



## PRIORITISING PUBLIC EDUCATION

Education is the cornerstone of democracy and a well-resourced public education system striving for excellence is the guarantee of a healthy and productive society.

Australia has a proud history of recognising the importance of education and with our egalitarian values establishing a universal public education system in the late 1800s to ensure all children regardless of economic circumstance could attain an education. A free, compulsory and secular education system in the words of former High Court Justice Michael Kirby is "a large part of the success story of Australia as a modern nation."<sup>1</sup>

However, the last couple of decades have led to underfunding of public education at a time of significantly increased government funding to private schools, leading to inequity and the necessity for the Review of Funding for Schooling commissioned by the Government. As recently reported in *The Australian*, over the last seven years public funding of Independent schools has increased by 82% and for Catholic Schools by 64% but for public schools only 48%.<sup>2</sup>

The primary responsibility of governments, including the Commonwealth Government, is to our public education system which currently requires an additional multi-billion dollar investment to ensure on-going quality schooling for all Australians. Public schools educate 66% of our children and are responsible for providing quality learning environments for 80% of students with a disability or students with special needs. Furthermore, 85% of Indigenous children attend public schools as do the majority of students from low-SES backgrounds. The under-resourcing of public education perpetuates disadvantage in our community.

It is the right of all children to have access and opportunity to high-quality education and for parents to expect as much. The public system is the only guarantee of this basic right.

### **Australian Greens' approach to the debate on schools funding in 2012**

The Australian Greens welcomed the establishment of the Review of Schools Funding headed by Mr David Gonski. As the government has noted this is the first comprehensive review of funding for all schooling since 1973. We look forward to the release of the Report of the Review and the public debate that will follow.

In 2012 the Australian Greens will be advocating for:

- Multi-billion dollar additional investment in public education;
- A new funding model for non-government schools which breaks the nexus between government and non-government school funding and takes into account all the resources of non-government schools;
- The Commonwealth to have a role in determining which non-government schools receive funding including consideration of a school's enrolment policies;
- Significant investment in Indigenous education to ensure Indigenous students can be schooled in their own languages and addressing the hearing needs of many Indigenous students with the necessary technology and special classrooms;
- Ensuring that there is the necessary increases in funding for students with a disability or with special needs so that we can live up to the commitment of providing a high-quality education for all;
- Additional funds to be made available to increase the teaching of Asian languages in Australian schools and providing music educational opportunities in public primary schools and support science education; and
- Legislation for the new funding model to be introduced if not passed by the end of the year.

The Gonski Review is providing the opportunity to set in place a new fair and equitable means of the Commonwealth funding schooling in Australia. We want to ensure this opportunity is not wasted and that future generations of Australian children are guaranteed high-quality education.

---

<sup>1</sup> The Hon Michael Kirby, "In Praise of Excellence in Public Education", 1 December 2009.

<sup>2</sup> "Public Schools 'lose out' on funds as rises favour wealthy", *The Australian*, 9/1/12.

## **KEY FACTS:**

### **Schooling in Australia<sup>3</sup>:**

1. In 2010 there were 9468 schools in Australia
2. Of these, 6743 were government (335 special schools) and 2725 were non-government (1708 Catholic, 1017 Independent).
3. Of the 3.5 million schools students in 2010, 2.29 million attended government schools, with 20% attending Catholic schools and 14% at Independent schools.

### **Funding:<sup>4</sup>**

1. Total expenditure on Australian schools was \$41.4 billion in 2008.
2. State and Territory governments provide the majority of funding for government schools, \$23.5 billion in 2007–08, with the Commonwealth Government providing an additional \$3b.
3. The Commonwealth Government provides the majority of government funding to non-government schools, \$6.1b in 2008. Over the length of the current non-government schools funding agreement, non-government schools will receive an estimated \$37b from the Commonwealth.
4. State and Territory governments provided an additional \$2.2 billion to non-government schools in 2008.
5. A further \$6.3b was generated by non-government schools through private income.

### **International funding comparisons<sup>5</sup>**

Australia continues to invest in education as a percentage of GDP well below the OECD average. Australia's public investment in all education is 3.7% compared to the OECD average of 5.0%. In relation to public expenditure on schools we rank 24 out of 30 with Australia's public investment at 3.0% compared to an OECD average of 3.5%.

By OECD standards only Belgium and Chile spend a smaller proportion of money on public schools than Australia and only Belgium, Chile and Israel spending a higher proportion on private schools.

For Australia to reach the OECD average for public funding to schools will require an additional \$7 billion investment.

### **Background on school funding**

Prior to 1964 there was no direct Australian Government funding for school education. Only the ACT, NT and Australia's overseas territories were in receipt of funds. In 1964 capital funding for schools was introduced and in 1970 recurrent funding for school students began. Then in 1973, the Whitlam Government established the Interim Committee for the Australian Schools Commission to examine the needs of schools and recommend funding models.

### **The current funding model – SES formula**

The Socio-Economic Status (SES) funding model was introduced by the Howard Government in 2001 and is used to determine the amount per student a non-government school will receive in direct funding from the Commonwealth. This model replaced the Education Resource Index.

As explained in the Gonski Review Discussion Paper, "The SES formula uses ABS statistics of the socio-economic status of a school's student population, derived from the census, to calculate an average SES score for a school. Non-government schools receive a percentage of the Average Government School Recurrent Costs (AGSRC) based on their SES score. For example a school with a high SES score of 120 will receive 26.2% AGSRC while a low SES score of less than 85 will receive 70%. The minimum grant for SES scores over 130 is 13.7%."

---

<sup>3</sup> ABS – *Schools Australia*, 2010

<sup>4</sup> Review of Funding for Schooling, *Emerging Issues Paper*, December 2010.

<sup>5</sup> OECD, *Education at a Glance*, 2011.

The SES model has been roundly criticised since its introduction, including by the Australian Greens. Since its introduction there has been an increase in the total level of private school funding, although student enrolments have not increased at the same rate. Between 1996 and 2006 Commonwealth funding for non-government schools increased by up to 200%, while student numbers have increased by less than 22%.<sup>6</sup>

There are a number of problems with the SES model both in its conception and implementation. The key criticisms of the model include:

- It does not take into account the streams of private recurrent income from sources other than fees such as endowments, donations and capital works loans schemes;
- It gives an advantage to schools in regional areas and those with high proportions of country students leading to some wealthy city boarding schools receiving lower SES rankings such as Geelong Grammar;
- The funding given to schools with high SES scores is disproportionately generous compared to schools at the lower end of the scale. The Federal Cabinet determined the funding level for each category of SES ranking;
- Indexation of the SES formula funding to the Average Government School Recurrent Costs (AGSRC) means that the Commonwealth funding to private schools automatically increases when a state government spends more to reduce class sizes or increase specialist teachers – so funding increases are not related to the actual costs of providing education;
- The model is not applied to all schools as the Government guaranteed that no school would be worse off under the new scheme and any school that would be disadvantaged in the transfer would be categorised as 'funding maintained' (FM). This means their funding is maintained in real terms;
- Further the Government also exempted the Catholic education system for the first 5 years and then funded Catholic schools under the 'catholic maintained' category based on 2001 funding levels.

It should be noted that in 2011, the Government introduced, and passed with the support of the Coalition, a Bill to extend the existing federal funding system for non-government schools for a further year until the end of 2013. This was a promise that the Prime Minister made during the 2010 election campaign. This effectively means that any reform to the current system will not be implemented until at least 2014 – more than 6 years since the Government announced their intention to establish a broad-sweeping review of the funding system.

The Government has also made a commitment that no school will lose a dollar of funding as a consequence of the Gonski Review process. However, there is no commitment that funding will continue to rise in real terms (i.e an increase in indexation levels).

#### Other Commonwealth responsibilities

Currently, new non-government schools can be established within the regulatory framework of the states and territories but once established the Commonwealth is required to provide the funds according to the SES funding model. The Commonwealth has no role in the process of determining whether a school which it will fund should be established or be in receipt of federal funding. The Howard Government abolished a previous New Schools policy of providing the Commonwealth with the opportunity to have a say on how funding for new non-government schools is spent. It is worth considering whether it is a responsibility of the Commonwealth to have a role in evaluating whether a non-government school should be in receipt of federal funding. Matters that could be relevant include the enrolment policies of schools and whether schools meet other community standards.

---

<sup>6</sup> Australian Education Union, *Schools Funding Review Submission*, March 2011.

## Key themes emerging from the Gonski process

On 31 August 2011, the review panel released a paper on commissioned research and four research reports, from the Australian Council for Educational Research, Deloitte Access Economics, the Allen Consulting Group, and the Nous Group and sought public feedback.

These reports were tasked with assessing the current process for targeting school funding to disadvantage students; assessing the existing funding models for schooling; looking into the feasibility of a national schooling recurrent resource standard; and looking into the challenges and opportunities facing schools.

It is important to note that these research reports do not necessarily reflect the views of the panel.

Some of the key findings and recommendations that came from these reports, include, but are not limited to the following:

- There is inadequate funding in the public sector for students with special needs including students with disabilities, Indigenous students, students from low-SES backgrounds and from rural, regional and remote areas;
- The establishment of a standard national disabilities entitlement is recommended;
- If some schools can select students who are likely to do well, then the schools, mostly public schools, that are unable to choose their students will have greater proportions of under-performing students which has consequences for the school as a whole.
- A targeted front-loading funding system for students from low SES backgrounds (to help schools experiencing residualisation)<sup>7</sup>;
- Consideration of cutting funding to schools that do not take on under-performing students;
- The establishment of a school resourcing standard, whereby the base level of funding could be calculated by looking at the cost of educating students at "reference" schools, where 80 per cent of students achieve above minimum standards in NAPLAN tests; and
- A focus on the need to improve teacher quality including consideration of teacher bonus schemes, and making teacher salaries more competitive.

## Additional Issues

Along with the key matters being canvassed by the Gonski Review, the Australian Greens are also concerned to ensure there is attention placed on the teaching of Indigenous languages and appropriate hearing support for Indigenous students, as well as renewed focus on the teaching of Asian languages and music in our public schools.

### Indigenous language education and hearing technologies

Many Aboriginal and Torres Strait Islander languages are in danger of disappearing, with many already having been lost. The teaching of Aboriginal and Torres Strait Islander languages in Australian schools must be supported. Aboriginal and Torres Strait Islander children have the right to learn and be taught in their own language which can also support better educational outcomes.

A significant barrier to education for many Aboriginal and Torres Strait Islander children is impaired hearing. Improving sound field systems in classrooms, training for teachers about hearing loss issues and teaching strategies for classrooms is vital to improve the learning opportunities for Aboriginal children. Additional investment in technologies, resources and teachers is necessary for this barrier to education to be overcome.

---

<sup>7</sup> The term residualisation in this context is defined by Gonski as the role which the government schooling sectors play in being required to accommodate all students irrespective of their economic status or their physical or intellectual capability.

## Music Education

There is very impressive evidence that music, taught in all schools and from an early age, gives future citizens better academic success and generally improved outcomes in life. Yet students in our public education system must leave it to chance as to whether their school will have access to a music education program.

As Richard Gill, Music Director of the Victorian Opera, puts it "it's a national disgrace that Australian children do not have access to specialist music teaching in primary schools. Some of these private schools have wonderful set ups musically with specialist teachers but there are lots of State schools who have none and they are seriously disadvantaged."<sup>8</sup>

While recognising the value of music education, the Australian Government does not know how many specialist music schools there are in Australia.<sup>9</sup> Nevertheless, we do know that access to music education is currently inadequate and needs to be improved.

## Asian languages

For over two decades the importance of Asian literacy has been well recognised by successive Australia Governments. Teaching Asian languages in schools is vital for the social, economic and cultural well-being of life in Australia. It develops students' appreciation and respect for other cultures, customs, and history and their ability to communicate across diverse cultures. Importantly, it enables Australia to contribute to the future international community in the era known as the 'Asian Century'. Asian literacy is essential to Australia's future economic prosperity and social cohesion given our proximity to Asia.

Despite the obvious need:

- Only 5.8% of year 12 students in 2008 completed an Asian language subject, and the declining trend is continuing
- 96-97% of all Asian language students in year 12 are studying in their first language
- Indonesian is at risk of not being offered to year 12 by 2020
- Not one student from a non-Korean background is currently studying Korean.<sup>10</sup>

The reasons for this decline are predominantly inadequate funding. The Australian Greens propose to restore Asian literacy in the Australian education system by:

- Supporting the Asia Education Foundation's call for a minimum investment in Asian language education of \$100 million per year over 8 years;<sup>11</sup>
- Collecting quantitative data for continuous evaluation;
- Advocating the importance of Asian languages in schools; and
- Establishing partnerships with international institutions.

---

<sup>8</sup> Richard Gill, Q and A, ABC, 31 October 2011.

<sup>9</sup> Minister Evans, *Hansard*, 9 November 2011.

<sup>10</sup> <http://www.deewr.gov.au/Schooling/NALSSP/Documents/CurrentStateAsianLanguageEducationOverarchingReport.pdf>, p.4.

<sup>11</sup> This figure is based on the 1995-2002 National Asian Languages and Studies in Australian Schools strategy which was \$200 million and resulted in the doubling of the number of children studying Asian languages.