

Australian Council of Deans of Education media release

Education central to budgeting for the future

Despite its focus on the future, the federal budget largely sidelined education. The best guarantee of future prosperity, however, is a well educated workforce and citizenry.

The OECD estimates that each additional year of education across a country's population lifts gross domestic product (GDP) in the long term by between 4% and 7%. Despite this, unmet demand in higher education is at record levels (10,000 places within teaching alone - AVCC). No plan for the future can afford to ignore these figures.

The budget, rightly, aimed to increase workforce participation rates. However, welfare to work measures and additional childcare places are not enough in themselves. The best way to boost workforce participation is to boost education levels. Links between participation rates and educational attainment are well established. Put simply, those most likely to be unemployed are those with little formal education. This is why the overall cost to Australia of one year's early school leavers is estimated at \$2.6 billion per year (Dusseldorp Skills Forum 1999).

Greater investment in early childhood education is therefore required to accompany the extra childcare places pledged in the budget. The welcome increased investment in vocational education must also be directed carefully. International evidence suggests that streaming children early at school is unproductive, and that the money spent on the technical colleges would arguably be better spent reinforcing the established TAFE system.

In Higher Education, more is still required if the opportunities promised in the budget are available to all. In particular, the plight of Indigenous education, and of other disadvantaged groups, requires further targeted funding. On almost every indicator, Indigenous education remains in crisis. The annual indexing of Commonwealth funding remains another problem unaddressed.

Few can dispute the strong economic position of the nation. It is therefore appropriate that the budget focussed on future prosperity. Nevertheless, the central role of education in ensuring this prosperity must not be forgotten.

The Deans are available for comment.

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