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Funding Stability Important for Schools

Opinion by ISCA Executive Director Bill Daniels

Published by the Australian Financial Review under the title ‘Funding Decision Welcome’, 20 August 2013, page 47

Following the passage of the Australian Education Act in June, parents and school communities now have greater certainty about future Commonwealth funding. While the wrangling with some state and territory governments continues, what we now know is that financial support from the Commonwealth Government for independent schools will continue to be provided at reasonable levels, that it will be indexed annually and that some students identified as being educationally disadvantaged will be better funded – eventually.

Don’t be misled, schooling is an expensive business. It costs on average about $12,000 per year for each pupil. However, the promised additional funding will be rolled out slowly – a trickle in 2014, 2015 and 2016 with substantially more in 2018 and 2019. If there is a pot of gold at the end of this rainbow, it is years away.

Governments in Australia are most fortunate the parents of 1.2 million students in independent and Catholic systemic schools are prepared to commit substantial dollars towards their children’s schooling, saving governments some $8 billion each and every year.

Funding of schools is a package deal involving three partners – parents, state governments and the Australian Government. For the past three years, one of the partners, the Australian Government, has been reconsidering its role in schooling. Consequently, state governments have also been obliged to reconsider their commitments.

The third partner, parents, have been awaiting the outcomes, not knowing whether they can continue to afford their choice of schooling for their children.

The Coalition’s announcement that it will match the Commonwealth funding for schools committed by Labor over the next four years is comforting. The commitment to provide additional funding to schools in all states and territories, irrespective of “deals” signed, is also positive.

The Coalition understands the importance of certainty for school communities and has acted decisively on the highly contentious issue of Commonwealth regulation and funding.
Irrespective of the election outcome, no government in 2013 is able to commit with certainty to Commonwealth budgets in 2018-19 and 2019-20.

We know schools will be required to comply with the conditions set out in the National Plan for School Improvement. Independent schools have no choice – the legislation is passed and it specifies the conditions of funding.

The Coalition has committed to remove unnecessary red tape and regulations they claim allow Canberra to ‘control’ schools. This will require some reconsideration of the National Plan for School Improvement. If this occurs, school communities will be hoping the driving imperative will be better student outcomes rather than the political points scoring that has marred the past three years. The only remaining difference between the ALP and the Coalition on this issue is the ALP has a clear plan to allocate more funding for schools while the Coalition wishes to reserve its position.

State and territory governments had a choice whether to engage with this policy process. To date five governments have “signed up” and three have yet to do so. Clearly, this environment has challenged the constitutional and fiscal responsibilities of state and territory governments.