

## **Federalism, Whitlam and the funding of Catholic schools in a peculiarly Australian historical context**

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As a young Inspector of Catholic Schools, I met E. G. Whitlam at a public meeting in April 1969.

The meeting was organised by the Federation of Catholic Parents and Friends Associations. We gathered in the cinema in Rowe Street, Eastwood. It was a Sunday evening. 1500 people were packed in and there was standing room only. State and Federal political leaders spoke about their respective parties attitudes to financial assistance for Catholic and other non-government schools.

Parents were well organised and quizzed the speakers on the actual dollars and cents they could expect to receive, and by when.

This was one in a series of eight meetings organised by parents. EGW attended 7 of the 8 meetings.

The final meeting was in the Sydney Town Hall on 6 June 1969. 5000 people crowded into the main hall, the lower hall and the front steps (years before OH&S requirements!). Proceedings were broadcast live on radio station 2SM.

Again, all political parties were represented.

This was a high stakes meeting with half the evening devoted to questions and answers.

The major parties were forced to be very specific about their future school funding policies, at both state and federal levels. MPs had nowhere to hide!

EGW was in full flight. Archbishop James Carroll and Malcolm Fraser had just spoken. Whitlam reminded the audience that the 1966 ALP Federal Conference, and now the Labor caucus, supported the establishment of a Commonwealth inquiry into the needs and priorities of government and non-government schools, and how these priorities would be funded.

CD recording of speech: 6 June 1969.

*“Government and non-government schools in Australia are not as good as schools in comparable countries.”*

*“There is no prospect of Australian schools catching up to schools in comparable countries unless and until the Commonwealth becomes continuously and comprehensively involved in financing them.”*

*Need for “a permanent and non-political framework” for school funding.*

*Inquiry into the needs of government and non-government schools should be established*

A Labor Government was eventually elected on 2 December 1972, and EGW became Prime Minister. He quickly put together the membership of the promised inquiry. Under the leadership of Peter Karmel, this Committee surveyed the needs of Australia’s 9,500 schools and reported back within five months.<sup>1</sup>

The *Karmel Report* addressed many of the shortcomings and inequalities EGW had spoken about, and proposed a series of funded programs that were to be needs-based.

The recommendations were implemented without delay and the Commonwealth – through its Schools Commission – quickly became a major player in school education.

Expenditure on schools was rapidly increased to fund the new programs. In 1973-74, Commonwealth expenditure on schools was \$240m. In 1974-75, it was \$567m. In 1975-76, it had risen to \$636m.<sup>2</sup>

By 1999-2000, Commonwealth expenditure on schools was \$4.8b and in 2009-10, the figure was \$20b.<sup>3</sup>

Before the election of the Whitlam government, Catholic schools were in a parlous state, and their future was uncertain. Let me elaborate.

In the 1960s, I taught in Catholic primary schools in Sydney. Classes were large – partly explained by post-war immigration – and facilities were inadequate. There was zero government recurrent funding.

In 1966, I taught 68 boys in Year 5 at Marist Brothers' Eastwood. I was also responsible for the primary department. This school was similar to other Catholic schools. The demand for places outstripped supply and the very survival of these schools was uncertain.

In the late 1960s, the financial situation had become so desperate that the Sydney Catholic Archdiocese considered a proposal to have either primary or secondary schools, but not both.

However, in 1968, small government recurrent grants (\$12 primary and \$18 secondary) gave some hope and all schools remained open.

Let me read from the *Karmel Report* on Australian schools (May 1973):

- level of resources – both human and physical – are inadequate.
- inequalities in school funding need to be addressed.
- need for a system of basic recurrent and building grants for all schools, according to need.
- need to raise the standard of under-performing schools.
- educational outcomes need to be improved.
- need for specific purpose programs to meet needs of particular students.
- parents have a right to educate their children outside government schools  
..... diversity important.<sup>1</sup>

Catholic school teachers, parents and students soon saw the benefits of the additional Commonwealth funding. More teachers were employed and average class sizes started coming down.

Resources became available to help students from non-English speaking backgrounds, and the new *Disadvantaged Schools Program* provided additional opportunities for students in low-SES schools.

Much of the opposition to the funding of Catholic schools by governments, and the sectarianism that was very obvious in the 1950s and early 1960s, had largely disappeared by the early 1970s. EGW played a key role in this change of attitude across the electorate.

He gave legitimacy to the claim by Catholic parents for some government funding for their schools. It was a justice issue rather than a religious issue for Whitlam.

He also raised community expectations about the future role of the Commonwealth in school education.

Whitlam was pleased with his early success. In his election policy speech in April 1974, he said:

*“The parents of Australia well know – and history will record – that the greatest single achievement of our Government in its first year was to change the face of education in Australia, and to change the basic attitudes of the Australian people towards education.”<sup>4</sup>*

Over the next 40 years, the role of the Commonwealth continued to expand. Recurrent funding was indexed annually to keep pace with rising costs, and funds for capital works were available on a needs basis.

A consequence of the decision by the Whitlam Government to fund Catholic systemic schools through Catholic Education Offices (CEOs) and Commissions (which would distribute block funds according to need) led to the growth and development of CEOs which are unique to Australia.

In addition to recurrent and capital funding programs, we now have a national curriculum, a national student testing (assessment) program, the Smarter Schools National Partnerships program and a review of government funding for Australian schools and a national My School website.

As a response to the GFC, all primary schools now have a new hall or some other facility built by the Commonwealth.

Federalism saved Catholic schools, and for the past 25 years these schools have contributed to the nation by educating some 20% of all students in Australia.

The Commonwealth now contributes 57% of the net recurrent income for Catholic schools, the states and territories 20% and parents/private sources 23%<sup>5</sup>. Prior to 1968, governments made no recurrent grants to Catholic schools.

These schools, on average, now have net recurrent income about 10% below government schools. This funding has enabled Catholic schools to survive and to contribute to the common good.

However, the recent wide-ranging *Review of Funding for Schooling* (2011) conducted by an eminent panel, led by David Gonski, reminds us that when measured against some very specific and limited international benchmarks

“over the last decade the performance of Australian students has declined at all levels of achievement, notably at the top end”<sup>6</sup>

EGW would be pleased with the ‘continuing and comprehensive’ involvement of the Commonwealth in school education but disappointed to read in Gonski:

“Australia needs effective arrangements for funding schools across all levels of government – arrangements that ensure resources are being provided where they are needed.”

“The current funding arrangements for schooling are unnecessarily complex, lack coherence and transparency, and involve a duplication of funding effort in some areas.”<sup>7</sup>

Gonski went on to state:

“There is an imbalance between the funding responsibilities of the Australian Government and state and territory governments across the schooling sector”<sup>8</sup> and

“a significant increase in funding is required across all schooling sectors, with the largest part of this increase flowing to the government sector due to the significant numbers and greater concentration of disadvantaged students attending government schools.”<sup>9</sup>

This *Review of Funding for Schooling* (2011) echoes much of what we read in the Karmel Report in 1973. Gonski says:

- a new schooling resource standard is required as a basis for funding of schools, according to need. [Karmel: school resources index with 8 categories]
- reducing educational disadvantaged is a high priority...improved educational outcomes of disadvantaged students [Karmel: Disadvantaged Schools Program]
- educational outcomes need to be improved [Karmel-the same]
- choice of schooling is a value supported by many parents [Karmel: right of parents to choose].

3.5m students are at the centre of this quality report. For the sake of present and future students, it is imperative that the Australian state and territory governments, major political parties and the various stakeholder groups work together on the Gonski blueprint to develop a new funding mechanism that is fair and equitable, designed to improve outcomes for students and to reduce educational disadvantage.

The Gonski report calls all involved in education to take a long-term view for the sake of a generation of young people and the future of Australia.

It will be a sad day if the opportunity to develop a new system of school funding is lost.

#### References:

- <sup>1</sup> Report of the Interim Committee for the Australian Schools Commission, May 1973 [Karmel]
- <sup>2</sup> Schools Commission Report, 1977-79, p 112
- <sup>3</sup> Review of Funding for Schooling, December 2011 p 39 (Gonski)
- <sup>4</sup> Gough Whitlam's 1974 Policy Speech, 29 April, p 11 (Google)
- <sup>5</sup> Review of Funding for Schooling p 15
- <sup>6</sup> Review of Funding for Schooling p xiii
- <sup>7</sup> Review of Funding for Schooling p xiv
- <sup>8</sup> Review of Funding for Schooling p xiv
- <sup>9</sup> Review of Funding for Schooling p xv