

# Australia: Public schools to be reduced to a residual safety net

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The Howard government's 2005-8 education funding package, released last month, is aimed at accelerating the transformation of public education in Australia into a second-class service for low-income families unable to afford private school fees. Just like public health and housing, the government school system is fast being reduced to a residual "safety net." The only notable exceptions will be a handful of "selective" public schools, catering solely to the most talented students.

Only three decades ago, open and free access to a decent public education was widely regarded as a basic social right, with governments at least formally committed to ensuring that all schools, rich and poor, aspired to higher standards. Since then, chronic underfunding, accompanied by ever-more generous subsidies for private schools, has forced tens of thousands of ordinary families to draw the conclusion that their children will only receive an adequate education if they pay hefty fees (up to \$17,000 a year).

Since 1977, primary and secondary public school enrolments have fallen from nearly 80 percent to just 68 percent of all students. The shift has been greatest at the high school level, with government enrolments plunging to 52 percent. By the end of the latest four-year plan, by the government's own calculations, the majority of secondary students will attend private schools.

The new funding formula constitutes a two-pronged attack against government schools. First, it both anticipates and sets out to achieve a 20 percent increase in private, non-Catholic school enrolments in just four years, and a seven percent rise in Catholic school enrolments, at the expense of a one percent fall in the number of public school students. Funds are allocated accordingly, ensuring a further decline in the already cash-starved government system.

For the first time, more federal money will be allocated to private, non-Catholic schools than to government schools. Independent schools, which currently have 13 percent of student enrolments, will receive \$7.6 billion; Catholic schools, with approximately 18 percent of total students, have been allocated \$12.6 billion. Government schools, attended by 68 percent of students, will get \$7.2 billion or only 26 percent of federal funding.

Translated into dollars per student, the Howard government will spend \$4,098 on each private school student but only \$1,143 on a public school student. By next year, the disparity is expected to be fivefold: for every dollar spent on a government student, private students will receive \$5. The funding gap has doubled since 1977, when the ratio was 2.5:1 in favour of private students.

Second, under the guise of bowing to parents' demands for information, the government has stipulated that unless schools publish their results on a range of performance benchmarks, they face the loss

of all federal funding. Students will face continual testing, designed to produce "league tables" which will force schools to compete with each other for enrolments. Although this proviso will apply to all three categories of schools, its intent is to pressure more parents to send their children to private schools, whose superior resources are expected to produce the best test scores.

The Howard government's open attack on the public school system represents a watershed in the decline of government schooling. But the way was paved by previous governments—both Labor and Liberal, federal and state—in collaboration with the teacher unions.

After Australian Federation in 1901, schools were funded by the state governments. No state aid was provided to religious or other private schools—the result of important struggles by working people during the nineteenth century to establish the principle of free, compulsory, secular education.

The first breach in this policy came in 1951, when the federal Liberal (conservative) Menzies government introduced tax deductibility for private school fees and donations. In 1963, the Liberal government began making specific grants for school science blocks, with more than a quarter of the funds going to private schools.

An even greater turn came with the Whitlam Labor government, which initiated direct funding of private schools by both state and federal governments. Its 1973 Schools Commission Act, passed with the support of the conservative parties, justified the shift on the basis of need, primarily for the traditionally poor local parish Catholic schools. The public was told that the aim was to lift all schools to a common target standard. Labor's legislation stated that the primary obligation of governments remained to provide public school systems "that are of the highest standard and are open, without fees or religious tests, to all children."

This formal commitment did not last long. Immediately following the ousting of the Whitlam government in 1975, the Fraser Liberal government doubled private school funding in real terms, while funding for public schools fell by almost 20 percent.

During the 1980s and early 1990s, the Hawke and Keating Labor governments continued the bias against government schools. Between 1982 and 1994, federal funding for private schools rose three times faster than for public schools—49.2 percent compared with 13.1 percent. Public school enrolments declined accordingly. From 1983 to 1993, they fell by 2.3 percent while private school enrolments increased by 18.4 percent.

The growth of new private schools was further encouraged by a plethora of start-up subsidies, and exemptions from size, location and curriculum regulations affecting public schools. While some restrictions were placed on the growth of new private schools, they

continued to flourish, with 251 opened between 1986 and 1995.

In contrast to public schools, which faced closure if their enrolment numbers dropped to three or four hundred, private schools with as few as seven students were permitted to open, receiving federal and state funding. According to an Australian Education Union report, 60 percent of private schools established since 2001 have had fewer than 60 students and nearly half have had fewer than 40.

These processes have intensified under the Howard government. In 1997, it introduced its Enrolment Benchmark Adjustment (EBA) scheme, which reduced funding to the states by \$1,712.50 for every student who transferred out of the government system to a private school. Under the EBA, public schools lost millions of dollars in funding each year.

In 2000, the government introduced its Socioeconomic Status Model (SES) of funding private schools. The SES completely ignored the assets, fee levels and fund-raising of wealthy schools in allocating public funds. Nor did it assess the socio-economic status of individual families. Instead, it measured the education, income and employment status of 250 households in a census-determined area where each student lived. The formula, likened to a lottery, allowed many of the richest private schools to obtain millions more dollars annually. In 2003 alone, according to figures given to a Senate Legislation Committee, Australia's wealthiest private schools received a real funding increase of \$11.4 million.

Moreover, the Howard government guaranteed schools that if the SES model did not provide them with a rise in funding, they could keep their previous status under the former funding model, the Education Resource Index (ERI). Around one-third of private schools remained in the "funding-maintained" category.

The SES model marked a further step toward a fully-fledged "user-pays" school system. The ERI model, by measuring schools' existing income and resources, in theory at least, provided the least public funding to the wealthiest private schools. The SES model directly rewards the private funding of education through fees, commercial subsidies and bequests.

The 2005-8 plan will widen the scope of the SES model by including the Catholic school network. In 2000, the Catholic hierarchy refused to join the SES scheme and reached a separate deal with the federal government in which it received an \$800 million funding boost. Now, Catholic schools, which are already receiving \$12.6 billion, will be paid an extra \$362 million to join the SES, even though the 60 percent who stand to lose funding under the formula will remain in the "funding-maintained" category.

While the state governments, all controlled by the Labor Party, initially greeted the 2005-8 package with howls of outrage, their own record is equally damning. State governments are still responsible for 88 percent of public school funding. By 1998, the total state and federal income received by private schools had outstripped government schools by \$6,442 to \$5,602 per student.

All the state governments are continuing to inflict their own budget cuts. In New South Wales, the most populous state, public schools stand to receive an 0.8 percent "increase" this year, far below the inflation rate. Other states are imposing only slightly smaller real funding cuts: the pre-inflation "increases" are Victoria, 2.3 percent; Queensland 2.4 percent, South Australia 4.9 percent, Western Australia 2.8 percent and Tasmania, 2.9 percent.

The OECD 2000 Programme for International Student Assessment (PISA) found that the gulf between rich and poor students in Australia was one of the worst in the industrialised world. OECD Education

Director, Dr Barry McGaw commented: "If you are going to be born in circumstances of poor family background, it would be better to be born in Finland, Korea, Japan or Canada than in Australia."

Unsurprisingly, the study also found a direct connection between socioeconomic background and student achievement. According to an Australian Education Union (AEU) paper delivered in 2003, the PISA study found that "variance in achievement between schools in Australia is largely explained by differences in socioeconomic background at both student and school levels."

The 2002 Vinson report on New South Wales schools found that disadvantaged students were far more numerous in public schools, with less than 10 percent of students from the poorest 50 percent of families attending private schools. A Steering Committee for the Review of Commonwealth/State Service Provision found in 2003 that the proportion of students with disabilities and of those from remote areas was twice as high in public schools.

Despite having a far higher proportion of students with greater needs, government schools face growing deprivation. In a paper prepared for the AEU, Trevor Cobbald estimated that by the end of 2004 funding for Catholic schools will be on a par with government schools. But Independent private schools will, on average, have a funding advantage of over 40 percent, while the wealthiest private schools will operate at up to 300 percent the resource levels of public schools.

By tying its funding package to accountability measures to publicly rank "successful and "unsuccessful" schools, the Howard government is preparing to blame public administrators and teachers for school closures. Last November, federal Education Minister Brendan Nelson foreshadowed a policy of "intolerance of poorly performing schools." Schools would "perform or be shut down." He referred to school inspections in Britain that had resulted in closures of schools failing to improve student results and US President George Bush's No Child Left Behind Act, which allows principals to be fired and students moved to other schools.

Not to be outdone, federal Labor leader Mark Latham has pledged to maintain the overall level of subsidies to private schools, and merely re-direct some funds away from the very wealthiest ones. He has also moved to blame teachers for the outcomes, foreshadowing the introduction of performance pay—a measure that will set teachers into competition with each other and constitute a step toward individual employment contracts.



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