



**THE HON. MALCOLM TURNBULL MP
PRIME MINISTER**

TRANSCRIPT

Tuesday, 2 May 2017

**Press Conference with the Minister for Education and Training, Senator the Hon. Simon Birmingham
and Mr David Gonski AC
Sydney**

E&OE...

PRIME MINISTER:

Good afternoon. I'm joined today by the Education Minister Simon Birmingham and David Gonski.

In the interests of our children and our grandchildren the time has come to bring the school funding wars to an end and to focus with renewed energy on ensuring that all our children have great schools and great teachers so that they can realise their full potential.

Today we are announcing that every school will receive Commonwealth funding on a genuine needs basis consistently across Australia, as David Gonski recommended in his report six years ago.

The substantial increase in funding which we are committing to will ensure that by 2027 the Commonwealth will be providing 20 per cent, up from 17 per cent currently, of the school resourcing standard for all government schools and 80 per cent, up from 77 per cent of that standard for non-government schools.

This investment will set Australian children on the path to academic excellence and success in their future lives.

It will deliver real needs-based funding for children from all backgrounds in every town and every city, in every region and every state, in every classroom of our great nation.

Every parent wants the best for their child. Our children deserve schools that are properly and fairly funded, which encourage the highest academic standards, teachers who encourage and inspire and facilities in which children can excel, laying the foundation for a lifetime of achievement.

And that's why the *Quality Schools* initiative we're unveiling today will increase the Commonwealth Government's recurrent funding for schools by 75 per cent over the decade.

It will ensure that funding is needs-based, equitable and targeted to lift the results for all Australian school children.

It will ensure that students with greater needs receive higher levels of funding from the Commonwealth Government.

This reform will finally deliver on David Gonski's vision, six years ago, after his landmark review of Australian school education.

Now the Gonski Review of 2011, as David will describe, should have been followed by a school funding model that treated students consistently and fairly, one in which the needs of the students were paramount. But instead of that the previous government, Labor government, cut a series of special deals that resulted in 27 different funding arrangements.

It was a patchwork system where some schools are overfunded, others were short-changed and the transition to a new funding deal was spread out in some cases by more than a century.

Now that inequity ends now.

We will ensure that all schools and states transition to an equitable funding model within a decade. It will ensure that the same student with the same needs will be treated exactly the same in terms of Commonwealth funding no matter which state they reside in or the school system in which they're being educated.

We're going to make every dollar count for every student in every classroom.

Now there is no more important responsibility than teaching the next generation of Australians, giving them every opportunity to succeed.

And yet the truth is the performance of Australian students in reading, science and maths in particular has been falling.

Now today's announcement is about turning those results around. By increasing the investment and ensuring fairness in the way Australian schools are funded, we will get Australian students back to the top of the class. That is my goal. That is my commitment.

The most valuable resource we have in our nation is not under the ground, it's walking around on top of it.

By investing in our children's education, by ensuring that we take responsibility for them having the quality education, the great learning, the great skills that they deserve, we will be building the human capital, the most valuable capital of our nation.

Now that's why in addition to this substantial increase in funding I'm pleased to announce that David Gonski has agreed to lead a new review, 'Gonski 2.0', if you like, into achieving educational excellence in Australian schools.

David will provide the high-level advice to the Government on how the extra government funding announced today should be used by Australian schools to improve their performance and student outcomes. It will build the evidence base needed to ensure that funding is used in ways that make a real difference to a student's academic performance.

And the findings of the review will inform the development of a new national schooling agreement between the Federal Government and the states - an agreement which aims to turn around a decade of declining student results.

David will chair an independent panel that will draw on the expertise of teachers, education experts, academics in recommending how to get the best from Australian schools for our children, for Australian students, for our future - investing in our future to ensure that our children and our grandchildren get the great education in the great schools from the great teachers that they deserve.

He will provide his final report to me by December this year.

Now this is a landmark day for Australian schools.

With this major increase in funding and a fair system of allocation, we'll ensure that every Australian child, no matter where they are born, or where they go to school, is given every chance to succeed.

Simon and I are committed to providing today's students with the best opportunities for a lifetime of success.

We're proud to be here with David Gonski. His report from 2011 set out a vision for a national, consistent, needs-based system of funding. And that's what we're delivering. That's what we are delivering. Putting aside the patchwork of inconsistent special deals we inherited. That's what we're delivering going forward and the next step is going to be to ensure that those dollars deliver the great schools, the great teaching, the great outcomes for our children, our grandchildren and generations to come.

I'll ask the Minister now to explain this reform in more detail.

MINISTER FOR EDUCATION AND TRAINING:

Thanks very much, Prime Minister.

This is a momentous day for school leaders around Australia, for hard working principals and teachers. A momentous day for parents, families, Australian schoolchildren and importantly for the way in which our education systems across the country respond to and deliver the skills and capabilities that Australian students today will need to be successful Australian employees, employers and leaders into the future.

The Turnbull Government is committing new record growing funding for Australian schools.

Funding that will grow from \$17.5 billion this year in 2017, to \$22.1 billion by 2021. Growing through to \$30.6 billion by 2027.

It is a 10-year reform agenda that ensures ongoing consistent, real growth in funding for Australian schools above inflation, above wages growth, providing additional resources so that schools can deliver what they need to support their children.

But importantly it does this on a consistent basis. It ends 27 different school funding agreements that our government inherited that were largely based on ancient sweetheart deals and instead replaces them with a true, single, national needs-based, sector-blind funding model that will deliver across government and non-government schools. Consistency in Australian school funding for the first time ever.

What we will see is that at the end of 10 years, the Commonwealth will transition to an even share across all states and territories of school funding in the government sector and a similarly even share of school funding in the non-government sector.

Of course the Commonwealth has historically been the dominant funder of public contributions to non-government schools. That will remain the case. We will transition to pay 80 per cent of the Gonski-based schooling resource standard for non-government schools. This is up from around 77 per cent at present, which will transition over that 10-year period.

For government schools we will lift from currently around 17 per cent of federal contributions, to around 20 per cent or to 20 per cent of the schooling resource standard by 2020. This is a steady growth rate for both sectors.

Over the next four years it will see growth in funding of some 4.2 per cent per student across Australia - importantly, most of it geared into the government sector where need is greater and the gap to close in terms of Commonwealth share, is larger. So we'll see a higher rate of indexation for government school students of around 5.2 per cent over the next four years.

We are applying, in a very consistent way, the types of recommendations that David Gonski and his panel brought down.

A single schooling resource standard, influenced then by loadings that reflect need.

Additional support for students from low socio-economic backgrounds.

Additional support for students with disability.

Additional support for students who come from non-English-speaking backgrounds.

Additional support for smaller rural and regional remote schools.

The types of assistance and transition that is critical to make sure that each school's funding model reflects the need of those schools.

I want to particularly thank David, his fellow panel member from the original Gonski review, Ken Boston and many others who have worked closely with me to help me appreciate the intent of those initial recommendations and to ensure that is reflected in the approach that the Turnbull Government is taking to fix the broken school models we inherited and to provide a common, new, national pathway that genuinely addresses need.

I'm very pleased that David is going to take that first piece of work and build on it with a new piece of work that deals with the quality equation. Because the evidence is very clear that while spending more money on schools seems like a nice thing, unless you use it effectively and efficiently, you of course don't get the results that you need.

For a long time now, Australia has been increasing investment in our schools, but we've seen stagnation or indeed decline in terms of our international performance on a number of measures.

That's why this new report will focus on how we can best use our record growing levels of investment in Australian schools to ensure that our teachers have the support, the knowledge, the resources they need to do the best for their students in terms of equipping them for the modern economy.

We look forward to working constructively with states and territories to see implementation of these reforms. Our intention is to legislate the trajectory of transition over the 10 years, providing absolute certainty to all school sectors, both government and non-government, of the indexation arrangements,

the growth they will have and the real extra dollars that they can plan for the future, as well as then ongoing certainty into the future.

Our approach is analogous to the arrangements the Commonwealth has already for hospitals, where we pay a common share of the efficient price for hospitals right around the country.

At present, in the schooling sector, we contribute wildly different shares of school funding to different states and territories because of the many different deals we inherited.

We're fixing that by getting all states to the same position under the same needs-based formula, to ensure that in the future everyone, every student, every school is treated fairly and equitably.

PRIME MINISTER:

Thank you. David?

DAVID GONSKI AC:

Thank you, Prime Minister.

Ladies and gentlemen, can I firstly say that I really do, and always have, care about school education.

I've seen both personally and as a businessperson, how important good schooling is, both to the individual and to the country as a whole.

Therefore, I'm very pleased to hear that the Turnbull Government has accepted the fundamental recommendations of our 2011 report, and particularly regarding a needs-based situation.

I am very honoured to be asked to chair another report, whether you call it Gonski 2.0 or whatever, and I look forward to it because I believe that we can do good things with the additional money, and I'm very pleased that there is substantial additional money, even over indexation and in the foreseeable future.

Ladies and gentlemen, you didn't come to hear me, but that's my position.

PRIME MINISTER:

Thank you, David.

JOURNALIST:

Education Minister, Mr Birmingham, you've made it very clear in the past 12 months that you think some private schools are over-resourced or overfunded. Under this model will some private schools in Australia have their funding cut?

MINISTER FOR EDUCATION:

All schools will transition, as I indicated, to a common share of the schooling resource standard. For non-government schools, that's an 80 per cent share by 2027.

In that transition period, there will be a small number of schools that will experience some negative growth. That's around 24 schools across Australia on our current estimates.

JOURNALIST:

Are they in Sydney or Melbourne or are they concentrated in any particular area?

MINISTER FOR EDUCATION AND TRAINING:

They are largely within the eastern seaboard, in fact, they are entirely along the eastern seaboard. We will be contacting and discussing arrangements with those schools.

Within that there are one or two schools of particular special need, that are not the schools you would usually expect to find on such a list. So we have budgeted some adjustment assistance to make sure we can deal with any circumstances where we have schools that may have higher levels of students with a disability who fall inside that category. So that there is zero disadvantage or impact in relation to them.

But ultimately we've made the difficult decisions that previous governments avoided.

We have made sure that the arrangements we put in place treat everybody fairly, consistently, equitably for the future.

And in that case, we've come up with a model that ensures virtually every Australian school experiences growth. For most of them, they experience very significant growth in their funding.

Last year, in last year's Budget, the Turnbull Government increased the Budget for schools by \$1.2 billion. At the time, that provided for costs that clearly met, indeed clearly exceeded, wages and inflation growth.

In this Budget, over the Forward Estimates period alone, we are adding to that \$1.2 billion with an additional \$2.2 billion in support for Australian schools, making a real, tangible difference and it will flow to those schools who are furthest away from the standard the Commonwealth is setting in terms of the share of funding that we want to pay them under the needs-based formula.

JOURNALIST:

Prime Minister, or Minister, you are talking about this being a decade of funding until 2027. I noticed that the Treasurer previously, he has been critical of this sort of funding, saying that budgets work in four year cycles. So is the money there to fund it until 2027? Because it is essentially \$15 billion between 2017 and 2027 - that's going to be extra?

MINISTER FOR EDUCATION AND TRAINING:

As I indicated, our intention is to legislate these reforms.

So think of them then, if you like, like the way in pensions are legislated, where for each additional aged pensioner funding flows.

For each additional student in an Australian school funding will flow under the common, consistent approach that we are outlining.

We want to give Australian schools the certainty to be able to plan, to be able to heed the advice that comes from David Gonski and the panel that will work with him, to plan on how it is they will implement that advice over a decade of increasing Commonwealth funding, we hope increasing state funding as well. We will be expecting states to at least maintain their real funding. That will be a legislated condition of our arrangements, to make sure that no more - as we've seen in some jurisdictions over recent years - can we see a cost shift where the Commonwealth invests more and the state withdraws.

This is about real extra money to help Australian schools and students.

JOURNALIST:

So just to clarify, after 2021, so after the next four-year cycle of the Forward Estimates, there will be funding through 'til 2027?

MINISTER FOR EDUCATION AND TRAINING:

As I said, just as we budget for pensions or others, this is not about a new four or six-year agreement with states and territories, it is about legislating what the Commonwealth share entitlement is.

We do it already in an arrangement in relationship to hospitals of having a common approach.

It has been sorely lacking in absence in relation to schools.

When I've tried to ask officials and others as to why is it that we pay different levels of school funding in different states and territories, they largely shrug their shoulders and say that's just the way it's always been. It has purely been a circumstance of history.

We are fixing that. We've taken, as I say, some difficult decisions to do so, but I believe that the model provides fair levels of indexation across all of the different schooling sectors, but, of course, it will get us to a point where need is genuinely being addressed.

JOURNALIST:

Minister, your emphasis since taking the portfolio has been that more money isn't going to fix declining results, what changed your mind?

MINISTER FOR EDUCATION AND TRAINING:

We obviously needed to address the problems we had in relation to the school funding formula as well, and I've been very clear, particularly in my discussions with states and territories around the time of education councils that previous funding models were broken and that it was impossible for us to move forward under all of the different hotchpotch of special deals and ancient sweetheart arrangements.

So to fix that model and to ensure that there can be without question investment in schools to address some of the real issues they face, we have put the extra money into the Budget.

But importantly we are not doing it in isolation. We are doing it by commissioning the work of David Gonski who I think we can say with absolute confidence is respected by all of the nation's education ministers and all of the nation's education commentators and who I trust can bring a strong, common-sense approach that will also build a level of acceptance around the types of reforms that might be necessary in Australian schools, coming from additional funding to lift our school performance in the future.

So it is about making a wise investment and we are putting faith in the fact that with an expert panel of educators working alongside David, that we will ultimately have a strong package of reforms to ensure additional money and hopefully existing money in the system as well, is put to a use that lifts student outcomes in the future.

JOURNALIST:

So will it be tied funding to school reforms?

MINISTER FOR EDUCATION AND TRAINING:

We will negotiate agreements with the states and territories after we receive David's report from which we will work through exactly the content of those reforms.

I want this to be a collaborative process with the states and territories. I trust that they will see that this is being done in good faith to get a better, fairer funding model, as well as to get evidence that backs the types of reforms that lifts student outcomes.

JOURNALIST:

Mr Gonski, it might be too early to comment on this but funding on a needs-basis, can you give us an example for those people who might be curious to know how that would work? An example of how that would pan out?

DAVID GONSKI AC:

Well, when we did the 2011 review, our whole concept was that there would be a school's resource standard which would be nominated and we nominated one, and I'm very pleased that the Turnbull Government has taken that - which was a dream at the time - and we worked out what that would cost and then we added to that five different areas where we could put a loading. And that loading, one of them was basically low SES score, where people who were not well endowed with wealth and other things, that that loading could allow them, even though they were born to disadvantage, to rise above it.

Because I was absolutely convinced, and I remain that way, that just because you are disadvantaged educationally doesn't mean you are dumb, doesn't mean you're not capable of being prime minister or whatever of Australia. What you need is assistance often to get there, and that's the sort of thing that we had in mind.

JOURNALIST:

Sounds like it will be a very complicated thing to work out?

DAVID GONSKI AC:

Well, it's interesting. I get - because obviously people are interested in what we did - I get regularly, from all over Australia, examples of what is happening with additional funding that came through. And obviously this is going to give it a much bigger boost, and I would advise you, have a look at it. All sorts of - even the union has published documents on what this sort of funding is doing, and it's fantastic. Taking people, classes as a whole, or individuals to new heights. And if we can do it, it's well worth doing. Great resources, I think the Prime Minister mentioned earlier.

JOURNALIST:

How will you pay for it?

PRIME MINISTER:

We will announce all of the whole Budget in the Budget, as you've heard me say, this is Budget speculation time, but - so that will all be set out next week.

But this is all fully funded. This is real money.

And the critical thing is - and, David, you spoke with such warmth and such passion, which we respect because you know, you know that we can together change lives for the better.

And we do that by making sure that the funding is fair, that it's allocated in a consistent, equitable way across Australia, across different school systems and Simon has explained how that's going to happen, but also we have to make sure that we are backing those great teachers, and we are making good schools great and good teachers great because that is the critical difference.

We have got plenty of money allocated now. This is a record commitment. There will be people who say it's too much, no doubt, but we are making a record commitment here, and now the challenge is - David, we look to you and your panel for guidance here, and I know this will become then the next debate, the next discussion - it shouldn't be acrimonious, it should be constructive, because what we've all got a common interest in is making sure that these billions of dollars are translated into extraordinary outcomes, extraordinary life-changing outcomes for our children, our grandchildren and generations to come, and that comes from having great teachers and great schools.

That's what our whole *Quality Schools* agenda is about, and that is the next stage.

David canvasses this in his first report back in 2011, in chapter six - David flagged that this was the next step, having identified the need for a school resourcing standard, so you worked out what it was that how you allocated funding according to need, and we are doing that, but then you've got to make sure that you are getting the maximum outcome, the greatest outcome, you are getting the greatest value for those kids, the greatest value for those children of ours and our grandchildren, getting the great outcome for them from the schools.

Now I just wanted to have one more.

JOURNALIST:

Western Sydney Airport, the Government has decided to bankroll Badgerys Creek?

PRIME MINISTER:

Well, we've decided to build it, yes.

JOURNALIST:

Prime Minister regarding Cassandra Sainsbury in Colombia what is the government doing-

PRIME MINISTER:

I'm sorry?

JOURNALIST:

Cassandra Sainsbury in Colombia on cocaine charges - has the government, has there been a member from DFAT, has there been any connection or spoken to her yet?

PRIME MINISTER:

Well, we offer consular assistance to Australians who are in trouble all over the world and at any given time there are a - I can't comment on that particular case, but I can assure you that from the Foreign

Minister down through the whole Department of Foreign Affairs and Trade, it is one of the big responsibilities of our embassies and consulates and our consular services right around the world.

So on that note, thank you very much.

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