



Australian Education Union - Federal Office

Ground Floor, 120 Clarendon Street, Southbank, Victoria, 3006
Phone : +61 (0)3 9693 1800 Fax : +61 (0)3 9693 1805
Email : aeu@aeufederal.org.au Website : www.aeufederal.org.au

25 May, 2011

Report Proves the Need for a New Funding Policy for Schools

The need for a fundamental overhaul of federal schools funding arrangements has been confirmed by new research that shows without it public schools face a real cut of over \$300 million in three years' time.

Released today, the report on the 2011/12 Budget says that while public school funding will reach a high point in the next financial year, it is then projected to decline significantly in real terms.

The cut is due to the projected loss of key investments in education, including the literacy and numeracy national partnership.

Produced by Sydney University Honorary Associate Professor of Education Dr Jim McMorrow, the report shows:

- Public school funding will decline in real terms between 2011/12 and 2014/15 by \$332 million (-6 per cent).
- Private school funding will increase over the same period in real terms by \$939 million (+11 per cent).
- The cut in public school funding is the equivalent of the loss of 2,800 teachers

AEU Federal President Angelo Gavrielatos said the report highlighted what would happen if there was not a significant overhaul of federal funding arrangements after the conclusion of the current Gonski review of schools funding later this year.

"This report shows that, without change, public schools will go backwards financially," Mr Gavrielatos said.

"The Labor Government is to be commended for the additional resources they have put into public schools but what is needed is a fundamental change in the way they are funded.

"Labor has the opportunity to finally get rid of the discredited and inequitable Howard Government funding system and replace it with one that better meets the needs of every child.

"There is currently great instability and uncertainty surrounding federal funding for public schools. Schools, particularly those in disadvantaged areas, are too reliant on funding through one-off programs.

"The Literacy and Numeracy National Partnership is a classic example. Schools are reporting that the extra resources delivered through that program are making a huge difference for students but it is due to end in the middle of next year.

“Private schools, by contrast, are less reliant on these programs and benefit from ever-increasing amounts of recurrent funding – indexed against the cost of government school education.

“It is clear the federal funding system is broken. What is required is a fundamental overhaul to ensure every child has access to high quality public education.

“We would also urge the Gillard Government to reconsider proposed programs such as teacher bonus pay and school bonus pay included in the Budget which, as the McMorro report warns, are being introduced without any credible supporting evidence of their benefit.

“This is no time to be spending hundreds of millions of dollars on educational experiments.”

The AEU is calling for:

- The establishment of a new resources standard for public schools which takes into account key areas such as class sizes and student/teacher ratios, teacher training, ICT and the school learning environment. All public schools would be funded to this standard with additional funding to meet disadvantage and specific student needs such as students with disabilities.
- Future private school funding to take into account the wealth and resources of the school along with enrolment practices, student profiles and levels of fees.
- Full financial disclosure as a condition of receipt of government funding.
- An end to the indexation system which sees private school funding increase every year according to the costs of delivering education in public schools.

Note: A copy of the McMorro report is available at www.aefederal.org.au/Publications/2011/JMcMorroMay2011.pdf

For more information contact:

Angelo Gavrielatos
AEU Federal President
0488 012 045

Mark Robinson
Communications & Campaign Coordinator
0403 043 151