Spending on schools is part of Tasmania's budgetary problem, and has to be part of the solution

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When I wrote, the day after last month's State Budget, that the Government's track record in delivering on commitments to reduce spending was 'not terribly convincing', I didn't really expect to be proved right so quickly. Yet the ink on the Budget Papers has barely dried, and the Government has already gone to water on a totemic savings measure, the proposed closure of 20 schools.

It may well be that the criteria by which those 20 schools were identified, or the process set out for 'consulting' with the staff and parents affected by the proposed closures, were 'flawed' in some way, as the Premier has suggested. But that serves only to re-inforce the doubts that many people will now have about the Government's ability to achieve its projected expenditure savings.

Spending on school education accounts for almost one-quarter of the 4¾ percentage point margin of gross State product by which Tasmanian government spending exceeded the average of all States and Territories in the 2009-10 financial year. Tasmania spent 8% more on primary and secondary education per effective full-time student than other States and Territories, on average, and almost 13% more than Victoria.

That's partly because Tasmanian schools are smaller, on average, than anywhere else in Australia except the Northern Territory, with roughly 57 (or 17%) fewer students in each government school than the national average. Tasmanian class sizes are also slightly smaller than in any other State, with an average of 13.7 full-time students per teacher in government schools, compared with the national average of 14.0. Tasmanian schools employ a lot more non-teaching staff than schools on the mainland: there are on average 40 non-teaching staff employed in Tasmanian government schools for every 100 teachers, compared with an average of just over 32 nationally. (This is probably a by-product of having a lot of relatively small schools).

All of this might be quite acceptable if Tasmanian children were getting a better quality of education than their counterparts on the mainland. But all the available evidence suggests that they're not. According to the most recent (2009) test scores compiled by the OECD's Programme for International Student Assessment (PISA), Tasmanian 15-year old students fared less well than students from any other State, averaging 6.1% below the national average on reading, 5.3% below the national average in maths, and 5.7% below the national average in science. That is consistent with the results of last year's NAPLAN tests, where Tasmanian children scored below the corresponding national average on every dimension except year 3 reading.

So Tasmania is spending above-average amounts of money on primary and secondary education and getting below-average results.

I don't blame teachers for that. They are as professional, dedicated and hard-working as anywhere on the mainland. 'The system' is letting them down, as much as it is letting down Tasmanian children.

But the Government can't solve its budgetary problems without doing something about the cost of running schools. And it can't do anything about improving the quality of education received by Tasmanian school-children if it's going to 'roll over' at the first sign of 'push-back'.

(Saul Eslake is a Program Director with the Grattan Institute. However the views expressed here are his own).