Australian Labor government's school funding model entrenches underfunding and inequality

Patrick O'Connor 12 January 2025

The Labor government of Prime Minister Anthony Albanese recently established a new school funding model that will entrench the systematic underfunding of public schools over the next decade. With private schools continuing to enjoy lavish government funding, the Australian school system remains among the world's most socially polarised and unequal.

Before the 2022 federal election the Labor Party postured as a supporter of public education, lies that the Australian Education Union promoted while spending \$3.5 million on pro-Labor election campaigning. For more than two years after that, the Albanese government maintained without revision the previous Liberal-National government's funding arrangements. Only on the final day of parliament last year did the government legislate a new funding system—with this essentially amounting to tweaks to a few provisions of the former setup.

Previous governments, both Labor and Liberal, were responsible for engineering an unprecedented crisis in the public education system. While elite private schools provide the best education money can buy for children of the upper middle class, numerous public schools, especially those in working class areas, are increasingly dysfunctional. Excessive workloads and inadequate support for teachers has created a national workforce shortage, hiking class sizes and causing widespread disruption to student learning. Ageing and inadequate infrastructure is rife within public schools, while student support services such as psychologists are grossly inadequate, with mental health episodes and serious behavioural issues emerging in classrooms daily.

This status quo is set to continue under the Albanese

government. The so-called Better and Fairer Schools Agreement (BFSA) will see the government increase federal government funding of public schools from 20 percent of the nominal total to 22.5 percent, reportedly involving a nominal increase in government spending of \$16 billion.

Education minister Jason Clare claims that this as the largest ever increase in school funding. In reality, this funding represents a drop in the bucket. The \$16 billion figure is for the next ten years, divided between the states and territories, and is nowhere near what public schools require.

The Albanese government has also maintained mechanisms enacted by the previous Liberal-National government that allow the states and territories to claim as school funding various expenses that are not directly related to public schools' operations. Trevor Cobbald of the Save Our Schools organisation has characterised this "accounting trick" as a "swindle," which he estimated "have defrauded public schools of \$13.1 billion over the last six years [and] will defraud public schools of at least \$13.3 billion over the next five years." Substantially more, in other words, than Jason Clare's "record" \$16 billion funding allocation.

The Better and Fairer Schools Agreement also requires state and territory governments to adhere to new obligations that undermine the public education system. Clare has emphasised that "additional funding is not a blank cheque," with new measures purportedly meant to "help lift student outcomes, sets targets and improves school funding transparency." This is all centred on the even more extensive extraction of standardised test data, adding to teacher workloads while narrowing the curriculum. Among the new requirements is a Year 1 phonics test, which is part of the push to mandate regressive pedagogical literacy approaches in public schools.

So far governments in Western Australia, Tasmania, and the two territories have signed on to the Better and Fairer Schools Agreement, with those in New South Wales, Queensland, Victoria, and South Australia holding out. These state governments want the federal government to increase its share of public school funding to 25 percent, instead of the offered 22.5 percent. This demand has also been advanced by the Greens and the teacher unions, which are falsely posturing as advocates for public education.

Even if the 25 percent federal spending share was reached, this would remain grossly inadequate.

This is because the percentage is calculated on the basis of the School Resource Standard (SRS). The SRS formula was devised in 2011 by David Gonski, a leading corporate executive who was tasked by then Labor Prime Minister Julia Gillard with drafting a new school funding model. Essentially, the SRS establishes a per student annual funding baseline target—currently \$13,977 for primary students and \$17,565 for secondary students—with additional "loadings" for remote schools and students who are disabled, indigenous, or experiencing "socio-educational disadvantage."

The establishment of the SRS has done nothing to reduce school inequality. On the contrary, state and federal governments have continued to lavish funds on private schools, including the most exclusive where families pay \$50,000 in annual tuition fees. Australia has one of the world's most privatised school systems, with 42 percent of all secondary students now in the private sector.

The school funding model is designed to funnel ever greater numbers of students into the private sector. Numerous families feel compelled to send their children to private schools due to the disaster within the public education system.

Whereas only 1.3 percent of public schools are funded to the SRS benchmark, 98 percent of private schools are. Numerous private schools receive government funding significantly in excess of the SRS, including the most exclusive. Lavish facilities have been developed using this surplus government funding. An *Age* report earlier this year revealed that five private schools in Victoria and New South Wales spent more on capital works than 3,300 public schools did, more than half the country's total.

The SRS funding benchmark is directly tied to the regressive NAPLAN (National Assessment Program—Literacy and Numeracy) standardised test. It is based on calculations regarding how much spending is required to have at least 80 percent of students recording above minimum NAPLAN test scores for reading and numeracy. In other words, the demands of the teacher union bureaucracies and the Greens for "fully funded schools," based on Gonski's SRS, are for a school funding model that potentially leaves 20 percent of students with sub-par literacy and numeracy skills.

No-one within the political and media establishment ever criticises the SRS or the NAPLAN testing regime that the funding model is tied to. Neither is there any discussion on the level of funding that is required to provide every young person with the quality of education currently reserved for the wealthy minority able to access elite private schools.

What needs to be fought for is a universal public education system providing every student with the opportunity to develop to their maximum potential—intellectually, physically, culturally and artistically. The resources for this are available but can only be made accessible through the development of a working-class movement—unifying school workers, students, and all workers—that raises the demand for the expropriation of the ultra-wealthy elite as part of the socialist reorganisation of society.

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