



# THE HOWARD GOVERNMENT AND PUBLIC SCHOOLS

Since it came to office in 1996, The Howard Government, first through Minister David Kemp and more recently Brendan Nelson, has introduced a series of measures which have shown a bias towards private schools and are steadily undermining the provision of free public education.

The measures it has introduced include:

- The abolition of the New Non Government Schools policy;
- huge increases in funding to private schools;
- the introduction of a new funding model biased to the more wealthy private schools;
- Establishment Grants to encourage the growth of private schools.

## 1. The abolition of the New Non Government Schools (NGS) policy

Under the New Non Government Schools Policy, proposed schools had to submit plans to state/territory New Schools or Joint Planning Committees. This:

- ensured that schools were economically viable
- assessed the effect on other schools in the area;
- included a process of notification to other interested parties:
- allowed for objections.

It was intended to ensure that there was **PLANNED EDUCATIONAL PROVISION**.

The abolition of this policy makes it easy for people to open private schools, and is leading to a supply driven expansion in private schools. They are opening or expanding and then actively promoting themselves to draw students from other schools.

Many are too small to offer a reasonable curriculum choice and/or lack financial viability. They are being opened in areas where there are already adequate schooling places. Increasingly, money is being wasted opening new private schools which threaten the viability of nearby public schools rather than upgrading the resources of the public schools.

## 2. Huge Increases In Funding To Private Schools

By the end of this year the Howard government will have increased General Recurrent funding to private schools by over 100%, more than doubling what they received in 1996. The increase for public schools is less than 45%, barely in line with indexation and enrolment increases.

This is not, as the government claims, mainly because more students are going to private schools. Between 1997 and 2002 private school **per student** grants increased **in real terms** by over 40%, more than double that to each public school student.

Recurrent grants to Catholic schools increased by over 50%.<sup>1</sup>

The Howard Government has introduced a new funding Bill, expected to pass through Parliament by September this year. This provides funding for the quadrennium 2005-2008. For the first time, recurrent grants expenditure on Independent schools alone (\$7.6 bn) will exceed that on public schools (\$7.2 bn). In addition, Catholic schools will receive \$12.6 bn.

Of the total Australian Government schools expenditure, only about 30% will be spent on the nearly 70% of students in public schools over these four years.

<sup>1</sup> See Esposito and Hayward, "An Unfair Go" available <http://www.sisr.net/publications/papers/AnUnfairGo.pdf>

### **3. The Introduction Of A New Funding Model Biased To The More Wealthy Private Schools**

The Government introduced a new funding model for private schools in 2001, generally known as the SES Model. Not only did this new funding model give large increases to private schools in general, as shown above, it also gave the largest increases to the wealthiest schools. Category 1 schools, which were those considered the wealthiest under the old model, received an average increase of over 160%. Schools that were previously in the lowest (less wealthy) category got an average of less than 40%, (which is still considerably more than public schools).

Some of the wealthiest schools received massive increases. More than 50 of the wealthiest schools got increases of more than \$1 million over four years. Several of the wealthiest schools in the country received increases of \$3 million and \$4 million!

The SES model takes no account of the resources a school has. As a result some schools which charge high fees, many in the region of \$15000, are not even considered amongst the wealthier and receive well above the minimum in Government funding.

Whilst the Government argues that the wealthy schools receive only 13.7% of the average public school, there is in fact only one school which is funded as this level. Over 55% of schools and half of the students will be funded by the Australian Government alone in the range of 50% to 70% of the average in government schools.

Any school which would be worse off under the new model receives its funding based on the old model, indexed to real terms!

In fact, only about half of the schools are funded at the rate they should be according to their SES.

The SES model, as it currently exists has proved to be a very flawed model. It has failed in its primary purpose of giving private schools funding according to need.

Yet the Government has announced that it is this model which will remain as the basis of funding for the next four years.

### **4. Establishment Grants To Encourage The Growth Of Private Schools**

Establishment grants are now given to all new private schools to encourage them to open and thrive. No attempt is made to assess their long term viability, and the grants are given even to small “garage” schools that would not be considered economic if they were in the government system.

These establishment grants are leading to a proliferation of these small schools, some of which are opening and then closing down quite quickly. Over 60% of the schools that have opened since the introduction of Establishment Grants in 1999 have 60 or less students!<sup>2</sup>

To make matters worse, the guidelines for giving the grants have been so slack, that money has been given, unsolicited, to schools that are not really new, but simply the result of re-organisation or expansion.

Because of this, just six months after the original Bill passed through parliament, then Minister Kemp had to go back and seek to triple the allocation!

In its recent Report on “Commonwealth Funding for Schools”<sup>3</sup>, the Senate commented:

**...it heard comprehensive evidence that the Commonwealth’s school funding arrangements and policies were flawed. Witnesses and submissions also expressed the view that public schools were urgently in need of new support. (p. 61)**

***For more detailed information on these and other issues see the other Fact Sheets in this series at:***  
<http://www.aefederal.org.au/Debates/schoolscampaign.html>

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<sup>2</sup> Roy Martin, 2003, Update on New Private Schools Receiving Establishment Grants., available at [www.aefederal.org.au/Debates/Funding/PrivateSchools](http://www.aefederal.org.au/Debates/Funding/PrivateSchools)

<sup>3</sup> See [http://www.aph.gov.au/Senate/committee/eet\\_ctte/schoolfunding/report/index.htm](http://www.aph.gov.au/Senate/committee/eet_ctte/schoolfunding/report/index.htm)