ practice on the part of both those subject to the procedures as well as those administering them.

While refinement of the procedures is always important, it would be simplistic and ultimately self-defeating to opt for models of incentives or disincentives for encouraging use. Having some school based equivalent of the Small Business Fair Dismissal Code will be as ineffective in increasing teacher performance as the Code has been in reducing dismissals in small businesses. Incentive-based models all too easily encourage ‘gaming’ practices, eg, the school leader who ‘turns around’ school performance at their school through replacement of staff, as it begs the question of which school then gets those replaced teachers. Further, devolving authority to the school level simply doesn’t address the issue, eg, the issue of increased use of fixed-term or temporary employment as a means of avoidance of performance management.

The fourth thing to note is that there are at least two sorts of unsatisfactory performance procedures: those that are used in the employment context and those that are used by jurisdictional teacher registration authorities. Different principles or standards apply depending on the context being considered.

The unsatisfactory performance procedures, irrespective of context, do work as a matter of fact: unsatisfactorily performing teachers and school leaders are identified, reprimanded, counselled, fined and dismissed. The implicit argument, suggested by the evidence referred to in the Commission’s draft Report (p103) appears to be that somehow not enough poor performance is being ‘caught’ by such procedures. The argument is misplaced as it presumes there is an established standard for incidence against which the effectiveness of procedures can be assessed. There simply is no such standard. More importantly, it returns to the issue noted in the first point above: it ‘mis-focuses’ on incidence and, in turn, simplistic solutions.

The way to mitigate the existence of poor performance is to have in place better systems of pre-service teacher training, induction and professional development, better job design and better performance review and development.

### Flexibility in industrial relations regimes

The Commission in draft Finding 11.1 calls for greater flexibility in the industrial relations regime so that Awards and Enterprise Agreements in particular are more accommodative of school-level variation in workplace arrangements and support governance and other changes to improve the management of poor workplace performance.

It is difficult to give credence to this finding. Awards and Enterprise Agreements routinely provide for facilitative and flexibility provisions within which variations from a normative provision are permitted within certain limitations. They also provide for consultative provisions which enable introduction of changed workplace arrangements.

It is the AEU’s experience that calls for greater flexibility usually equate to demands for the exercise of largely unfettered administrative decision making power. The flexibility that currently exists in the industrial relations regime and in Awards and Agreements covering the government schools workforce has seen the unprecedented growth in insecure types or modes of work (ie, the greater use of casual and temporary or fixed-term modes of employment) as

well as the exceptional growth in working hours in particular the growth in unpaid work done at home or otherwise out-of-hours. Greater flexibility in this sense is simply unsustainable.

In the alternative to findings of the need for greater flexibility, the AEU response is that there is an undisputed need for greater levels of resourcing.