

OPINION PIECE

Putting Money and Mouth in Sync

Dr Jim McMorrow

January 2009

When it comes to schools funding, governments now seem to find it hard to put their mouths where their money is.

Take the Howard Government. Its Ministers for Education issued a stream of press releases talking up their funding increases for government schools and railing against the States for failing to match Commonwealth spending.

These messages were issued to gainsay the facts such as that Commonwealth spending on government schools was only around 10 per cent of expenditure on those schools anyway and only around half of the \$7 billion being spent on non-government schools, whose share of total Commonwealth spending on schools increased from 57% in 1996 to 65% by 2007. .

Now the Rudd Government also appears chary about spelling out a clear story on its own funding priorities for schools.

Its first Budget, in May 2008, can be seen in retrospect as an in-progress statement of its funding priorities. It included new moneys for the Government's election promises, but no long-term commitments other than to continue the Howard Government's discredited funding scheme for non-government schools until at least to the end of 2012.

The result was a projected small reduction in Commonwealth funding of government schools at the end of the Budget quadrennium compared with the final year of the Howard Government, when adjustments were made for the anticipated effects of inflation.

The Rudd Government has now started to redress this spending imbalance. Following intensive negotiations with the States within the Council of Australian Governments (COAG), the Commonwealth has agreed to provide a further \$3.5 billion for schools over the five years to 2012-13. Government schools should receive around \$2.8 billion of these increases, due mainly to foreshadowed increases in per capita rates for primary students and for disadvantaged schools.

The Rudd Government is now projected to spend a further \$600 million on government schools in real terms in 2011-12, compared with the final year of the Howard Government. Instead of the projected small cut in real terms by 2011-12 suggested by the Budget, the COAG agreement should provide a 16% real increase in Commonwealth funding for government schools in that year.

This is the first time public schools have been accorded any priority in Commonwealth funding for more than a decade, and should be acknowledged as such.

It continues the tradition of incoming Commonwealth Labor governments -- providing a higher rate of funding for government schools within an increasing pool of money for all schools.

The Whitlam Government attempted to balance the principle of the primary obligation of government for high quality public schooling against that of funding all schools, including non-government schools, according to relative need.

The Hawke Government augmented the 'primary obligation for public schooling' and the 'needs' criteria for funding with a rationale for a 'dual system' of public and private schooling.

By contrast, the Howard Government rejected the 'primary obligation' and 'dual system' funding rationales, adopting instead policies for parental choice and entitlement to drive market forces in an expanding private sector, with government schools to provide a 'safety net' for students

The Rudd Government has yet to make clear its funding story. The Minister wants policy debate to 'move on' from what she regards as outdated labels of public, independent and Catholic schools towards a 'conversation' about educational quality and need.

The problem with a story based on 'indifference' is that it deflects attention from the place of public schooling in its own right. The increased funding arising from the COAG agreement is due in large part to the disproportionate responsibility borne by public schools in providing quality schooling for disadvantaged students and communities. These are old-fashioned 'compensatory' and 'safety net' criteria for schools funding.

What is now needed is a sign, in word and in deed, that the Rudd Government acknowledges the fundamental role of public schools in safeguarding and advancing the national interest through providing universal opportunity for all to gain the full benefits of education.

Jim McMorrow is honorary adjunct associate professor of Education at the University of Sydney and a former senior public servant and schools policy advisor at Commonwealth and State levels.