Some Proposals for Change to the Role of the Catholic Sector in the Australian School Funding Policy Process

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'It is only by going off track that you get to know the country.'
E.M. Forster (1920) Where Angels Fear To Tread,
London, Harcourt Brace Jovanovich.

Abstract

This paper is set against a history of school funding policies in Australia that begins with the first public policy recognition of the disadvantages experienced by government and non-government schools in the 1973 Schools in Australia (Karmel) Report. The paper traces a history of school funding policy linking it with the current backlash against public education and retaliatory backlash constructions of public schools as the new disadvantaged in an increasingly competitive and deregulated school funding policy environment. These backlashes, argued to be against the indiscriminate funding of independent schools policy by several protagonists of public education, are framed in terms equivalent to what Lingard and Douglas (1999) have called 'recuperative' politics. From the kind of recuperative statist politics considered in this paper, construing the backlash effects of public and private schools as damaging and unproductive as those emerging from the gender wars in education policy, I propose a move to an Australian school funding arrangement in which all schools, both public and private, are integrated into one deregulated and equally funded sector, as typify diverse school provisions in several OECD polities (Caldwell 2004, FitzGerald 2004).While briefly tracing a school funding policy chronology, this paper also concentrates on the current policy moment in relation to school funding, that signals the end of distinctive public and private education sectors, and in the context of which it argues that private schools should be funded equally to state schools, a trend in evidence since 1996. The focus on the current policy moment entails an abbreviated analysis of the Fitzgerald Report ('Governments Working

Together: A Better Future for All Australians' 2004), which makes a number of recommendations to the Victorian and other governments in relation to the public funding of all Australian schools[1]. The paper addresses the impact of this trend especially on the funding of Australian Catholic schools.

Introduction

School funding policy at both the national and state levels in Australia has reflected Australian public education's close relationship with the state for over a century (Reid and Thompson 2004). Public education politics in Australia had only become secular in character, reflecting the rise of nationalism and federation, in the period between 1870 and 1900 (O'Farrell 1985), while Catholic education had previously been highly state-centric in character, being funded for over a century from the public purse before a damaging parting of the ways at Federation.

A rapprochement between Church and state occurred, perhaps not accidentally, at about the time of the Second Vatican Council and the election of Australia's first socially progressive government in 1972 (Gill 1972). Indeed the period from 1975-2000 was one in which the role of the Australian state in the healing of rifts differed markedly from the same period a century earlier, when the claims of religion and nationalism were so shrill as to promote a form of mutual exclusion, in place for more than a century, that became practically, politically and ethically unsustainable in response to global deregulatory forces. This paper consequently argues that the spirit of collaboration on state aid, a product of state-centrism, should never be jeopardised for fear of a return to the sectarian and divisive politics of the prior century.

Australian state-centrism is reflected in the policy chronology of Commonwealth schools funding, linked with a range of socially progressive projects, such as the Participation and Equity Project (1982) and the National Policy for the Education of Girls in Australian Schools from 1975 onwards. The states, which have the responsibility for state schooling, also developed a range of policies attuned to the more progressive state-centric approach to education policy, for example in relation to gender equity and multicultural education, to reflect a common attachment of state as well as some state-aided independent schools, and in particular the Catholic systems, to the social justice project in education (Lingard 2000).

Moreover, both state and Catholic schools have a long tradition of educating for the common or public good and, because of their size and the extent of their subsidy from the public purse, cannot easily adopt the characteristics of a private system, placing questions of competition, individualism and positional advantage, as proposed by market-oriented approaches to curriculum selection, in vogue since the 1990s, over

communitarian aspects and the role played by collegiality in contributing to the public culture through a common good discourse of schooling.

The dilemma for state-centric school provision is consequently this: will the forces of deregulation also remove the moderating effects of state-centricity, or is there some other means of linking state aid with the retention of desirable aspects of systems objectives that position the common good above positional advantage funding policy? The answer for public and Catholic school systems must lie in balancing a preference for the common good with aspects of freedom and autonomy that have desirably come to dominate the landscape of school-improvement in the last two decades (Caldwell and Spinks 1988, 1992).

Smyth (1994), for example, has carefully critiqued the pitfalls of school-based management from the perspective of ensuring that social justice aspects of the curriculum are preserved. In this quest the Catholic systems have demonstrated rather better than most the tensions that can emerge from greater deregulation and how to balance the subsidiarity of greater deregulation with increased systems accountability and agreements on resource-sharing (Furtado 2001).

In this context the backlash against item-specific equity targets in education policy from the early nineties is sometimes read as an attack on the common good, causing the social justice project to take on a defensive rather than an offensive role (Ailwood and Lingard 2000). This defensive role is about keeping the link between education and social justice on the state agenda, defending past policy gains, and resisting as far as possible deregulatory market forces, desirably committed to equal opportunity but constructing compensatory initiatives as restrictive practices injurious to those outside targeted groups.

While this kind of defensive strategising held off the more repugnant ravages of those opposed to the social justice project or whose analysis took the form of 'recuperative' claims (Browne and Fletcher 1995, Lillico 2002), the results, in terms of the broad role of social justice in education policy, have been unsatisfactory to all concerned.

Within individual groups, such as feminism, theorising has become more fragmented and arcane (Collins, Kenway and McLeod 2000) and the links between social justice in education and broad movements in social justice and social policy globally have become considerably weakened. Moreover, there has been almost no appeal to common good discourses on either side in public and private education in their bid to resolve the perennial funding policy rift.

In an earlier study of the discourses of inclusion in education (Furtado 2005) I traced the very significant policy production work of Slee (2001) and others to bring special needs

education out of the narratives of education psychologists and other clinicians and diagnosticians and into the discourse of critical theorists and social justice practitioners in education.

This work involved political strategising inside the discourses of school funding policy for the achievement of inclusive goals in schooling and also entailed some linkages between 'disablists' and others committed to adopting a wider and more coalescent equity and diversity policy plank. It seemed to me that this kind of theorising and research had all the hallmarks of an effective common good project.

Significant considerations must be addressed in promoting the common good nature of inclusive education discourses, among which is the likelihood that in a deregulated and integrated funding environment, schools and their needs will be equally but differently affected, removing protective arrangements, structural advantages and power differentials experienced by some sectors over others (Foster 1994, 2000). Under common good theorising greater funding would flow to some schools over others on the basis of their adherence to commonly agreed standards of inclusion.

Indeed, Catholic systems, with their notionally strong attachment to the common good, have the capacity to participate in the kind of policy discourse that should automatically prioritise broad inclusive educational factors over other more exclusive gains, as opposed to the current policy environment in which competing equity claims, for instance between proponents of boys' and girls' education, can sometimes cause disarray on social justice issues and result in policy losses of an earlier era.

Whether the Catholics have the systemic authority to realise such a visionary ideology is contestable, relying as they do in an essentially voluntary system on persuasion, rather than the law, to achieve their redistributionist compensatory goals, which begs the question of how much better off the Catholics and similar others would be in terms of achieving their systemic objectives as part of an integrated-deregulated public sector system.

Another challenge with common good policy coalition building is that the Commonwealth Coalition government (1996 onwards), in reframing funding arrangements for government and non-government schools in quasi-market terms, has reduced its interest in schooling to one of performance measures; though it appears that the former Commonwealth Education Minister Dr Nelson's strong espousal of values education does not reflect the shift from 'modernist hope to postmodernist performativity' that Lingard (2000) regards as injurious to explicit policy production.

Nelson's persuasive argument here, about ends and not means, is critical to the renewed emphasis on outcomes and on measurable and productive policy success, though Lingard's point about the dangers to policy inherent in a shift from strong central policy control to school-based management, is understandable: equity is now rearticulated as measured by standardised tests stressing literacy and numeracy and this feeds into the broader culture of divisiveness, envy, exclusion and backlash, themselves potentially injurious to the common good.

The argument of this paper then is that dramatic shifts of over 10 per cent of students from public to private education in less than a decade unleash major influences on funding policy that distract schools from working in collaboration with each other to address important common good reliant inclusive education issues.

As a consequence of this, social justice issues are framed in exclusivist terms that promote a positional advantage over the common good and which have more in common with backlash and wedge politics than with any semblance of coalition and inclusion. Not only is this manifested in within-system non-government schools now actively competing for student enrolments in ways unheard of a decade ago, but in state schools also doing the same.

The Influence of Wedge Politics on Educational Backlash [2]

The contexts of globalisation and neo-liberal policy, and political responses to it, have resulted in growing inequalities within nations, precipitating a marginalised 'underclass' (Probert 2001) of long term unemployed. Added to this, the widening gap in wealth distribution has created a 'marbled' effect (Lingard 2000) of disadvantage in certain rural areas and in outer suburbia.

The tendency in postcommunist times to abandon a 'politics of redistribution' (Fraser 1995) has led to a backlash against this development. The rejection of Keynesian deficit expenditure models to compensate for inherent social disadvantage has led to the rise of a 'risk society' (Beck 1992) of 'manufactured uncertainty' (Giddens 1994), emphasising a politics of difference and division and a lack of redistributive policies in the face of growing inequality.

In spite of taxation revenue surpluses of unprecedented proportions, government expenditure, especially before the last federal election, is generally agreed to have succeeded in redistributing wealth in Australia away from the underclass and towards the middle class by an amount of $8 billion (Megalogenis, *The Weekend Australian*, January 15-16, 2005, p.24). In this context, identity politics and the celebration of difference becomes a smokescreen for dismembering society and attacking any

semblance of the common good, instead of which positional advantage politics, emphasising individualism, competition and resentment, is set to replace solidarity, common experience and coalition politics.

Witness the rise in recent years of far right groups, such as One Nation in Australia, of several neo-nazi groups in Europe, of Islamist groups in several polities, and of white working class militia movements in the United States, opposed to both the economic and social aspects of globalisation, including free trade and free speech, the end of protection, and the transfer of global capital, global *kultur* and people at short notice and without regard to social and human factors, to respond to changes in global market conditions.

In education these backlashes have not simply taken the form of policy reaction against feminism and policy emphases on the education of girls; they have also occurred in respect of multiculturalism, which is now defined as Australian multiculturalism, as if to emphasise the hegemonic power reasserted over minoritarian discourses by the dominant Anglo-Celtic cultural discourse.

Aboriginal discourse has also been checked by the closure of ATSIC, which, no matter how allegedly dysfunctional as an organisation, was the only body representative of Indigenous opinion in Australian politics. Indigenous Australians remain one of the most underprivileged groups in the world, with life expectancies of under fifty years and at least twenty-five years below those of other Australians as well as equivalent First Nations groups universally (UNESCO First Nations Report 2002).

Meanwhile a lively discourse has emerged, emphasising elements of self-help and independence, and critical of grand narrative-based, unwieldy and catch-all analyses and solutions for Indigenous hardship, appropriately emphasising the limitations of an exclusively spiritual construction of Aboriginal culture and well-being, and focussed on material considerations emphasising the need for better and more accessible and equitable education. (Pearson, *The Weekend Australian Magazine,* November 20-21, 2004, pp. 23-26).

That some of these discourses are decidedly related to forms of backlash politics there can be little doubt: new discourses of inclusion in relation to the disabled have (since the 2004 federal election) emphasised the punitive aspects of welfare policy on those exercising their right to a pension. The pressure is consequently on in the new inclusive climate to reconstruct large numbers of disabled people as capable of earning a living and therefore without entitlement to social benefits by virtue of their disability, thus reconstructing and reconstituting the social policy discourse of inclusion in potentially punitive terms.

Of equivalent value in understanding the power of backlash politics is to observe that it is rarely a manifestation of inchoate or disenfranchised 'underclass' politics but is increasingly employed by powerful groups in the polity in support of their interests. There is considerable evidence that backlash politics is used by dominant groups to appeal to the prejudices of disenfranchised victims of globalisation to generate false consciousness and a misreading of contexts in new times.

The use by the Coalition parties to secure an alliance with sections of the Australian underclass in order to win the 2001 Federal election by fabricating evidence about asylum seekers being willing to throw their children overboard as a means of obtaining sanctuary in Australia is one such notorious example of an appeal to backlash politics. Another example of this appeal to underclass prejudice is the construction of asylum seekers as 'illegals' and 'queue-jumpers', and an unashamed attempt to adumbrate refugee and immigration policy issues. As with schools funding, the populist reporting of the oligopolistic Australian media has been complicit in promoting backlash politics rather than engaging in critical, informative commentary (Marr 2004).

Another most obvious example of such a backlash was the criticism levelled against the Australian Labor Party for its stand on cutting public funds to high-fee, well-off non-government schools in the run-up to the 2004 Federal election. Several media commentators, as well as the Prime Minister and the Treasurer, constructed such a policy as 'classist' and divisive, earning as a possible consequence the rejection by the electorate of the ALP at the polls (*The Australian*, 'Low Marks for Latham on School Funding', September 15, 2004, p.14).

This position is deserving of critical examination, particularly in terms of what constitutes a backlash, and whether it is the Labor Party or the Coalition that has been more adept in this instance of engaging in backlash politics. The Macquarie Dictionary defines a backlash as 'any sudden, violent or unexpected reaction; an antagonistic political or social reaction, sometimes sudden and violent, to a previous action construed as a threat' (1981, p.163).

In terms of Labor policy, the party has consistently opposed the funding of those non-government schools with substantial resource bases, while the flow-on effects of the Coalition's incremental funding policy changes since 1996 have resulted in such a group becoming relatively recent and substantial beneficiaries of the new policy.

While such a policy, as expressed by Labor's policy intention to reduce or eliminate funding to such schools, can in some senses validly be described as a backlash, its incapacity to appeal to a substantial cross-section of the electorate reveals the absence

of a populist component in such a policy and its relative failure to translate into backlash political terms advantageous to the ALP. It may also account for Labor's relative failure to construct its funding policy in more positivist terms.

On the other hand, the repeated use of references by the Coalition to Labor's 'hit-list' of schools likely to lose their funding if Labor had won the election, especially evidenced in the language and rhetoric of commentators such as Jennifer Buckingham from the neo-liberal think-tank, the Centre for Independent Studies (CIS), and the right-wing columnist, Janet Albrechtsen, of *The Australian*, had all the hallmarks of a resort to backlash politics.

Moreover, in the week before the elections, the television producer, Tony Jones, of the ABC's high media impact program, *Lateline,* exposed the Coalition's Tony Abbott as having set up a meeting between the Catholic and Anglican Archbishops of Sydney and in Melbourne with a statement opposing Labor's funding policy (October 5, 2004).

This was despite the National Catholic Education Commission announcing a week prior to such an event that it endorsed Labor policy on the future funding of Catholic schools. It is not implausible that the Archbishops' intervention would have had some consequence in swinging several voters away from Labor and towards the Coalition in a crucial number of Sydney and Melbourne seats, which changed hands at the elections, though there is compelling evidence that the Coalition victory was won on the basis of another backlash campaign against Labor on home interest rates (Megalogenis, *The Weekend Australian,* January 8-9, 2005, p.26)

The situation then today in respect of the influence of backlash politics in schools, and especially on schools funding issues, is very different from that of the fifties and sixties, when the backlash to the funding of Catholic schools was a 'DLP versus state school' initiative, which collapsed when the reconciliatory politics of Whitlam had to confront and dispense with many hitherto taken-for-granted assumptions on Labor's hitherto long-established Defence of Government Schools (DOGS) position.

Therefore to see current developments in relation to the defence of government schools as a resuscitation of anti-state-aid positions of an earlier era is to misread and misinterpret funding policy changes in the last decade and the extent to which such policy changes have departed from the policy frames of Karmel and the 1970s.

There is consequently no politically literate way in which the current funding backlash corresponds to nostalgia for and a call to return to the state aid solutions of the 1970s. Many policy experts, such as Teese (2004), now accept that backlash politics with regard to funding are being used to promote a new post-election phase

of the Commonwealth Coalition government's continued education reform agenda. In her classic review essay of Hogan's historical contribution to the discourse of school funding (1984), Kenway (1985) had shown how important a role ideology played in this troubled educational site and the need therefore for a new research methodology and language to assist in its repair.

Arguably and unsurprisingly, such a state of affairs, emphasizing wedge politics and generating backlash opinions and attitudes, exert undue pressures on those in charge of journals and government policy, who control the terms of an otherwise healthy and perennial debate on education standards in the Australian media, making them somewhat overcautious to possibilities of ridicule by commentators, such as Donnelly (2006), who savage the quality of the research and writing in the field of education.

Some educational researchers have also suggested that those at governmental level who manage the terms of the funding policy engage in a process called 'group think' that excludes and prohibits authentic and valuable intelligence assessments: 'critical perspectives (are) unwelcome and certainly not part of the structure…Few have the time to give careful critical attention, especially to matters such as perverse incentives, opportunities for manipulation by core beneficiaries, intended beneficiaries who are left unserved, unintended consequences and other externalities'(Preston 2004, p.2).

While there is little doubt too that those who controlled participation in the discourses of an earlier era would have been similarly motivated, such divisive attitudes and practices on both sides, far from supporting the common good, detract from addressing the success stories as well as the failings of Australian education, including its school funding policy.

It is to a brief consideration of the Catholic factor, explicitly committed to the pursuit of the common good in the policy chronology on funding, that this paper now turns.

Funding Policy and the Catholic Factor: some adverse effects on the Common Good?

The focus of Commonwealth school funding policy in Australia after 1972 was on Catholic schools and their disadvantages. While none of the policies had 'Catholic' in their appellation, it is clear from each one of the Surveys of Needs that were conducted in every state and territory as well as from the substance of the Karmel Report that explicit reference was made to the fact that the overwhelming majority of disadvantaged non-government schools were Catholic.

Moreover all the above documentation treats Catholic schools as belonging to a category quite separate and distinct from non-Catholic independent schools, who on account of their substantially larger resource base, and reflective of the needs-based tenor of funding policy, were relatively insignificant beneficiaries of funding policy largesse, contrary to the position of the Catholics, who were intentionally and categorically advantaged by the Report, its rationale and its recommendations.

Indeed it could be argued that the position of state schools in relation to the Karmel Report was of somewhat lesser significance to that of Catholic schools, since the policy machinery already existed in terms of state revenue expenditure for the funding of public education. It has been said that the inclusion of state schools in the Report was as much an afterthought as a stroke of political genius on the part of the Labor Party in winning over anti-state aiders in its ranks to support Labor's new funding policy for Catholic schools (Pervan 1983). Whitlam's 'needs-based' policy would not have got off the ground had its foundation not been in the imperative to assist all schools with needs, among which state and Catholic schools were the most impoverished and therefore the most needy (Furtado 1986).

In my interview with him at his residence, 'Chowringhee', in Sydney on December 10, 1996, Professor Ken McKinnon, who had chaired the Commonwealth Schools Commission from the outset, made it clear to me that not only was the Catholic position with respect to funding 'pre-eminent', but that he had approached Prime Minister Whitlam and Education Minister Beazley to alert them to the eventuality that the policy trend was such, given the fact that funds were dispensed in proportion to need, that the Catholics, who used their funds to expand their schools, would eventually reach a point of becoming fully funded.

Professor McKinnon stated that this had not perturbed the Prime Minister and his Education Minister, who appeared to be fully aware of such a prospect as well as comfortable with it (Furtado 2001). The only difficulty they had foreseen was that the policy was open to being interpreted as providing *carte blanche* for a limitless expansion of non-government schools at government expense, which Labor subsequently sought to contain by the New Schools Policy (1985).

The New Schools Policy, dubbed by its detractors as the 'No New Schools Policy', sought to protect state schools, which had lost numbers as a consequence of the unrestricted expansion of non-government schools in the decade since state aid commenced in 1975. It did this by placing restrictions on the expansion of non-government schools in terms of locational and other thresholds and accountabilities sought by the Commonwealth in relation to new non-government schools.

Planning permission became more arduous, and the tenor of the new policy reflected conditions placed on the development of Catholic schools in various other polities, such as New Zealand, where it had not been possible in the early days of 'integration' with the state system for Catholic education authorities to open new schools. (This restriction was later removed in New Zealand in response to deregulatory trends.)

As also was the case in several other polities like the UK and the Netherlands, the opening of new non-government schools in Australia was subject to greater planning permission from funding authorities, a matter that the Catholics found burdensome. It triggered a reaction from the Catholic authorities, fearing state control, and as a possible consequence of which they began to establish new alliances with other non-Catholic aspirants, such as Anglican Education Commissions in several states as well as with other more independent providers (Furtado 1986).

The commencement of backlash politics in relation to school funding, forsaking the collaborative politics of the previous decade and forming alliances, unheard of a few years prior, pitting public and private schools against each other, is most evident from the mid-1980s onwards (Kenway, *op cit*, p.155). Of lessened importance during this period of policy adjustment and contestation was the fact that several non-Catholic providers did not support aspects critical to the success of a needs-based policy, and quintessentially the Education Resources Index, which rewarded schools with low resources over those at the other end of the scale.

Within the ensuing decade, shifts in public policy trends, away from compensatory expenditure and towards rewarding those able to provide a mix and match of public and private funding had effectively disinterred the policy foundations of the prior two decades and, on the accession of the Coalition government in 1996, with its clear policy intention to reward its own independent schools constituency, the pace of curriculum reform, as introduced by the Dawkins Education Ministry, and reflecting macroeconomic changes initiated by the Hawke and Keating Commonwealth administrations, was greatly accelerated.

As a result of this acceleration, the termination of the New Schools Policy and the removal of the Education Resources Index, coupled with the introduction of an Enrolment Benchmark Adjustment, geared to rationalising the flow of funding to reflect shifts from the public to the private sector, sounded the death-knell for needs-based funding policy in Australia.

Added to this, the Coalition adjusted its funding to 'reward' all schools, especially those with the capacity to raise substantial amounts of their own revenue. Funding, and not just curriculum, now became an instrument for accelerating the pace of

education reform in Australia, and the constellation of factors driving such changes, unique to Australia and opportunising on what had originally been a Catholic funding dispensation, began to disturb those committed to the common good and opposed to the onset of backlash politics on funding.

While there were still compensatory or needs-based aspects in the Howard policy, relating to the SES location of home addresses of all students in non-government schools, as well as more recently on the AGSRC, the reality was that some of the best-resourced schools had managed to generate substantial funding from the public purse by virtue of their students coming from low SES addresses, where they were among the wealthiest residents in what were otherwise some of the most disadvantaged SES locations in Australia (Preston, *op cit*, p.3). The AGSRC also permanently relegated non-government schools to a position of receiving a proportion but not the whole of the funding costs of state schools.

Moreover, the Howard government did not extract any undertaking or accountability for the expenditure of such funds, particularly in respect of making such schools more accessible to those who could not ordinarily access them. The Catholic reaction to this arrangement was twofold: to successfully insist on being treated exceptionally and as if there had been no change in policy, as well as to counteract the deregulatory impact of new policy by internally retaining a needs-based funding redistribution policy in respect of all Catholic schools within each state and territory jurisdiction.

In other words the Catholics stuck to a needs-based policy of their own, countering the logic of new policy and resulting in a policy hybrid during the 1996-2000 and 2001-2004 quadrennia. (At no stage in this eight-year period is there any evidence of a Catholic critique of Coalition policy other than in respect of its impact on Catholic schools. One did appear for about a decade in the form of my contributions to a publication called *Catholic School Studies*, now defunct and which relied for its discourse on *post hoc* articles of a predominantly voluntary, theological and catechetical nature).

Indeed, given the sizable presence of the Australian Catholic Church in educational provision, especially at a tertiary level, the absence of such a discourse on 'Catholic Schools Studies' is nothing short of baffling and raises critical questions as to who publishes on matters of public policy in relation to school funding for the Church, with what support in terms of research, and with what prospect of influencing and improving a policy process that is palpably reliant on backlash opinion and stop-gap solutions reached behind closed doors and on which the professional and democratic process, with its commitment to open consultation and policy transparency, has little or no evident effect.

To some extent the governance and organisation of Catholic education accounts for this anomaly, for while it is desirably devolved in terms of its location in diocesan systems, demonstrating a modus operandi that is intended to be more flexible and personable than equivalent larger state education bureaucracies, its central secretariats at state and federal level are small and not much more than clearing houses for decisions made and acted upon elsewhere.

Devolutionary systems therefore have a general incapacity to respond to changing contexts in education other than to invest extraordinary and temporary powers in a few charismatic individuals who may sometimes lack the administrative and bureaucratic support systems to resource research tasks that can be translated into effective policy, a connection that state organizations, with their strong links into universities, are better able to maintain (Furtado 1986). On the other hand non-government school providers can be more flexible and responsive to short-term exigencies.

Consequently, while there are many virtues, there are also some gaps in the discourse of Catholic education in Australia, generally filled by enlightened and scholarly narratives on Religious Education and Spirituality, but sometimes excluding critical components (and supplanted by a kind of administrative/implementational/decision-making discourse on educational studies not unknown in secular quarters) of a Catholic contribution to educational policy, pedagogy and curriculum. This is not the case in polities, such as the United Kingdom, the Low Countries and New Zealand, where Catholic schools are part of a public education system (Furtado 2001).

Spiritual accounts of education, without much reference to the world of matter, which also determines many outcomes in the educational sphere, can sometimes be misread as positivist educational panaceas because of an absence in them of critical justice discourses, such as contributed by Giroux (1983) and Apple (2001), who provide a major point of entry to a critique of dominant curricular and pedagogic practices that offend against a Catholic theology that is intended to privilege social justice.

When these spiritual accounts are reinforced by uncritical references, borrowed from the secular world, to mechanistic, technical and instrumental strategies for school improvement, and without reference to a justice-based political and economic analysis of ideologies dominant in driving school reform, including unjust funding policies, Catholic educators run the risk of engaging in a diminished spirituality that restricts discourses of social justice in educational studies to formal and content-based aspects of the curriculum (Furtado 2004).

Indeed it is true to say that there is almost no Catholic contribution to the vast literature on critical pedagogy that plays a major role in the preparation and support of teachers to mediate important aspects of the curriculum, precisely because Catholic educators are expected to rely instead on a foundation of religious and spiritual attitudes and personal dispositions that, while crucially influential of educational outcomes, has almost no dialogue with and seldom makes reference to major developments in critical theory, particularly in relation to cultural and political questions in education.

Equally, Catholic educational discourses on counselling show evidence of strong linkage with the pastoral care interests of their schools but have almost nothing to contribute to careers counselling, which, linked as it is into critical aspects of curriculum reform, further diminishes the capacity and role of the substantial Catholic sector in participating in Australian critical curriculum discourse.

These anomalies potentially drive deep divisions in the consciousness of students ostensibly being fed a diet of social critique of justice issues in the secular political sphere (such as relating to the treatment of asylum-seekers by the Australian government) but without reference to the gaps in a discourse that still require the payment of fees as a condition of enrolment in Catholic schools. This could well be the devastating crux of the adage that a surreptitious message, driven by the hidden curriculum of schools, has a much more powerful negative effect than those that are voiced officially and may well account for the considerable cynicism with which Catholic school students respond to formal programs on personal and social morality in their curriculum (Willmett 2003).

In a sense the very hold that personalism has on the values of the Catholic school occludes important aspects of the role of social justice in education, reducing them to discourses of charity or ignoring them and relegating structural and neo-structural impacts on schooling and its outcomes to a policy basket in which instrumental and strategic imperatives can all too easily triumph over the demands of the common good. That this is an unconscious act does not absolve it of its problematic and destructive effects but only serves to highlight the importance and need for a dramatically increased Catholic involvement in critical policy studies in Australian education, without which those whose mission is to elevate the virtue of justice to a fine art in education might be seen to be most in breach of it.

For instance, it would be impossible to conceive of respectable professional educational providers in a contemporary inclusive schooling culture who uncritically commit their resources to homogeneous streaming practices much in evidence in some Australian Catholic schools. One diocese in Queensland is well advanced in its

endorsement of such practices in several of its primary schools without evident reference to the reproductive socialising effects on society of such a policy. The very same diocese has also set up several learning centres with the assistance of public money to cater for the needs of a largely indigenous school population but without reference to curricular and pedagogic practices in neighbouring Catholic primary and secondary schools which arguably exert an exclusionary effect on such a cohort (Furtado 2003).

Additionally, the diverse provision of Australian Catholic education may well provide a telling example of its uncritical overall acquiescence in serving a society that is already stratified and in which socialisation practices favouring cultural reproduction and social stratification are well entrenched in private education. While educational practices of yesteryear, favouring some schools for the rich and others for the poor, and often maintained by the same congregation, may be a product of the past, Catholic school provision is a long way from demonstrating the values of curriculum equity that is an essential hallmark of contemporary schooling in a successful and productive global context.

Indeed several Catholic schools lag behind state schools in providing a comprehensive curriculum and promote their niche brands of curriculum and pedagogy to appeal to particular and sometimes stratified sets of clientele instead of to a diverse mix of students. Full funding would dispense with such an anomaly but would also require open enrolment policies that attend the removal of fees as a condition of enrolment. The reluctance to accept such logic in some influential quarters shows that Catholic school enrolment policies, whatever their merits, are ultimately based on the belief that the special character of the Catholic school is located in its ability to exclude students, a proposition that has no support in any of the canonical documents that underwrite the operations of a Catholic school.

While in the past it could be said that the nurturing of particular theologies emphasising social justice, feminism and wealth distribution could be relied upon to influence the curriculum of Catholic schools, there is a sense in which such narratives are part of a modernist initiative that resonates less effectively within a postmodern culture privileging identity questions and in regard to several aspects of which the official structures of the Church are perceived to have sometimes reverted to an almost pre-modern position (Cornwell 2001, Crittenden 2004). There are some dilemmas in this for Catholic educators.

While Catholic schools struggle valiantly to maintain a full and critical engagement with the culture, a prescription underwritten and endorsed by several injunctions of Vatican II, they now proceed cautiously and often several paces ahead of official

Church stances in this mission, because of a universal Church culture that is perceived as regressive and deadlocked on critical questions of human existence and liberation.

In such an undertaking it is of critical importance, at the risk of reverting to a new religious fundamentalism, to maintain fidelity with a Catholic educational theology and philosophy, located primarily in the foundational contributions of Jacques Maritain (1943), and committed to the kind of liberal scholarship that links faith with reason, but which is also open to the newer contributions of a liberation theology and its impact on the curriculum, as evidenced by Freire (1972) globally and others, such as Michael Duane, in particular polities, cultures and contexts[3].

It would be impossible to maintain such a position in the Australian educational context without a Catholic commitment to a dramatically enhanced profile of its schools within the mainstream of Australian educational discourse, and critical to such a development is the question of fully-funded Catholic schools.

Allied to such developments is the critical absence of Catholic education, other than as a matter of exception, in major reform initiatives in low SES regions, geared towards increasing the life chances of students through protracted efforts at improving and enhancing the productive effects of pedagogic practices in Catholic schools. Indeed there is almost no evidence of a Catholic contribution to discourses in productive and authentic pedagogies that currently form the basis of several teaching and learning initiatives undertaken as a result of collaborative partnerships between state education authorities and university faculties in schools located in the twilight zones of nearly every major Australian city.

With the exception of the Diocese of Parramatta in Western Sydney, where concerted efforts are made, as a matter of social justice policy, to enrol students of similar socio-economic profile in Catholic schools to those enrolled in state schools, the evidence is now incontrovertible that Catholic schools in low SES areas exercise a creaming-off effect on state schools, including vitally, white students in rural areas, resulting in a residualising low SES effect on state schools, with, inevitably, large indigenous populations and poor school outcomes (ref. Senate Committee Report's reference to 'dumping' of unwanted students by non-government schools, 2004, p.14).

Even in urban areas a recent product of extant funding policy is to close schools with poor effects, reasoning that parents have abandoned them for more effective Catholic or other schools rather than to promote reform mechanisms that assist in turning schools around so as to benefit existing constituencies, thus averting the steady drift to state schools of low SES students that inevitably results when low SES Catholic schools, such as Maryfields in Brisbane, are closed (*The Sunday Mail,* March 22, 2003. p.5).

While no criticism, but instead an endorsement, is offered here of the general trend to close inefficient schools and reopen them as (or to enrol students in) more successful ones, a Catholic system, reliant on fees and not full government funding to bridge the resources gap, cannot possibly guarantee free places for students engaged in transition from low SES to higher SES schools, other than through maintaining schools at immense sacrifice to the system and at the risk of systemic backlash (as has happened in several Catholic systems, a risk endemic in voluntary systems and addressed elsewhere in this essay) in impoverished locales, as currently happens, regardless of a resource base lower than state schools, in the Archdiocese of Melbourne (*The Age*, July 12, 2004, p.4).

It is to a consideration of the current funding policy moment that this paper now turns. (For a fuller and more generic treatment of changes driven by economic deregulation to the overall funding policy framework, see Marginson's chapter on private and public education in his book, *Education and Public Policy in Australia*, 1993).

Current Funding Policy and the Political Situation of the Australian Catholic Church

This section considers current developments in relation to funding policy. It also contains an account of the current state of the funding policy process, and deals briefly with production questions to do with the current policy and its reception and rearticulation in the context of the 2004 Commonwealth election.

The Commonwealth Department of Education, Science and Training (DEST) initiates the policy process, resulting in financing Australia's schools. The usual process is for DEST to outline proposals of the Government for the next quadrennium or in relation to a policy change and then to consult the polity. After the publication of a Consultation Report, the Government issues a Green Paper, which, following a ministerial statement and the due process of parliament, becomes a White Paper that is then enacted in legislation.

In all of this process the Government usually controls the House of Representatives, so that amendments are almost always the prerogative of the Senate. However, having no legislative power of its own, the Senate can only block or delay legislation, which may be overridden if the Government gains control of the Senate at a Half-Senate election or after a Senate Dissolution: in mid-2005 the Commonwealth Coalition government secured control of the Senate.

Subsequently a swag of legislation awaiting passage was passed at that time. A further Senate prerogative is to conduct investigations into aspects of policy that concern it. These take the form of written submissions and public hearings, but rarely do these result in unanimous findings: on controversial matters like school funding they eventuate as Senate Committee Reports with minority opinions attached to them.

Critical to an understanding of the above process is the fact that they are seldom conducted outside the context of an election, so that policy outcomes are constantly influenced by short-term considerations of electoral gain (or fear of loss) and extremely susceptible to the influence of pressure groups and backlash opinion both during the above process as well as in the vicinity of elections.

One such pressure group is the Catholic Church, which being responsible for a fifth of Australian schooling is widely recognised as having a legitimate interest in securing funding for its schools during the forthcoming quadrennium so as to safeguard budgetary allocations and systems objectives for the same. Equally, the possibility of governmental change at elections occurring in mid-quadrennial settings, means that the Catholics are committed to the expression of bipartisan policies on school-funding, which worked very well during the two decades of relative funding policy unity following the Karmel Report.

Clearly, where policy differences between the parties are wide, such a commitment becomes difficult to maintain and it is usual as well as reasonable for the Church to lean towards the government in power when that happens because of the facility with which governments in democracies are able to translate their policies into legislative, executive and judicial action. Additionally, the Catholic educational interest is marked by its attachment to the use of parent lobbies to support predetermined funding policy positions in which parents, paradoxically, have virtually no role to play (Edwards, Fitz & Whitty 1985).

The situation compares remarkably closely with pressure groups championing the cause of state education, which consist largely of teacher unions and neither parents nor career public servants, who must observe a policy neutrality in relation to funding matters akin to their counterparts in Catholic education, whose employment tenure would be jeopardised by too strident a critique of extant policy, as witnessed by the very public dismissal in 1970 of Fr Patrick Crudden from his position as Director of Catholic Education in the Archdiocese of Melbourne. Crudden had criticised several aspects of the Catholic Church's education policy (Selleck 1970).

Where parents do exercise enormous power in funding policy is through the agency of the Australian Parents Council, a nationwide independent schools' lobby group set

up by the Democratic Labor Party without much regard for the role of the elective process in reflecting the opinion of parents on funding matters. Indeed the co-option of parents into the APC is very much predicated on their propensity to support a set of preordained ideological values in relation to funding policy positions rather than to shape or potentially alter them (Furtado 2001).

As a result of this, the APC is a body consisting of policy warhorses from the state-aid battles of the fifties, sixties and seventies, opposed in general to any form of public education monopoly, generally allied to the Coalition parties and their funding policy, and surprisingly strategically similar, though at the opposite end of the ideological spectrum, to the Defence of Government Schools (DOGS) lobby that regularly contests all aspects of non-state schooling and its public funding.

Any reading of the role and record of the DLP in Australian politics will persuasively demonstrate that no better example can be found of the use of backlash tactics to influence policy, with their preference for conspiracy theory, use of covert mechanisms to gain a political advantage and staging of policy coups on a host of issues without reference to due process and democratic opinion (Murray 1970).

Quintessential to the success of the DLP and its offshoots, such as the APC, was its determination and great success for a considerable period of time in several states in Australia in introducing a confessional form of politics, co-opting in support of its cause the entire Catholic hierarchy in at least one state, Victoria, and placing its stamp on the process of Australian Catholic school funding policy that continues even today.

All of the above makes the policy process in Australia, now well established and a permanent feature of the political landscape, a fraught one, in which the triangulation of parties and Church, and in particular the Catholic Church, has introduced a confessional element in politics that has long since been resolved in other OECD polities. In no equivalent polity, other than in historical contexts of a century or more ago, does the Church play such an awkward and powerful role, and, on evidence, entirely in its own interest, in school-funding policy, especially before elections, than the Catholic Church in Australia.

Indeed, the Catholic position on school funding has several hallmarks of a concordat or agreement, exceptionally conducted on behalf of an ecclesiastical authority, largely in secret, without reference to broader political questions on education funding policy between an inner circle of Church confidantes and the Prime Minister, and often without reference to detailed and well-established Catholic positions on a range of social and economic issues in relation to the polity.

It has sometimes been argued that the concordat between the German Catholic Church and the German state in the 1930s, secured the independence of the Church in relation to the management of its own affairs, including its schools, at the cost of removing the highly active, united and exceedingly powerful voice of German Catholicism from all forms of social commentary and critique on the damage to political institutions and public affairs engendered by the rise of Nazism (Cornwell 1999).

Equally, concordatiste politics enable the Church to pressurise the state to honour understandings and agreements reached on behalf of the Catholic community in relation to the polity, positing a model for Catholic involvement in politics that is clerical, unitary, conservative, plutocratric and opposed to several constitutions and proclamations of Vatican II, honouring the entitlement of Catholics to a diversity of political opinion as well as a high degree of lay participation and autonomy.

Several examples of a resort to this kind of concordatisme, purely in the interests of securing a Catholic political advantage in relation to the funding of its schools, are available for citation in Australian politics. For instance, it is a standard practice of the Australian Catholic school funding policy process before elections for representatives of political parties to face Catholic Church forums, especially of well-briefed parents, as well as representatives of the hierarchy (and in some instances an entire 'bevy of bishops', as described in his inimitable style by Former Prime Minister Whitlam in my telephone interview with him on December 22, 1997).

In keeping with concordatiste practice, there is no avenue, other than by consultation and invitation, but categorically not through an elected and democratic process, for parents and others to voice opinions on school funding policy opposed to that of the inner circle that decides these matters. Where popular opinion has arisen in lay circles to change the course of events, it is a matter of fact rather than conspiracy, as in the historic incident of the re-enrolment of Catholic pupils in state schools in Goulburn to press the point of their desperate need for public funds, that Catholic parents did so unilaterally and without the explicit support of the Church (Transcript of interview at Archbishop's House with Archbishop Francis Carroll of Canberra-Goulburn, February 26, 1996, 3pm).

Paradoxically, the Catholic Church in Australia has a well-known and controversial history of intervention in political issues before elections, especially on social justice questions and, while the Bishops assiduously refrain from adopting partisan positions in relation to voting intention, they lend support through their various committees and agencies to spokespersons, sometimes of episcopal rank, who specify aspects of policy with which the Church disagrees and which it legitimately seeks through its members and constituency to critique and influence.

To the onlooker, however, it is sometimes a struggle to identify a consistent and literate policy stance on the plethora of political questions that assail the polity at election time and, while a uniform Catholic attitude, sentiment or ideology may not be possible or indeed desirable to identify on the wide range of issues that face the electorate, it is possible to observe tensions and contradictions in the Catholic position on school funding, flowing from the Church engaging in *concordatiste* politics privileging its own school funding interests in return for relative silence on political matters deserving of vibrant contestation in the public domain.

While it would be an exaggeration to suggest the existence of a signed agreement about such things, to the intrepid researcher it sometimes appears that the process of Catholic school-funding policy, especially those aspects of it that command silence and secrecy instead of transparency and open consultation, put the Church at ethical risk of doing a deal on other more general policy issues in which it may have a legitimate point of view, but in connection with which it may feel constrained to speak because of its exceptionally influential policy position on the school funding process.

Thus, it is conceivable that the social justice wing of the Church is vulnerable to becoming the casualty of the positional advantage politics that secures the future funding of Catholic schools. Inevitably when this happens political forces of both the right and left potentially silence the Church's broader social conscience. In terms of Catholic schools being positioned as the largest component of the non-government schools sector, it is not difficult to deduce that Australian Catholicism is particularly and endemically susceptible to appeals, especially from the right, on the schools funding question, that have a muting effect on left-located social justice questions.

Paramount in ensuring such a position was the almost pathological opposition generated by DLP associated bodies over several decades to other Church agencies charged with promoting the social teaching of the Catholic Church and its application in policy terms appropriate to public affairs.

For example, a leading Australian Catholic social justice agency, the Catholic Commission for Justice and Peace (CCJP), was disbanded by the Australian Bishops and its charter revoked on recommendations contained in a report written by Mgr James Nestor (1987), who was a former Director of Catholic Education in Western Australia and mentor to a most influential participant in Catholic school funding policy in Australia, Professor Peter Tannock, who succeeded him as Director of Catholic Education in Western Australia after presiding over the Australia Schools Commission, which he chaired at the time of its closure.

Professor Tannock is the founding Vice Chancellor of the private sector Catholic University of Notre Dame Australia, which has entered into competition with the public sector Australian Catholic University in Sydney, winning the financial backing and ideological support of the Catholic Archbishop of Sydney, Cardinal Pell, for this initiative. Professor Tannock is arguably the most influential Catholic official on matters of school funding policy in Australia, having once been consulted by the Prime Minister of Australia, John Howard, on matters of GST revenue expenditure, including, quintessentially, the funding of Catholic schools (Interview with Professor Tannock, Notre Dame Australia, December 6, 1999).

While the DLP ceases to exist as an influential force in Australian politics, the effect of its politics are evident in several aspects of the policy culture of Australia, especially in relation to school funding matters, in which the remnants of a neo-liberal right wing conservative politics, at odds with an economic liberal and socially progressive politics, still predominate. While the DLP floundered once Prime Minister Whitlam conceded that for the ALP to win office would among other things necessitate accepting state aid for Catholic schools, it accounted, through the views of its agency, the National Civic Council, for a sustained form of Catholic theological fundamentalism, promoted by its founder, BA Santamaria, that has made deep inroads in recent years into particular and newly emerging forms of Australian and global Catholicism.

Indeed, the rise of Christian religious fundamentalism universally since September 11, 2001, with which Australian Catholicism has very little in common theologically, has resulted in a compression of opportunities for the Church to express its view on a range of issues to do with personal and social morality and instead constructs the Church, in terms of the heightened debate on schools funding policy, as a bastion of the right, a position, which on closer examination is far removed from the independent, corporatist, anti-fundamentalist nostrums favouring naturalism and the sciences, and flowing from Aristotle and Aquinas (cf. Maritain 1943) that it has consistently taken on a much wider range of issues in relation to the polity.

Some glaring examples of such contradictions, resulting in dysfunctional policy outcomes, are available to be analysed from the 2004 federal election. Shortly after the Chairman of the National Catholic Education Commission (NCEC), Mgr Thomas Doyle, had issued a press release expressing his satisfaction with Labor policy on the funding of Catholic schools, a joint statement from the Anglican and Catholic Archbishops of Sydney and Melbourne went to press, critical of aspects of the policy (op cit).

The evidence in this development points to the success of an intervention by the Coalition Health Minister, Tony Abbott, with Cardinal George Pell of Sydney, thereby reducing the impact of the NCEC statement and questioning the impartiality of the

Catholic Church on this question as well as the soundness of the prior policy process, which entailed lengthy discussions between the NCEC and the ALP before the NCEC position on Labor's policy on Catholic school funding could be secured.

That such evidence cannot on its own prove that Cardinal Pell fulfilled his side of a bargain reached on school funding with Prime Minister Howard is accepted. However, the Cardinal has over a number of years secured his position, unlike that of any of his primatial predecessors, as a member of the political right, addressing the H R Nicholls Society, the Melbourne Club, of which he holds membership, and the CIS on issues that closely identify him with one side of the political divide.

Given that the Cardinal has an entitlement to engage in public discourse both as a citizen and as a Church leader, it is not difficult to deduce that his position in relation to the interests of the Church may have been compromised by this public intervention, especially as his views on a range of social justice issues are either muted (though perhaps this is a construction of the media) or unknown.

On the other hand there is no evidence on the public record of any intervention or response from him or any of the other appointed spokespersons who officially speak on behalf of the Catholic school funding position to the criticism made by Professor Judith Sloan of the CIS of the extent to which the Catholic position was unjustly and exceptionally privileged by the state-aid settlement of the 1970s to the exclusion of non-Catholic independent schools (1998).

Cardinal Pell is more than incidentally aware of the influence of his political opinions: he has recently gone out of his way to emphasise the importance and value of the alliance, notwithstanding disagreements in relation to matters of theology, between Catholicism and the conservative evangelical Christians, in influencing election results (*The Sunday Telegraph*, January 2, 2005, p.5).

Thus it can be confidently deduced that he is keenly aware of the consequences of the politicism of his position and actions leading up to the 2004 election and that he is so committed to repositioning Australian Catholicism to forge a link with neo-liberalism that he is prepared to jeopardise the special position in regard to the funding of Catholic schools of the 1970s, preferring instead to form an alliance with other independent schools to the potential detriment of the common good as it impels Catholics and others to build solidarity on funding policy questions.

No argument is advanced here to suggest that the current funding situation is an exclusive fabrication of Cardinal Pell's and owes its origin entirely to the foibles and idiosyncrasies of his personality and politics. Nor does this paper seek to alter the

tradition of Catholics to be conservative on personal morality issues and radical on social justice questions, for Australian events reflect global realities.

In fact there are several parallels between what is happening in Australia and the situation of the Catholic Church in the United States, where conservative Catholic thinkers, such as Michael Novak (1986) and George Weigel (2000), have managed to break the historic alliance between the Democrats and the Catholic Church and to forge new bonds between conservative Republicans and Catholics on personal morality issues such as opposition to gay marriage and abortion. In Australia concerted attempts are made by the CIS to forge alliances between the Catholic Church and Australian public policy conservatives by giving public platforms to speeches by Cardinal Pell, George Weigel and others, which are reciprocated by equivalent right-wing US organizations.

A recent guest of the CIS, Dr Samuel Gregg (2004) delivered the 2004 Acton Lecture of the CIS in the form of a redefinition of the Catholic position in liberal democracy that is at odds with the traditional alliance between Catholicism and secular pluralist liberal democracy in English-speaking polities. It is indeed arguable whether Lord Acton, the liberal Catholic peer after whom this Lecture and the Catholic institute in the United States is named, would have approved of this appropriation, when he himself spent much of his life trying to reconcile liberalism with a cisalpine Catholicism that was out of favour with the distinctly ultramontane and profoundly illiberal papacy of his time.

The alliance between Catholics and social liberals in English-speaking polities has been the historic guarantor of civil and political liberties for Catholics in Anglo-American polities since Catholic Emancipation in 1829 and has been jeopardised whenever left-liberal parties have adopted radical personal morality agendas inimical to the beliefs of Catholics and also where individual members of the Catholic hierarchy have supported confessional parties and their politics (Furtado 1977).

Moreover the contemporary papacy, while radical on social justice issues, has forged strong alliances with conservative parties everywhere, as evident from the Continental political context, where left-liberal parties are traditionally anti-clerical and pro-communist and are at the opposite end of the scale politically to the Catholic Church. No such equivalence exists in Anglo-American polities and recent attempts to reposition American and Australian Catholicism to reflect the historical political traditions and enmities of Europe are ripe for critique and contestation.

Considerably at odds with English-speaking Catholicism in this development is the new Roman 'one size-fits-all' global agenda, directed at severing the ties between civil

libertarians and Catholics, as a result of which social justice policies and platforms in English-speaking counties, with a strong foundation in and sense of the common good, and reliant as they traditionally have been on a Catholic-social democratic alliance, are manifestly jeopardised.

Thus it is safe to conclude that there are better means available of securing the Catholic position in connection with the funding of its schools, while safeguarding the broader mission of the Church in relation to a host of other matters, than a policy process that is at least controversial if not effectively shredded by events leading up to the last election, and which is based on a new compact between individual members of the Catholic hierarchy and the political right.

Another example of current funding policy disarray relates to the Senate Investigation into Non-Government Schools Funding (2004), in which contradictory opinions and some confusion emerged from the official Catholic position, particularly in the Queensland leg of the Investigation, exposing the official representatives of the Queensland Catholic Education Commission to a tense exchange as well as a caustic remark from the Senate Committee Chairman in relation to the authenticity of the Commission's claim to be investigating integration with state schools as a viable funding option for Catholic education (Senate Committee Hearings Hansard Account, pp. 38-46).

This latter example highlights a further problem from within the Catholic quarter in the funding policy process, relating to the highly devolved nature of Catholic schooling: while those who control the terms of the debate from within the Catholic sector are concentrated in the higher echelons of the NCEC, in terms of Cardinal Pell's startling intervention, the most influential players are clearly outside it.

In addition, Dr Pell has supported Prime Minister Howard in the debate on the poverty of values in government schools (*The Weekend Australian Magazine*, November 13-14, 2004, p. 34), a welcome intervention but without any reference to the values deficiency implicit in the hidden curriculum of fee-charging private schools that enrol some students and not others.

No acknowledgement was made by the Cardinal or any of his colleagues of the particular value that state schools play in emphasising democratic values and procedures and their impact on promoting tolerance, empathy, a regard for due process and natural and social justice. While these values are taught in Catholic schools this paper argues that they should be part of their public mandate and raison d'etre.

Instead the Cardinal was the founding force behind the John Paul II Institute for Marriage and the Family in his former Archdiocese of Melbourne, which, among other items central to the theology of Pope John Paul II, seeks to circumscribe democracy and liberty by appealing to subjectivist notions of 'true democracy', which, in a plural, postmodern, multicultural, multifaith polity makes little sense both politically as well as ethically, and in relation to which there are several competing Catholic and other claims.

Granted that Catholics have an entitlement to influence the polity on a range of issues relating to personal and social questions enacted in legislation, that this should be done completely without regard to shared platforms with secularists and others on common good questions, while in ever closer alliance with religious fundamentalists and social conservatives, is a form of extremism that endangers Catholicism, and, above all (and paradoxically!) the independence of its schools.

Given therefore, on the basis of the above argument, that the funding policy process is in tatters and open to widespread abuse and misconstruction, it may be opportune in the current post-election climate to identify better ways to influence and contain the future school-funding policy process, more attuned to democratic politics and set in place in several other polities, to correct the imbalances and backlashes that attend the Australian schools funding model and its process and especially those aspects of it that unfairly or otherwise suggest the intrusion into the Australian democratic process of a kind of backlash confessional politics.

Furthermore, the clearly partisan and increasingly ideological nature of politics surrounding the allocation of school funding, polarised around questions of entitlement as well as differential funding to public and private schools, clearly do not address important overall questions of funding amounts, particularly in terms of linking them with the general desire for enhanced educational outcomes in all schools, both private and public, which is the hallmark of a war currently being waged, alongside that on funding, on the quality and impact of Australian schooling on disadvantaged groups, and in respect of which Australian statistics lag considerably behind those of almost all OECD polities (FitzGerald 2004, Table 5.8, p. 79).

The proposed solutions to this problem consequently relate closely to the recommendations of the FitzGerald Report (2004), prepared by Allen Consulting chairman, Dr Vince FitzGerald, urging state and Commonwealth governments to adopt a new student-centred funding model that would invest between $1 and $2.2 billion into disadvantaged schools from the public and private sectors from current and future taxation revenue surpluses (Maiden 2004, FitzGerald, pp. 159 and 165).

The FitzGerald Report: a Solution to the Funding Policy Problem?

The argument of this paper is that in the current context of globalisation and deregulation, which has spawned a plethora of backlashes, including the intrusion of a confessional politics, media representations of falling standards in educational outcomes, particularly in the public sector, de facto constitute school policies in respect of funding, and that since 2004 there has been an evacuation of that policy domain at the national level in ways that used to draw together the participation of state and Commonwealth governments.

While the last decade has seen considerable initiatives undertaken by Commonwealth governments to change education from a social to an economic policy site, the relative exclusion from this process of state and territory governments, a product of Australia's federal mode of governance, has created an imbalance and a hiatus in the policy process that has granted more autonomy to state schools, but without direct reference to the role of school funding policy in the education reform process.

As a result of this imbalance, central questions of funding, relating to equity, and formerly addressed by defunct national bodies such as the Australian Schools Commission, have fallen off the policy table, and been replaced by policy processes that favour the use of backlash politics as well as a return to the internecine politics of concordatiste confessionalism, thought to have been removed by general agreement through the state-aid settlement of the 1970s, and currently greatly endangering the good reputation of the Catholic Church in Australia as a major contributor over a century of engagement with the Australian state to discourses on the common good.

The FitzGerald Report (2004) provides an excellent intervention in the contemporary debate. Its greatest impact lies in its recommendation of the creation of one system to fund public and private schools, with all schools given 'considerable autonomy' over how they spend their funding, while held accountable for the same through greater reporting requirements and a proposal to link public funds to improved student results (FitzGerald, Summary Report, pp.7, 10-11).

With particular regard to the key question of sourcing the additional funds to pay for fully funded schools, the Report found that extra funding could be secured through clamping down on tax breaks and by lifting marginal tax rates so workers could keep and spend more of what they earn (pp.186-187). It particularly links this recommendation with statistics showing that the education system, both public and private in several instances, fails some families, with large disparities in participation rates and educational outcomes.

In this regard, the Report shows that the current funding model for private schools is too stop-gap and therefore unsustainable, demonstrating that it takes 'inadequate, if any' account of the fee income enjoyed by wealthy private schools with a capacity to charge high fees. According to its proposals, between $300 and $400 million would be reallocated from the wealthier private schools and replaced by a policy of funding reduction 'as schools private fee income rises'. The Report particular singles out schools charging compulsory fees for funding reduction, 'as the capacity of parents to pay fees increases' (pp.150-152).

The framework for a single, consistent new integrated education system is discussed in some detail under Section 9.4 (pp.157-165). Of particular salience in the Report is that the new funding model would maintain the special character of all schools, including a policy of not charging fees and a 'secular approach to education' in government schools (p.160), while leaving others to express their own religious ethos.

The Report differs markedly from the needs based policy of the Australian Labor Party, which guarantees all students – public and private – a basic grant, by suggesting that some schools could operate outside the funding system and receive no government funding; yet it remains unassailably needs-based (p.159), a position from which the Catholics will never resile and which is anchored in the state aid settlement of 1973.

At the same time the Report promotes the introduction of greater deregulation and equity in the funding of all other schools, linked with enhanced educational outcomes, a matter hitherto insufficiently addressed by both sides of politics but essential to the improvement of Australia's position on comparative OECD league tables, both in terms of broad educational outcomes, as well as in relation to triggering more equitable educational outcomes within the diverse framework of an Australian educational provision.

Finally, the Report would remove the Catholic Church from its potentially vulnerable and confused position in relation to the funding of its schools, by guaranteeing all Catholic systemic schools and similar others access to full funding in return for purely educational accountabilities (pp.73, 155-156, 165).

The FitzGerald Report provides an excellent intervention in the contemporary debate. Its greatest impact will probably be to move the private versus public terms of the school funding debate onto several other more important issues relating to the quality of schooling outcomes that are captive to a kind of archaic and modernist class-based politics, important perhaps in the Seventies but ill-equipped to address the twin themes of efficiency, inclusion and equal opportunity in the twenty-first century.

As with all policies which seek strategic interventions, FitzGerald has articulated his recommendations in terms of what he thinks most likely to be acceptable to the Bracks (Victorian) and several other state and territory Labor governments, but there is enough in his Report to attract the ideological sympathies of not just social liberals but economic liberals as well. In that way his Report is a blow to the essentially neo-liberal (ie. socially conservative and economically liberal) contexts of extant policy in the extent to which he is prepared to travel to include aspects of equity and diversity missing from current models of school funding.

Not all liberals are averse to associating 'social-liberal' education outcomes with economic liberal policies, as evidenced in the ideological discourse of key spokespersons for the Coalition's approach to funding policy, such as a former Education Minister, Senator Kemp, who is widely thought to have established the foundations of a policy that promotes both social and economic liberal objectives in schools funding, unlike his successor, Dr Nelson[4].

The restoration of such important principles on the school funding agenda sits comfortably alongside the focus of the Report on school performance, which is a pressing issue on the education reform agenda globally. To link social justice with measurable outcomes is critical to articulating a way ahead out of the destructive and divisive policy minefield of Australian school funding.

All committed to social justice would be concerned over the common efforts of both state and private schools (and especially the Catholic systems) to intervene meaningfully through educational measures to improve the life chances of those Australians whose educational achievements lag behind the rest and among whom the effective and equitable education of Aboriginal and Islander students is a topic ripe for reform (2002).

Challenging hegemonic practices favouring the restrictive and reproductive pedagogies of white, middle-class Australia (as expressed through separate and temporary educational provisions by some Catholic authorities for indigenous students) through channelling funding into catch-all comprehensive schools committed to introducing more flexible and effective curriculum practices for improving the educational outcomes of Australia's substantial underclass, cannot proceed without adequate resourcing, particularly of substantial participants in the educational enterprise, such as the Catholics, with a strong social justice tradition and a proven record of success in improving the life chances of Australia's marginalised.

While it would be churlish to be critical of FitzGerald in the circumstances, one can feel that his recommendations have not been limited by considerations of what is

possible in the political debate and frame established by those who oversee the current policy process, which is committed to funding all Australian students and which might easily, though mistakenly and uncritically, unite in opposition to his recommendations. Indeed, FitzGerald's brief and proposals are located within an overall framework of macroeconomic policy that equally applies to recommendations relating to the reform of Australia's public and private health services, in both of which the Catholic Church already plays substantial roles.

The Report's strength therefore arises precisely out of its weakness, which is to cut a wide swathe. In doing so it would be foolish to be distracted by its recommendations, cutting up to $400 million in government funding from the wealthiest private schools, because of the other pay-offs in further tax reform that it proposes for high income earners.

While such a cut would affect 188,000 students attending an estimated 278 schools (none of them, incidentally, Catholic) the net benefit in locking all sides of politics as well as the Churches into a concerted attempt to raise educational standards would more than compensate for such a small and insignificant sacrifice. In this sense FitzGerald provides all sides of politics on the school-funding question with cogent, research-based arguments for more effective participation and intervention in the current political climate to do with securing school choice and curriculum effectiveness.

Impressive, in this regard, is FitzGerald's commitment to a social justice component of the debate in terms of equity in funding, despite his prominent membership of the Board of one of Australia's most privileged school, Melbourne Grammar. One can only deduce from this that the degree of opposition to his proposals, anticipated by the former Education Minister, Dr Nelson, was somewhat exaggerated (*The Australian*, Thursday, November 25, p.25).

Of particular value in FitzGerald's identification of key reform principles, such as 'equity and efficiency…. simplicity, clarity, flexibility and choice', are two from a lexicon of Roman Catholic social justice values including an almost reverential commitment to the common good, not usually associated with hard-nosed graduates of the Harvard Business School, such as Dr FitzGerald himself, and which speak to the importance of 'well-known principles of good public administration', viz. 'subsidiarity' and 'collaboration', that both state and Commonwealth governments should honour in resolving hitherto intractable problems of social policy (FitzGerald, p. xiv).

Accordingly, it will be interesting to see if the largest provider of non-government school education and health services in Australia, the Catholic Church, is sufficiently

impressed by this appeal to first principles to take initiatives, participate in and frame a response to the policy recommendations that emerge from the Report. For such a response to emerge from a system lacking an obvious form of central, representative and democratic authority, will depend on the consent and exercise of charismatic and exemplary leadership of a few influential individuals, from the Catholic educational and health sectors, which in itself may generate some useful thinking about the further reform of structures within both state and Catholic education to enact FitzGerald's recommendations.

Furthermore, in his insistence on 'one system' to fund public and private schools, FitzGerald has not entirely conceded that private schools are now outperforming public schools, a matter relating to which the jury is still out (Teese 2004). He is instead able to foresee some gains for public schools resulting from future engagement with curriculum and pedagogic practices from a greatly expanded diversity of school provision, as well as by critically addressing the links, hitherto occluded in funding policy, between educational access, academic performance and school fees.

In so doing he provides an opportunity to develop a sophisticated discourse within funding policy circles of the differential returns and diversity within the private and public sectors, a matter currently completely missing from school-funding considerations within the public sector, which funds its schools as if they were all equal, and, in terms addressed in some detail in this paper, not sufficiently reflective of funding differentials within the private sector.

In so doing, Fitzgerald has admirably succeeded in returning social class concerns to the education policy agenda in ways favoured by Giddens (1994) and linked with restoring social policy agendas in critical educational contexts that have been almost obscured and confused by the polarisation of welfarist attitudes in state schools and economistic discourses in private education. In doing this, his considerable use of statistical analysis dispels a great deal of unsubstantiated opinion and prejudicial argument that currently holds sway over many school funding policy questions.

However, given the enormity of FitzGerald's brief and the complexity of his investigation and proposals highlighting the inadequacies of funding policy-making to date, more struggles certainly lie ahead for all those committed to the equitable renewal, linked with funding policy reform and dismissive of concordatiste confessional backlash politics, of Australia's schools.

Conclusion

Research into the funding of schools in Australia, and in particular its substantial Catholic sector, reflects the troubled and highly contentious history of the state aid debate. This paper argues that such a history greatly impoverishes and precludes a consideration of the much broader terms, engaging with education reform, and especially relating to critical questions of improved educational outcomes through equal opportunity provision and access to diverse and inclusive schools, in which contemporary solutions to similar problems of school funding have been resolved elsewhere.

The discussion, based on my doctoral research, argues that the current model of funding, offering incremental adjustments to a model sourced in contexts long since overtaken by new and globalised social and economic realities, is obsolete and that educational research on this question, given a boost by the recent contributions of Caldwell (2004), Teese (2004), FitzGerald (2004) and others, and departing from the standardised and modernist constructions of the class debate, is at a critical point, offering insights and opportunities for breaking new ground in a milieu in which entrenched and partisan opinions have hitherto dominated, without reference to the plethora of other reform issues confronting Australian education.

Missing from the current model is any sustained consideration of 'bottom-up' measures that have largely successfully informed the corresponding curriculum reform debate in Australia, where individual states and other entities, as well as grassroot individuals, communities and other groups, have coalesced around particular educational issues to bring forth discussion papers, manifestos and policy statements to open up and give expression to bottom-up curriculum reform initiatives that are the envy of other educational systems in which 'top-down' initiatives proliferate (Bowe, Ball and Gold 1992). I have called such a development 'subsidiarist' and an expression of the common good, and highlighted several examples of how its claims might be respected in the search for new solutions to the seemingly intractable Australian school funding policy problem. Despite this contextual Catholic theological reference, the essential research idiom employed in the thesis informing this paper is policy sociology.

By happy coincidence my research, predating FitzGerald's 2004 recommendations, coheres and correlates with most of his recommendations, which, given the strength of his and my claims, deserves an audience in serious professional and academic circles, especially among educational researchers, whose energies, results and reportage are sometimes rather more focussed on apolitical or micropolitical issues than on the larger, more macroeconomic ones. In summative terms these recommendations, though rather more mine than his, advocate an integrated system

of funding government and non-government schools, with specific implications for Catholic education, in Australia.

Endnotes and Acknowledgements

[1] *Governments Working Together: A Better Future for All Australians* (2004) is a major report from the Victorian Government's *Shared Future* policy research project. The project focuses on health and education, which not only rank as the most important issues for Victorian families, but also involve complex, overlapping responsibilities between the Commonwealth and State Governments. This first report by Dr Vince Fitzgerald, PhD (Harvard) of the Allen Consulting Group proposes policy solutions to improve outcomes for Australians in key social policy areas, and recommends a fresh approach to federalism.

[2] I am indebted to my former PhD Supervisor, Professor Bob Lingard, now of the University of Edinburgh, for his treatment of the concept of backlash politics, used widely in his critique of recuperative masculinist policies in education and hereby acknowledged with reference to his seminal AARE Conference Paper of 2000 (Sydney University, 4-7 December).

[3] Michael Duane was responsible for promoting the importance of a comprehensive education in Catholic schools the UK during the 1960s and 70s, arguing against selection and developing a discourse within the substantial Catholic school community against select grammar schools and in favour of catch-all comprehensive schools. He was associated with several experimental projects in educating for democracy including the Risinghill and Summerhill comprehensive school projects.

[4] In his keynote address to the Australian Parents Council Conference at Nudgee in Brisbane on September 5, 1997, Dr Kemp expressed the foundation of his government's school funding policy as 'being predicated on social justice principles in the form of providing a genuine and equal opportunity to all parents to send their children to the school of their choice without regard to the size of their wallets'. When asked at question time as to whether this could result in free, fully publicly funded non-government schools, Dr Kemp's response was 'Why ever not!'. He added that he thought that some non-government schools 'rather like(d) the thought of charging fees' (Tape-recorded response).

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