

AUSTRALIAN COUNCIL FOR THE DEFENCE OF GOVERNMENT

SCHOOLS

PRESS RELEASE 773

THE COALITION IGNORES THE PUBLIC SCHOOL VOTE

AT

ITS PERIL.

The Coalition faces its next election hurdle in NSW. Will this be a repeat of the Victorian 'bloodbath'? If the latest treatment of public school interests is anything to go on, the result could be even worse! Yet they appear to be slow learners.

Even the Victorian Government – and Andrews has partially caved in to the Catholic vote - is not currently prepared to sign up to Morrison's Gonski funding fiasco. They are reading the statistical signs of the times. Sensible!

In a [new analysis](#), Macquarie University researchers have found that the area in which a student goes to school is one of the clearest predictors of year 5 NAPLAN reading scores, painting a stark picture of Australia's socio educational divide.

"The results are confronting," said Crichton Smith, the study's lead author and a PhD candidate at Macquarie University. The evidence of gross and growing inequalities are particularly obvious in the Sydney metropolitan and country areas.

"Virtually no schools in any city's advantaged suburbs are below the national average, and almost no schools in disadvantaged areas are above average."

See <https://onlinelibrary.wiley.com/doi/full/10.1111/1745-5871.12317>

Too much can be made of Naplan and MySchool data, which Adrian Piccoli describes as the King and Kong of Australian Education, at <https://www.smh.com.au/education/let-s-topple-the-king-and-kong-of-education-naplan-and-my-school-20181129-p50j7r.html>

But rising inequalities in Australian education have been exacerbated by the 'special deals' for private schools struck by the Coalition.

And Naplan aside, the facts and figures of inequitable funding arrangements can be laid squarely at the feet of successive Coalition Governments. Trevor Cobbold has produced a damning new research brief at [Public Schools Are Swindled by Billions Under New Education Agreements.pdf](#)

Since this has been given coverage at <https://www.smh.com.au/education/loophole-leaves-nation-s-public-schools-shortchanged-20181129-p50j13.html> the cat is out of the bag for the NSW Coalition government. They have a Christmas break and two months to persuade the aggressive public school vote in NSW that they just might be worth voting for.

The following is the damning information released by Trevor Cobbold:

Public schools in NSW and South Australia will be swindled by about \$7.5 billion over the next decade under new special deals incorporated in education agreements recently negotiated with the Commonwealth Government. The loss to NSW public schools is about \$6.1 billion over the ten years and about \$1.4 billion for South Australian public schools. Public schools around the country will lose about \$16.5 billion over ten years if the swindle is extended to other states, as is likely...

Inclusion of similar provisions in other bilateral agreements would rob public schools in Victoria of about \$4.5 billion over the next ten years, Queensland public schools by about \$4.3 billion and Northern Territory public schools by about \$393 million.....

The swindle is implemented by selectively changing the rules on what is included in the measure of the Schooling Resource Standard (SRS) for public schools. The SRS is calculated as the net recurrent income needed by schools to achieve successful education outcomes, taking account of a range of factors influencing those outcomes. It has been the key parameter in determining government funding of schools since the introduction of the Gonski funding model. Under Gonski 2.0, state governments are expected to contribute at least 75% of the SRS of public schools by 2023.

Until now, the SRS has been used as a nationally consistent funding measure accepted by all governments. However, what is included in its measure was selectively changed in the NSW and South Australian bilateral agreements with the Commonwealth and this change has major implications for the future funding of public schools.

The bilateral agreements permit the NSW and South Australian governments to artificially boost their share of funding public schools by claiming expenditures such as depreciation, school transport and other items in their share of funding the SRS for public schools up to 4% of the total SRS. These items are in fact explicitly excluded from the net recurrent income measure of the SRS as developed by the Australian Curriculum, Assessment and Reporting Authority (ACARA).

The sleight of hand means that the state governments do not have to increase recurrent funding for public schools by as much to achieve their 75% target shares because they

can claim the additional expenditures up to 4% of the value of the SRS. The gap between their 2017 funding and the SRS target can thereby be reduced by four percentage points so that less recurrent funding is required to get to the SRS target. This amounts to a loss of funding for public schools that states would otherwise be required to provide.

As part of its agreement with the Commonwealth, the NSW Government has committed to an additional \$712 million for a School Equity Fund for public schools over ten years beginning from 2020. This is a pittance compared to how much public schools will be short-changed. It is a small off-set against the prospective loss of \$6.1 billion. Public schools will still lose about \$5.4 billion. The promise is cheap public relations for the NSW Government.

The funding loss will hit disadvantaged students and schools hard. It amounts to about \$2,114 per disadvantaged student in NSW in 2018 and \$2,227 per student in South Australia. A funding boost of this order would make a huge difference to schools with high proportions of disadvantaged students, especially annually over ten years, and improve education outcomes for these students.

The inclusion of additional expenditure items in the SRS in the NSW and South Australian bilateral agreements sets a precedent for the negotiation of agreements with the other states. It is likely that other governments will demand the same 4% allowance for additional expenditures as part of their SRS target, although this may not occur for Western Australia, Tasmania and the ACT where public schools are currently funded at over 75% of their SRS by the state. **Inclusion of similar provisions in other bilateral agreements would rob public schools in Victoria of about \$4.5 billion over the next ten years, Queensland public schools by about \$4.3 billion and Northern Territory public schools by about \$393 million.**

The inclusion of additional expenditure items in the SRS as a measure of progress towards the 75% target undermines national consistency in the SRS and further undermines the integrity of the current funding model. It is contradictory to measure progress towards the SRS target by including items in the measure of state funding that are excluded from the national measure of the SRS.

The Commonwealth and the Liberal governments of NSW and South Australian have conspired to change the rules about what is included in the SRS to meet their own respective political interests. It reduces the future funding commitments of the states and the Commonwealth gets the states to agree to implement its national education policies as a condition of Commonwealth funding. The effect is to deceive the public about the extent of progress by state governments in meeting their target funding shares for public schools.

There are also provisions in the bilateral agreements that selectively favour private schools. The Commonwealth has granted another special deal for the NSW Government whereby the period to achieve the 75% target is extended from 2023 to 2027 despite previous Commonwealth statements that the states would be required to achieve 75% of the SRS by 2023. In contrast, the Commonwealth has committed to achieving its goal of funding all private schools to 80% of their SRS by 2023. As a

result, under-funded private schools will achieve the Commonwealth funding target quicker than public schools will achieve the state target.

The bilateral agreement with the South Australian Government notes that the state government intends to maintain its funding share of the SRS for private schools at 22% for the term of the agreement to 2023. This means that private schools in South Australia will be funded at over 100% of their SRS from 2023 because the Commonwealth share will reach 80% by then. In contrast, there is no equivalent commitment by the state government to fund public schools beyond the 75% target (including the expenditure items that artificially increase the state share) so that they will remain under-funded.

The new bilateral agreements continue the tradition of special funding deals made by Labor and Coalition governments that undermine the integrity of the principle of needs-based funding. The Gonski 2.0 funding arrangements have been debased by special deals that advantage private schools. Public schools are doubly disadvantaged by the special deals that provide non-needs-based funding increases to private schools and smaller increases in state government funding than required under the national measure of the SRS.

The potential loss of about \$16.5 billion in funding over the next ten years is a major blow for public schools and the disadvantaged students they serve. There is little prospect of improving school outcomes for these students or reducing the massive achievement gaps between rich and poor in Australia while government funding policies continue to unfairly favour private schools and fail to ensure adequate funding for public schools.

Public school communities and organisations in Victoria, Queensland, Western Australia, Tasmania, the Northern Territory and the ACT should beware of what their governments are negotiating away in secret discussions with the Commonwealth.

Trevor Cobbold

[Public Schools Are Swindled by Billions Under New Education Agreements.pdf](#)

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