

## Submission for Inquiry: the Senate Select Committee on School Funding

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I acknowledge and pay respects to the Bunurong people of the Kulin nation, their Elders and the Traditional Owners of the land on which Peninsula campus stands.

## From Gonski to gone to Gonski again: school funding future remains uncertain

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It seems we're in Gonski groundhog day. The repeated backflips and policy position switches from the Abbott government – only three months into its term – have been astounding.

After [announcing](#) they would dump [the Gonski model](#) and the former government's deals with the states, this latest announcement sees three new states sign up and the government honouring the [other state deals again](#).

But the government is only committing to four years of these agreements, not the original six promised by the Gillard government – leaving the states missing around 70% of the funding they were first promised.

The precious little policy detail available and rhetorical back and forth still leaves much uncertainty about the future of schools funding. But in this debacle, the real aims of the Gonski review's recommendations have been forgotten.

### **Abbott's Gonski backflip will wreck school funding accountability**

For six years the Coalition has repeatedly [told](#) us that the Howard government's model for school funding was working.

They said the schools were getting the money they needed, and education minister Christopher Pyne recently claimed that he believed there was [no equity problem](#) to address in Australian education.

This made the school funding reforms – which saw a fairer funding system based on need based on [David Gonski's review](#) – unnecessary he believed.

Now the coalition says it will go through with the Gonski model but it will strip the “command and control” aspect of the [Australian Education Act](#) – the legislation underpinning the reforms. These were always a major roadblock for Queensland, Northern Territory and West Australian in signing up to the Labor scheme.

This simply gave federal oversight of tax-payer contributed funds. In fact, it is exactly the stronger governance and accountability that the Gonski Review originally recommended.

In this announcement, Pyne and prime minister Tony Abbott have also dropped the requirement that the states co-contribute funds – another key plank of the Gonski reforms. This leaves the newly signed up states to take as much as they like out of school funding while the commonwealth pours money in.

Over the last few years, most states have ripped money out of public education, to the tune of billions of dollars. The fact that the co-contribution requirement has gone will mean more state funding could go, leaving state schools, that have the most disadvantaged students, worse off.

### **Command and control**

Pyne and Abbott both repeatedly said they don't want to interfere with how states run their schools. But this sits oddly with another part of their electoral program.

Abbott went to the election with his [Real Solutions](#) booklet as his core political platform. Its "Delivering better education" policy seeks to encourage "state schools to choose to become independent schools, providing simpler budgeting and resources allocation and more autonomy in decision making".

The rationale to justify the drive for more school autonomy is driven by a misguided belief that it improves student results.

Victoria, which led the world in [increasing autonomy](#), has not performed above New South Wales, which was until recently the most centralised.

### **The funding argument**

In anticipation of further falls in Australia's performance in the latest Programme for International Student Assessment (PISA) results - due out tonight - Pyne has once [again](#) reiterated the [furphy](#) that while education funding has increased 44% in the last decade, education standards have declined.

He argues that resources are not the issue but teacher quality, principal autonomy and parental engagement.

This nonsensical figure, estimated by [Ben Jensen](#) of the Grattan Institute, has been used by politicians of all sides. But the facts are that apart from the 2008-09 spending that helped save Australia's economy from meltdown, according to [World Bank](#) figures, Australia's spend on education as a proportion of GDP has [declined](#) from 4.9% in 1999 to 4.4% in 2011.

Figures also [show](#) that only 71% of Australian government spending goes to public schools. The majority of the increase in government school funding over the past decade has gone to private schools. Since 2010, more than A\$5 billion has been removed from public education in Queensland, NSW and Victoria.

Significantly, Commonwealth funding for non-government schools rose from around \$3.50 for each dollar spent on public schools, to around \$5 per dollar since 1997. In 2009, the Commonwealth provided 74% of all government net recurrent funding for the Catholic sector and 73% in the independent sector. Canberra now gives more money to private schools than it does to universities: more than \$36 billion in federal funds has gone to non-government schools in the period 2009-2013.

### **If it ain't broke, why fix it?**

"If it ain't broke, why fix it?" – this has been the Liberal Party mantra since the Gonski review commenced. Abbott and Pyne are ideologically wedded to increasing funding for independent schools as their priority, as part of their "school choice" program. We also know that they fundamentally dislike the Gonski model and don't see any problem in the inequitable school funding model we have at the moment.

They are now faced with the dilemma of having to stick to some form of the "Gonski-lite" program of the previous government for at least the next four years and through at least one election. It's clear, they've changed their position for political expediency. But this latest announcement doesn't mean their problems have gone away, they are now only delayed.

In a bitterly disappointing move, it looks as though the government will now undo the vital Gonski school funding reforms of the previous Labor government.

But perhaps it should come as no surprise.

For six years the Coalition has repeatedly [told](#) us that the Howard government's model for school funding - the so-called SES (Socio-Economic Status) model was working.

They said the schools were getting the funding they needed and as education spokesperson Christopher Pyne [described it](#), "if it ain't broke, don't fix it".

This made the Labor government's school funding reforms, first discussed formally under the [David Gonski review for schools funding](#), unnecessary. It was, they said, "all feathers and no meat", "unworkable and grotesquely expensive".

But just a few days before the election the Coalition made a back-flip. Opposition leader Tony Abbott **announced** that he would guarantee the reforms for **at least four years**.

Before the election Pyne trumpeted his “unity ticket” on Gonski, claiming “you can vote Liberal or Labor and you’ll get exactly the same amount of funding for your school”. He’s now back-flipped again and broken that promise, leaving open the possibility some schools would receive less funding than they do now.

As I predicted in **The Conversation** just after the election:

*The biggest danger to public education could be a rejection of the so-called unity ticket, offering only a paltry one-third of **the proposed Gonski increase** in funding to disadvantaged schools after the Coalition finds a “budget black hole” and returns to the discredited **SES funding** model. This is the model they have always supported and if reinstated, it will continue to privilege the wealthiest and most elite private schools at the expense of the working class and the poor.*

Gonski was the most comprehensive review of school funding in 40 years – one designed to make the system better for all kids. It called for funding to be allocated based on the needs of the students; to be topped up with additional funding to take into account types disadvantage different students experience, such as Indigeniety, remoteness, second language learners, refugee children and disability.

Pyne claims their new model will be “flatter, ... simpler, ... fairer [model] ... and it will be equitable for students so that the school funding reaches those who need it the most”. But what is more equitable than the Gonski model that is blind to sector and funds students and schools according to need?

Liberal and Labor Premiers from NSW and SA were quick to speak out against the broken promise, calling on the federal Government to honour their Gonski commitment.

But some were quick to come to the government’s defence. As conservative education commentator Kevin Donnelly **wrote**:

*With its misguided emphasis on students' socioeconomic backgrounds and its discrimination against private schools, the Gonski education reform needed to be reviewed.*

It is also no surprise that Pyne’s reneging of the schools funding election commitment has been greeted with **cheers from the Independent Schools of Australia** who are set to regain the money that they lost.

The once in a generation opportunity to redress the incredible levels of disadvantage in public education, that has been instrumental in Australia's fall in international test results has now been lost.

As Greens leader Christine Milne [put it](#) the previous Howard model meant "those schools who already had lots got lots more, and those who had nothing got very little."

Sometimes circumstances change. "What one government does another can undo," stated Pyne. But breaking a fundamental promise to Australian parents? Time will tell, but by misleading the Australian public, this could well be the coalition's "Carbon Tax moment". Meanwhile the future of Australian education is put in doubt.

For six years the Coalition has repeatedly [told](#) us that the Howard government's model for school funding was working.

They said the schools were getting the funding they needed and as education spokesperson Christopher Pyne [described it](#), "if it ain't broke, don't fix it".

This made the government's school funding reforms, first discussed formally under the [David Gonski review for schools funding](#), unnecessary. It was, they said, "all feathers and no meat", "unworkable and grotesquely expensive."

But on Friday the Coalition made a shocking back-flip (with triple somersault and a pike included for good measure). Opposition leader Tony Abbott [announced](#) that he would guarantee the reforms for [at least four years](#).

But if elected, the coalition would change the [Australian Education Act](#) – the legislation underpinning the reforms – to scrap the powers given to the federal education minister. As Mr Pyne put it:

*We will dismantle in the Australian education act those sections that would give the Commonwealth over-arching control of school systems whether they're government or non-government around Australia.*

So what does the Australia Education Act 2013 actually [say](#) about federal oversight of taxpayer contributed funds? Well, it doesn't sound anything like "over-arching control". In fact it is exactly the stronger governance and accountability that the Gonski Review originally recommended.

The Act states that each State, Territory or other approved authority (Catholic or Independent systems) must have an "implementation plan that sets out the activities, programs and initiatives; and the milestones and timelines for implementing those activities,

programs and initiatives” in relation to “quality teaching, quality learning, empowered school leadership, transparency and accountability, and meeting student need” and that these plans must “review the implementation plan and evaluate progress”.

The distribution of significant additional funds to improve Australia’s educational outcomes must be spent on those factors that [research evidence](#) indicates has the power to make a difference. Or do Mr Abbott and Pyne believe that they are just going to give the States, Territories and Catholic and Independent schools a blank cheque for over \$6 billion per annum “with no strings attached” and claim fiscal, let alone educational, responsibility?

Tony Abbott presented his [Real Solutions](#) booklet as his core political platform. Its *Delivering better education* policy seeks to actually undermine public education by “encourag[ing] State schools to choose to become independent schools, providing simpler budgeting and resources allocation and more autonomy in decision making”.

The rationale to justify the drive for more school autonomy is driven by a misguided belief that it improves student results.

Victoria, which led the world in [increasing autonomy](#), has not performed above New South Wales, which was until recently the most centralised.

The proposition that the introduction of a more extreme form of autonomy, like [charter schools](#) in the USA, will make the difference is not supported by the [evidence](#).

The Liberal policy therefore appears to be driven more by ideology and economics, not educational outcomes.

Real Solutions reiterates the mantra of “more choice for parents” but it difficult not to come to the view that the intent of conservative governments is to fracture and weaken the public system. As a result its role as the universal provider, boosting market competition through taxpayer support of private schools, is undermined.

A new [study](#) by The Grattan Institute found that more competition among schools or greater autonomy has not raised the performance of Australian students.

The Senate education committee also recently rebuffed the Coalition on the benefits of school autonomy, saying that there is no clear evidence that greater school autonomy leads to better student performance and recommends more research on its impact.

This is even more significant considering a majority of the Senate education committee are Coalition members. The Committee’s report on [Teaching and Learning](#) says:

*... it is unclear whether school autonomy ultimately improves student outcomes ... Clearly, further research into school autonomy and its impact on student performance is required" [p.47].*

The most comprehensive [review](#) of the evidence published in Australia concluded that the weight of research evidence is that greater school autonomy in budgeting and staffing has little to no effect on student results.

This is not just a matter of school “ownership” but of the social values inherent in universal public schooling.

Autonomy for non-government schools allows them to raise hurdles such as compulsory fees or religious affiliation and only enrol students from families that can scale those hurdles. That is why there must be some control over any additional funding they are granted.

Voters now will have the guarantee of extra funding flowing to schools, no matter which party they vote for. But the Coalition’s education policy fails to recognise the real challenges Australia’s school system faces and it makes no serious attempt to address them.

### **A fairer Australia? Gonski and class war**

The [announcement](#) about a new school funding and resource standard does not deliver on Gonski’s promise.

Former PM Gillard said that the plan would mean “better resourcing and better schools” resulting in “a stronger, smarter and fairer Australia for the future.”

But the goal of a fairer Australia, at least, has been hampered from the start. Once the Gillard government responded to the [Gonski Review](#) and committed to the Catholic and independent school lobbies that not one of their schools would lose a single dollar under the reforms, a fairer school funding system was lost.

Fear of being accused of creating “hit lists” of wealthy independent schools has led to the government reducing the focus on the most disadvantaged children, of whom 80% attend public schools.

Of course, if the agreement can be worked out with the state leaders, public schools will be getting extra federal funding. But the goal of a fairer, more equitable system as recommended by the Gonski review, now seems beyond reach.

### **Who pays for schools?**

Ever since federal and state governments began to syphon funds from the public purse to top up poor Catholic parish schools, we have over four decades seen an exponential growth

of government funding go to middle class and wealthy private schools at the expense of increasingly impoverished and disadvantaged public schools.

The government's plan has lead, as Professor Richard Teese has argued in the [media](#), to giving "all non-government schools real increases in funds .... This includes the 1,000 schools currently over-funded."

According to the latest [OECD statistics](#) Australia was well above the OECD average in spending on education. But this figure is exaggerated by the significant funds that the public pays to support so-called school choice.

At the same time over the last two years public education in Queensland, NSW and Victoria has had almost \$3 billion ripped out of their systems by the conservative governments, while funding for Catholic and independent schools has been maintained.

Gillard's announcement of new school spending for primary school students of A\$9,271 and for secondary students is A\$12,193 is to be welcomed, but needs to be seen in the context of where the money both [comes from](#) and where it will go.

Because of her previous commitments that no school will lose a dollar in funding many over-resourced independent and Catholic schools will continue to maintain their advantage at the expense of poorer resourced public schools. At the same time public schools in middle class suburbs also stand to benefit.

### **The funding argument**

We have already heard education minister Christopher Pyne trot out once again the [furphy](#) that while education funding has increased 44% in the last decade education standards have declined, arguing that resources are not the issue but teacher quality.

This nonsensical figure derived by [Dr Ben Jensen](#) of the Grattan Institute has been used by politicians of all sides. But the facts are that apart from the 2008-2009 spending that helped save Australia's economy from meltdown, according to [World Bank](#) figures, Australia's spend on education as a proportion of GDP has [declined](#) from 4.9% in 1999 to 4.4% in 2011.

Figures [show](#) that only 71% of Australian government spending goes to public schools. Only Belgium and Chile spent a lower proportion of government funding in the public sector.

Australian governments spent A\$7,171 per student for those in public schools in 2008 and A\$4719 for those in private schools.

The OECD average expenditure was A\$8,111 per public school student - more than Australia - and A\$4,572 per private school student.

The [National Reports on Schooling](#) in Australia show that government spending per student in Australia was A\$8,115 in 1999-2000 (\$11,731 in 2012 dollars) and A\$13,544 in 2008-09 (\$14,637 in 2012 dollars). That is a real increase of only 24.7%.

The [ABS reports](#) a real increase in education spending per capita of GDP over the ten years from 1998-99 to 2008-09 of 24.4%. Neither of these figures are even close to the 44% figure.

### **A fairer system?**

But the important thing to remember is that this money comes from all taxpayers, including, of course, the 1.4 million workers on a minimum wage who are supporting well-funded private schools.

While Commonwealth funding for non-government schools rose from around \$3.50 for each dollar spent on public schools, to around \$5 dollars between 1997 and 2007, in the past decade government funding has increased by [112%](#) to independent schools.

In fact, Canberra now gives more money to private schools than it does to universities – more than A\$36 billion in federal funds will flow to non-government schools in the period 2009-2013.

Federal government funding for high fee private schools is [six to ten times](#) greater than the additional funding provided to disadvantaged schools.

Despite being touted as “school funding reform”, the government’s announcement this week in fact merely maintained the status quo. What was needed was a bolder political ambition for a fairer system, that doesn’t take from the poor to give to the rich.

There’s no doubt, that through its failed application of the Gonski recommendations, Australia is waging class war ... against its own working class.

### **Funding schools to reduce class size is not a waste of money.**

The Gonski reforms to school funding are front and centre in this discussion. But despite their prominence, much of the plan – including who will pay – is yet to be decided.

But while we watch what happens next, some are still suggesting that funding isn’t the problem in Australian education. They point to the funding spent on reducing class sizes as an example, arguing that this extra funding did not see better academic results.

The [Grattan Institute’s Dr Ben Jensen has recently revived this argument](#). And [many politicians](#) and those who want to reduce public school funding seem to agree.

But the evidence, it turns out, tells quite a different story.

## Funding foibles

For starters, you only have to look at what your local private school is promoting. If small classes are not important than why are elite schools putting up billboards like this one?



And despite claims to the contrary, the facts according to the OECD are that public education funding in Australia as a percentage of total government expenditure has actually decreased in the last 10 years from 4.9% to 4.4% (except for 2008 during the Building the Education Revolution program).

Compare this to world leader Finland's expenditure of 6.1% in 2001 rising to over 7% in 2012.

Australian spending on education as a proportion of GDP is below the OECD average of 6.2 per cent.

Australian government and private expenditure on schools as a proportion of Gross Domestic Product amounted to only 3.1% of GDP in 2012.

Of the 29 OECD countries for which data was available, only seven countries ranked lower than Australia on this measure.

Finally the top level of pay for Australian teachers in both primary and secondary schools ranked 18th out of the 34 countries.

At \$US47,445 a year for those with minimum training, it was a long way behind the top employer Luxembourg, which pays teachers of the same level \$US128,181.

Despite this, it's also claimed that much of this expenditure in the last 20 to 30 years has been "wasted" on efforts to reduce class sizes.

Most of this line of thinking relies heavily on [Dr Jensen's report](#) on Australian education and teacher quality. In that, Jensen suggests that the majority of studies around the world have shown that class size reductions do not significantly improve student outcomes and that the funds should have been redirected to enhancing teacher quality.

Jensen bases his conclusions largely on controversial [reports](#) by conservative economist [Professor Hanushek](#) which have been largely [discredited](#) by acclaimed academic Professor David Berliner, past president of the American Education Research Association.

[Berliner](#) along with many other educators point out that these studies do not examine class size directly but rather a proxy measure presumed to represent it – student-teacher ratio.

In fact, we do not know what class sizes are in our schools (beyond a mandated maximum).

All that we know is an artificial pupil teacher ratio which simply divides all Equivalent Full Time (EFT) teaching staff (including non-teaching principals, Assistant Principals, welfare officers, psychologists, special educators, librarians, ESL specialists etc.) into the total number of students.

### **Mixed up evidence**

While group size and ratio are related, they involve different assumptions about how investment changes opportunities for students and teachers.

Class size directs attention to the learning environment while pupil ratio is typically an economic category illustrating the amount of money spent.

As Professor [John Hattie explains](#), the problem is that teachers in smaller classes are adopting the same teaching methods as in their previously larger classes.

Small classes or shared teaching spaces require a move from [transmission education](#) through to viewing students as co-learners and even teachers. This is a major re-conceptualisation of what it means to be an excellent teacher – from control to trust and participation, as Hattie [explains](#).

Many of the more powerful [influences](#) Hattie [identifies](#) clearly show that teachers would be even more effective in smaller classrooms.

### **Reality check**

Although the results of individual studies are always questionable, [a range of studies](#) have now appeared on the effects of small classes.

[These studies](#) are peer reviewed (unlike Jensen's work) and have [made some key findings](#):

- the extra gains found for long-term attendance in small classes (in the early grades) continued to appear when students were returned to standard classes in the upper grades;

- extra gains associated with long-term attendance in small classes (in the early grades) appeared not only for tests of measured achievement but also for other measures of success in education;
- the initial results indicate that the greater gains experienced by students from groups that are traditionally disadvantaged were retained when those students were returned to standard classes;
- when it is planned thoughtfully and funded adequately, long-term exposure to small classes in the early grades generates substantial advantages for students in schools, and those extra gains are greater the longer students are exposed to those classes;
- extra gains from small classes in the early grades are larger when class size is reduced to less than 20 students;
- evidence for the possible advantages of small classes in the upper grades and high school is so far inconclusive.
- It appears that very large class-size reductions, on the order of magnitude of 7-10 fewer students per class, can have meaningful long-term effects on student achievement and perhaps on non-cognitive outcomes. The academic effects seem to be largest when introduced in the earliest grades, and for students from less advantaged family backgrounds. They may also be largest in classrooms of teachers who are less well prepared and effective in the classroom.

It is also **evident** that for certain groups of Indigenous children, children from low SES, cultural and linguistic disenfranchised communities, the early years and children with learning and behavioural difficulties – smaller class sizes and increased teacher pupil ratios is very beneficial – both for student learning outcomes, behavioural modification and teacher satisfaction.

To suggest then that investment in smaller class sizes is not necessary for schools indicates a need for a serious reality check – or at least a few weeks in one of these schools as a teacher.

### **Gonski school funding moves forward but leaves much behind**

The **[Australia Education Act](#)** – the legislation following on from the Gonski review into school funding – was introduced into parliament in 2013 before the recent election.

In September 2012, the government responded to the review and **[promised legislation](#)** that would set up a new funding framework and enshrine the government’s goal of having Australia in the top five schooling systems in the world by 2025.

This Act does just that and links funding to benchmarks and measuring educational performance. But these measures are not aimed at enriching the lives of Australians or enhancing equity; instead they focus on the economic imperatives of competition, productivity and prosperity.

This legislation is about competing with other countries, not improving on our own terms – and this is where it falls down.

While Prime Minister Julia Gillard has said the bill is about providing a “quality education for every Australian child”, it’s unlikely to get us there. And in fact, we’re at risk of copying the mistakes made in other education systems.

## Learning the lesson

Australia has been privileged this year to host two of the most outstanding education thinkers of our time – Dr [Pasi Sahlberg](#) Director General, Ministry for Education, Finland and American Professor of Education Michael Apple. Both were scheduled to talk with education department officials and – both had to reschedule discussions due to the “unpalatable” [nature of their messages](#).

But the warning from them, and the example set by their two very different countries is clear. We should be cautious about the experiments underway in some education systems and take a closer look at what Sahlberg calls the [GERM](#) – the global educational reform movement.

This movement favours increased competition, spurious school choice, use of data from standardised tests to determine teacher pay and funding, more curriculum prescription, and stronger bureaucratic oversight through so-called accountability measures. Measures that are at the core of the Australian Education bill.

At the moment, these ideas are like an epidemic, infecting education systems. It travels with its neo-liberal advocates, an unquestioning media and politicians who are all too prepared to use education as a political football.

Australia too, is infected. With the publication of NAPLAN data and the league tables made possible in MySchool, our schools have indeed become ill, our teachers and [students don't feel well](#), and the net result is the exact opposite of the intended improvement. These measures mean our children end up learning less, not more.

## Change for the worse

The Australian Education Act 2012 serves to only further reinforce this movement and its ill-effects on our school education by legislating for the first time in our history that all schools, whether they are public or private, will receive public funds.

The legislation states that the funds are dependent on improving the performance of schools and school students and developing benchmarks. These performance benchmarks would then notionally foster “increased transparency in relation to schools, assessing and improving school performance; gathering and sharing evidence about the most effective methods of improving the performance of schools and school students”.

The Act suggests that all this will be accomplished through an emphasis on quality teaching and quality learning, empowered school leadership, transparency and accountability and meeting student need.

The implication is Australia does not have quality teaching and learning; that it has a disempowered leadership, lacks transparency or accountability and is not meeting the needs of students.

But this is, by and large, untrue. And the problems that are there are unlikely to be fixed by performance pay raises, achievement scores, and standardised national testing.

There is robust evidence that these do not make curriculum better, prevent school drop outs, or enhance student achievement – in fact, it is exactly the opposite.

In her speech to Parliament Julia Gillard stated that “we now have clear evidence about how disadvantage holds many students back” and repeated a fallacy that teachers are the biggest factor in student performance.

Once again the blame is being shifted downwards – shifting responsibility to those who can have little or no impact on the lives of students and families in their care.

In fact all the evidence shows that the greatest variable in student performance is the socio-economic status of their parents.

### **An unlikely path to success**

The Act’s claim is that every school student will have the same opportunity to have the best possible education; every school will be funded according to a formula that accounts for the costs of providing a high quality education; every school will be funded in recognition of the characteristics of the school students at that school.

If this were true, then we should expect to see at the very minimum no public funds being made available to the already over-resourced, over-funded elite private schools around the country.

What we can expect unfortunately from this legislation is more competition through bogus school choice – where schools compete against each other, principals compete against each other, teachers compete against each other.

As the Prime Minister stated in her speech to Parliament, “we test the reading, writing and mathematics of our children and publish the results of those tests”.

And if achievement as measured by these standardised test scores do not rise then teachers and principals’ jobs will be on the line.

The task for public schools and their teachers as a result of this legislation will now be to provide evidence that they are now starting to act more like a corporation – and if that is the case, the product will no longer be children’s educational advancement- but only higher test scores.

### **Class warriors take on poor schools with education cuts**

Our Liberal-run states are locked into a self-made and self-fulfilling prophesy of budgetary crisis. It seems that running a deficit budget which is at the heart of liberal Keynesian economic theory is anathema today to Victoria, NSW and Queensland state treasurers.

And if a state needs to cut its budget you might assume it would look at non-essential services, such as the state promotion and marketing budget or support for major private corporate events such as horse racing.

But what do Queensland and NSW do? Well conservative voters have private health cover and their children attend independent schools so they attack the essential services that cater for the more disadvantaged sectors of the community: health and education.

And if the education budget is to be pruned then you might assume that the first place to wield the razor might be the schools that need money the least, and the schools that are not actually answerable to the state that funds them - the independent and Catholic school sectors. But that would be too logical by half.

So while the private schools will have their budgets maintained after **incredible pressure from backbenchers** and their lobbyists, including his eminence Cardinal Pell, the private school system walks away with its budgets intact.

They will cry poor, and say that they have taken a real cut because of lack of indexation. The chief executive of the Association of Heads of Independent Schools of Australia, Kim Cull, said the funding cuts would stifle non-government schools' ability to cater to the disadvantaged.

Given that 80% of disadvantaged children, 85% of Indigenous children and 79% of children with disabilities attend government schools, he shouldn't be too worried about the impact on his system.

At the same time the NSW government has followed the incredibly same short-sighted path as Victoria, slashing TAFE staff and increasing TAFE fees by twice the amount of inflation. Those who attend TAFE come from the more disadvantaged communities of our nation. They will not have the ability to pay their fees and will vote with their feet. Never mind the question of who will build the infrastructure of the future if the country doesn't have skilled tradespeople.

And just like in Victoria, NSW Education Minister Adrian Piccoli said **teachers' jobs would be unaffected**, with the job cuts to come from the "back office", from state and regional offices of the department. Clearly the minister has no idea how education works in the state school system.

So-called "back office" staff are the exact same professionals who would oversee the lifting of standards of student achievement, run the testing programs, implement the new National Curriculum and look after student and teacher welfare. These day-to-day essential services are absolutely required if the children of NSW are to have the very best education possible.

But this phenomenon is not isolated to NSW. In Victoria not only did Premier Ted Baillieu and his successor Denis Naphthine fail to keep the promise to make Victoria's teachers the best paid in Australia, but education minister Martin Dixon has also slashed \$74 million from

so-called “inessential” staff such as literacy and numeracy coaches, along with more than \$100 million from alternate year 12 courses almost exclusively offered by disadvantaged state schools.

At a time when Australia’s educational achievement is slipping and the Gonski Review has called for huge increases in funding to ensure that the growing equity gap between advantaged and disadvantaged communities is closed, such actions are not only counter-productive but incredibly short-sighted.

Tim Soutphommasane recently [wrote in The Age](#):

*Barely a week now goes by without someone crying ‘class warfare’, though it is the super-rich and their political allies who complain the most. The phrase has become part of the new conservative political correctness in this country. Any redistribution of resources tends to be portrayed as illegitimate government action, any talk about social justice to be denounced as an exercise in downward envy.*

Tim is right, this indeed is a class war. But as always, it is the poor who lose out in the end  
**‘Truths’ obscure the facts on schools funding**

The Labor government [finally delivered its policy response](#) to the Gonski report, including sweeping changes to how schools are funded and new benchmarks that aim to see Australian schools ranked in the world’s top five by 2025.

[In a speech to the National Press Club](#), Prime Minister Julia Gillard said there would be extra funding for schools (without nominating a dollar figure). But she said this extra money would not be available until somewhere between 2014 and 2020.

Previously she promised funding increases across the sector, [even for independent schools](#).

In her speech, she spoke of three “truths” – that Australia needed to look to our neighbours and aim higher for every child in every school; that Australia must improve the education of our poorer children; and the key to all of this is to lift teacher quality.

But underlying these truths is a more complicated reality that should have been part of the government’s message.

### **First truth**

First the prime minister stated that Australia has been left out of the top five world ranked schooling systems, but “four of the top five ... are in our region.” But here Gillard is not giving us the full picture which would show why catching up with East Asia is a questionable goal.

What she didn't say is that in the four schooling systems in Asia, as well as the Finnish school system, the vast majority of children attend well-funded and well-resourced public schools where their teachers are highly esteemed.

She also omits to tell us that in the four systems in our region that seem to be doing so well, not everything is as it seems. Their lauded results rely on parents paying for extra tutoring, with over 80% of 15 year-old students in Korea and Japan and about 70% of students in Shanghai and Singapore attending private tutoring lessons in mathematics. In Japan, families spent \$12 billion in 2010 on private tutoring.

Children in these countries are also made to cram for exams through rote learning while others are removed from school if they are not performing to standard.

Attributing high performance of East Asian school systems solely to better teacher training, mentoring and remuneration is simplistic and misunderstands what teachers do.

OECD analysis of the PISA results show that students who attend after school classes in Hong Kong, Korea and Taipei achieve higher results with the improvement being equivalent to six to 12 months of learning. These benefits largely accrue to socio-economically advantaged students who participate more frequently in these classes.

Giving additional funding to the already privileged private schools, as has been suggested by the government, will **not** alter this.

### **Second truth**

Gillard states that “by year three, 89% of children from the poorest quarter of Australian homes are reading below average.”

The parents of these children expect that they're “being taught to read and write while they're at school. And they're not.”

If teachers are not teaching children to read and write then what does the Prime Minister think that they are doing out there? The issue is that the children from disadvantaged backgrounds are not learning as well or as fast as their more advantaged peers of the middle class.

This is not the fault of their teachers but as so much research shows is a direct result of socio-economic disadvantage compounded over time to create educational inequity of outcomes and performance.

With 80% of disadvantaged children attending government schools around the country, it is therefore no surprise that these teachers are struggling to overcome generational poverty and disadvantage.

When these children enter school at prep level they are already behind. And they will never catch up unless extra funding is given to support them.

### **Third truth**

In Australia, the first to be blamed is the classroom teacher. Ms Gillard has done this again today.

The PM stated today that she wants “teachers ... to be of the highest calibre”. She promised higher standards for teachers, with at least a term’s classroom experience for student teachers before graduation from university.

Preparing teachers takes at least four years. Current qualification requirements already see student teachers in schools for more than 15 weeks, this is more than the one term she calls for.

But how does the PM expect to raise teacher education entrance requirements and school-based time in professional experience to happen by 2020, especially without additional funding to the faculties of education who are doing that preparation?

Teachers in our public schools are educated in the same faculties of education as their private school counterparts, and research shows high performing graduates from these institutions equally take up positions in private and public schools.

As the PM acknowledges “the average child from the same battling family is three years behind classmates from the most well-off quarter of Australian homes”. Giving more funds to private schools is certainly **not** going to help these kids in any way.

### **Another wasted opportunity**

PM Gillard painted an inaccurate picture of what is needed in Australian education. She delayed the recommendation most likely to make a difference: extra funding for the schools that need it most.

The government missed an opportunity here to get in and support schools with the funding they need in the immediate term.

### **Labor & Liberal ‘race to the top’ to support private schools**

In a political echo of the unseemly bi-partisan “race to the bottom” over [asylum seekers](#), we have seen a “race to the top” with both Labor and Liberal vying to offer the most support to non-government schools.

Julia Gillard [told a private school forum](#) that “every independent school in Australia will see their funding increase” under the government’s new funding plan. “This plan will lift school standards, not school fees,” she said.

Mr Abbott on the other hand [told the forum](#) that because 66% of Australian school students who attend public schools get 79% of government funding “there is no question of injustice to public schools here. If anything, the injustice is the other way.” Abbott reached this conclusion because the 34% of students who attend independent schools get 21% of government funding.

In a back-down away from Abbott’s comments the then opposition’s education spokesperson, Christopher Pyne later [said](#) there was no injustice in regards to funding independent schools, saying the current level of funding for both independent and government schools is “appropriate.”

Pyne also stated [publicly](#) that there isn’t an equity issue in Australian schools and that the problem was with student outcomes. He has also declared that any government changes to the funding model of schools would be repealed under a coalition government.

### **Extending privileges for the privileged**

This unedifying part of the debate comes after 10 years of public critique of the iniquitous funding formula. A system developed by the Howard government and continued under the Rudd and Gillard governments that is blind to the real needs of students, as well as schools and teachers and sees the most disadvantaged students in our community receiving the least amount of funding.

The results of this 12 year program have only extended the privileges of the already privileged.

The fact is that the fundamental pattern for the last 12 years of Australian Government funding for schools is that while most additional funding goes to non-government schools this has never prevented private schools raising their annual fees more than 10% per annum.

Those most concerned with public education today in Australia were, until now, quietly optimistic that the unfair education funding system would be changed.

A [growing chorus](#) of parents, teachers, principals as well as those within the business community and charity groups (including Business Council of Australia's Jennifer Westacott, Westpac's Gail Kelly, ACOSS' Cassandra Goldie and the Smith Family's CEO Lisa Ryan) all called on Julia Gillard to implement the reforms recommended by David Gonski in [his review of school funding](#).

### **Breaking new ground**

The Gonski Review sought to change an unfair system into one that was more transparent, financially sustainable and effective in promoting excellent outcomes for all students.

Gonski [looked forward](#) to an education system premised on ensuring educational outcomes that were “not the result of differences in wealth, income, power or possessions”.

When the Gonski Review was [released](#), it was a watershed moment in the debate on schools funding. It embraced the OECD definition of equity in education as its starting point; that every child should be able to achieve her potential regardless of social, cultural or economic background or their relationship to property, power or possession.

Gonski also gave overdue recognition to the fact that disadvantage has been “rusty on” to our education system. And he finally acknowledged our private schools whether independent or Catholic are not looking after our most vulnerable students.

### **Disadvantaging the disadvantaged**

But there were weaknesses in the report. The Review in fact understated the great weight of disadvantage shouldered by our public schools, the same who are least equipped and able to deal with this disadvantage: 85% of indigenous students, 78% of disabled students, 79% of low SES students attend our public schools.

While the rhetoric around social justice is espoused by both independent and especially Catholic school sectors that they are looking after the poor, in reality they are not.

[Research](#) by Professor Richard Teese demonstrates this issue clearly. The Gonski Review does not have the depth of analysis about this disadvantage but politically it may have been impossible.

### **False premises ... flawed data**

The review's resource based funding model starts with a false premise. Since the Karmel Report 40 years ago, we have witnessed a slow but ever-increasing movement of taxpayer's dollars from public schools to the private sector, all apparently on the basis of Commonwealth provision for school education on the principle of “need”.

The Gonski Review has accepted as holy writ the “unique Australian tradition” that if parents decide not to send their child to the local public school, then the rest of the country is required to subsidise that choice. No other OECD country has such a tradition yet Gonski said these examples don’t count.

### **Statistics or lies**

Mr Abbott and Mr Pyne’s claims in this debate could be a case of lies, damn lies and statistics. Just because private schools gain 21% of the education budget and represent 34% of all school students is irrelevant.

What is relevant is the total funding per student including what parents voluntarily contribute to the private school. What has happened to the “user pays” theory of liberal philosophy?

Did it go out the door for the wealthy, and only apply to those who can least afford to pay in society?

### **What are the facts?**

Recent [pronouncements](#) by education Minister Christopher Pyne, are replete with false assumptions based on flawed data. The claim that Australian school education funding has increased by 44% since 2009 has been repeated so often that it is now accepted as truth.

The fact is that the fundamental pattern of Australian government funding for schools is that most additional funding goes to non-government schools. OECD figures tell another story.

In 2001 Australia’s education expenditure was 4.9% of GDP falling to 4.4% in 2008 before rising to 5.1% in 2009 as a result of the BER capital investment in all schools. Over the same period government education expenditure as a percentage of total government expenditure in Australia fell from 14.2% to 12.9%.

Annual government expenditure on Australian government schools was \$US6980 per student, compared to the OECD average of \$US7262. Australia ranked 15th of the 22 OECD countries. The difference in spending on secondary students is even lower.

Finland’s government expenditure on schools was \$US7178 per student. In Finland government expenditure on education was 6.1% of GDP in 2001 rising to 6.8% in 2009.

### **Why \$5 billion (or more) is needed ...**

The reason for the \$5 billion price tag is because the Gillard government pledged that no school would be worse of as a result of any reform to funding schedules. But in actual fact even the \$5 billion is less than one half of 1 % of GDP.

OECD research explains that any increase in student outcomes has a correlative increase in productivity – so in effect this extra funding will return as additional taxes and productivity for Australia.

But despite its weakness, the recommendations of the Gonski review remain a strong step in the right direction and should be implemented in full and as soon as possible.

Gillard and Abbott need to take the recommendations on balance, look at the facts and elevate the debate around this important policy issue.

### **The great equity debate: a fair go for Australian schools**

Following the [refusal](#) of the federal government to commit to the total and complete recommendations of the Gonski Review and the [announcement](#) in Victoria of further cuts to already disadvantaged schools and students, the issue of equity in education needs close attention.

But equity is just one part of the much bigger picture of Australian education. When comparing our system to those in other countries, there are many [characteristics](#) that stand out. Some of these work to our benefit, but many aspects don't compare favourably.

In order to deliver a better education system for students and teachers, we need to identify what's working, and what is dragging us back.

### **Competition and equality**

First and foremost, the issue of equity needs to be addressed.

Australia has the most competitive education system in the world – parents with a reasonably high level of disposable income can exercise wide choice. But Australia also has a significant equity issue as schools in communities with low socio-economic status (SES) are the most under-resourced both in facilities and in expert teaching staff. Their students often need targeted assistance and support for those with particular needs.

It has long been [established](#) that there is a [significant relationship](#) between the socio-economic background of students and their educational performance at school.

Disadvantage in education is a function of both the socio-economic characteristics of students, but also of the average socio-economic characteristics of their schools. Investment

in these schools where there is a concentration of disadvantage is urgently needed to prevent a downward spiral.

It may sound self-evident, but disadvantaged students are more likely to be in disadvantaged schools. And this is more likely in Australia than in most other OECD high performing countries. We have a higher proportion of students in schools where the average student's socio-economic background is below the national average.

The [report on the Review of Funding for Schooling](#) finds that the “most serious consequence of this is an intensifying stratification along SES lines that leads to a concentration of disadvantage in certain schools”.

### **A learning market**

Education in Australia is divided into three distinct sectors, all of which have a significant market share (approximately 63% government, 21% Catholic and 16% independent). It is particularly unusual compared to other OECD countries to have such a large private or “independent” sector.

In fact, Australia probably has the largest non-government school sector in the world. OECD education leaders Finland, Korea, Hong Kong and Singapore have relatively few private schools which mainly cater for international students.

In this sector, there's something else Australia is doing that is unique. We subsidise a fee-charging, autonomously-run independent school sector with public funds. This is not found anywhere else across the OECD countries.

In Australia, academic selectivity is also an issue. Although we do not “stream” students as some other systems do, schools that can attract high-performing students do so and thereby drain the social and cultural capital from other schools. Much like in sport where good players are poached from losing teams.

### **The more things change...**

So this is Australia's education system. But it has not always been this way. It has developed with ever increasing pace in the last 12 years with the adoption of various policies from the United Kingdom and United States.

But what has been constant over time has been the strong relationship between the socio-economic status of a school population and its educational results. In fact the correlation in Australia between SES and academic performance is more marked here than most other leading OECD education performers.

Research shows that the movement of these children from a low SES school to a higher SES school in Australia undermines the “quality” (cultural and social capital) of the remaining student body in the low SES school. Professor Richard Teese has termed these schools as “sinks of disadvantage”.

The argument for school choice has been that the subsidisation of places in higher socio-economic schools or the awarding of more scholarships would reduce this problem. This might be the case for the individual student, but system-wide it makes little or no difference.

A recent analysis of NAPLAN results indicate that these same disadvantaged students are already 3-5 years behind their wealthy private school peers. As Connell wrote in 1993 in Schools and Social Justice: “if a poor child wants to do well in education then they should have chosen richer parents”.

In what has become an educational marketplace the majority of schools – independent, Catholic and a proportion of government schools – can select who they enrol.

In the race for excellence and choice (for some), the core issue of equity (for others) has been ignored by policy makers. This was meant to be addressed by the Gonski Review which instead ended up a missed opportunity.

Indeed the “sky is falling” statements by leaders of both Catholic and Independent school systems **before** the release of the Gonski Review was only overshadowed by their furious agreement **afterwards** that his recommendations were fair and reasonable.

Indeed their proposals for a voucher entitlement with added loadings, intended to address disadvantage of various kinds, for each child has been at the core of the Gonski recommendations.

### **Public first**

Public schools, designed to create a stable, educated and prosperous economy and society have been essential to a well-functioning democracy. But can we remain so without a strong public education system, and with a system that does little to address inequality?

Instead we are reproducing existing social arrangements, adding to privilege where it already exists and denying it where it does not.

If a school wants to charge fees then that’s their choice; but then that school needs to be self-sufficient.

Since 1972 Australian education has gone down a slippery slope where we started funding private schools for the first time on the basis of “school choice”. This was based on an ideology where individuals have been expected to take on more and more responsibility for their families’ futures.

But it would be worth noting that at the same time Finland who went the other way is now arguably the leader in world education.

### **Cycle of disadvantage**

Wealthy private schools with millions of dollars in their coffers, in both capital holdings and cash reserves, continue to receive excessive state and federal support. While our most disadvantaged schools struggle to provide a decent education are denied access to proper funding and support.

We know there is a positive correlation between higher levels of education and higher earnings for all ethnic groups, for both men and women. In addition to earning higher wages, tertiary graduates enjoy better health outcomes living longer as well. And the income gap between high school graduates and tertiary graduates has increased significantly over time.

And so we must now ask ourselves in Australian education, where has equity gone?

### **Gonski review: another wasted opportunity**

The [Gonski Review](#) sought to create a new funding system for Australian schooling, because what we currently have is a mess. It was to be transparent, fair, financially sustainable and effective in promoting excellent outcomes for all students.

Gonski’s recommendations for a resource based funding model starts with a false premise. Since the [Karmel Report](#) 40 years ago we have witnessed a slow but ever increasing movement of taxpayer’s dollars from public schools to the private sector, all apparently on the basis of Commonwealth provision for school education on the principle of “need”.

The Gonski Review has accepted as *holy writ* that if parents decide **not** to send their child to the local public school, then the rest of the country is required to subsidise that choice.

### **The cost of choice**

Why should a struggling worker on an average wage of \$50,000 be asked to contribute to the education of the children of doctors and lawyers who have the financial capacity to choose to attend schools charging \$25,000 after tax per student per annum. That worker doesn’t have the luxury of choice that the middle class have.

When we choose to use a tollway to shorten our trip, instead of the perfectly well made and safe public roads, we don't expect that cost to be subsidised by others. When we choose to have surgery in a private hospital instead of going to a public ward, we also don't expect a subsidy for that either. When we choose to fly business class when we could also go *cattle class* for much less, do we expect those in economy to help us out with that choice?

### **An education marketplace**

Since the mid 1990s we have seen the adoption of neo-conservative policies by both Liberal and Labor in this country emanating from the USA and England.

In education under the mantra of *parental choice*, we have witnessed a flight of the middle class from local public school as a result of an unrelenting campaign of derision of public schools and their teachers as lacking in values; being poorly trained; with undisciplined classes running amok with drugs; bullying; and dud teachers who need to be axed.

### **Middle class flight**

At the same time more federal funds have been transferred from the public school system into the private sector, ostensibly to reduce school fees and thereby encourage the middle class to leave those families without money in sinks of disadvantage. But no independent school has ever reduced their fees. On the contrary each year their fees typically far outstrip cost-of-living increases.

Many public schools have started to lose their middle-class families. This leads to social and cultural deficits created by this loss further making it difficult to cater for all students. The result is that schools in poorer areas have become residualised. Professor Richard Teese calls these "sink schools", stripped of numbers and resources and repositories of failure.

### **If it can be done in health ...the *Age of Entitlement* is not over**

If only it was about more money. Extra funding [to the tune of \$5 billion] would be most welcome in supporting the needs of the most disadvantaged children in this country. If the government wants to bring in a budget surplus and put taxpayers' money where it is most needed, all it needs to do is stop funding the current practice of middle class welfare as it did with the removal of the Health Insurance Rebate.

But there is no guarantee that without changing what we are doing in schools, how schools are organised and how we actually teach children from communities of disadvantage will more of the same actually make much difference.

### **Gonski review: time for a new vision for Australian education**

Australia's educational system must be one of the most over-reviewed in the OECD.

Hundreds of Select Committees – Federal and State, Upper and Lower House in the past 20 years have reviewed teacher quality and student outcomes. And we still haven't got it right.

Now we have the [Gonski Review](#) recommendations for new funding arrangements, in which Mr Gonski looks forward to an education system premised on ensuring “educational outcomes are not the result of differences in wealth, income, power or possessions”.

### **The case for reform**

But there is something seriously amiss with our public education system in Australia. Schools are being forced to [“cheat” on NAPLAN tests](#), [nationwide testing is failing](#) to improve the results children from disadvantaged communities and these tests are having [adetrimental impact](#) on children and families. [Teach for Australia](#) “associates” are [not ready to teach](#) and are not staying in schools for longer than two years.

More than 18% of graduate teachers are unable to [obtain on-going teaching jobs](#). Principals and teachers refuse to participate in a [so-called “performance” bonus system](#). And probably most concerning, children face inequitable outcomes [based on their postcode or social class](#).

Children from the richest 2% of all households are twice as likely as average to go to university. Students from disadvantaged communities still have extremely low literacy and numeracy achievements. This is especially so for many [indigenous children](#).

### **It's (not) your fault Ms!**

There are many factors contributing to these and other problems in our public education system. Too often the first to be [blamed is the classroom teacher](#). Nothing could be further from the truth. While there are certainly teachers in our schools who [should not be there](#), there is no evidence from any [research](#) indicating that schools have any more such “duds” as hospitals have doctors or nurses who shouldn't be treating patients, engineers who shouldn't be building bridges or lawyers defending clients.

Teachers in our public schools are educated (not trained) in the same faculties of education as their private school counterparts, and research shows high performing graduates from these institutions equally take up positions in private and public schools.

### **First principles**

So where can we look for any enlightenment about the origin of our education systems' many problems? A good place to start is with policy. This is made by ministers, hopefully on

the basis of advice from education bureaucrats. These in turn should be designing their advice on peer-reviewed research and successful practice in the field.

But when we start to investigate the origin and source of the policies that are driving our public education system today what do we find? Policies like mandatory national testing, publication of league tables, publishing comparative school data on [MySchool](#), Teach for Australia, performance pay for teachers, contract teaching and so on. All these are *imported* from the failed education systems of the USA and England. While there is substantial and very credible research evidence from some of the most significant educationalists in the world that these imported policies can do more damage than good, they have been adopted here in Australia often against the advice of our most eminent educators and researchers.

Former Assistant Secretary of Education in the USA, [Professor Diane Ravitch](#), previously one of these policies' strongest supporters, has [joined in such criticism](#). She provocatively [asks](#) ***“Do politicians know anything about schools and education? Anything?”***

### **The Australian context**

So which policies should we be adopting here in Australia? Well it wouldn't hurt to look for a change beyond our so-called cultural heritage countries to those performing well on the [OECD rankings](#).

Australia ranks in the top ten in the world in mathematics, science and literacy. Yet our results also show a very wide disparity between the highest and lowest achievers – what is called a very [long “tail”](#) where the difference can be up to [three full years of education](#).

In the highest performing countries, South Korea, Hong Kong, Singapore and Finland, there is a more overall evenness of achievement between students. While there are many things we could learn from Asian countries, their cultures, values and history are very different to ours with an emphasis on authoritarianism, collective obedience and submission of the individual to the state.

Finland, on the other hand, is much more like Australia with a tradition of social welfare and egalitarian values, a history of migration and has more recently become a country that has adopted multicultural communities.

### **Finland**

So what are the policies that have made [Finland a successful education](#) system, in which the vast majority of all students complete 12 years of schooling and all those who want to can attend tertiary education?

Finnish school children start two years later than in Australia and spend fewer hours at school. Finland has no standardised tests.

In Finland teachers are respected and well paid. Teachers typically spend about four hours a day in the classroom, and are paid to spend two hours a week on professional development. At the University of Helsinki, 2,400 people competed last year for 120 slots. Unlike Australia it's more difficult to get into teacher education than law or medicine.

I recently spent time in Finland and spoke with a number of school principals, teachers, education policy makers and university researchers. Their first principle has been how to achieve equitable outcomes for children from disadvantaged backgrounds. This means that while there are "private" schools in Finland, if they wish to receive public funding support they are unable to charge fees.

In this way the growing student achievement gap that is so well documented between Australian public and private schools does not exist.

All Finnish schools are funded on an equitable per student basis with more funds going to schools and students that need it most – schools serving poorer communities, those with large numbers of non-native speakers and refugees, indigenous students and students who are less abled.

When students have difficulties with learning they are immediately attended to by qualified remediation teachers either in the class or in a special unit. Students may require only short time for extra assistance and then return to their normal studies. They do not fall behind and become failures to be discarded and left behind as they are in Australia.

### **Subsidising the wealthy?**

In Australia on the other hand, we have elite schools like [Geelong Grammar](#) receiving more than AUD\$6m in federal support in 2011, plus AUD\$1.3m from the Building the Education Revolution Funding.

It also holds [assets valued at AUD\\$109m](#), as well as more than AUD\$13m in their foundation, has an annual disclosed fee income of some \$57m, while spending more than AUD\$20,000 per annum on each student. This compares to government spending an average AUD\$13,500 per student in public schools and AUD\$6800 per student in private schools. GGS' teaching staff student ratio is an enviable six students for every teacher across all years P-12 and one support staff for every two teachers.

This compares to a staff student ratio of 1:14 in public schools. Yet only 5% of its student enrolment come from the lower 50% of the socio-economic advantage scale. It should therefore come as no surprise that Geelong Grammar has an average ATAR of 83.15, which means the top 50% of students were in the top 16.85% of the State. In fact, Geelong Grammar's annual profit exceeds that of its well known neighbour down the road, the Ford Motor Company.

While the federal Opposition defends the public funds directed to ensure Geelong Grammar makes a profit, it has expressed reservations about public funding of the struggling car industry.

### **Funding matters**

While many commentators argue that class size doesn't make a difference to student outcomes one has to ask why all the most expensive independent schools proudly proclaim their emphasis on small classes and at the same time have the temerity to suggest that if government support to their schools was reduced their parents would have to pay more for school fees.

Yet these very same schools continue to increase their fees despite continued government funding at rate far in excess of cost of living or inflation. [Professor Richard Teese](#) wrote, ["the work of public education is to end failure—to disconnect success from social origins"](#).

Thirty years ago, Finland's education system was a mess. It was quite mediocre, very inequitable. It had a lot of features that are at the core of our problems in Australia: top-down testing, extensive tracking, highly variable teachers.

Pasi Sahlberg, director of the Finnish Ministry of Education's [Center for International Mobility](#) and author of the new book [Finnish Lessons: What Can the World Learn from Educational Change in Finland](#) always makes the point in any interview he gives: "There are no private schools in Finland."

Australia will never be Finland, and private schools may be a part of our education system for some time yet. But unless we effect responsible, progressive, equitable policies we will continue to lag behind the rest of the world.

### **Education funding: more dollars than sense**

All is not well in the Australian school system. Australian schools are struggling to meet the achievement levels of OECD leader Finland.

With the recommendations from [the Gonski Review of school funding](#) it is crucial that Australian education and the people responsible for its delivery take into consideration what policies work and do not work in equivalent educational systems in the OECD.

For 50 years education reforms adopted in Australia have been copied from (failed) projects in the USA or England.

These countries are well below Australia on [OECD rankings](#).

Our schools and teachers suffer from “[reform fatigue](#)”. The on and off again [national curriculum](#); [Teach for Australia](#); [performance based pay for teachers](#); [NAPLAN](#) testing; the [MySchool website](#) (that names and shames those schools who have been left to teach students no one else wants); [student vouchers](#); [streaming of students into gifted programs](#), [high achieving or other specialised schools](#); the division of school courses into [academic and practical](#); only serve to distract teachers from what they are employed to do: teach our children.

Significantly, the [overfunding](#) of private schools through the massive [transfer of public money](#) is at the very core of our problems.

In Victoria the successful and essential [Literacy and Numeracy coaching program](#) has been cut. The funding of the [Certificate of Applied Learning](#) has been savaged. This will only impact the most underprivileged state schools and their students.

Why do Australian education ministers want to adopt practices that are shown by extensive research to only produce poor outcomes?

The failed policies of [No Child Left Behind](#) have been recanted even by their most [ardent proponents](#). These policies are still being touted by Australian advocates.

Each new government attempts to make its own political mark. It reverses the decisions of the previous one, changing curriculum and teaching. This only serves to only unsettle the system.

The Finns have used research to lead education policy over fifty years. Their governments have changed a system designed to support a small rural economy to become world leaders.

### **Is it about money?**

While Finland today spends a similar amount per student as [Australia](#), the percentage of Gross Domestic Product spent on all [education per head](#) in Australia has dropped from almost 5.5% in 1974 to 5.2% in 2010.

Over the same period Australian governments have transferred large amounts of public money to private schools. In the OECD 85% on average of the education budget goes to public education. In Australia it is less than 75% and falling.

More importantly the gap between Finland's lowest and top-performing students continues to narrow as [Australia's widens](#). In Finland the variation between school performances is among the lowest in the world. In Australia these variations can be traced directly to the [socio-economic status](#) of the parents.

### **Aim high**

Recent [research](#) by the US based National Centre on Education and the Economy, analyses the strategies driving the education policy of Finland.

It found that these are in bleak contrast to the Australia's current agenda for education reform.

What we need are high expectations for all students. The resources to support students and teachers should be related to the school's needs. This can ensure that all students meet required standards.

Finland delivers the most funds and resources to students who are the most difficult to teach. These schools get the best teachers, and students get more time to enable them to catch up. This is exactly the opposite of what happens in Australia where education is based on the [sorting and selecting](#) of students.

In Australia we are still [debating](#) what [teacher quality](#) means. In Finland they focus on producing the highest quality teachers possible. [Quality teachers](#) are able to connect with students, engage, inspire, and communicate easily with them, and get inside their heads and figure out what they don't understand and find a way to help them understand it.

### **Teacher quality requires three things**

A high level of [general intelligence](#). The understanding of subject knowledge. And a demonstrated high ability for [engaging students](#).

Three things also affect the quality of teachers. The status of teaching relative to the status of other occupations. The pay relative to other possible choices. And their conditions of work. The Finns recruit only the highest achievers into teaching. We recruit very few teachers who are themselves educated to high levels.

Here in Australia entry requirements for the various faculties of education range from a high school year 12 rank ATAR of 65 to 85.

At the lower end these teachers could be only functionally literate and numerate!

The Finns require all teachers to have a master's degree, which Australia is slowly moving to implement. Candidates who already have a master's degree must get another master's degree in teaching. There are no *alternative routes* to entering the teaching force in Finland, no quick fix Teach for Australia equivalent. Finnish teachers also receive extensive post graduate training. Here in Australia the available time for professional development of teachers has only diminished. It now often occurs during holiday breaks! All in the name of productivity offsets.

Finland rejects the belief that education is only for society's elites. Here in Australia we continue to promote a segregated sorting and selecting of children. Only some students (the select few) expect intellectually demanding curricula.

Paradoxically our system funnels public money toward the easiest students to teach (those in private schools who are already achieving well above average results). This only removes the resources from those hardest to educate who need it most.

National testing does not exist in Finland. While schools and their teachers assess students regularly, this is not used for accountability purposes. Nor is it used as the basis of teachers' compensation or streaming students as is we do in Australia.

In Finland public money is for public schools. Over the past 40 years Australia has moved responsibility for education from the public to the private sector.

This only further advantages society's elites. The result in Australia is that families with economic power use education to advantage their children.

Must we wait for our politicians to understand what is necessary and required? Our children are being failed by an education that drives those parents who can afford it from the public system.

High quality staff, equitable funding and coherent systems are the key to a highly successful public education system.

**Unfair funding is turning public schools into 'sinks of disadvantage'**

The current debate about government funding to private schools is misdirected. The issue is (or should be) not at what level should private schools be funded, but whether they are entitled to any funding at all.

Australia is almost alone in the OECD as we have transferred responsibility for education from the public to the private sector.

In the USA private schools receive no funding from governments. In other places like Canada, New Zealand and much of Europe Catholic schools are part of the public education system.

The success of public schools in Western democracies may well be part of the reason that, at least in Australia, they are faced with so many difficulties.

Public schools, designed to create a stable educated and prosperous economy and society have been portrayed as the height of democracy but as **Ralston-Saul** asks, can we remain a functioning democracy without a strong public education system?

The former Director of Education for the OECD, Professor **Barry McGaw** concluded that the school system in Australia does little to address inequality.

Instead our system reproduces existing social arrangements, adding to privilege where it already exists and denying it where it does not.

According to the **OECD**, students in Australia can be up to three years behind their contemporaries in more equitable education systems.

In Australia students' social backgrounds are more strongly related to achievement than in countries such as Canada, Finland and Korea.

It is not just that this inequity is socially unjust but in a globally competitive world it is both stupid and disastrous.

Yet the OECD results indicate that the top performing countries (Finland, Ireland and Canada) have inclusive and comprehensive education systems where public, private and faith based schools are complementary and not competitive.

**Professor Teese** of University of Melbourne has demonstrated that social divisions between schools split resources, distributing these unevenly.

Poor students in urban schools are poor in many ways—as a result of the groups they come from—minorities, disabled, poor, migrant, refugees, broken homes, itinerant workers, or rejected from other schools.

The recent major economic reforms of recent governments in Australia has pushed for a reduction in government responsibility for school education.

This continues today with the calls for increased public private partnerships and corporate support of public schooling. The effects on education are profound.

Marketisation led to the reorganisation of schools around market principles of user pays.

Privatisation has seen increasing levels of public funding shift to private providers.

Rationalisation has led to school closures or amalgamations, particularly of smaller schools on grounds of so-called efficiency of curriculum provision and depth.

This has led to the redundancy of thousands of experienced teachers. During this time, comprehensive public schooling was increasingly blamed for an alleged fall in teaching and learning standards.

The result has seen an increase in economic and social divisions between schools in Australia. This has created a deregulated and heavily subsidised market of private schools, designed to effectively shift enrolments away from the public sector.

Responding to alleged deficiencies and so-called choice and competition “reforms” like *MySchool* were introduced. The notion of “failing public schools” as promoted by the new documentary **Waiting for Superman** has a lot in common with the war on terror: get the media to parrot these phrases often enough so that you can’t hear terrorism without thinking there’s a need for a war, and you can’t hear public schools without thinking they are failing and need to be fixed.

This language seems to work. As Susan Ohanion and Kathy Emery write in **Why Is Corporate America Bashing Our Public Schools?** ordinary people without an axe to grind, who have not set foot in a school for thirty years or more, will now testify to failing public schools.

Many schools have started to lose their middle-class families. This leads to social and cultural deficits created by this loss further making it difficult to cater for all students.

The result is that schools in poorer areas have become residualised. Professor Teese calls these “sink schools”, stripped of numbers and resources and repositories of failure.

As The Australian commentator **Christopher Pearson** wrote:

*The question everyone in the political class is tiptoeing around is this. At what point do most public schools simply become sinks of disadvantage, places where the residue of kids with average or below average IQs and more than their fair share of other problems confound*

*everyone's efforts to teach them life's basic skills? You could reformulate the question by asking: at what stage does the abandonment of public-sector education by what used to be called the lower middle-classes reach its tipping point?*

If competition drove school reform then the winners were schools serving wealthy suburbs. Reforms have led to low SES schools being drained of the most capable students and higher concentrations of students from the most disadvantaged communities.

Marketisation encouraged competition between private and higher status public schools. This causes social and academic segregation both between public and private and between high and low status Catholic schools.

Funding policies and the free market further reinforce the effects of social geography resulting in a “flight of social and cultural capital” from public schools.

The funding of private schools through the public purse only serves to further advantage society's elites and provide an important bridge into the most prestigious and lucrative tracks in higher education.

Such performance is closely related to socio-economic status. The term “parental choice” is used by so many people to be almost devoid of meaning. Choice has become a justification and a weapon to be hurled at public schools, rather than a sensible goal around which public policy is designed.

In fact the term choice is “a con” as choice is only an option for those that can afford the high fees to access private schooling. At the same time all taxpayers in Australia generously subsidise the most privileged in society.

It is not a mystery that schools that have students from “below average income populations” are reluctant to advertise “below average” academic results. However, as these same policies work to concentrate disadvantage and advantage, schools in disadvantaged areas have to deal with an increase in social problems above those in middle class neighbourhoods.

At the same time taxpayer-supported private schools can also choose to rid themselves of so-called problem students. This segregation is delivering a serious and growing social division between schools and between communities. The drift away from public schools has been termed **white flight**.

The flight of social capital may have devastating negative effects on education outcomes, destroying social capital and social cohesion. In some disadvantaged communities we can witness the daily exodus of busloads of students who bypass the local public school for a more prestigious and distant private college.

It has been argued that choice and competition provide for higher levels of parent satisfaction with schooling or that increased academic achievement will lead to the re-energization of government schools.

But the reality is that past and present policies are creating one school system for the rich and another for the poor.

This leaves those who are unable to scramble for what they see as the best remaining schools in an under-funded public system moving from comprehensiveness to segregation.

As a result, some schools accumulate young people who are heirs to a generous legacy of cultural capital.

Others accumulate the children of the poor and poorly educated. These schools are residualised, teaching the students that no-one else wants to teach.

Professor Teese calls them the “exposed” schools, contrasting them with the “fortified” schools that actually have the power to exclude students they do not want to teach for whatever reason.

Families with economic power use education to advantage their children. Families without such power must rely on governments.

The Labor government refused initially to alter the Howard Government’s flawed socioeconomic status (SES) funding model, which funds private schools according to the income, occupation and education of parents within the school’s census district. This model has unfairly delivered significant gains to some of the nation’s wealthiest private schools.

The Gonski recommendations are a once in a generation opportunity to address these issues. Otherwise the real risk is that Australia will continue to have an entrenched and discriminatory system that works very well for some families, but another part of the system that continues to fail many others and that will ultimately affect young people’s lives and their future opportunities.