

Australian government announces another school funding backflip

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Prime Minister Tony Abbott and Education Minister Christopher Pyne announced on Monday yet another reversal in the Liberal-National government's education policy, backing away from a move last week to slash federal funding for public schools. The series of shifts has provoked consternation within ruling circles, with the recently elected coalition government seemingly unable to impose spending cuts to education, as part of a broader austerity agenda.

At the same time, Abbott and Pyne appear to have dropped the punitive standardised testing and "performance" benchmarks that were at the centre of the former Labor government's funding model, known as "Gonski" or "Better Schools."

The now opposition Labor Party, as well as the Greens and the Australian Education Union, promoted the Gonski model as a major progressive reform benefitting the public education system. This is an utter fraud. The Gonski scheme marked a transition toward a voucher system—long promoted by "free market" ideologues. Government funding for both public and private schools is assigned on a per student basis, with additional "loadings" for students from poor families or with other disadvantages.

The most important feature of Labor's model was that funding was conditional on new annual "performance reviews" for teachers, and school principals submitting plans for boosting results on NAPLAN (National Assessment Program—Literacy and Numeracy) standardised test results. This sought to narrow the curriculum, in order to meet corporate demands for a more productive workforce, while paving the way for the shutdown of public schools, especially in working class areas, that were deemed "underperforming."

The Labor government, backed by the education trade

unions, attempted to cloak this reactionary agenda with a promised injection of cash into the school system. The allocated money was limited and highly tenuous, with most, \$6.9 billion of the \$9.8 billion package, supposedly arriving in the fifth and sixth years of the six-year scheme. Before the September 7 election, the Liberal Party announced a "unity ticket" on the funding model. On November 26, however, Education Minister Pyne reneged on the pledge, declaring "the cupboard is very bare" and "the treasurer and the finance minister are very short of funds [and] it's not possible to simply find that money."

Six days later, the government again changed its position and announced it would match the former government's four-year school funding deals with the state governments, spending an additional \$1.2 billion that is to be sourced from equivalent budget cuts, to be detailed in the mid-year budget update, to be released later this month.

The government's reversal was aimed at neutralising the political furore triggered by the proposed funding cut. The state Liberal government in New South Wales denounced the Abbott government and threatened legal action to reinstate the deal it had struck with the former Labor government. As opposition mounted among ordinary people, the issue intersected with government infighting over the GrainCorp foreign investment case and escalating diplomatic tensions with Indonesia and China, threatening to exacerbate a significant political crisis confronting Abbott.

The *Australian*'s Paul Kelly today reported that the initial funding cut was driven by "cabinet's Expenditure Review Committee pushing for more savings." However: "It became the single most damaging event in the brief life of the Abbott government. In the end it was battered into political

submission. Last Sunday night at a meeting involving Abbott, [Foreign Minister] Julie Bishop, [Treasurer] Joe Hockey, Pyne and [Abbott adviser] Peta Credlin the decision was taken to cut their losses.”

The back down came as the government prepares sweeping cuts in next year’s budget. The Gonski decision has raised further concerns within corporate circles about the Abbott government’s ability to deliver on their demands for European-style attacks on welfare programs, healthcare and education, and other basic social programs. This pressure for a stepped up attack on the working class is being driven by the growing slump in the world economy, and stagnating economic growth in Australia.

In the *Australian Financial Review*, Jennifer Hewett yesterday noted: “Business leaders have certainly been bemoaning the way the argument over school funding was handled. They have to fervently hope such lousy political management won’t be on show too often as this government faces far tougher decisions and budget challenges which will affect their businesses even more directly.”

The Gonski model had been widely endorsed by big business and finance capital. David Gonski, who lent his name to the model via the report he issued for the former Labor government, has sat on the boards of many of the country’s largest companies and is a former chairman of the stock exchange.

Then Prime Minister Julia Gillard used the Gonski report to expand the NAPLAN regime she previously instituted with the backing of the Australian Education Union, imposing “performance” benchmarking on teachers and schools throughout the country. She explained at the time: “Business leaders tell me about skill shortages today and how the future will demand higher and higher skill levels.”

Now Pyne and Abbott appear to have dropped the former Labor government’s conditions attached to the Gonski funding. Criticising a “command and control” approach, the Coalition government has reinstated the four-year funding deal, while dropping a requirement for the state governments to boost their funding. This is likely to see both Labor and Liberal state governments, which are themselves advancing austerity measures, cut their levels of school funding by the amount they get from Canberra. The “performance” benchmarking also appears to have been abandoned, triggering outrage

from the Labor Party. Opposition leader Bill Shorten declared yesterday: “I have never, in the history of state-commonwealth relations, seen an amount of money of this size handed to state governments with no strings attached.”

The draconian standardised testing requirements will likely be reinstated and expanded when Pyne next year releases a new long-term funding model.

The new government’s priority, however, is to funnel even more public money to private schools, including the most elite. The education minister said he would base the new model on the former Liberal Howard government’s mechanism, known as Socio-Economic Status (SES). The *Australian* reported last week that SES saw the wealthiest private primary schools in New South Wales receive an 80 percent boost in government funding between 2000 and 2010, while funding for the wealthiest private high schools rose by 50 percent. These mechanisms, retained by the Labor government from 2007, resulted in the federal government spending more money on private schools than it does on the university sector. Of all the OECD countries, only Chile and Belgium allocate a lower proportion of government funding on public schools than Australia does.

The “user pays” system sees children from affluent families enjoy access to well-funded and resourced schools, while working class and poor children are confined to inadequately resourced public schools, with underpaid teachers struggling to cope with the complex demands placed upon them. Both the Labor and Liberal parties agree with accelerating this process, tying education ever more closely to the demands of business, with only tactical issues separating their rival policies.



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