

Save Our Schools

Private School Funding Is Corrupted by Special Deals

**An Open Submission to the National Education
Ministers' Council**

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Key Points

1. Private school funding is corrupted by special deals that contradict the Gonski principle of needs-based funding. As a result, private schools are over-funded by more than \$3 billion a year.
2. Much of this over-funding goes to schools that serve the wealthiest families in Australia. This over-funding would be much more effectively used to support disadvantaged schools in both the public and private sectors.
3. There are four main types of over-funding of private schools:
 - Many schools receive more funding than they are entitled to because they are allowed to keep funding that they would have otherwise lost when the current funding model was introduced in 2014. This is a new form of the Funding Maintained schools that existed under the Howard Government's socio-economic status (SES) funding model.
 - This over-funding amounted to \$235 million in 2014, of which over 70% went to schools with around 50% or more of their students from high SES families.
 - Government funding enables many private schools to have a much higher level of resourcing than public schools.
 - Wealthy private schools with fees and donations that exceed average funding per student in public schools receive government funding of up to \$10,000 per student even though they have very few or no disadvantaged students. This over-funding amounts to at least \$1 billion a year and goes to just over 200 elite private schools.
 - Government funding of other private schools whose fees and donations are less than average funding per student in public schools ensures that they have a higher level of resourcing than public schools. This over-funding amounts to at least \$1.8 billion a year and goes to about 1,200 schools.
 - Many private schools are over-funded because an area-based measure of SES is used to determine their level of government funding. It systematically over-estimates disadvantage in private schools because, on average, it is the wealthiest families in any area that send their children to private schools. As a result, private schools are attributed a higher level of disadvantage and receive more government funding than if the SES of the school community was measured directly using a family-based measure. This over-funding is not costed.
 - Private schools are guaranteed at least the same share of total government funding that they had prior to the introduction of the current funding model, irrespective of changes in the proportion of disadvantaged students. This over-funding is not costed.
4. These special deals have corrupted the integrity and coherence of the "Gonski" funding model which was designed to make school funding solely needs-based. The Federal Minister for Education, Simon Birmingham, says that he wants to fix the "corruption" at the heart of the current funding model. He should start on these special deals and arrangements that provide several billions of dollars in over-funding to private schools.
 - The first two types of over-funding should be phased out by 2021.
 - The area-based SES measure should be replaced by a family-based measure from 2018.
 - The guaranteed share of government funding for private schools should be terminated from 2018.
5. School systems that are block funded should be required to publish how they distribute that funding between their schools. Governments should adopt the Gonski report recommendation that school systems should disclose how they allocate taxpayer funds to member schools and make it a legislative condition of their funding from 2018.

6. The basic principle for government funding of private schools is that it should be based on need. It should consist of two components. It should fill the gap between funding from fees and donations and the base Schooling Resource Standard (SRS) and it should support disadvantaged students. Private schools operating at below the standard should receive government funding to ensure that they can provide an adequate education. No private or public school should operate with fewer resources than the SRS. Disadvantaged students enrolled in any private school should attract the relevant disadvantage funding loadings.
 - The extent of baseline funding for private schools should be conditional on eligible schools fulfilling a similar social role as public schools. The full difference between private-sourced funding and the base SRS should be provided only to private schools that meet similar social and curriculum obligations as public schools.

Recommendations

Recommendation 1

Schools that have been allowed to keep funding they would otherwise have lost under the current arrangements should be required to transition to their correct funding level by 2021. This requirement should be included in the funding arrangements to apply from 2018.

Recommendation 2

Governments should adopt the Gonski report recommendation that school systems should disclose how they allocate taxpayer funds to member schools and make it a legislative requirement for funding school systems.

Recommendation 3

Government funding of schools whose private income exceeds the Schooling Resource Standard (SRS) should be phased out by the end of 2021, although they should remain eligible for the disadvantage funding loadings. Similarly, schools whose base per capita grant provides them with a higher total income per student than the SRS should also have their funding reduced so that their base grant plus fees and donations is equal to the SRS by 2021.

Recommendation 4

The index of socio-educational advantage (SEA) developed by the Australian Curriculum, Assessment and Reporting Authority should be used to measure the capacity to contribute of private schools in the funding arrangements to apply from 2018.

Recommendation 5

From 2018, government funding of private schools should be based solely on need and not include any special assurance for private schools to maintain a minimum share of total government funding or any arrangement linking private school funding to that of public schools.

1. Introduction

The future of school funding in Australia is at a critical juncture. The Federal Coalition Government and several state governments have sabotaged key features of the Gonski funding model introduced by the previous Labor Government. The Federal Government is currently negotiating the funding arrangements to apply from 2018 with state and territory governments. These negotiations are being conducted behind closed doors. There are no details available on what is being discussed.

[The Federal Education Minister, Simon Birmingham](#), told Senate Estimates in October that he is also consulting private school organisations and that they have been invited to comment and provide their priorities to inform the government's considerations of the future funding arrangements. Neither the Minister nor the private school organisations will reveal the proposals under consideration. The Minister is not consulting public school organisations.

The secret consultations are in sharp contrast with the consultations held by the Gonski panel. It consulted widely with public and private school organisations. It took over 7,000 public submissions.

Private school funding is corrupted by special deals. The secret consultations are a recipe for further special deals. After all, as the former Prime Minister, Tony Abbott, has boasted, the Liberal Party has a proud history of funding Independent and Catholic schools: "It's in our DNA", he says [[Sydney Morning Herald](#), 11 September 2012]. Moreover, he says, "we want to protect them", see them "continue to flourish" and "what you will never see from the Coalition are any changes in which individual schools are the losers" [[Response to Gonski, Doorstop Interview](#), 7 March 2012].

The Turnbull Government faces a real challenge, especially given that the Gonski model has gained wide popular support. Will the Turnbull Government fully implement the Gonski principle of needs-based funding for all schools, breaking with a long-standing Coalition policy of promotion of private schools, or will it again allow the former Prime Minister to dictate Government policy and continue supporting special deals for private schools without regard to need? [Simon Birmingham says](#) that he wants to fix the "corruption" at the heart of the Gonski funding model. He should start on the special deals and arrangements that provide several billion dollars in over-funding to private schools that corrupt the principle of needs-based funding for schools. He has identified one source of over-funding and suggested it might be reduced, but there are several other types of over-funding that should also be reduced if private school funding is to be genuinely needs-based.

This paper is prepared as an open submission to the national education ministers' council because the Federal Government seems determined to engage only in secret negotiations with state/territory governments and private school organisations. It outlines the special deals for private schools that corrupt the principle of needs-based funding and recommends that they be terminated from 2018 in some cases and others to be phased out by 2021.

2. There are several sources of over-funding of private schools

The current system of funding private schools is full of special deals that contradict the Gonski principle of needs-based funding. Many private schools, including those serving the most privileged and wealthy families in Australia, receive more funding than they would be entitled to under a truly needs-based funding model. This over-funding amounts to several billions of dollars that would be better used to support disadvantaged schools in both the public and private sectors.

There are several sources of the over-funding. One is that identified by Birmingham on the [ABC's Q&A program](#) in September whereby many schools receive more funding than they are entitled to because they are allowed to keep funding that they would have otherwise lost when the current funding model was introduced in 2014.

A second source of over-funding is that many private schools are funded to a much higher level than public schools, even though they have far fewer disadvantaged students. In particular, the income from fees and donations of many exclusive private schools far exceeds government funding of public schools, yet these elite private schools receive substantial government funding running into millions of dollars even though they enrol very few or no disadvantaged students. Government funding also enables many other private schools whose fees and donations are less than government funding of public schools to have a higher level of resourcing than public schools.

Both these sources of over-funding are the result of an edict by the former Prime Minister, Julia Gillard, that no school would lose a dollar of funding under the new model. One of the Gonski Panel members, [Ken Boston, has said](#) that this edict was “the albatross around the neck of the Gonski Panel”.

Gillard’s edict was a new “no losers” guarantee that replaced the “no losers” deal done by the Howard Government to maintain over-funding of private schools when the old socio-economic status (SES) funding model was introduced in 2001. The Howard Government created the new category of “funding maintained” schools that were allowed to keep funding they would have otherwise lost if the SES model had been strictly applied. It guaranteed continued government funding for all private schools, including the wealthiest. Labor’s new “no losers” guarantee means that many private schools with similar demographic profiles will continue to receive different levels of funding for a long time into the future. It has completely distorted a system of government funding of private schools that meets the Gonski report principle of operating “within a coherent and principled framework that is applied consistently to all non-government schools” [[Review of Funding for Schooling, Final Report, December 2011, p. 85].

A third source of over-funding is the use of an area-based measure of the SES of private schools to determine their level of government funding instead of a family-based measure. The area-based measure systematically over-estimates disadvantage in private schools because, on average, it is the wealthiest families in any area that send their children to private schools. As a result, private schools are attributed a higher level of disadvantage and receive more government funding than if the wealth of the school community was measured directly using a family-based measure. The area-based measure of school SES was originally introduced under the Howard Government’s SES funding model for private schools.

A fourth source is a new special deal arranged between Prime Minister Gillard and the Catholic Church. Under the deal, Catholic schools are guaranteed at least the share of total public funding that they had prior to the introduction of the new funding model, irrespective of changes in the proportion of disadvantaged students. The deal was then extended to the whole private school sector by the Labor Government.

These special deals have corrupted the integrity and coherence of the “Gonski” funding model which was designed to make school funding solely needs-based. They apply only to private schools with the result that a large proportion of private schools are not funded according to the Gonski principle. They do not apply to public schools, whose funding was to be fully need-based.

The funding arrangements to apply from 2018 must be fully needs-based. All schools sectors should be funded on the same needs-based principle. This means that all sources of over-funding for private schools should be terminated from 2018 or phased out by 2021.

3. A new form of funding maintained schools

The funding model introduced by the Gillard/Rudd Governments provided a new form of funding maintained schools. These are schools whose funding under the old SES model in 2014 was greater than their entitlement (called the Schooling Resource Standard, or SRS) under the new “Gonski” funding model. Under the new model, they continued to receive their old per student amount, plus indexation of 3% per annum, until their new entitlement, indexed at 3.6% per annum, catches up with their actual funding. As a result, many private schools are over-funded in the new model and for many it will take a long time for them to revert to their funding entitlement.

[The Independent Schools Council of Australia](#) (ISCA) has defended these arrangements by saying that the current funding model already provides for overfunded schools to transition back to their correct funding level. However, this is disingenuous. The Commission of Audit found that it would take over one hundred years for the most over-funded schools to have their funding adjusted to their SRS [[Appendix to the Report of the National Commission of Audit, Volume 1](#), p.266]. For example, the late Greens MLA in the NSW Parliament, [Dr. John Kaye, estimated](#) that it would take 202 years for Loreto Kirribilli to have its funding adjusted to its SRS.

The large proportion of this over-funding goes to some of the wealthiest schools in Australia. Data provided by the Federal Department of Education to Senate Estimates in October 2015 [[Standing Committee on Education and Employment, Supplementary Budget Estimates 2015-16](#), Answer to Question on Notice No. No. SQ15-000888] show that this form of over-funding amounted to \$235 million in 2014. Over 70% of this went to schools with around 50% or more of their students from the highest SES quartile [Chart 1].

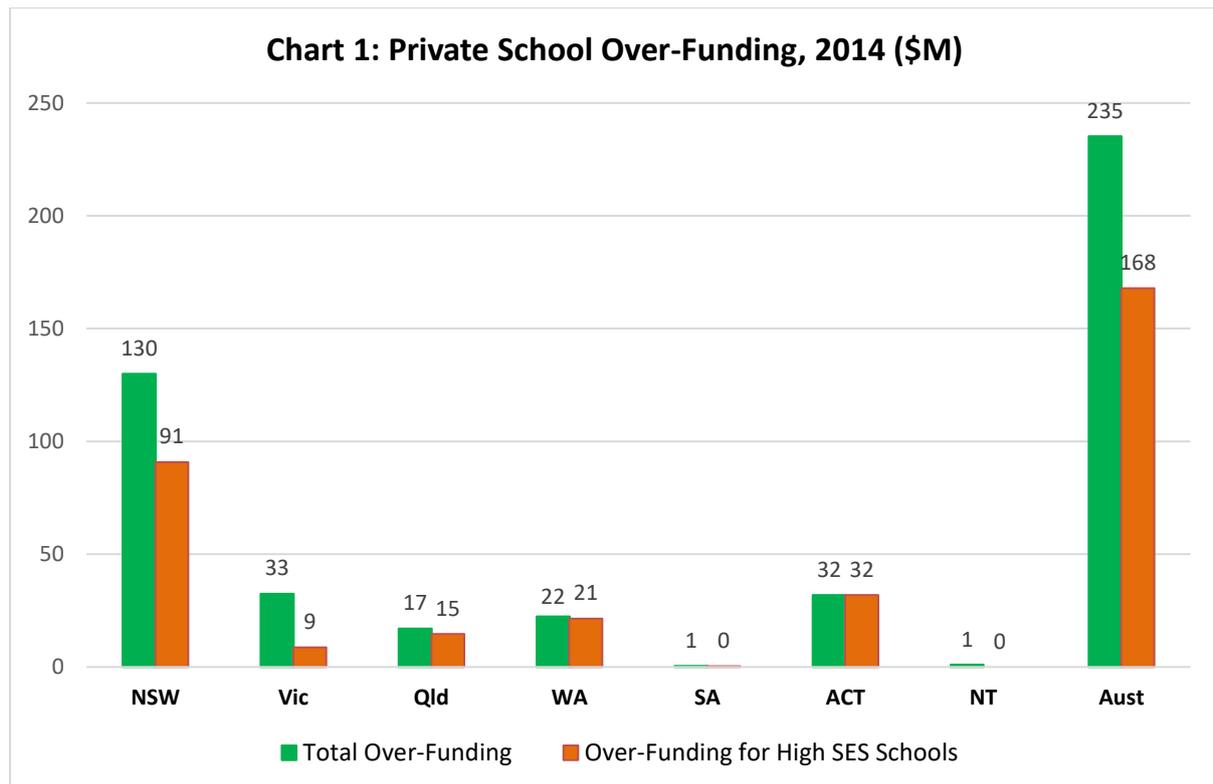
In NSW, nearly 80% of all over-funded schools and school systems for which student composition data is available had around 50% or more of their students from the highest SES quartile [Table 1]. Fifty per cent had 70% or more of their students from the highest quartile. In contrast, 90% had only 5% or less of their students from the lowest SES quartile. Schools with high proportions of students from the highest SES quartile received between \$2,000 and \$11,000 per student in government (Commonwealth & state) funding, and one received nearly \$15,000 per student. Total over-funding of private schools in NSW was \$130 million and some \$90 million of this went to the schools and school systems with about 50% or more of their students from the highest SES quartile.

In Victoria, nearly 50% of the over-funded private schools had around 50% or more of their students from the highest SES quartile [Table 2]. They were over-funded by \$9 million. Nearly 50% of over-funded schools had 5% or less of their students from the lowest SES quartile. All these schools received about \$3,000-\$5,000 per student in government funding, with one receiving over \$10,000 per student.

The pattern was repeated in other states. In Queensland, nearly all the over-funded schools for which student composition data is available had over 50% of their students from the highest SES quartile and all except one had less than 5% of their students from the lowest SES quartile [Table 3]. In Western Australia, all the over-funded schools except one had about 50% or more of their students from the highest SES quartile and all except one had less than 5% from the lowest SES quartile [Table 4]. In the ACT, ten schools received \$32 million in over-funding. All the over-funded schools had about 50% or more of their students from the highest quartile and all had 5% or less from the lowest quartile [Table 5].

[ISCA claims](#) that if Independent schools were treated as a system they are technically underfunded by which it means that their average level of funding per student is below their SRS. However, this is highly misleading. The goal of the Gonski funding plan was to get all schools to 95% of their SRS by

the end of the six-year transition period to 2019. Figures supplied by the Federal Department of Education to Senate Estimates in 2013 [[Standing Committee on Education and Employment, Budget Estimates 2013-14](#), Answer to Question on Notice No. EW0002_14 & No. EW0007_14] show that Independent schools as a system were already at 95% of their SRS in 2014 and would be at 98% by 2017. In contrast, NSW public schools were at 84% of their SRS in 2014 and will be only at 89% by 2017, while Victorian public schools were at 78% of their SRS in 2014 and will be only at 82% in 2017. The Associate Secretary of the Federal Department of Education told Senate Estimates in October that under the current funding agreements almost all private schools would reach the 95% target by 2019 but the public sector would not [[Senate Standing Committee on Education and Employment, Supplementary Budget Estimates, 2016-17](#), Hansard, 20 October, p.51].



Source: Supplementary Budget Estimates 2015-16, Answer to Question on Notice No. No. SQ15-000888

Notes:

1. No Tasmanian private schools had this form of over-funding.
2. High SES schools are defined as those with around 50% or more students from the highest SES quartile.
3. Over-funding is the difference between a school’s funding entitlement (its Schooling Resource Standard) in 2014 and its actual level of government funding.

Many high SES non-systemic Catholic schools also appear in the Department of Education’s list of over-funded schools. For example, in NSW, Loreto Kirribilli is funded at 283% of its SRS, Monte Sant’ Angelo Mercy College at 277% and St Aloysius’ College at 263%. In the ACT, Daramalan is funded at 199% of its SRS and Marist College at 181%.

There are also many high SES systemic Catholic schools that are over-funded but it is difficult to determine the full extent of this because Catholic school systems are block funded and they are able to distribute that funding to member schools according to their own methods and formulas. Catholic school systems refuse to divulge how they distribute this funding.

However, there is compelling evidence that Catholic systems do not fully re-distribute taxpayer funding on a needs-basis. Audit reports by the National Audit Office (Funding for Non-Government

Schools 2009, pp. 22, 27-28) and the Victorian Auditor-General (Grants to Non-Government Schools 2016, pp. 29-32) concluded that they don't. [The National Audit Office report](#) found that systemic schools with low SES scores receive less Australian Government general recurrent grants per student from their school systems than if they were directly funded under the SES arrangements. [The report of the Victorian Auditor-General](#) found that, in contrast to other systemic school systems, the Catholic Education Commission of Victoria actually reallocates state recurrent grants away from the lower socio-economic status schools to schools with a higher socio-economic status.

A research paper by Save Our Schools [[High SES Catholic Schools are Over-Funded](#)] came to the same conclusion by comparing the actual funding for schools reported on the My School website with their funding rates determined by their SES scores. It found that almost all high SES Catholic combined and secondary schools in Australia are over-funded compared to what they are entitled to according to their SES score.

The Gonski report criticised the lack of transparency on how school systems distribute their block funding. It recommended that they should be obliged to disclose how government funding is distributed to member schools:

....block funding of systems does raise issues about the transparency of funding allocation by systems and their accountability for the allocation and use of all their resources. Assessment and payment of funding to systems on a consistent basis should be accompanied by a responsibility and obligation on them to disclose the basis on which public and private funding is allocated to individual member schools. In particular, there should be an obligation on systems to report publicly when the allocation of total resources to schools deviates significantly from the principles in the schooling resource standard. [Review of Funding for Schooling, Final Report, December 2011, p.181]

It is incumbent on governments to ensure that school systems actually distribute their funding according to need.

Recommendation 1

Schools that have been allowed to keep funding they would otherwise have lost under the current arrangements should be required to transition to their correct funding level by 2021. This requirement should be included in the funding arrangements to apply from 2018.

Recommendation 2

Governments should adopt the Gonski report recommendation that school systems should disclose how they allocate taxpayer funds to member schools and make it a legislative requirement for funding school systems.

4. Wealthy schools receive unwarranted government funding

[The Federal Minister for Education has assured well-off private schools](#) of continued government funding support:

I want to give reassurance to non-government-school parents that it's still the Turnbull government's view that every student deserves funding support, regardless of where they go to school in Australia, and that we will continue to provide support to all of them.

This continues the long-standing policy of the Coalition to provide government funding for all private schools, no matter how wealthy. Recurrent Federal Government funding for all private schools was first introduced by the in 1970 [see [A History of State Aid to Non-Government Schools in Australia](#)]. The idea that funding for private schools should be means tested to deny funding for rich schools

was explicitly rejected by the then Prime Minister John Gorton. The Karmel Review of school funding in 1973 recommended that the Federal Government should give priority to funding under-resourced public and private schools. It recommended phasing out funding for the wealthiest private schools and reducing funding for other private schools with resource levels exceeding that of public schools. The Whitlam Government introduced legislation to give effect to these recommendations but it was opposed by the Coalition and amended in the Senate to ensure the continuation of a basic per capita grant to all private schools. Ever since, all private schools have been assured of a per capita grant irrespective of need and elite schools had a place at the trough. As the commentator [Margaret Clark](#) has observed, this principle is now regarded as “a sacred right”.

Under the current Gonski funding arrangements, all private schools receive a base per capita grant from the Federal Government determined by a measure of the “capacity to contribute” of families in each school. The capacity to contribute is measured by the school’s SES score. Those with a higher SES score receive less government funding, but all schools, even the most privileged, receive a grant. The wealthiest schools are guaranteed a minimum grant of 20% of the base SRS. The Gonski Report made it clear that this minimum level of funding was designed to meet the Labor Government’s requirement that “no school will lose a dollar” under the new funding arrangements.

To meet the Australian Government’s announcement that no school will lose a dollar per student as a result of this review, a minimum public contribution towards the cost of schooling should apply to non-government schools at a level between 20 to 25 per cent of the resource standard per student amounts without loadings. [Review of Funding for Schooling, Final Report, December 2011, Recommendation 19, p. 177]

The Report provided no other justification for continuing taxpayer funding of higher SES private schools. The implication is that, in the absence of the Julia Gillard’s “no losers” guarantee, it may have more seriously considered the case against taxpayer funding of higher SES private schools.

The situation today is that many high fee private schools with over 50% of their students in the highest SES quartile, and total expenditure per student which is two to three times that of public schools, receive up to \$10,000 per student in government funding as revealed on the [My School website](#). For example, in NSW, Loreto Kirribilli received government funding of \$7,977 per student in 2014 even though 82% of its students were from the highest SES quartile and it had no students in the lowest quartile; St Aloysius' College with 92% of students in the top quartile and none in the lowest quartile received \$6,745 per student; Monte Sant' Angelo Mercy College with 78% of its students in the highest quartile and 1% in the lowest quartile received \$7,229 per student; Brigidine College with 66% of its students in the highest quartile and 1% in the lowest quartile received \$8,563 per student; Northern Beaches Christian School with 60% of students in the highest quartile and 2% in the lowest quartile received \$9,082 per student; Mount St. Benedict College with 59% of students in the highest quartile and 2% in the lowest quartile received \$10,230 per student; and St. Augustine’s College with 58% of students in the highest quartile and 2% in the lowest quartile received \$8,783 per student.

In Victoria, St. Kevin’s College with 79% of students from the highest quartile and 1% from the lowest quartile received \$5,795 per student in government funding; St. Andrew’s Christian School with 80% of its students from the highest quartile and 2% from the lowest quartile received \$6,196 per student; Genazzano Fcj College with 72% of its students in the highest quartile and 1% in the lowest quartile received \$5,965 per student; Loreto Mandeville Hall with 76% of students from the highest quartile and 1% from the lowest quartile received \$5,683 per student in government funding; Leibler Yavneh College with 76% of its students from the highest quartile and 1% from the lowest quartile received \$5,251 per student; Melbourne Grammar Melbourne Grammar with 79% of

its students from the highest quartile and 1% from the lowest quartile received \$4,036 per student; and Haileybury College with 69% of its students from the highest quartile and 2% from the lowest quartile received \$5,768 per student.

The total government funding of these exclusive schools amounts to millions of dollars. Loreto Kirribilli received \$8.4 million in government funding in 2014, St Aloysius' College received \$8.4 million; Monte Sant' Angelo Mercy College \$8.4 million; Brigidine College \$8.0 million; Northern Beaches Christian School \$11.3 million; Mount St. Benedict College \$9.9 million; and St. Augustine's College \$10.6 million. St. Kevin's College received \$11.4 million, St. Andrew's Christian School \$3.2 million, Genazzano FCJ College \$6.5 million, Loreto Mandeville Hall \$5.7 million, Leibler Yavneh College \$3.1 million, Melbourne Grammar \$3.6 million and Haileybury College \$19.4 million.

Even the wealthiest of the elite schools get significant levels of government funding. For example, in NSW, Sydney Grammar had 97% of its students from the highest SES quartile in 2014 and income from fees and donations of \$37,364 per student but still received \$3,617 per student in government funding and total funding of \$4 million. Ascham with 90% of its students from the highest SES quartile and income from fees and donations of \$33,503 per student received \$3,240 per student and total funding of \$3.4 million.

In Victoria, Scotch College with 86% of its students from the highest quartile and income from fees and donations of \$26,264 per student received \$3,269 per student and total funding of \$6.2 million. Methodist Ladies College with 83% of its students from the highest quartile and income from fees and donations of \$25,874 received \$3,640 per student and total funding of \$7.5 million.

Yet, while elite private schools enrol very few disadvantaged students, their government funding continues to increase, often by more than for highly disadvantaged public schools. For example, research by Save Our Schools [[Funding Increases for Victorian Elite Private Schools Far Exceed that for Disadvantaged Public Schools](#)] shows that government funding (Federal and state) per student in the 35 most advantaged private schools in Victoria increased by 27% between 2009 and 2014 compared with only 10% for the 37 most disadvantaged public schools. Government funding per student for The King David School increased by 70% while it increased for Korowa by 44%; St. Catherine's by 38%; Melbourne Grammar by 35%; Haileybury College and Kilvington Grammar by 34%; and St. Andrew's Christian School by 33%. All 35 elite private schools received increases of well over the average for the most disadvantaged public schools. In contrast, government funding for eight of the most disadvantaged schools was cut.

On average, 76% of the students in the elite schools were from the top SES quartile and only 1% were from the lowest quartile. In the disadvantaged schools, 62% of students were from the bottom SES quartile and only 3% were from the top quartile. The average total income (from all sources) of the 35 elite private schools was \$27,999 per student which was double that of the 37 disadvantaged public schools of \$13,992.

Elite private schools in other states have also received higher or similar increases to the most disadvantaged public schools. Government funding for elite private schools in Queensland increased by an average of 20% per student compared to 15% for the most disadvantaged schools. For example, government funding for St. Margaret's Anglican Girls School, with 73% of students from the highest SES quartile and 1% from the lowest quartile, increased by 34% between 2009 and 2014 while Glenala High School with 60% of students in the lowest quartile had its funding cut by 6%.

In NSW, elite private schools received the same average percentage funding increase as the most disadvantaged schools. However, many elite schools received much larger funding increases than

some highly disadvantaged schools. For example, Ascham with 90% of its students in the highest SES quartile and none in the lowest quartile received a government funding increase of 28% and St. Andrew's Cathedral School with 78% of students in the highest quartile and 1% in the lowest quartile received a funding increase of 31%. In contrast, Punchbowl Boys High School with 65% of students in the lowest SES quartile had its funding cut by 7% and Canley Vale High School with 61% of students in the lowest quartile only received a funding increase of 5%.

There is a case for government funding of private schools whose resources are below what is needed to ensure an adequate education for all children. Governments have a responsibility to ensure that children educated in the private sector are not disadvantaged in their access to quality education by their parents' choices. Their education should not be allowed to suffer because their parents choose to send them to an under-resourced school. This was the basis on which the Whitlam Government introduced funding of Catholic schools, but which was distorted by the Coalition in the Senate as noted above.

Similarly, disadvantaged students such as low SES, Indigenous, remote area and disability students should be entitled to the same funding loadings whether they attend public or private schools. As part of ensuring access to quality education, governments also have an obligation to regulate private schools to ensure students receive a high quality, fully rounded education and to ensure their personal safety and welfare.

However, private schools whose private-sourced income exceeds a community standard such as the base SRS should not be entitled to baseline funding by governments. The argument that all children, including those attending high fee, exclusive schools, are entitled to government assistance for their education is a spurious argument. Government funding compounds their large resource advantage over public schools.

The entitlement argument for public funding of private schools serves to support advantage and privilege in education outcomes. Taxpayer funding should not be directed at providing some students with additional advantages over and above those available by virtue of a privileged family background. To devote public resources to extending the advantages of a student from a wealthy background over a student from a disadvantaged background is to enhance social inequity. Such use of taxpayer funds provides even greater opportunities for the privileged to gain the intrinsic rewards of education such as access to economic resources as well as positions of social status and power in society. It means that scarce funds are diverted from serving those with high learning needs to those with few needs. Government funding for private schools can only be justified on the basis of need. Those with annual fees of \$20 000 or more a year are not in need.

Families have the right to seek a particular education for their children outside the public system. This choice may be directed at a religious-based education, an alternative philosophy of education, a specialist education in music, the arts, etc., acquiring a positional or status good, entrance to a social network, a particular behaviour or dress code or some other goal. School fees are the price families pay for choice of education. It is not the responsibility of governments to fund their choice. Instead, it is the responsibility of governments to ensure that every child is able to achieve an adequate education and to improve equity in education outcomes.

A related argument employed by defenders of government funding for elite private schools is that families whose children attend these schools are entitled to government funding because they pay taxes. This is another spurious argument. The purpose of taxation is to provide services of benefit to society. People who do not avail themselves of publicly provided services are not thereby entitled to

claim a certain proportion of taxation revenue to fund their private choices. This is not the purpose of taxation.

All citizens pay taxes for community services such as public transport, police, paramedics, fire brigades, libraries, garbage removal, street repairs and public education regardless of whether or not they use these services. Governments do not subsidise families if they choose to use their own car instead of public transport, use private security arrangements to protect their home instead of relying on the police, use private recreation and leisure facilities such as a backyard pool instead of the public swimming pool or buy their own books instead of using public libraries.

Another argument of defenders of taxpayer funding of well-off and elite private schools is that it saves governments money because students in these schools get less government funding than those in public schools. It is true that government funding of well-off private schools is on average less than per student funding in public schools, although there are many cases where private schools receive more government funding than public schools. However, this is no justification for government funding. Families who use their own car, implement their own home security and fire prevention measures, buy their own leisure facilities or buy their own books all reduce the cost of public services, but they are not thereby entitled to taxpayer funding for those private choices.

Far from saving governments money, funding of well-off private schools adds unnecessary costs to governments because it is not based on need. There are two forms of this over-funding of private schools. The first is where the per student income from fees and donations of wealthy private schools exceeds the base SRS. In these cases, government funding is not needed for these schools to achieve the SRS and it extends their resource advantage over public and other private schools that are only funded to the SRS. The second form is where private schools whose income from private sources is less than the SRS, but whose base per capita grant provides them with a higher average total income per student than the SRS. The extra government funding also gives these schools a resource advantage over public schools that are only funded at the SRS. The level of over-funding from these two forms is the aggregate of the difference between the base per capita grant for each private school and the funding that would be required to equalise the total average income student and the SRS.

It is difficult to estimate the actual amount of over-funding because the relevant data is not readily available, particularly for school systems that are block funded. An approximate estimate can be obtained by comparing the excess of total government funding over the amount that would be required to equalize average total income per student in private and public schools.

Research by Save Our Schools shows that there are over 200 wealthy private schools whose income from fees and private donations alone exceeds the average income per student in public schools [[Well-off Private Schools Are Over-Funded by \\$3 Billion a Year](#), see Table 7 below]. These schools received over \$1 billion in recurrent funding from the Federal and state/territory governments in 2013. If their government funding was terminated, they would still have a higher income per student than the average public school. This funding is a complete waste. It is wasted on gold plating facilities, lavish marketing budgets to hire boutique public relations firms to promote their school and scholarships to cream off high achieving students from other schools. It would be better used to support under-resourced public and private schools. On top of this, there are over 1,000 other private schools whose private income is below the average income per student in public schools but whose government funding provides them with a higher average income than public schools. The excess funding for these schools amounted to \$1.8 billion in 2013.

These figures are likely to substantially under-estimate the actual over-funding because the base SRS is significantly less than the average income per student in public schools which includes funding loadings for various categories of disadvantaged students and school size. There are likely to be many more private schools than estimated above whose total income per student with government funding exceeds the SRS. Nevertheless, the estimates indicate that the total over-funding of private schools whose total income per student exceeds the SRS is well over \$3 billion a year.

All the arguments by defenders of privilege in education fail to distinguish between the different social roles of private and public schools. They imply that private schools have the same public purposes as public schools and accept the same public responsibilities. However, they do not. Public schools are required to take all comers regardless of background or capacity to pay. Private schools do not take on the task of providing access to education for all children, only those who can pay or who might enhance the academic standing of the school and its marketing capacity. Private schools can exclude students on the basis of perceived academic ability, unacceptable behaviour, religious beliefs and inability to pay fees.

There is no justification for providing several billions in government funding to schools that are the preserve of well-off families. It is a complete waste of taxpayer funds. It means that less funding is available for schools serving the education needs of low income, Indigenous students and students with disabilities. It means fewer teachers, fewer support staff, lower salaries, fewer books and less equipment. That is, less of everything that matters for those who need it most.

Recommendation 3

Government funding of schools whose private income exceeds the SRS should be phased out by the end of 2021, although they should remain eligible for the disadvantage funding loadings. Similarly, schools whose base per capita grant provides them with a higher total income per student than the SRS should also have their funding reduced so that their base grant plus fees and donations is equal to the SRS by 2021.

5. Private schools are over-funded because their SES is under-estimated

Another source of over-funding of private schools is that the measure of capacity to pay fees by families in private schools is under-estimated because it systematically over-estimates disadvantage in private schools. As a result, private schools receive more government funding than they would by using a more accurate measure of disadvantage.

Under the Howard Government's SES funding model and the current arrangements, government funding of private schools is determined by a measure of "capacity to contribute" which takes into account fees and other sources of private income. The capacity to contribute is measured by the school's SES score. Those with a higher SES score receive less government funding. The SES score is calculated by linking student addresses to an area-based measure of socio-economic advantage/disadvantage constructed by the Australian Bureau of Statistics (ABS) based on census data. A school's SES score is an average of the student scores based on their area of residence.

This measure was highly criticised by the Gonksi Report. It said that the area-based SES index used to determine the SES status of schools is prone to "significant error" and a "large degree of inaccuracy" because of variability in family SES within ABS collection districts [Review of Funding for Schooling, Final Report, December 2011, pp. 85, 177]. It noted studies by the ABS that show large differences in the individual and family SES within Census collection districts. This creates the potential for error in the measured SES of schools in circumstances where higher SES families in low SES areas attend private schools. Schools that draw higher income families from low SES areas are given a lower SES

rating than if they were measured by a family-based measure of SES and attract a higher level of government funding than warranted.

Another source of bias occurs because the area-based measure excludes international students, the large proportion of whom are enrolled in high SES private schools. They are excluded because it is not possible to geo-code their addresses to a Census collection district. This also artificially lowers the SES rating of some high SES schools because it is only wealthy overseas families who can afford the high tuition and boarding fees and associated costs of sending their children to Australia. This bias may not be large because of the relatively small number of international students, but it does add to the inherent bias in using the area-based SES index to measure school SES.

Over-funding resulting from the area-based measure of SES also applies to block funding of school systems. Catholic school and other systems in each state and territory are block funded using student weighted average system SES scores to calculate the base funding per student according to the capacity to contribute schedule. The student weighted average SES for a system is calculated by multiplying the SES score of each individual school in that system by the number of enrolments at each individual school, then summing this estimate and dividing the total by the total number of enrolments in that system. The systematic over-estimation of disadvantage in individual schools arising from the use of the area-based SES measure is compounded at the system level, thereby leading to over-funding of school systems. It is not possible to determine the extent of the over-funding occurring because of the use of this flawed measure of SES.

In particular, ACT Catholic systemic schools are significantly over-funded as a result of a special deal arranged between the Rudd Government and the National Catholic Education Commission on the participation of Catholic schools in the Gonski funding plan. The system SES score for Catholic systemic schools in the ACT is not derived from the SES score of each individual school. Instead, as set out in a [Ministerial Determination under the Education Act](#), the SES score is set as the average SES score for all Catholic systemic schools across Australia. This results in significant over-funding of ACT Catholic schools because their average SES score of 117 is very much higher than the average for Australia of 101.

This special deal is a gross corruption of the Gonski principle of needs-based funding. The SES score of every Catholic school in the ACT is above 101, ranging from 111 to 128. The disparities between these scores and the deemed system score of 101 has a huge effect on nominal funding for schools. For example, the funding of St. Thomas More's Primary School would be 20% of the base SRS if it were funded according to its SES score. However, its actual funding under the special deal for ACT Catholic schools is 86.5% of the base SRS. As a result, the school was over-funded by \$1.6 million in 2014. The four systemic Catholic secondary schools were each over-funded by between \$4.4 and \$5.6 million. The total over-funding of Catholic systemic schools in the ACT in 2014 was \$48.2 million.

The Gonski Report recommended that a more precise measure of school SES should be developed as a priority to replace the existing measure. It retained the existing measure only "reluctantly" according to [David Gonski](#), because a satisfactory measure was not available at the time. Under the [National Education Reform Agreement](#) between the Commonwealth Government and participating state and territory governments, it was agreed that the Commonwealth will review the SES score methodology by 2017 to ensure it is the most appropriate means of assessing the relative educational advantage of private schools, including their capacity to contribute [Clause 109, p. 23].

There is no information to indicate that this review has been carried out.

A more accurate measure of families' capacity to pay is the index of socio-educational advantage (SEA) developed by the Australian Curriculum, Assessment and Reporting Authority (ACARA) [see [Guide to understanding ICSEA \(Index of Community Socio-educational Advantage\) values](#)]. It is derived from data on parental education and occupation provided on school enrolment forms. This index is used to calculate funding loadings for low SES students in public and private schools so it is puzzling why it is not also used to calculate the capacity to contribute in private schools. ACARA also uses the index to determine the SES composition of schools as published on the My School website and it is a component of the Index of Community Socio-Educational Advantage (ICSEA).

The continued use of the area-based measure of SES to assess the capacity to contribute of private schools appears to be a special arrangement to enable many private schools to receive more funding than they would otherwise be entitled to. The Independent Schools Council of Australia (ISCA) defends the use of this measure. It claims that it is a robust measure whilst family-based data collected by schools from parents from enrolment forms is not [[Submission to Senate Select Committee on School Funding](#), p. 22]. Yet, ACARA is confident that its measure is statistically reliable, having been developed on advice from leading educational measurement experts and its Advisory Group consisting of leading statistical experts and educational leaders [[Guide to understanding ICSEA \(Index of Community Socio-educational Advantage\) values](#)].

Recommendation 4

The index of socio-educational advantage (SEA) developed by the Australian Curriculum, Assessment and Reporting Authority should be used to measure the capacity to contribute of private schools in the funding arrangements to apply from 2018.

6. Private schools are guaranteed a minimum share of government funding without regard to need

Another source of over-funding of private schools is a special deal negotiated between the Gillard Government and the Catholic Church that the existing share of school funding received by Catholic schools in 2013 would be maintained in the long term. In April 2013, it was reported that [Prime Minister Julia Gillard gave the National Catholic Education Commission a written assurance](#) that Catholic schools would continue to receive at least 16.8% of the total funding pool to 2019. [The Australian reported](#) that the assurance was "certain to annoy other school systems that don't have such guarantees".

Subsequently, it was revealed in Senate Estimates that the assurance was extended to all private schools. Labor's Parliamentary Secretary for School Education and Workplace Relations, Senator Jacinta Collins, stated:

I should also say, quite apart from the model itself being sector blind, the government has assured, for example, that Catholic schools will maintain their proportion of public funding. Considerable work has gone into the design of the 'capacity to contribute' component—which is not new; it is part of the current funding arrangements—to ensure that there is no pressure on non-government schools with respect to their fee or contribution arrangements and that the overall share of public funding, over time, is maintained for non-government schools. [[Senate Standing Committee on Education and Employment, Budget Estimates 2013-2014](#), Hansard, 5 June 2013, p.127]

The Associate Secretary of the Department of Education, Employment and Workplace Relations also stated that the private school sector "would at least maintain the share of total public funding that they currently do" [p. 100].

As the article in *The Australian* stated, the assurances “appear to undermine a central tenet of the Gonski model that schools are funded on the basis of need and not through special deals”.

Under this deal, the funding share of public schools is not permitted to outstrip that for private schools, even though public schools enrol much higher proportions of disadvantaged students than private schools and the proportion has increased over many years. If the number of disadvantaged students in public schools continues to increase this will draw increased government funding for those schools and would otherwise decrease the share of total funding private schools. However, under this special deal, private schools will also receive additional funding to maintain their current share even if their enrolments of disadvantaged students are unchanged, increase by less than in public schools or decline. In effect, this deal created a new link between government funding for private and public schools to replace the link with Average Government School Recurrent Costs (AGSRC) in the Howard Government’s SES model, a link that was heavily criticised in the Gonski Report.

Recommendation 5

From 2018, government funding of private schools should be based solely on need and not include any special assurance for private schools to maintain a minimum share of total government funding or any arrangement linking private school funding to that of public schools.

7. Future funding of private schools

The admission by the Federal Minister for Education that many private schools receive more funding than they are entitled to has put the issue of over-funding on the public agenda for consideration of the post-2017 funding arrangements.

Birmingham’s admission set off a storm. [Defenders of government funding of wealthy private schools](#) and the [Labor Opposition](#) immediately accused him of having a “hit list” of schools for funding cuts. [Opposition Leader, Bill Shorten, accused the Turnbull Government](#) of “going after non-government schools” and called on the Government “... to reassure non-government schools they are not about to get hit in the back of the head with a funding cut.”

Labor’s deputy leader and shadow education minister, [Tanya Plibersek, accused the Government](#) of preparing a “secret hit list” for schools and asked “which kids will be robbed by this Minister...” It is incredible that a Labor deputy leader would stoop to defend the privileges of the wealthy and accuse the Government of robbing them of taxpayer funding. As [an editorial in The Age](#) said: “Labor’s approach has been contemptible”.

Labor is either playing infantile oppositional politics or is totally intimidated by the power of the wealthy private school lobby. Over time, elite private schools have become a protected species for Labor as they have long been for the Coalition. Labor continues to promote the furphy that there is no difference between private and public schools. This is just a cover for its craven fear of enraging wealthy private schools by challenging their privileged taxpayer funding that diverts resources from those public and private schools most in need. Labor should join the debate and advocate for a fully needs-based funding system for private schools instead of opportunistically trying to curry favour with the wealthy.

The basic principle for government funding of private schools is that it should be based on need. It should consist of two components. It should fill the gap between funding from fees and donations and the base SRS and it should support disadvantaged students. Private schools operating at below the standard should receive government funding to ensure that they can provide an adequate education. No private or public school should operate with fewer resources than the community

standard. Disadvantaged students enrolled in any private school should attract the relevant disadvantage funding loadings.

However, the current system of government funding of private schools is not fully based on need. Many schools are over-funded and major changes should be made to ensure that funding is truly needs-based.

First, as the Minister for Education has acknowledged, many schools receive more funding than they are entitled to because they have been allowed to keep funding that they would have otherwise lost when the current funding model was introduced in 2014. These schools should be required to transition to their correct funding level by the end of the next quadrennium in 2021.

Second, fees and donations of many exclusive private schools far exceeds government funding of public schools, yet these elite private schools receive substantial government funding running into millions of dollars even though they enrol very few disadvantaged students. Government funding of these schools should be phased out by the end of 2021. Similarly, schools whose base per capita grant provides them with a higher total income per student than the SRS should also have their funding reduced so that their base grant plus fees and donations is equal to the SRS by 2021. All these schools should remain eligible for the disadvantage funding loadings.

Third, the measure of the socio-economic status of private schools used to determine their level of government funding systematically over-estimates disadvantage in private schools with the result that they receive more government funding than they would by using a more accurate measure. From 2018, the capacity to contribute capability of schools and school systems should be calculated according to a family-based measure of SES, not an area-based measure.

Fourth, school systems should be required to publish how they distribute government funding between their schools. Governments should adopt the Gonski report recommendation that school systems should disclose how they allocate taxpayer funds to member schools and make it a legislative condition of their funding from 2018.

Fifth, private schools are assured of a minimum share of total government funding of schools. It contradicts the principle of funding based on need. The post-2017 arrangements should terminate this guarantee and there should be no arrangement linking private school funding to that of public schools.

A sixth change is that the extent of baseline funding for private schools should be conditional on eligible schools fulfilling a similar social role as public schools. The full difference between private-sourced funding and the base SRS should be provided only to private schools that meet similar social and curriculum obligations as public schools.

Schools that adopt discriminatory enrolment policies or provide less than a comprehensive curriculum should not receive their entire eligible baseline funding. For example, schools which select students on the basis of ability, income, or religion should not be entitled to the full baseline funding for which they are eligible. Nor should schools which fail to provide a comprehensive curriculum which includes, for example, teaching evolution instead of creationism in science, sex education and vocational education.

Private schools which insist on being able to discriminate against some students or deny access to a comprehensive curriculum should receive less government funding than the resource standard. These schools would face three options. One is to increase their fees to cover the gap. The second is

to adopt a more inclusive enrolment policy and a comprehensive curriculum. The third is to have their registration annulled on financial grounds because they do not meet the resource standard.

This funding approach is soundly based on the Gonski principle of needs-based funding and the principle that it is the responsibility of governments to ensure that all students have access to a comprehensive curriculum. Its implementation would strengthen needs-based funding, not weaken it as the Turnbull Government seems intent on doing. These changes should be on the table for the negotiations between the Commonwealth and the states over the funding arrangements to apply from 2018. It would provide over \$3 billion a year in funding for disadvantaged public and private schools.

Simon Birmingham was correct in saying that the Gonski funding plan has been corrupted. However, the corruption he identified is a transitory phenomenon. He claimed that differences in funding levels for schools in different states with similar demographic profiles is a basic flaw in the Gonski model. This is a complete distortion. These differences are the result of different historical approaches by different governments which the Gonski plan was designed to overcome through a national approach which would put all schools on the same funding basis by 2019. However, it was sabotaged by Birmingham's own Government in renegeing on the last two years of the plan when some \$10 billion in Federal and state/territory government funding was to flow to schools, and by inciting some state and territory governments not to participate in the plan from the start. So, Birmingham has used his Government's sabotage of the plan to falsely discredit it. It is rank hypocrisy on the part of the Minister.

At the same time, Birmingham completely ignores the real corruption at the heart of the system, namely, the special deals that provide massive over-funding of private schools, particularly elite private schools. In part, this results from historical distortions when the Whitlam government first tried to introduce funding to address the needs of the then numerous poorly funded Catholic schools. As the price for passage of the legislation, the Coalition demanded that elite private schools should also have their snouts in the trough. This has remained core Coalition policy ever since. Every step forward in funding disadvantaged students has resulted in greater demands from the private sector, backed by the Coalition. When even the Coalition recognised the incoherence of the funding system, and introduced the flawed SES model, it instituted the "no losers" policy to protect the interests of over-funded Catholic and Independent schools.

With the Gonski scheme, Labor made a significant step towards a needs-based sector-blind system, but it stymied the scheme by re-iterating the "no losers" guarantee and adopting another special deal with the Catholic sector which it then extended to Independent schools. When Birmingham finally admitted that many schools are over-funded, Labor responded with rank political opportunism in denouncing him as having a "hit list" of private schools.

None of the political parties come out of this story particularly well. Nor do the Catholic and Independent school lobbies. With complete disregard for equity, these groups have systematically sought and gained privileged funding at the expense of disadvantaged schools in both the public and private sectors.

If Birmingham really wants to identify and correct the corruption of needs-based funding, which must be open to serious doubt given the historical role played by the Coalition in initiating and supporting such corruption, then a much better and more equitable scheme could be developed. But, Labor would have to stand firm on a greater commitment to equity against powerful lobbying and pressures Independent and Catholic schools.

Over-Funding of New Funding Maintained Private Schools 2014

Table 1: New South Wales

School	ICSEA	Students	Lowest SES Quartile (%)	Highest SES Quartile (%)	Govt Funding per Student (\$)	Private Income per Student (\$)	Total Income per Student (\$)	Total Govt Funding (\$)	SRS Entitlement (\$)	Over-funding (\$)	Funding % of SRS
Abbotsleigh	1211	1,337	1	87	3,389	28,323	31,712	4,531,093	3,686,813	844,280	122.9
Al Amanah College	1024	786	22	22	11,081	2,508	13,589	8,709,666	8,086,969	622,697	107.7
Arden Anglican School	1163	737	1	75	4,802	16,348	21,150	3,539,074	3,396,424	142,650	104.2
Ascham	1221	1,057	0	90	3,240	33,503	36,743	3,424,680	2,356,972	1,067,708	145.3
Barker College	1196	1,993	0	84	3,841	28,136	31,977	7,655,113	5,079,703	2,575,410	150.7
Brigidine College	1145	940	1	66	8,563	15,668	24,231	8,049,220	4,094,212	3,955,008	196.6
Cameragal Montessori	1183*	36			4,410	15,071	19,481	158,760	97,160	61,600	163.4
Covenant Christian School	1139	843	2	62	8,395	7,763	16,158	7,076,985	4,291,683	2,785,302	164.9
Cranbrook	1183	1,397	0	80	3,294	31,049	34,343	4,601,718	3,998,017	603,701	115.1
Currambena School Eastern Suburbs Montessori	1068*	100	16	36	5,099	7,235	12,334	509,900	408,574	101,326	124.8
Emanuel School	1164	73	0	70	8,656	25,680	34,336	631,888	349,689	282,199	180.7
Farmhouse Montessori	1174	15			8,956	16,269	25,225	134,340	108,954	25,386	123.3
Glenaeon Steiner School	1132	405	2	64	4,424	16,644	21,068	1,791,720	1,323,279	468,441	135.4
Inaburra School	1118	965	3	53	6,959	12,628	19,587	6,715,435	6,195,051	520,384	108.4
Inner Sydney Montessori International Grammar School	1165	170	0	79	5,703	14,090	19,793	969,510	582,638	386,872	166.4
Kamaroi Steiner School	1185	1,089	0	81	4,293	19,322	23,615	4,675,077	4,047,686	627,391	115.5
	1127	193	4	60	6,480	9,309	15,789	1,250,640	1,159,073	91,567	107.9

Kambala	1192	904	1	84	3,387	28,890	32,277	3,061,848	2,042,594	1,019,254	149.9
Kincoppal Rose Bay	1149	825	1	75	4,179	25,465	29,644	3,447,675	2,789,381	658,294	123.6
Loreto Kirribilli	1187	1,054	0	82	7,977	15,963	23,940	8,407,758	2,969,890	5,437,868	283.1
Loreto Normanhurst	1155	918	1	71	6,741	24,200	30,941	6,188,238	4,382,605	1,805,633	141.2
Macarthur Anglican School	1113	749	5	50	8,841	12,211	21,052	6,621,909	6,194,489	427,420	106.9
Macquarie Grammar		98			2,124	13,265	15,389	208,152	172,597	35,555	120.6
Marist Brothers Schools**								121,500,000	94,113,091	27,386,909	129.1
Masada College	1164*	474	1	74	5,005	15,797	20,802	2,372,370	1,996,944	375,426	118.8
Meadowbank Education Trust (M.E.T)	1008	1,176	14	2	10,577	12,120	22,697	12,438,552	12,242,669	195,883	101.6
Meriden School	1173	872	2	77	5,958	20,248	26,206	5,195,376	4,985,965	209,411	104.2
Monte Sant' Angelo Mercy College	1180	1,164	1	78	7,229	20,504	27,733	8,414,556	3,037,746	5,376,810	277.0
Moriah College	1140	1,479	2	64	4,365	15,633	19,998	6,455,835	4,045,009	2,410,826	159.6
Mosman Church of England Prep School	1207	322	0	90	2,625	22,845	25,470	845,250	779,751	65,499	108.4
Mount St. Benedict College	1136	970	2	59	10,230	10,598	20,828	9,923,100	4,617,543	5,305,557	214.9
Northcross Christian School	1165	321	0	73	7,247	4,714	11,961	2,326,287	2,166,003	160,284	107.4
Northern Beaches Christian School	1135	1,239	2	60	9,082	10,149	19,231	11,252,598	6,125,530	5,127,068	183.7
Northside Montessori	1171	65	3	75	6,695	14,064	20,759	435,175	341,582	93,593	127.4
Oakhill College	1112	1,688	4	50	9,447	8,719	18,166	15,946,536	9,065,683	6,880,853	175.9
Our Lady of Mercy College	1106	857	5	48	9,529	10,295	19,824	8,166,353	7,370,355	795,998	110.8
Oxford Falls Grammar	1132	1,052	2	60	6,594	11,424	18,018	6,936,888	6,375,816	561,072	108.8
Pacific Hills Christian School	1114	1,147	3	54	6,945	9,326	16,271	7,965,915	6,534,795	1,431,120	121.9
Pittwater House	1156	696	1	72	5,427	18,046	23,473	3,777,192	3,695,883	81,309	102.2
Queenwood	1189	872	1	81	4,418	26,246	30,664	3,852,496	2,102,891	1,749,605	183.2

Reddam House	1175	826	1	76	4,138	22,991	27,129	3,417,988	2,417,248	1,000,740	141.4
Rissalah College	1025	505	22	18	8,459	3,857	12,316	4,271,795	4,229,500	42,295	101.0
Riverina Anglican College	1092	607	5	42	10,400	5,708	16,108	6,312,800	6,075,842	236,958	103.9
Rosebank College	1091	1,102	6	41	10,848	7,084	17,932	11,954,496	8,790,071	3,164,425	136.0
SCEGGS Darlinghurst	1220	921	1	89	3,269	30,738	34,007	3,010,749	2,145,937	864,812	140.3
SCEGGS Redlands	1190	1,447	1	83	1,863	37,384	39,247	2,695,761	2,186,343	509,418	123.3
Shire Christian School	1084	810	4	44	8,822	5,851	14,673	7,145,820	6,659,664	486,156	107.3
St Aloysius' College	1233	1,244	0	91	6,745	17,262	24,007	8,390,780	3,189,198	5,201,582	263.1
St Augustine's College	1128	1,208	2	58	8,783	12,418	21,201	10,609,864	6,561,450	4,048,414	161.7
St Catherine's School	1166	993	1	79	5,037	25,829	30,866	5,001,741	4,271,342	730,399	117.1
St George Christian School	1141	759	2	60	8,303	9,662	17,965	6,301,977	5,979,105	322,872	105.4
St Ignatius College	1176	1,564	1	79	5,023	25,122	30,145	7,855,972	5,111,237	2,744,735	153.7
St Mary & St Mina's Coptic College	1129	339	3	58	9,333	4,675	14,008	3,163,887	3,053,945	109,942	103.6
St Mary Star of the Sea College	1097	1,128	7	44	10,967	5,485	16,452	12,370,776	10,870,629	1,500,147	113.8
St Scholastica's College	1115	998	4	56	10,873	6,445	17,318	10,851,254	5,975,360	4,875,894	181.6
St Spyridon College	1093	664	4	39	8,146	8,759	16,905	5,408,944	5,059,817	349,127	106.9
St Vincent's College	1114	612	4	55	7,999	18,082	26,081	4,895,388	3,318,907	1,576,481	147.5
Stella Maris College	1110	953	3	51	9,769	10,584	20,353	9,309,857	5,076,258	4,233,599	183.4
Sydney Church of England Grammar	1173	1,584	1	73	2,995	29,681	32,676	4,744,080	3,832,052	912,028	123.8
Sydney Grammar	1292	1,127	0	97	3,617	37,364	40,981	4,076,359	2,838,690	1,237,669	143.6
Tangara School for Girls	1146	568	3	65	6,001	9,164	15,165	3,408,568	3,230,870	177,698	105.5
Tara Anglican School	1152	680	2	71	5,581	22,590	28,171	3,795,080	3,731,642	63,438	101.7
Uniting Church Schools**								46,400,000	41,354,724	5,045,276	112.2
Wenona School	1189	1,009	1	84	4,018	27,709	31,727	4,054,162	2,540,202	1,513,960	159.6
William Branwhite Clarke	1126	1,503	3	56	9,132	11,087	20,219	13,725,396	8,213,882	5,511,514	167.1

College

Yeshiva College	1134	58	1	66	14,771	9,089	23,860	856,718	717,519	139,199	119.4
Av/Total					6,705	16,566	23,271			130,006,858	

Table 2: Victoria

School	ICSEA	Students	Lowest SES Quartile (%)	Highest SES Quartile (%)	Govt Funding per Student (\$)	Private Income per Student (\$)	Total Income per Student (%)	Total Govt Funding (%)	SRS Entitlement (\$)	Over-funding (\$)	Funding % of SRS
AFIC (Islamic) Schools**								6,260,000	6,170,000	90,000	101.3
Al Siraat College	982	409	38	11	14,669	1,445	16,114	5,999,621	4,460,685	1,538,936	134.5
Baptist Union Schools	1177	3,450	1	76	3,803	24,378	28,181	13,120,350	11,798,876	1,321,474	111.2
Bialik College	1167	831	1	76	3,565	16,387	19,952	2,962,515	2,412,471	550,044	122.8
Camberwell Grammar	1189	1,298	1	81	3,882	24,768	28,650	5,038,836	4,762,605	276,231	105.8
Castlemaine Steiner School	1088	182	5	46	10,528	7,798	18,326	1,916,096	1,835,341	80,755	104.4
Christ Church Grammar	1203	364	0	86	2,711	22,851	25,562	986,804	756,752	230,052	130.4
Darul Ulum College	950				12,270	2,217	14,487	11,656,500	10,873,601	782,899	107.2
Daylesford Dharma School	1043	292	18	30	8,711	555	9,266	2,543,612	2,221,495	322,117	114.5
East Preston Islamic College	960	506	48	5	11,628	1,916	13,544	5,883,768	5,358,623	525,145	109.8
Edmund Rice Schools	1087	8,687	8	39	9,157	9,649	18,806	79,546,859	71,599,333	7,947,526	111.1
Firbank	1172	1,068	1	74	3,447	23,231	26,678	3,681,396	3,556,904	124,492	103.5
Freshwater Creek Steiner School	1010	88	20	19	11,906	6,727	18,633	1,047,728	982,859	64,869	106.6
Glenroy Private College	936	225	57	4	11,830	2,113	13,943	2,661,750	3,207,409	545,659	120.5
Ilim College	992	1,514	35	10	12,938	2,637	15,575	19,588,132	18,187,681	1,400,451	107.7
Korowa	1200	619	1	83	3,581	26,397	29,978	2,216,639	1,968,596	248,043	112.6
Lauriston	1193	766	1	82	3,023	26,215	29,238	2,315,618	1,781,245	534,373	130.0
Leibler Yavneh College	1163	596	1	74	5,251	12,875	18,126	3,129,596	2,702,587	427,009	115.8

Lighthouse Christian College	1060	514	14	29	9,972	5,057	15,029	5,125,608	4,840,045	285,563	105.9
Little Yarra Steiner School	1049	275	16	28	11,764	7,151	18,915	3,235,100	3,156,195	78,905	102.5
Melbourne Girls' Grammar	1172	882	6	73	3,450	28,814	32,264	3,042,900	2,887,002	155,898	105.4
Melbourne Grammar	1187	1,803	1	79	4,036	31,076	35,112	7,276,908	5,063,958	2,212,950	143.7
Mercy Education Schools**								91,460,000	85,000,000	6,460,000	107.6
Minaret College	998	1,502	34	15	11,982	1,690	13,672	17,996,964	16,480,736	1,516,228	109.2
MLC	1199	2,059	1	83	3,640	25,874	29,514	7,494,760	7,050,574	444,186	106.3
Mount Scopus College	1169	913	0	75	3,879	21,274	25,153	3,541,527	3,356,898	184,629	105.5
Olivet Christian College	1000	90	28	9	14,783	2,053	16,836	1,330,470	1,249,268	81,202	106.5
River City Christian College	967	55	39	7	17,457	8,262	25,719	960,135	919,670	40,465	104.4
Ruyton	1176*	752	1	76	3,163	26,300	29,463	2,378,576	2,284,895	93,681	104.1
Scotch College	1203	1,886	0	86	3,269	26,264	29,533	6,165,334	5,554,355	610,979	111.0
Sirius College	1024	999	23	21	12,605	3,833	16,438	12,592,395	11,812,753	779,642	106.6
St Catherine's School	1161	636	1	71	2,845	31,424	34,269	1,809,420	1,501,593	307,827	120.5
St John's Greek Orthodox College	1048	217	17	29	9,708	7,833	17,541	2,106,636	2,041,314	65,322	103.2
St Mary's Coptic Orthodox College	1004	730	31	14	12,494	2,165	14,659	9,120,620	8,268,921	851,699	110.3
St Michael's Grammar	1164	1,235	1	74	4,043	26,165	30,208	4,993,105	4,522,740	470,365	110.4
Trinity Grammar	1183	1,315	1	76	3,470	26,538	30,008	4,563,050	4,163,367	399,683	109.6
Trustees of the Christian Brothers**								4,620,000	4,260,000	360,000	108.5
Yeshivah and Beth Rivkah College	1078	371	12	37	11,528	4,832	16,360	4,276,888	4,120,316	156,572	103.8
Av/Total					7,914	14,250	22,164			32,565,871	

Table 3: Queensland

School	ICSEA	Students	Lowest SES Quartile (%)	Highest SES Quartile (%)	Govt Funding per Student (\$)	Private Income per Student (\$)	Total Income per Student (%)	Total Govt Funding (%)	SRS Entitlement (\$)	Over-funding (\$)	Funding % of SRS
Anglican Church Grammar Blackall Range Independent School	1162	1,806	2	71	5,697	19,453	25,150	10,288,782	8,946,767	1,342,015	115.0
Brisbane Girls Grammar	1208	1,181	0	86	5,431	23,809	29,240	6,414,011	4,256,145	2,157,866	150.7
Brisbane Grammar School	1208	1,535	1	87	5,541	23,000	28,541	8,505,435	6,588,253	1,917,182	129.1
Cannon Hill Anglican College	1163	977	2	68	8,332	12,770	21,102	8,140,364	5,401,701	2,738,663	150.7
Hillbrook Anglican School	1154	598	1	67	9,576	13,604	23,180	5,726,448	3,215,299	2,511,149	178.1
Hubbard's School		53			8,374	10,141	18,515	443,822	435,120	8,702	102.0
Moreton Bay College	1139	1,202	2	62	6,856	13,936	20,792	8,240,912	7,908,745	332,167	104.2
Northside Christian College Presbyterian & Methodist Association Schools**	1119	1,268	3	55	8,253	5,611	13,864	10,464,804	9,068,288	1,396,516	115.4
Redlands College	1102	1,289	4	45	8,603	7,011	15,614	11,089,267	10,776,741	312,526	102.9
Samford Valley Steiner School	1102	290	7	48	7,715	7,248	14,963	2,237,350	2,165,876	71,474	103.3
St Aidan's Anglican School	1177	699	1	78	5,141	18,476	23,617	3,593,559	2,957,662	635,897	121.5
St Margaret's Anglican School	1160	791	1	73	6,152	19,394	25,546	4,866,232	4,253,699	612,533	114.4
St Paul's School	1134	1,395	3	62	7,642	11,848	19,490	10,660,590	9,673,857	986,733	110.2
Av/Total					7,814	11,808	19,622			17,004,250	

Table 4: Western Australia

School	ICSEA	Students	Lowest SES Quartile (%)	Highest SES Quartile (%)	Govt Funding per Student (\$)	Private Income per Student (\$)	Total Income per Student (%)	Total Govt Funding (%)	SRS Entitlement (\$)	Over-funding (\$)	Funding % of SRS
Banskia Montessori School		9			29,889	28,499	58,388	269,001	376,601	107,600	140.0
Beehive Montessori School	1204	212	1	84	8,426	9,229	17,655	1,786,312	2,259,685	473,373	126.5
Christ Church Grammar	1203	1,598	0	84	4,791	23,831	28,622	7,656,018	11,445,747	3,789,729	149.5
Hale School	1186	1,454	1	79	5,620	24,516	30,136	8,171,480	8,629,083	457,603	105.6
International School of WA	1174	321	1	83	5,150	24,206	29,356	1,653,150	2,233,406	580,256	135.1
Mazenod College	1067	819	9	30	10,756	6,291	17,047	8,809,164	9,654,844	845,680	109.6
Methodist Ladies College	1173	1,085	2	74	4,603	22,952	27,555	4,994,255	8,804,872	3,810,617	176.3
Moerlina School	1173	54	1	79	8,358	17,620	25,978	451,332	460,810	9,478	102.1
Penrhos College	1127	1,134	3	57	6,454	21,281	27,735	7,318,836	7,970,212	651,376	108.9
PLC	1151	1,109	1	67	4,851	23,561	28,412	5,379,759	8,483,880	3,104,121	157.7
Quintilian School	1228	222	0	92	5,302	9,575	14,877	1,177,044	1,876,208	699,164	159.4
Scotch College	1182	1,448	1	81	4,964	26,507	31,471	7,187,872	10,142,087	2,954,215	141.1
St Hildas Anglican School	1201	1,148	1	84	4,979	23,232	28,211	5,715,892	7,539,262	1,823,370	131.9
St Mary's Anglican School	1176	1,345	1	74	6,070	20,333	26,403	8,164,150	8,409,075	244,925	103.0
St Stephen's School	1111	2,590	4	49	9,539	9,941	19,480	24,706,010	27,547,201	2,841,191	111.5
Av/Total					7,983	19,438	27,422			22,392,697	

Table 5: A.C.T

School	ICSEA	Students	Lowest SES Quartile (%)	Highest SES Quartile (%)	Govt Funding per Student (\$)	Private Income per Student (\$)	Total Income per Student (%)	Total Govt Funding (%)	SRS Entitlement (\$)	Over-funding (\$)	Funding % of SRS
Brindabella Christian School	1145	611	1	63	8,865	6,791	15,656	5,416,515	3,231,811	2,184,704	167.6
Burgmann Anglican School	1150	1,434	2	68	8,513	8,154	16,667	12,207,642	7,206,400	5,001,242	169.4
Canberra Girls' Grammar	1176	1,454	3	73	4,068	18,868	22,936	5,914,872	3,896,490	2,018,382	151.8
Canberra Grammar	1203	1,562	1	85	3,714	24,088	27,802	5,801,268	4,111,459	1,689,809	141.1
Daramalan College	1108	1,404	3	48	9,952	7,487	17,439	13,972,608	7,035,553	6,937,055	198.6
Emmaus Christian School	1120	326	4	58	8,641	4,930	13,571	2,816,966	2,094,399	722,567	134.5
Marist College	1141	1,627	2	61	9,292	9,052	18,344	15,118,084	8,366,400	6,751,684	180.7
Orana Steiner School	1102	577	5	48	8,100	9,310	17,410	4,673,700	3,143,040	1,530,660	148.7
Radford College	1194	1,575	0	83	6,226	15,263	21,489	9,805,950	4,925,138	4,880,812	199.1
Trinity Christian School	1118	1,101	4	54	7,628	5,941	13,569	8,398,428	8,209,607	188,821	102.3
Av/Total					7,500	10,988	18,488			31,905,737	

Table 6: South Australian & Northern Territory

School	ICSEA	Students	Lowest SES Quartile (%)	Highest SES Quartile (%)	Govt Funding per Student (\$)	Private Income per Student (\$)	Total Income per Student (%)	Total Govt Funding (%)	SRS Entitlement (\$)	Over-funding (\$)	Funding % of SRS
St Dominic's Priory College (SA)	1082	631	9	37	9,462	6,229	15,691	5,970,522	5,934,913	35,609	100.6
St John's Grammar (SA)	1135	841	2	59	6,584	11,335	17,919	5,537,144	5,098,659	438,485	108.6
Av/Total					8,023	8,782	16,805			474,094	
Essington School (NT)		1,000			9,787	8,323	18,110	9,787,000	8,841,012	945,988	110.7

Sources:

Senate Committee on Education and Employment, Answer to Question on Notice SQ15-000888, Supplementary Budget Estimates 2015-16.

http://www.apf.gov.au/Parliamentary_Business/Senate_Estimates/eetctte/estimates/supp1516/Education/index

Matthew Knott & Fergus Hunter, More than 150 private schools over-funded by hundreds of millions of dollars each year, The Age, 1 October 2016.

<http://www.theage.com.au/federal-politics/political-news/full-list-1-billion-flowing-to-wealthy-private-schools-officially-classed-as-overfunded-20160930-grs6nz.html>

My School

Notes:

* 2015 ICSEA

**Obtained from Fairfax media: <http://www.theage.com.au/federal-politics/political-news/full-list-1-billion-flowing-to-wealthy-private-schools-officially-classed-as-overfunded-20160930-grs6nz>

Table 7: Government Over-funding of Private Metropolitan and Provincial Schools 2013

Private School Type	No.	Average ICSEA	Federal Govt Over-funding (\$M)	State Govt Over-funding (\$M)	Total Govt Over-funding (\$M)	Total Income per student (\$)	Govt. Funding per student (\$)
Private Income Exceeds Total Public School Income							
Combined	148	1161	589.7	215.8	805.5	25,649	5,277
Primary	31	1185	14.7	6.2	20.9	23,298	4,242
Secondary	38	1166	141.4	47.6	189.0	26,209	5,085
Total	217	1162	745.8	269.6	1,015.4	25,696	5,214
Total Income Exceeds Public School Income							
Combined	477	1067	709.4	259.6	969.0	15,405	9,051
Primary	385	1038	74.1	31.3	105.4	14,378	10,695
Secondary	324	1040	550.9	185.5	736.4	15,455	10,576
Total	1,186	1054	1,334.4	476.4	1,810.8	15,333	9,791
Grand Total	1,403		2,080.2	746	2,826.2		

Source: My School

Notes:

1. Over-funding is defined here as the excess of total government funding over the amount that would be required to equalize average total income per student in private and public schools.
2. Remote area, very remote area and special schools are not included for private schools, but are included in average public school income.
3. Total government over-funding for schools whose total income exceeds that of public schools is pro-rated between the Federal and State/Territory Governments according to the ratio for each school type where private income exceeds the income of public schools.
4. The average ICSEA values are weighted averages.