



The Role of the Federal Government in Schools' Funding

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The Howard Government justifies its inequitable funding policies on a number of grounds. Accompanying its convenient statistics, it argues that the States have constitutional responsibility for funding public education, therefore the Commonwealth is responsible for looking after the private sector.

Is there any basis in fact for this claim?

1. The Constitution does not describe a role for the Commonwealth in the funding of schools. 'Chapter 1, Section V – Powers of Parliament' contains a long list of matters for which the Commonwealth is responsible but education is not included.

2. The Commonwealth entered into schools funding by providing State Aid to church schools. Its funding role has been developed incrementally by successive governments ever since.

It was, and remains, a political decision not a constitutional requirement.

A Brief History

In the 1950s and 1960s there was concern about the level of resourcing in Australian schools and the Commonwealth decide to do something about it.

In the late 50s the Menzies government promised to provide public and private schools with funding assistance for science facilities.

In 1956 Acting Prime Minister Arthur Fadden told Canberra church leaders that the Federal Government would provide reimbursement for

interest on loans taken out to build or extend secondary schools in the ACT.

In 1962 a Catholic school in Goulburn was threatened with closure unless its toilet facilities were improved. All Catholic schools in Goulburn then closed in protest at lack of government money. After a week the Catholic schools were reopened with a promise of State Aid.

In 1968 the 'science block' initiative was extended to school libraries.

Shortly after, in 1969, the Commonwealth Government began providing direct per capita grants to private schools; but not public schools.

In 1974 the Whitlam government introduced the Schools Commission Bill. This legislation perpetuated State Aid, but based funding on the principle that the primary funding obligation was to public schools.

"The primary obligation, in relation to education, is for governments to provide and maintain government school systems that are of the highest standard and are open, without fees or religious tests, to all children."
Schools Commission Act 1973, Section 13(4)

The Schools Commission was abolished by the Hawke Government in 1988 and replaced with the Schools Council. The principle of priority for public schools remained.

In 1999 the Howard government abolished the Schools Council and the clause giving priority to public schools.

The Howard Government

When the first Howard Government was elected in 1996 it provided a significant funding increase to private schools. Its explicit aim was to increase enrolments in private schools and was promoted as “increasing parental choice in schooling”.

The government also removed all restrictions on the growth of private schools, or the establishment of new ones.

In August 1998, supported by the ALP, the Government reclassified all Catholic systemic schools in order for them to receive funding increases.

The May 1999 Federal Budget saw a further funding boost to private schools. Then Federal Education Minister Dr David Kemp stated it was “part of a bigger strategy”; “to support parents’ choice of a private school is, from the government’s point of view, a major driver for reform in the government sector at the state level.”

This use of Commonwealth funding to promote private schools and undermine public schools and systems has continued to date.

Prime Minister Howard and his subsequent Education Ministers, Nelson and Bishop, have continued to use the justification that the Commonwealth has a greater responsibility for private schools; the states for public schools.

The fact is that both Commonwealth and State Governments have responsibility for public education. There is no constitutional, historical or moral validity to assertions otherwise.

Further Reading

[Making Federalism Work for Schools: Due Process, Transparency, Informed Consent](#)

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