



AEU Parliamentary Brief

Australian Education Union
120 Clarendon Street
Southbank VIC 3006
Phone (03) 9693 1800
Fax (03) 9693 1805
Email: aeu@aeufederal.org.au
Website: www.aeufederal.org.au



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UPDATING THE EVIDENCE: THE RUDD GOVERNMENT'S INTENTIONS FOR SCHOOLS

'Updating the evidence: The Rudd Government's intentions for schools' supplements the analysis of funding trends and projections in Dr Jim McMorrow's previous report, 'Reviewing the evidence: Issues in Commonwealth funding of government and nongovernment schools in the Howard and Rudd years'.

'Reviewing the evidence' revealed that based on the Rudd Government's May 2008 Budget, Commonwealth funding for public schools was projected to be cut in real terms by 2011-12 to 33.8 per cent.

Dr McMorrow's new report examines the Rudd Government's funding allocations for schools made through the two significant events that have occurred since the May 2008 Budget: the *Mid-Year Economic and Fiscal Outlook (MYEFO)* and more significantly, the

package of additional funding agreed with the States and Territories through the Council of Australian Governments (COAG).

In real terms (i.e. in constant 2007-08 prices), Commonwealth funding of government schools in 2011-12 is projected to be around \$556 million higher than the Howard Government's last Budget for schools in 2007-08, an increase of 15.7%. This turns around the projected cut in real terms over the same period as set out in Dr McMorrow's analysis of the May 2008 budget.

Dr McMorrow's analysis shows that the public school share of total Commonwealth funding to public and private schools is now projected to increase to 37.1 per cent by 2011-12, as a result of the new funding agreements.

This is a welcome development. The COAG funding package is the Commonwealth's first serious investment in public education in over a decade.

However, these increases should be kept in perspective.

The extra \$2.8 billion over five years for public schools arising from the COAG agreement is less than the funding the Commonwealth will provide to guarantee above-formula recurrent grants to private schools. Over the next five years, private schools will receive approximately \$3.5 billion more than they would be entitled to were the Commonwealth SES schools' funding arrangements properly applied. Approximately 60% of private schools are being given above-formula funding.

While the share of Commonwealth schools funding for public schools is projected to increase to 37.1 per cent in 2011-12, it is still lower than the 43.1 per cent that applied when the ALP was last in office.

It would require an additional \$1.4 billion to return public schools' share of funding to that level.

The report shows that the Rudd Government has responded to pressure and evidence on the benefits of investing public monies in the provision of quality teaching and schools from low socio-economic backgrounds.

The report concludes that, *“what is now needed is a further sign, both in word and deed, that the Rudd Government understands fully the broader fundamental role of public schools in safeguarding and advancing the national interest through providing a framework of universal opportunity for all to gain the benefits of education.”*

The report recommends that if the promised education revolution in Australian schools is to take root, it must be based on a fundamental and comprehensive policy review.

Key Points:

- **The share of Commonwealth funding for public schools is now projected to increase to 37.1 per cent by 2011-12, as a result of the *Mid-Year Economic and Fiscal Outlook (MYEFO)* and the Council of Australian Governments (COAG) agreement.**
- **The extra \$2.8 billion for public schools from the COAG agreement is less than the funding the Commonwealth is providing to guarantee above-formula recurrent grants to private schools.**
- **The share of Commonwealth funding for public schools is still lower than the 43.1 per cent that applied when the ALP was last in office.**
- **It would require an additional \$1.4 billion to restore the 1995-96 funding share.**

About the Author:

Dr Jim McMorrow is an Honorary Adjunct Associate Professor, Faculty of Education and Social Work, University of Sydney, and a former senior policy adviser and public servant at Commonwealth and State levels.

The full report can be found at:

<http://www.aefederal.org.au/Publications/2009/JMcMorrowpaper2009.pdf>

New report shows Australia spending less than Britain and the US on public school capital investment

Preliminary research by education economist, Adam Rorris, sheds further light on the level of underfunding on public school buildings and facilities in Australia.

The independent report found that between 2002 and 2006, Australian governments spent, on average, \$1000 less per student per year than Britain and the United States.

If Australian governments invested as much per student in public schools over that five year period as the UK and USA spent on their public schools, each Australian public school would have received an additional \$1.6 million in funds to improve buildings, facilities and equipment.

The report lists four key reasons for investing in public schools:

- **School facilities have a significant impact on student performance.**
- **The ageing of existing stock means an increasing share of expenditure on new buildings.**
- **Appropriate school buildings allow extended school hours and greater community use.**
- **Investing in the upgrade of public school infrastructure can be a vital part of the nation building agenda providing much needed economic stimulus during this financial downturn.**

This new evidence confirms the serious neglect of public schools when it comes to vital capital funding.

The report also reveals a major and continued imbalance in capital works investment between public and private schools – to the tune of \$10.4 billion between 2002 – 2006.

Refurbishing and/or rebuilding public schools across Australia will provide opportunities to create quality buildings and resources. Design should be informed by the need for all new infrastructure to conform to principles of environmental sustainability and allow schools to operate as genuine community hubs open to the whole community.

What better economic stimulus in these times than an infrastructure program aimed at building, upgrading or renovating our schools. Beyond the necessary economic stimulus, investing in our public schools and students is the most important infrastructure investment a government can make.

Given the failure of COAG to deal with this issue at all, we once again call on the Rudd Government, in partnership with all state and territory governments, to establish a national standard with respect to a high quality teaching and learning environment.

About the Author

Adam Rorris is a consultant education economist and a fellow of the Centre for Policy Development. He has been manager and principal analyst of the Schools Resourcing Taskforce providing advice to Australia Ministers of Education through the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA). He has also advised governments abroad and worked for the United Nations, the World Bank and other international development agencies.

New poll: Commonwealth funding of public schools is insufficient

A new poll released on 28 January 2009 shows almost two thirds of people believe the Rudd Government is not investing enough in public schools.

Only 15 per cent of people surveyed said the government was spending enough on public schools compared to 65 per cent who said it wasn't spending enough.

80 per cent of people polled agreed that with the worsening economic situation it is critically important that more money is invested in public schools to ensure all children can get a high-quality education.

The Rudd Government has made a start in repairing the damage of 11 years of Federal Government under-funding of public schools but there is a long way to go.

Now is the time to invest in lowering class sizes, increasing one on one attention for students and rebuilding schools across the country.

Lifting the overall level of educational achievement in this country should be the Government's top priority and the only way to achieve this is through greater investment in public schools.

The nationwide poll of 1000 people, conducted by Essential Media Communications between January 8 and 12, also found:

- **78 per cent** of people agreed that public schools are doing a fantastic job but are under-resourced.
- Parents with children at public schools nominated more individual attention for students as the most pressing change they wanted to see at their child's school.
- **Only 3 per cent** of people supported the Rudd Government's current policy of funding private schools more than public schools.
- **77 per cent** of people agreed there will be no education revolution unless the Federal Government invests substantially more in public education.

The recently released report of senior academic, Professor Jim McMorrow showed that public schools needed an additional \$1.4 billion a year just to match the share of Commonwealth funding they received when the Howard Government came to office.

Separate research by education economist, Adam Rorris, found that Australia spends \$1000 less per student on average on public school buildings and equipment than the United States and the UK.

Authorised by: Susan Hopgood, Federal Secretary,
Australian Education Union,
120 Clarendon Street Southbank VIC 3006.