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Eight failings of the Gonski review into school funding

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The Gonski report was illogical. Now schools have to work out what to do with it. Foto_di_Signorina

Last month's **review into school funding** by esteemed businessman David Gonski was released with much fanfare. But as the dust settles, it is increasingly clear that the report is, overall, a disappointment.

While it has fostered much discussion, clarification and increased awareness of the financing of schooling in Australia, the review has failed in eight key areas.

Failing one: rationalising government funding

The rationale justifying government involvement in the funding of schools is not fully developed. The proposed funding model is about equalising opportunities to achieve minimum standards by all.

A detailed excursion into philosophical developments over recent decades in the field of distributive (or social) justice theory would have provided a solid grounding to justify government intervention to assist the least advantaged and for all to obtain a basic set of competencies necessary to participate in society over a lifetime. Instead, the Panel adopted a definition of equity (narrowly drawing on an [OECD Report](#)).

Failing two: unfinished business

The panel's task has not been completed.

An approach has been recommended but the details have not been specified and they are left for others to determine.

The common resource standards are indicative, the loadings are general, and private income expectations are not detailed. With this limited information, schools cannot calculate the impact of the proposed general funding model on their finances and it is difficult to see the details being available in time for proper planning for 2014 onwards.

Failing three: transparency

The report boasts a transparent model, but there is insufficient information for researchers or anybody to redo the calculations. For example, what enrolment level is used for the hypothetical reference school in determining the common dollars per student and from which loadings for different school sizes are determined?

Where is the breakdown of the additional funding required and what are the assumptions and coefficients underlying the estimated additional \$5 billion required?

Failing four: resources

There is a preoccupation with finance in the funding model. But finance is only the instrument for acquiring real resources, particularly teachers. What real resources does the panel envisage the common per pupil amounts will purchase in the hypothetical schools? Will adjustments be made for differences in wage-rates and conditions or employment across school sectors?

The real resource implications are needed to ensure the supply of teachers and other resources will be available to meet the increased demand arising from the recommended additional funds.

Failing five: logic

The methodology involves identifying schools performing to defined minimum standards, estimating their dollar income per student after deducting any amount for disadvantage due to school characteristics or student background, and setting this as the basic finance level every student should attract (allowing for a deduction for private income capacity).

The logic of this methodology is flawed for two reasons.

First, it assumes a connection between extra dollar income and improved educational outcomes. Surely any improvement would depend on what the money was spent on and the quality of these resources.

Second, government and catholic school systems in the main allocate funds using a similar approach to the panel – a base amount for teaching plus additional amounts for management and support components for “equals” and additional amounts for disadvantage. Would this not suggest that the base teaching per-pupil amount within each of these systems is common to all schools within each sector after allowing for disadvantage, irrespective of whether they are achieving or not achieving any desired minimum standard?

Failing six: ignoring senior schooling

The major omission in the recommended funding model is that it ignores senior secondary schooling – years 11 and 12 –

and school completion (drop-out) rates.

The senior secondary years are the bridge between a general curriculum and employment or further study in a specialised area. These years are crucial for attaining the basic skills necessary to participate in the economic, political, legal and social dimensions of society.

Despite its importance, in some states such as Victoria, upper secondary education and training is in a mess, with VET courses offered in a variety of ways. Significant numbers leave school in the two years after completing the compulsory year ten but without a year 12 certificate. Many go to VET institutions but the monitoring, support and coordination of their progress is weak.

Some obtain a VET Certificate III which may be considered the equivalent of a year 12 certificate (although the panel ignores this in presenting the 2015 COAG target). But what happens with the rest?

If we as a society value all the young as equal members of society, then why did the Panel not recommend a system of monitoring the educational progress and development of every student post-year ten until they obtained a year 12 certificate or equivalent? Why was the relationship and different costs between senior schooling and VET equivalent courses omitted?

Failing seven: coordination

The report neither addresses nor resolves each state government's conflict of interest, being both a provider of schools and a regulator of schools, with department bureaucrats able to move between the two roles.

The report recommends planning and coordinating bodies at the national level. Why not extend the application of the principle of subsidiarity to the state level as well?

Failing eight: wealthy schools

It is not clear what the position of the panel is with schools with high SES (socioeconomic status) clientele. Such schools have been characterised as "hit list" schools since the Whitlam years.

Can they operate above the funding standard? That is, can a school charge \$20,000 or more per student as an annual fee (twice the indicative standard) and still receive the minimum recurrent grant? It appears so, but the panel has not properly argued the case for a minimum government recurrent funding to all schools with respect to their students. It simply relies on a government directive.

Given these failings, it is no surprise that the Australian government's response has been minimal and involves more consultations. But then, why did it establish a lengthy review simultaneously with its fiscal consolidation drive when it was obvious that more funds would be needed?

What next?

The report, with its failings, has been delivered. What does this mean for school administrators? In the main, it means uncertainty for some time yet.

For a government school, there could be more of the much-needed funds for real resources to reduce disadvantage. This will depend on negotiations between state and federal governments.

For a systemic catholic school, grants have been allocated with a common amount adjusted for disadvantage and fee capacity for decades. But until details of the new funding system are made available, such systems and their schools cannot know their likely financial situation although they can be sure of more paperwork to meet the new system requirements.

For a number of independent schools, this may be the time to evaluate whether or not to opt out of receiving government recurrent funding. Is it worth accepting an additional \$2,000 or so per student in return for increasing and uncertain

government demands for information when, in the main, these schools are performing at the highest levels?

One wonders whether it would have been simpler, quicker and cheaper to meet with state governments at the outset to align government school funding models and then apply this standard to non-government schools. It would have saved a lot of effort that's gone in to an ultimately underwhelming review of the way we should fund our schools.

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