

## **The Rudd Government's funding commitments for schools: What lies beneath?**

**J F McMorrow  
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The Rudd Government continues to be haunted by the schools funding policies of its predecessor.

This is despite its record investment in schools, including public schools, as revealed by the Mid Year Economic Forecast (MYEFO) update of the federal budget released late last year.

Commonwealth funding of schools is projected to total \$82 billion over the funding period 2007-08 to 2012-13: \$35 billion for the two-thirds of the nation's students in government schools and \$ 47 billion for the one-third in non-government schools.

Most of the increase in Commonwealth funding over the period will be for school infrastructure: buildings, computers and trade training centres. But significant new moneys are also provided for literacy and numeracy programs, for schools serving low socio-economic communities and for fostering quality teaching in all schools.

From the standpoint of public schools, this substantial investment has begun to turn around some of the funding neglect that characterised the Howard years.

The Rudd Government deserves credit for this.

But does it mark the turning of the tide?

Funding projections for the outer years of the budget continue to be driven by deep underlying currents in the form of the Howard Government's funding policies and formulae for schools.

This legacy is demonstrated by the fact that, despite the Rudd Government's record investment in schools, the projected share of Commonwealth funding directed to public schools at the end of the current funding period in 2012-13 - at 36% of total schools funding - would still be lower than the 43% share that was in place at the outset of the Howard Government's term. By the end of the Howard years, the Commonwealth was spending less than 32% of its schools budget on public schools, a decline that could not simply be explained by enrolment shift, nor justified on educational or equity grounds.

Another way of looking at this issue is to consider funding trends for each student in a public or non-government school. By the end of the budget period in 2012-13, the MYEFO figures are projecting a real increase in Commonwealth recurrent funding for government schools of just over \$520 per student, or 45%, in comparison with 2007-08.

This increase would fund the equivalent of *three* additional teachers, on average, in a government school of around 500 students.

The comparable real increase for each student in a non-government school is higher at \$860, or 17%, reflecting the Commonwealth's higher funding for non-government schools. This would support the employment of the equivalent of *five* additional teaching staff at a non-government school with 500 students.

The Commonwealth Minister has made it clear that she will honour the Government's election commitment to review those underlying policies, commencing in 2010 and concluding in 2011. This would enable new and, it is to be hoped, equitable funding policy arrangements to be in place for the years beyond the current quadrennium ending in 2012.

The interests of all schools, but especially public schools, will depend heavily on the outcome of that review. Its form and reach should incorporate all levels and sources of funding, and not focus only on the Commonwealth's general recurrent grants program for non-government schools; and should be founded on principles that provide for the provision of public funding in all schools against agreed educational goals and priorities.

A starting-point for the development of those principles should, of course, be Labor's long-standing commitment to supporting high quality public education, for which all governments have a primary obligation.