

Secrets *and* lies

Despite the evidence, the federal government is refusing to budge on inequitable private school funding. **Danielle Townsend** reports

Briefly

- The current model of funding non-government schools has been discredited as inequitable.
- A secret government report shows that private schools are over-funded by \$2.7 billion.
- The AEU calls on the government for an immediate review of its election promise.

The Rudd government is standing by its election promise to maintain the current funding arrangements for non-government schools until after 2012. This is despite the emergence of a secret government report providing evidence that the system is unfair. The report, commissioned by the former Department of Education, Science and Training (DEST), was revealed in January this year. "They're quite categorical about it, that they will maintain the current funding system in its

schools with parents who have greater resources get a smaller share of the funding. But it doesn't work that way.

Under transitional arrangements made in 2001, more than half of private schools have their funding maintained at historical levels despite these levels being higher than that to which they are now entitled. The Howard government made arrangements to ensure that, even though the funding philosophy had changed, no school would be worse off than they were under the old system.

The price tag on this over-funding is \$2.7 billion over the next four years.

It's bizarre, says Gavrielatos. "We have a funding model that does not apply to almost 60 per cent of private schools. Almost 60 per cent of private schools are receiving more funding than the current model would entitle them to."

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entirety, despite the fact that it's distorted, corrupt and discredited," says AEU federal president, Angelo Gavrielatos.

Non-government schools are funded using the SES model, which takes into consideration the socioeconomic status of the postcodes of students at the school. The model should ensure that

Secret report

The leaked DEST report was commissioned in 2006 by the Howard government to review the SES funding model. The review was held behind closed doors and only an exclusive list of

organisations was invited to make submissions. The report was never released to the public.

"I should imagine that when it dropped on the minister's desk she had a fit," says Terry Aulich, executive officer of the Australian Council of State School Organisations (ACSSO). "I think they probably did wonder what they were going to do with it."

The departmental report, which was leaked to the *Sydney Morning Herald*, says that the system of funding maintenance for most schools "entrenches purely historical inequities". Its contents support the AEU's long-standing opposition to the funding arrangements for non-government schools.

The AEU, ACSSO and others believe that the release of the report clearly gives the government the opportunity to review its commitment and close down the system of funding maintenance immediately.

"There have now been a number of reports—government and independent—that show that [the current system] is unsustainable and indefensible," says Gavrielatos.

"The Rudd government has inherited a flawed and disreputable funding scheme for schools for which it has no policy commitment or responsibility," says Jim McMorrow, honorary adjunct associate professor of education, University of Sydney, and former senior policy adviser to Commonwealth and state ministers for education.

In an article in the *Education Review* earlier this year, McMorrow argues that the previous government "used its funding

to promote the primacy of parental choice, to maintain an indifference to public schooling and to lever its own priorities."

He outlines some of the inherent problems with the current funding system including the broken promise that maintaining funding levels would ensure lower fees and increase choice. The DEST report also highlights this, stating, "42 per

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cent of FM [funding maintained] schools increased their fees by more than 40 per cent during the period 2000-2004 compared to 24 per cent of SES-funded schools."

McMorrow also discusses the loophole that allows schools to dodge the SES-funding model by opening new campuses of existing schools that have a funding maintenance agreement. Instead of opening a new school that would be subject to the current funding model, new campuses spring up, some up to 600 kilometres from the original school.

Government response

While federal education minister Julia Gillard announced a public review of the socioeconomic status funding system in response to the DEST report she confirmed that the government would not abandon the SES-funding scheme for the next four years. "That was our commitment and we'll be sticking to it. We wanted to give schools certainty, and we've given

them certainty with that commitment," she told journalists.

The government's position is very disappointing says Gavrielatos. "We have put very clearly to the government that they must, as a consequence, announce serious and significant targeted funding for public schools through the life of this funding arrangement. This must be done to ameliorate this funding model's ongoing—and exponential—negative impact on public schools."

Aulich calls the system of funding maintenance a "very blunt instrument".

"There are many who receive funding who really do not deserve it," he says.

"We need to ensure, as the key consumers of education services and as the national parents' body, that funding is open and consistently applied. And we don't have any problems if a reasonable formula comes into operation, one that actually works out which schools—public or private—have the greatest needs and funds them accordingly."

The AEU is calling on the Rudd government to fulfill its responsibility to properly fund the public school system and to immediately review funding arrangements.

"We condemn funding arrangements which see the public system under-funded by nearly \$3 billion annually while over-funding of private schools is set to cost taxpayers a further \$2.7 billion over the next four years," says Gavrielatos. ●

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