

## MEDIA RELEASE

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### *School funding system a maze that encourages blame shifting*

Australia must develop a national and transparent model of school funding based on comprehensible measures of need applying equally across the sectors if the funding debate in this country is to rise above a sterile ideological battle, argues a policy paper released today by the Australian Council for Educational Research (ACER).

In the first of a planned series of policy papers from ACER, Dr Andrew Dowling points out that while Australian Governments spend over \$30 billion on primary and secondary schools each year, the process of school funding, including the way in which amounts are calculated, distributed and reported upon, is unavailable not only to the wider public but to some extent even to those working in education.

The current system for funding schools is fragmented by level of government (State or federal), type of sector (government or non-government), location (state or territory), accounting approach (cash or accrual), and even time period (financial or calendar year).

Several sources of income flow into schools, but they do not operate in unison and there is no reporting at an individual school level in a timely manner.

Dr Dowling argues that this situation must change and that inconsistencies plaguing the current system also encourage blame shifting between governments while important debate is stymied.

“In the past, the Commonwealth and the states ritualistically allocated blame to each other using different sets of data while the real knowledge needed for a new debate - one about the relationship between student performance and school resources - failed to materialise,” Dr Dowling says.

The paper notes that education commentators, opposed on many issues, are united in their frustration with the existing system. There is widespread support for change.

“The force for change is being held up by comfort with the status quo and uncertainty about change,” Dr Dowling says.

The paper concludes with a call of support for a recent recommendation that the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) adopts a common financial reporting instrument for government and non-government schools based on principles of comparability and transparency.

Australia’s School Funding System, by Andrew Dowling, Principal Research Fellow with ACER’s Policy Analysis and Program Evaluation Unit, is available for download from [www.acer.edu.au](http://www.acer.edu.au)

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