

# AUSTRALIAN COUNCIL FOR THE DEFENCE OF GOVERNMENT SCHOOLS

## PRESS RELEASE 628#

### Privatisation of Public Education, IBAC, the Auditor General, - and Corruption

**Back to basics-** DOGS note that a democracy, as opposed to an oligarchy, or a plutocracy has

- A representative government elected by an informed citizenry
- A taxation system in which public money is spent on public facilities
- A bureaucracy which provides essential services and is accountable for expenditure of public money
- A public education system which is public in purpose, outcome, access, ownership, control, and accountability

Australia, with a government with neo-liberal, privatisation policies is pushing Australia into a plutocracy, with gross inequalities, economic instability and **downright corruption**.

The evidence for this is there to read in recent newspaper reports.

### Reports on Islamic School rorts but what about the Catholic Education Bureaucracies?

The media are prepared to give oxygen to reports of rorting with Islamic schools and the paying of public money to central Islamic Councils,

[http://www.theguardian.com/australianews/2015/nov/13/government-accuses-six-islamic-schools-breaching-education-act?CMP=share\\_btn\\_link](http://www.theguardian.com/australianews/2015/nov/13/government-accuses-six-islamic-schools-breaching-education-act?CMP=share_btn_link)

BUT very little is heard about elite private schools (who take out millions in advertising their wares) - or the Catholic Education bureaucracies. DOGS await with interest a report from the Victorian Auditor General on the expenditure of public money by the Catholic sector.

### Takeover of Public Education Bureaucracy

DOGS have always advocated the appointment of those committed in word, deed and experience to the public system to our public education bureaucracy. Until the 1990s and the Kennett takeover of the Department such people could be found in the upper echelons. No more. Those who even send their children to the public system are extremely rare, while people who have proved to be corrupt have been imported from the Catholic system.

An Anti-corruption Commission exposed the so-called banker schools scandal. The Andrews government has recently vowed to crack down on the "disgraceful behaviour", culture of entitlement and lack of accountability that insiders say has plagued sections of the education

bureaucracy for years. A strike team of integrity watchdogs will be appointed to curb corruption and misconduct in the Victorian education department, following this year's revelations that schools were being systematically rorted by some senior bureaucrats. Part of the plan involves setting up a new whistle blower service to encourage people to speak out anonymously, as well five "integrity leadership groups" made up of school staff with a direct line to the head of the department, Secretary Gill Callister.

The push to restore the public's faith in the department comes as **IBAC** finalises its report into the banker schools investigation, which found that millions of dollars in education funds had been diverted by senior officials, including disgraced former finance manager Nino Napoli, and misused for their own personal

benefit. <http://www.theage.com.au/victoria/government-vows-to-stamp-out-disgraceful-behaviour-in-education-department-20151024-gkhhv6.html#ixzz3rsgHeHKh>

DOGS note that the Andrews government is trying to catch the horse after it has bolted. They should clean out the Augean stables, and go back to the basic fundamentals of democracy- a responsible representative Minister informed by a bureaucracy of well qualified, dedicated and incorruptible public servants on a fixed salary.

BUT this, we find is certainly not the case. Departmental bureaucrats regard themselves as 'corporate' managers and pay themselves 'bonuses'. The report from the Age of November 15, illustrates the sad, sorry state of affairs.

*The Sunday Age can reveal that 57 well-paid executive staff secured bonuses totalling \$553,927 for their efforts over the past 12 months – an average of \$9718 each – at the same time that student performance declined and former senior staff were being investigated by the anti-corruption watchdog for systematically rorting public schools.*

*... But while 57 of those executives were granted bonuses for their work, the annual report also shows that in the lead up to the rewards, performance in schools and vocational training declined on a range of indicators...*

*The figures come at a sensitive time for the department, which is trying to improve its internal structures in the wake of the Independent Broad-based Anti-Corruption Commission's investigation into "banker schools", whereby a group of executives were caught rorting education funds for their own benefit.*

*Earlier this month, a report by Victoria's financial watchdog also slammed the state's education bureaucracy after 27 audits which "consistently revealed a depressing pattern of underperformance", a "culture of complacency" and a "flawed" executive performance system.*

*"Many in positions of leadership are rewarded without any adequate consideration of how they have performed. Underperformance is often rewarded and accountability is not sufficiently valued," said acting Auditor-General Peter Frost.*

DOGS note the fruits of attempts to corporatize and privatise public education. Andrews and Merlino would do well to go back to basics and appoint to the Education Department those who are dedicated in word, deed and experience to public education as public servants, not corporate cowboys, - on a reasonable salary.

## **Vocational Education Rorts**

The most obvious debacle in privatisation is in the Vocational Education Sector. Sarah Danckert, in *Fairfax Press* has exposed the marketing techniques rorts and misrepresentations of private vocational colleges. She also notes that although ‘private operators are chasing a multi-million pile of federal and state funding for education like bees to a honey pot, it is ‘an industry in crisis which is an investor’s worst bet.’

This is all done with OUR – i.e. taxpayers’ money. How much? The Commonwealth will spent \$3 billion this year alone on VET ( Vocational education and training). In Victoria alone however, the rorts have been so outrageous that 8000 training certificates have been torn up, colleges closed, state funding pulled, and audits and reviews ongoing. For further information see: <http://www.smh.com.au/business/consumer-affairs/vet-an-industry-in-crisis-is-an-investors-worst-bet-20151112-gkxrrb.html>

So, DOGS suggest that our governments go back to basics, with a genuine democracy and public funding of public education only.

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