

SAVE OUR SCHOOLS

Education Policy Brief

**ACT Private Schools' Bid for a Huge
Funding Increase Should be Rejected**

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<http://www.saveourschools.com.au>

Summary

Private schools in Canberra are pressuring for a massive across-the-board 43% increase in funding by the ACT Government. They want Territory funding increased from about 17.5% to 25% of average government school costs.

If granted, this claim would increase funding for private schools by nearly \$20 million a year on 2010 figures - \$13.5 million for Catholic schools and \$5.4 million for Independent schools.

This is an incredible claim which should be rejected.

First, it would compound the already privileged funding position of high socio-economic status (SES) private schools in the ACT.

Nearly three-quarters of the increase - \$14 million - would go to high SES private schools. Several high SES private schools would have their funding increased by around \$1 million or more a year.

In addition, 39 of Canberra's 44 private schools are already over-funded by the Federal Government and receive substantial funding and other support by the ACT Government. The schools received a total of \$48.7 million in over-funding in 2011. ACT Catholic schools were over-funded by \$38.2 million and Independent schools were over-funded by \$10.4 million.

Despite claims by the Catholic Education Commission that it re-distributes block funding according to need, a comparison of the Catholic systemic funding rate and actual funding of schools shows high SES Catholic schools received all, or virtually all, of the systemic rate while five of the seven lowest SES schools received less or similar funding to the systemic rate. Funding for the two highest SES schools was three times what they were entitled to according to their SES score and double the entitlement of other high SES schools.

Second, the claim is contrary to the new approach to school funding recommended by the Gonski review of school funding and which is being developed in consultation with governments and stakeholder organisations, including those of private schools. The key recommendations of the report are to integrate federal and state/territory funding of schools and to increase school funding by \$5 billion to reduce the effects of disadvantage on school outcomes.

Granting a 43% increase in Territory funding of private schools is entirely premature while development work and negotiations are proceeding on implementation of the Gonski report. It would amount to outright rejection of the report. In the event of no general Federal/State agreement on the Gonski recommendations, the ACT Government should negotiate a bilateral deal with the Federal Government.

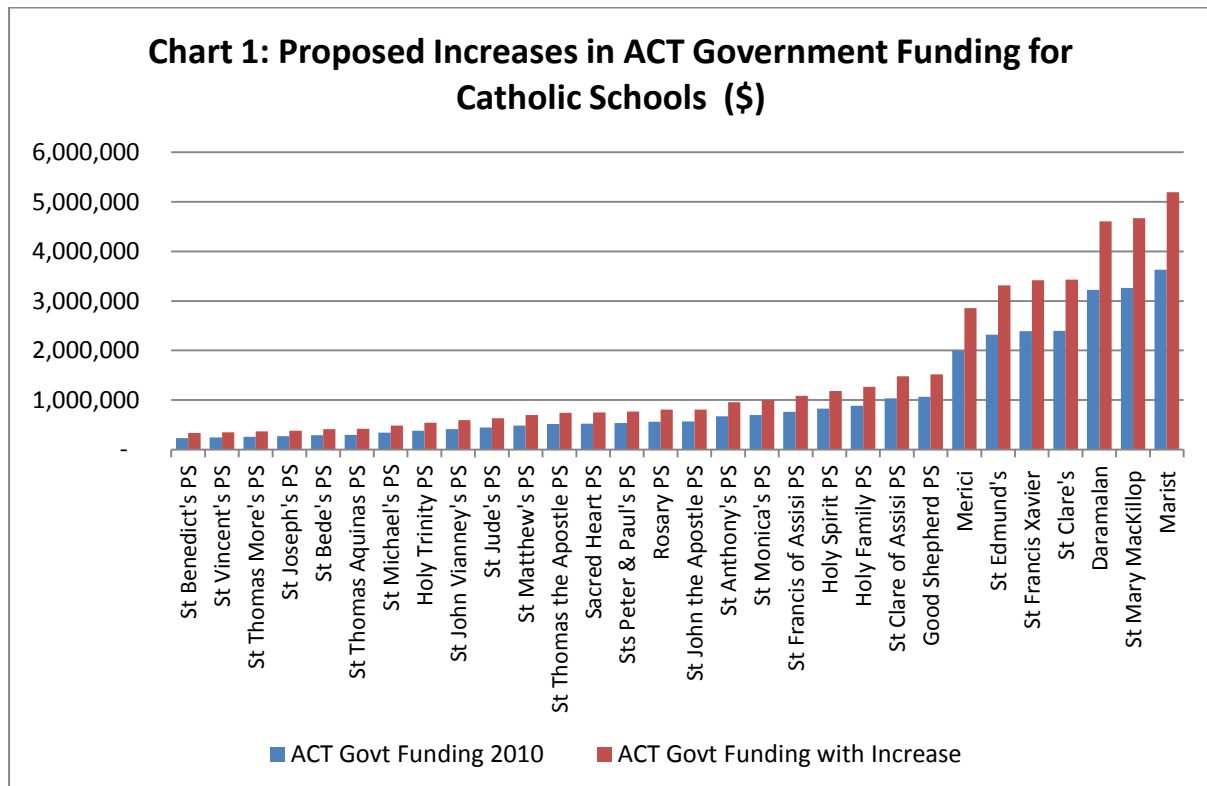
Third, a large indiscriminate increase in Territory funding for high SES private schools would mean that less funding is available to address the major challenge facing ACT education – the large achievement gap between rich and poor students. The priority should be to improve the results of low achieving students, in both government and private schools, and reduce the achievement gap, not to increase funding for schools least in need.

1. Large funding increase claimed for ACT private schools

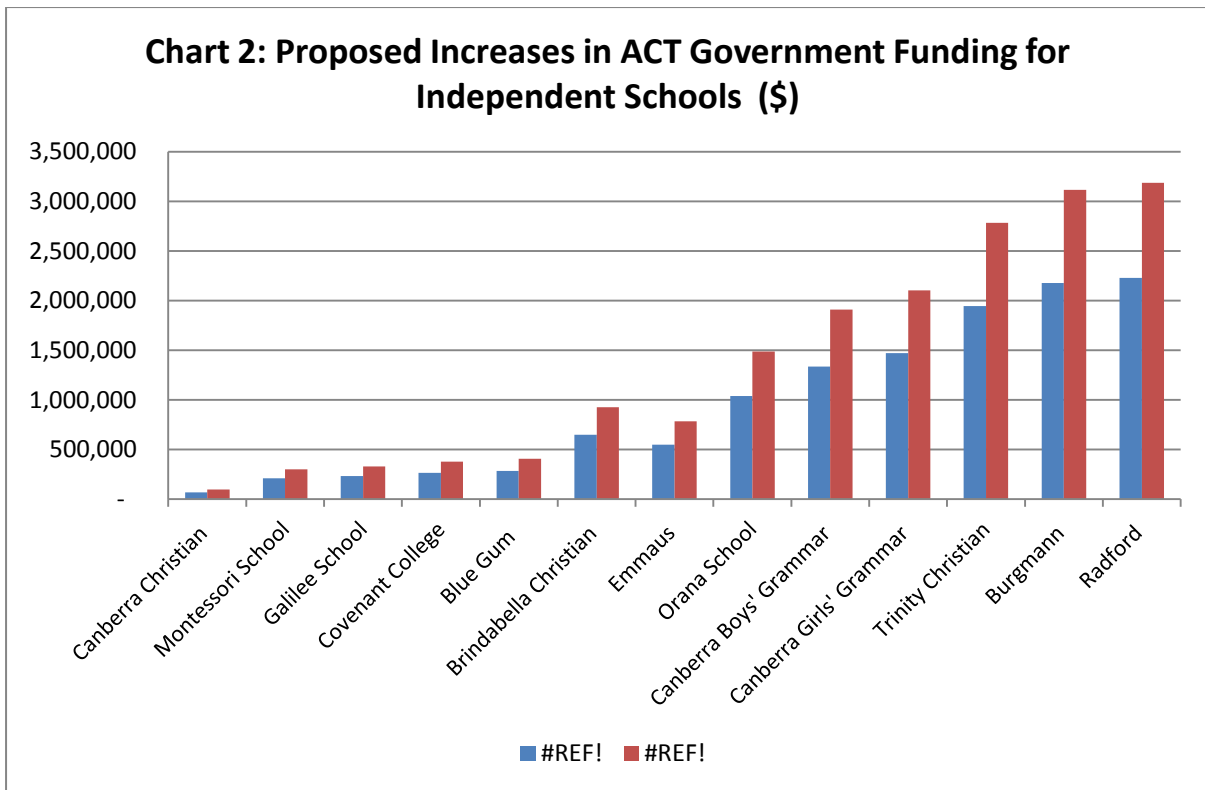
Private schools want the ACT Government to increase their funding by a massive 43%. They have proposed that Territory funding increase from about 17.5% of average government school costs to 25%. The Catholic Education Commission, the ACT Association of Independent Schools and the Association of Parents and Friends of ACT Schools (APFACTS) have all called for the increase to be applied to all private schools. Undoubtedly, this will be the focus of a private school campaign in the lead up to the ACT election this October.

The full increase on 2010 funding figures would be \$19 million a year, increasing from \$44 million to \$63 million. Catholic schools would receive an increase of \$13.5 million and Independent schools \$5.4 million. High socio-economic status (SES) schools would get an increase of nearly \$14 million a year, or nearly three-quarters of the total increase, even though they comprise less than two-thirds of all ACT private schools.

Several schools would get a large funding increase. Marist College would gain an additional \$1.6 million a year; Daramalan College and St. Mary McKillop College would get an additional \$1.4 million, and St. Clare's College, St. Francis Xavier College and St. Edmund's College would get an extra \$1 million a year [Chart 1]. Amongst Independent schools, Burgmann Anglican School and Radford College would get increases of nearly \$1 million and Trinity Christian an increase of \$0.8 million. Canberra Boys Grammar and Canberra Girls Grammar would each get an increase of about \$0.6 million [Chart 2]. All these schools, with the exception of St. Mary McKillop, are high SES schools, that is, their SES score is equal to or greater than 115.



Source: Table 1



Source: ACT Government Funding 2010: My School 3.0

The only argument that private school organisations advance in support of their claims is that private schools in some other states are funded at this level. This is a vacuous argument which has no regard to the circumstances of private school students in the ACT or the level of student disadvantage in these schools. For example, average incomes in the ACT are much higher than in other states and therefore private school education is much more affordable for ACT families.

More importantly, the Gonski review of school funding has set a new direction for education funding in Australia. The report recommended a new school funding model which integrates federal and state/territory funding of government and private schools. It also recommended that the Federal and State/Territory governments should increase school funding by \$5 billion a year to reduce the effects of disadvantage on school outcomes.

The report has received widespread support from private school organisations. Consultations and development work are proceeding on implementing its recommendations and involve governments and stakeholders, including private school organisations. The claim for an across-the-board funding increase for ACT private schools, irrespective of student disadvantage and learning need, is at odds with this new direction. It would be premature to grant this increase while development work, consultations and negotiations are proceeding.

In the event of no general Federal/State agreement on the Gonski recommendations, the ACT Government should negotiate a bilateral deal with the Federal Government. This would be preferable to continuing with a flawed and inequitable private school funding model and acceding to an increase in Territory funding of private schools regardless of student disadvantage and learning need.

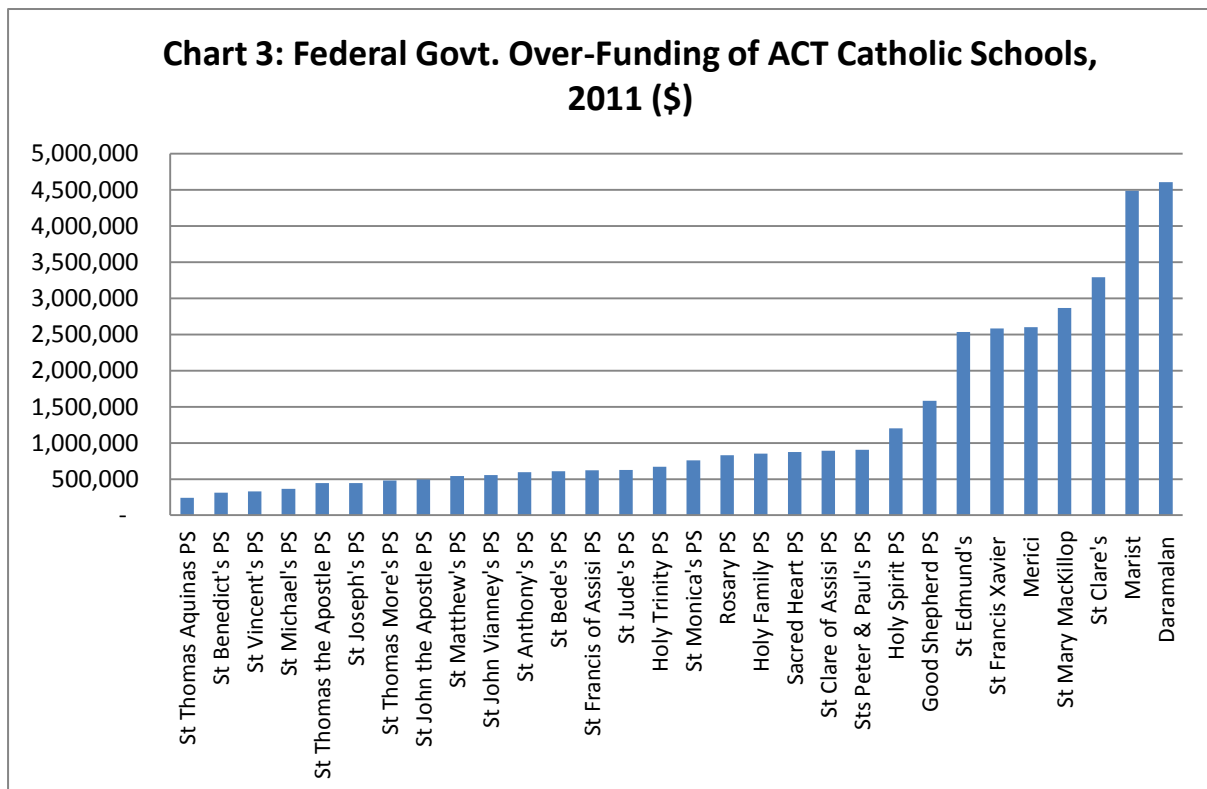
2. The increases would add to Federal over-funding of private schools

The proposed increases would represent huge bonuses as almost all ACT private schools are already over-funded by the Federal Government, that is, they are “funding maintained” (FM) schools whose Federal funding exceeds the level they would receive if they were funded at their official SES score. Of 44 private schools in the ACT, only Blue Gum Community School, Canberra Boys Grammar, Canberra Girls Grammar and the Islamic School are funded at their SES score while the Galilee School is funded as a special school.

The SES funding model was supposed to gear funding to student need as measured by the socio-economic composition of schools. However, a ‘no losers’ guarantee by the Howard Government ensured that schools whose funding at the time exceeded that determined by their SES score would get to keep the “over-funding”.

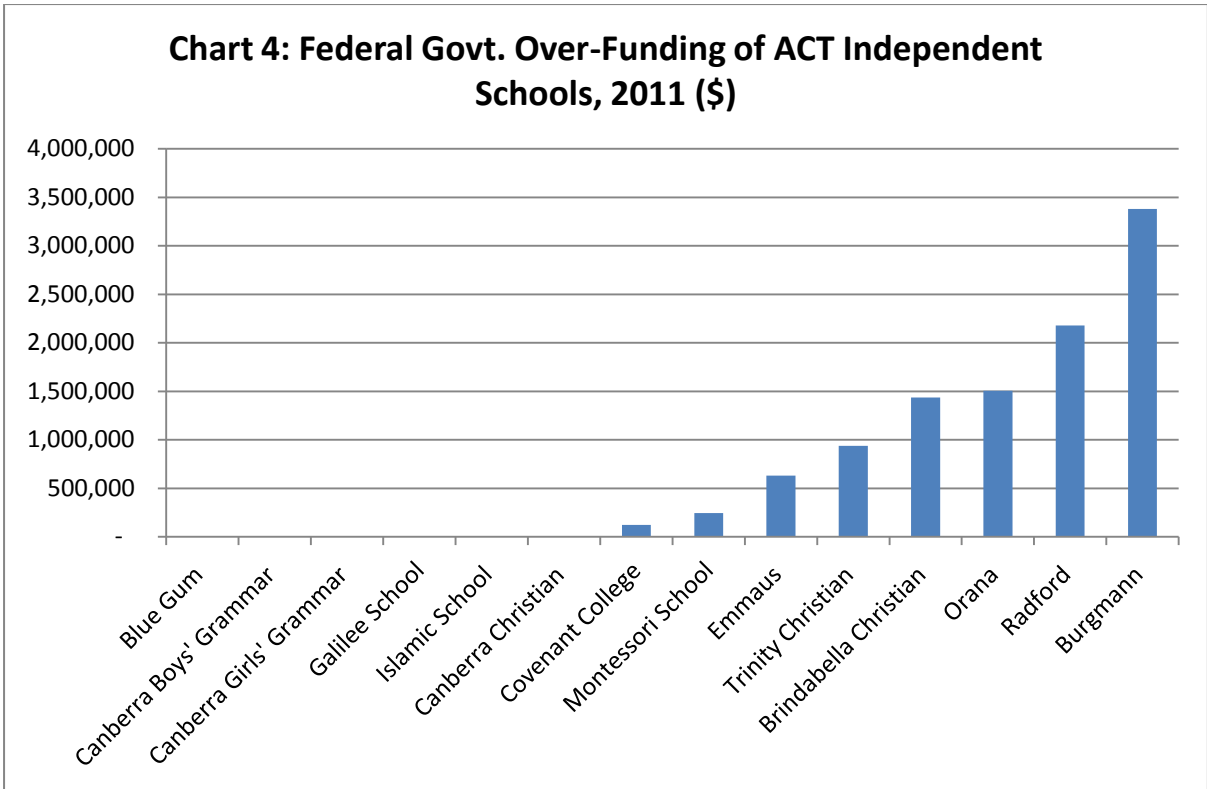
In 2011, ACT Catholic schools were over-funded by \$38.2 million and Independent schools were over-funded by \$10.4 million. In total, 39 schools received \$48.7 million in over-funding from the Federal Government.

Many schools were over-funded by several million dollars. Amongst Catholic schools, Daramalan was over-funded by \$4.6 million, Marist by \$4.5 million, St. Clare’s by \$3.3 million, St. Mary MacKillop by \$2.9 million, Merici and St. Francis Xavier by \$2.6 million, and St. Edmund’s by \$2.5 million [Chart 3]. Of the Independent schools, Burgmann Anglican School was over-funded by \$3.4 million and Radford College by \$2.2 million [Chart 4].



Source: Table 2

Note: The estimates for Catholic systemic schools assume that each school receives the average block funding rates. The Catholic Education Commission claims that it allocates block funding according to need. See below.



Source: Table 2

These totals also disguise very high levels of over-funding per student for high SES schools. The highest SES Catholic primary schools received the most over-funding: St. Bede's (\$3352 per student), St. Thomas More's (\$2983), St. Joseph's (\$2624), Holy Trinity (\$2741), Sts. Peter and Paul (\$2741), Rosary (\$2256), St. Jude's (\$2256) and St. Vincent's (\$2256). High SES Catholic schools were also over-funded by large amounts per student: Daramalan (\$3116), Marist (\$2818), St. Clare's (\$2755) and Merici (\$2600) [Table 2]. Several high SES Independent schools also received high over-funding per student: Brindabella Christian School (\$2780), Burgmann Anglican (\$2443) and the Orana School (\$2355).

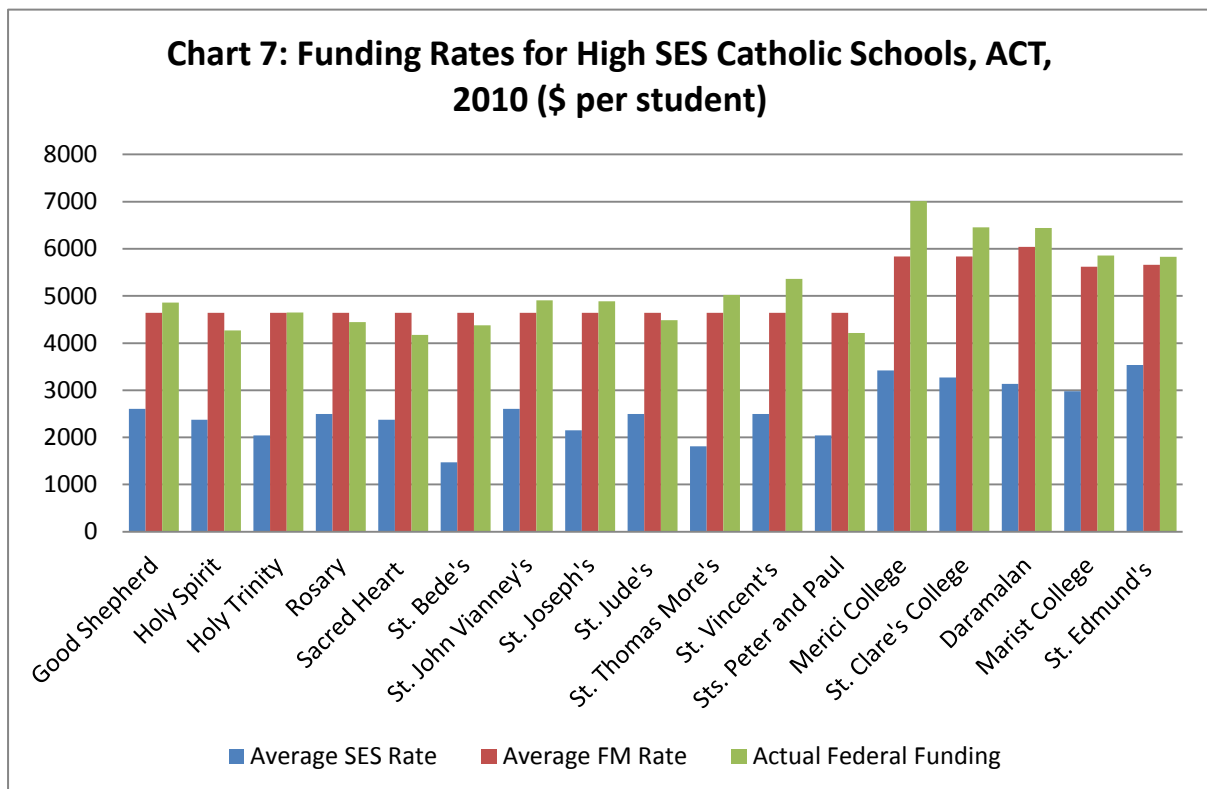
All these high SES schools would get the 43% increase in ACT Government funding to add to their privileged funding from the Federal Government.

No evidence that the Catholic Education Commission re-distributes over-funding according to need

As Federal Government funding of systemic Catholic schools is delivered as block funding for the Catholic system, the FM rates represent an average, or nominal, funding rate for all ACT systemic Catholic schools. The Catholic Education Commission claims that this block funding is distributed among member schools on the basis of need [CathNews, 23 February 2011]. However, the Commission refuses to disclose its funding formula and the available evidence suggests that there is little difference between the block FM rate and actual funding rates for high SES Catholic schools.

The Commission’s claim can be assessed by comparing the FM per capita rate for Catholic systemic schools with the actual Federal Government funding figures for each school published on the My School website.¹

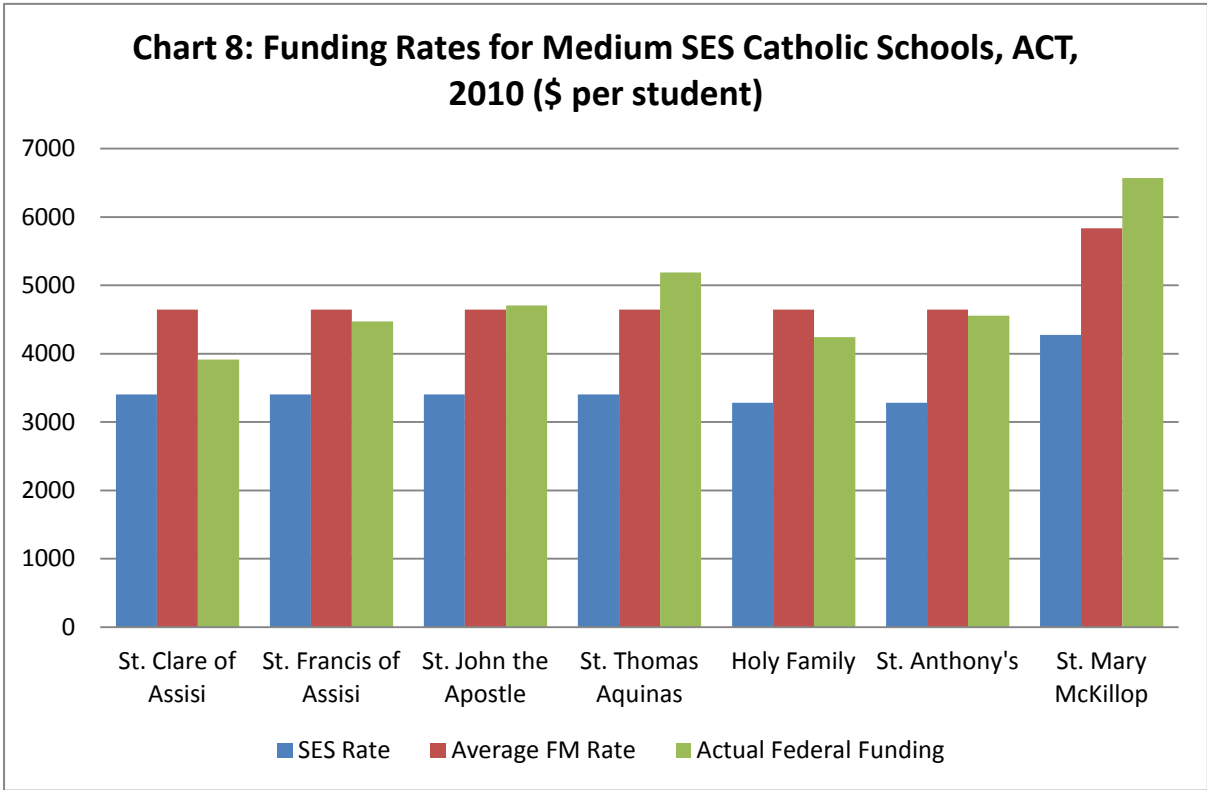
A comparison of these funding rates for 2010 shows that very little Federal funding of high SES Catholic schools is being re-distributed to lower SES Catholic schools. In 2010, only six of the twelve highest SES Catholic primary schools (with SES scores of 118 or above) in Canberra received less Federal funding than the FM rate for systemic Catholic schools [Chart 7]. In each case, the difference was less than \$500 per student [Table 3]. The difference amounted to less than 10% of nominal over-funding in three of the six schools, 16% of nominal over-funding for two others and 21% for the other school. Federal funding of the two high SES Catholic systemic secondary schools was actually greater than the system FM rate.



Source: Table 3

There is also little evidence of re-distribution to lower SES Catholic schools. Three of the six lowest SES Catholic primary schools (their SES score indicates that they are actually medium SES schools) received less Federal funding than the block FM rate while there was little difference in the case of two others [Chart 8]. Federal funding exceeded the block FM rate for only one of primary school and this may be due partly to the extra funding this school received from the Smarter Schools national partnership. Federal funding also exceeded the block FM rate for the lowest SES Catholic secondary school in the ACT, but it is not possible to ascertain whether this is due to re-distribution of block funding or to other Federal programs.

¹ It should be noted that the FM rate is for general recurrent funding of schools and excludes funding for other Federal recurrent programs such as the Smarter Schools national partnerships which is included in the My School funding figures.



Source: Table 3

Actual Federal funding of the two highest SES schools - St. Bede's and St. Joseph's – was three times higher than what they were entitled to according to their SES score. Funding for all the other high SES schools was double their SES funding rate. In contrast, the ratio of actual funding to the SES rate for the lowest SES schools is much lower than for the highest SES schools [Table 3]. Actual Federal funding for the lowest SES schools was only 50 per cent or less above their SES funding rate.

Thus, high SES Catholic schools in the ACT received all, or virtually all, of the over-funding nominally provided by the systemic FM rate while nearly all the lowest SES schools received less or similar funding to the FM rate. In other words, very little of the over-funding nominally available to high SES schools was actually re-distributed to lower SES Catholic schools.

ACT Government funding increases should be directed at improving equity in education

The ACT Government and opposition parties should reject the self-serving claims for more privileged funding for higher SES private schools. Instead, they should look to increase funding to better address student learning need in government and private schools. This is the major challenge facing ACT education. Despite its very high average results, a significant proportion of ACT students are not achieving at expected standards and there is a large gap between the results of high and low SES students.

In 2009, 13% of ACT 15 year-old students did not achieve the international reading proficiency benchmark of the OECD's Programme for International Student Assessment

(PISA), 14% did not achieve the mathematics benchmark and 11% did not achieve the science benchmark.

The latest PISA results also show that the ACT has the largest achievement gap between high and low SES students in Australia. On average, low SES students are about three to four years in learning behind high SES students.

Low SES students are doing worse than those in most other states. Their average results are about six months or more of schooling behind low SES students in all other states except Tasmania and the Northern Territory. The latest PISA report effectively condemns the ACT Government's record in meeting the needs of low SES students. It says:

....low socioeconomic students in the Australian Capital Territory are not particularly well served by their education system, with average scores for these students only just above those for Tasmania and the Northern Territory, and between 19 and 24 score points lower than students of the same socioeconomic level in the other five states. [Thomson et.al. 2010: 281]

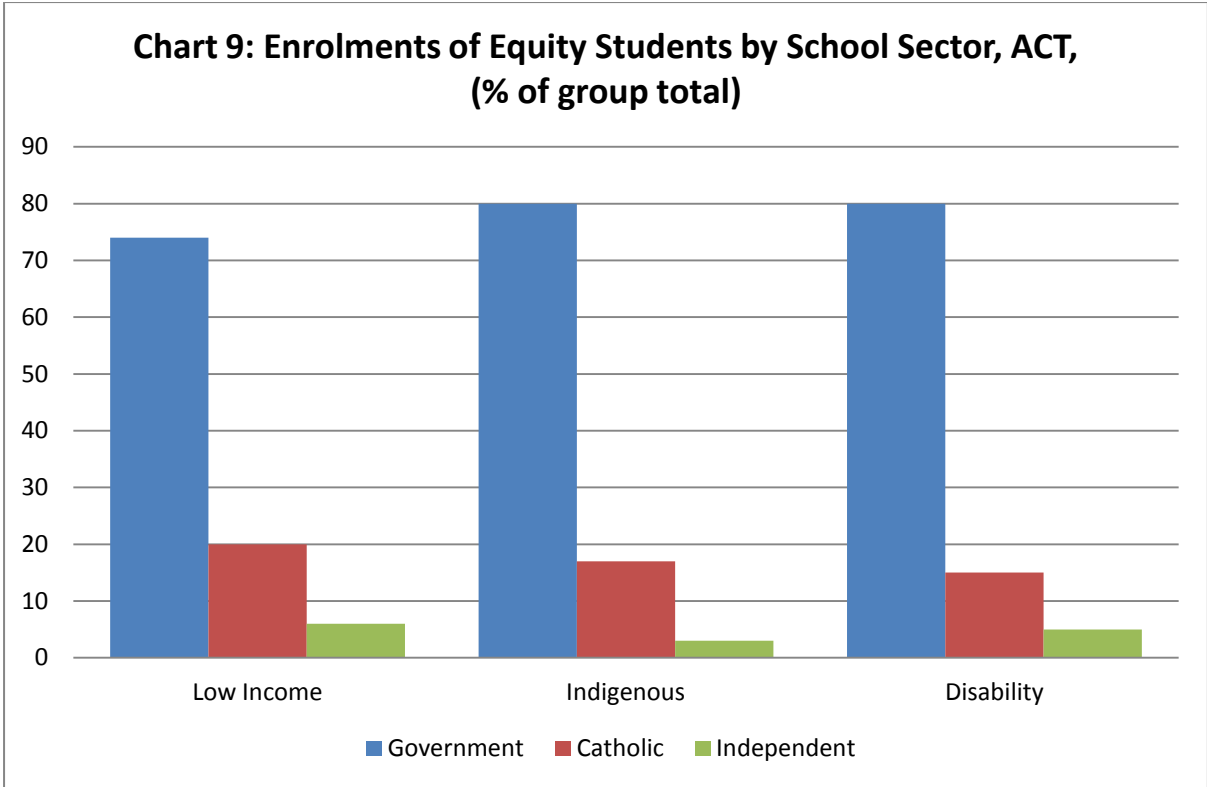
The latest NAPLAN results also show large achievement gaps between children of highly educated and highly skilled parents and those from lowly educated and low-skilled families. For example, Year 5 and Year 9 students of low educated and low-skilled parents are about three to four years behind students of high educated and highly skilled parents in literacy and numeracy.

The large majority of low income and other disadvantaged students attend government schools [Chart 9]. Very few private schools face the same challenges as many government schools, despite claims by the Catholic Education Office that Catholic schools in the ACT have a similar SES profile to government schools.

Data compiled from the 2006 Census by the researcher Barbara Preston [2007] shows that about three-quarters (74%) of all low income students in the ACT attend government schools compared with 20% attending Catholic schools and only 6% in Independent schools. ABS data shows that 80% of Indigenous students in the ACT were enrolled in government schools in 2011 compared to 17% in Catholic schools and only 3% in Independent schools. Unpublished data provided by the Department of Education, Employment and Workplace Relations shows that 80% of disability students in the ACT were enrolled in government schools in 2009 compared to 15% in Catholic schools and 5% in Independent schools.

Low income, Indigenous and disability students also form a much larger proportion of total enrolments in government schools than in Catholic and Independent schools. Data from My School shows that the percentage of total enrolments in ACT government schools accounted for by low income students is over double that of Catholic schools and seven times that of Independent schools. Low income students account for 14 per cent of government school enrolments compared to 6 per cent of Catholic school enrolments and only 2 per cent of Independent school enrolments [Chart 10].

Low income students comprise 10% or more of total enrolments in only 5 out of 30 Catholic schools. No Independent school has more than 10% of its students from low income families. In contrast, two-thirds of all government schools (50 out of 78) have more than 10% of their students from low income families.

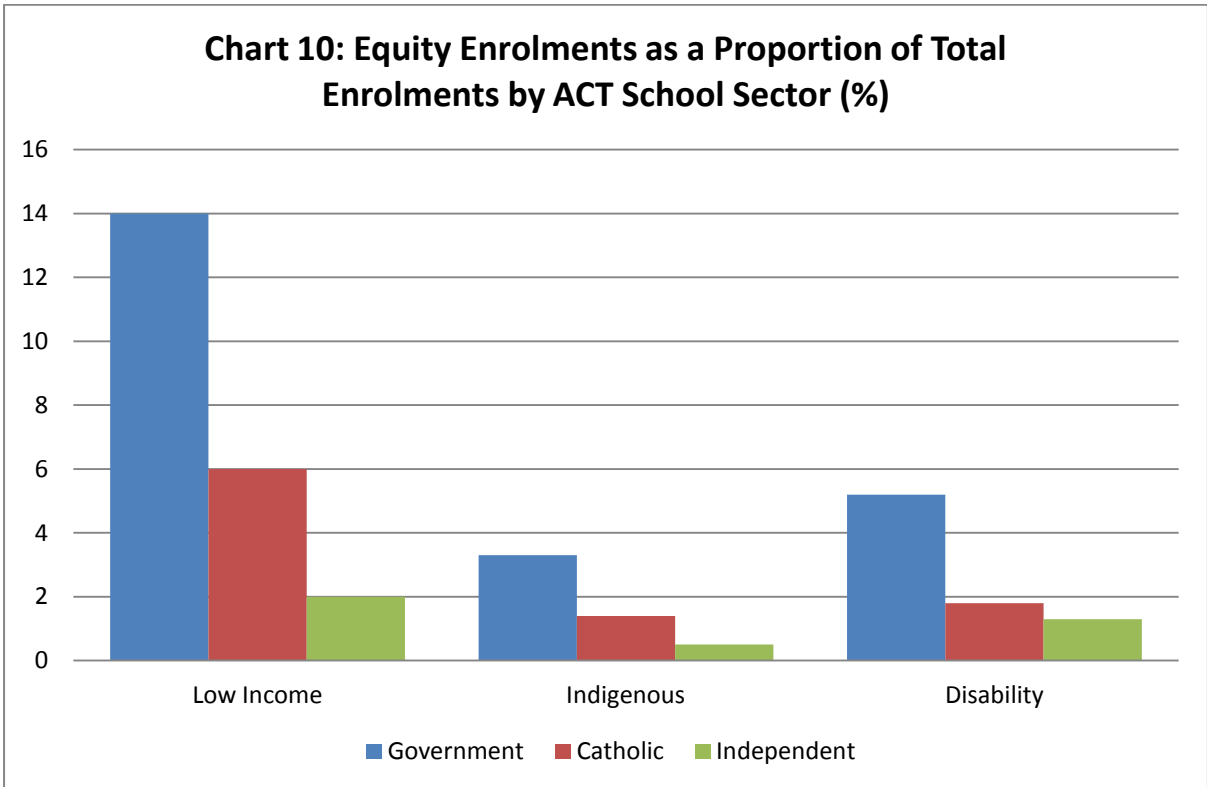


Sources:

Low income: Barbara Preston 2007, *The Social Make Up of Schools*

Indigenous: ABS, *Schools Australia 2011*

Students with disabilities: Department of Education, Employment and Workplace Relations 2009, unpublished.



Sources:

Low income: My School 3.0

Indigenous: ABS, *Schools Australia 2011*

Students with disabilities: Department of Education, Employment and Workplace Relations 2009, unpublished.

More government schools have higher concentrations of low income students than other sectors. Over one-quarter (21) of all government schools have 20% or more of their students from low income families compared to only one Catholic school and no Independent schools.

Indigenous students comprise 3.2% of enrolments in government schools compared to 1.4% of Catholic school enrolments and 0.5% of Independent school enrolments. Students with disabilities comprise 5.2% of government school enrolments compared to 1.8% of Catholic school enrolments and 1.3% of Independent school enrolments.

ACT Government schools score much lower on the My School Index of Community Socio-Educational Advantage (ICSEA) than Catholic and Independent schools. The average ICSEA value of government schools in 2011 was 1067 compared to 1099 for Catholic schools and 1161 for Independent schools. The median value for Australia is 1000.

The ACT has a shameful record on equity in education. It is shameful for such a well-off community. The forthcoming election provides an opportunity for parties to begin to re-dress this record. They should reject self-serving claims from private school organisations for even more privileged funding for the well-off. Instead, they should support the implementation of the recommendations of the Gonski report to increase funding to reduce the effects of disadvantage in education. They should commit to a comprehensive funding program to improve the results of low achieving students and reduce the gap between rich and poor.

References

Preston, Barbara 2007. The Social Make Up of Schools. Available at:
<http://www.aeufederal.org.au/Publications/2007/Bprestonrep2007.pdf>

Thomson, Sue; De Bortoli, Lisa; Nicholas, Marina; Hillman, Kylie and Buckley, Sarah 2010.
Challenges for Australian Education: Results from PISA 2009. ACER, Camberwell, Vic.

Table 1: Proposed Increases in ACT Government Funding for Private Schools (\$)

School	SES Score	ACT Govt Funding 2010	ACT Govt Funding with Increase	Increase in ACT Govt Funding
Catholic				
St Benedict's PS	116	232,616	332,641	100,025
St Vincent's PS	119	243,520	348,234	104,714
St Thomas More's PS	125	258,280	369,340	111,060
St Joseph's PS	122	267,843	383,015	115,172
St Bede's PS	128	289,840	414,471	124,631
St Thomas Aquinas PS	111	293,489	419,689	126,200
St Michael's PS	115	339,706	485,780	146,074
Holy Trinity PS	123	376,787	538,805	162,018
St John Vianney's PS	118	413,849	591,804	177,955
St Jude's PS	119	443,487	634,186	190,699
St Matthew's PS	114	485,796	694,688	208,892
St Thomas the Apostle PS	113	516,771	738,983	222,212
Sacred Heart PS	120	524,118	749,489	225,371
Sts Peter & Paul's PS	123	537,021	767,940	230,919
Rosary PS	119	563,244	805,439	242,195
St John the Apostle PS	111	564,489	807,219	242,730
St Anthony's PS	112	668,100	955,383	287,283
St Monica's PS	114	699,193	999,846	300,653
St Francis of Assisi PS	111	760,215	1,087,107	326,892
Holy Spirit PS	120	823,947	1,178,244	354,297
Holy Family PS	112	885,583	1,266,384	380,801
St Clare of Assisi PS	111	1,034,383	1,479,168	444,785
Good Shepherd PS	118	1,062,899	1,519,946	457,047
Merici	117	1,995,057	2,852,932	857,875
St Edmund's	115	2,319,324	3,316,633	997,309
St Francis Xavier	114	2,388,009	3,414,853	1,026,844
St Clare's	118	2,399,287	3,430,980	1,031,693
Daramalan	119	3,221,699	4,607,030	1,385,331
St Mary MacKillop	111	3,264,739	4,668,577	1,403,838
Marist	119	3,633,463	5,195,852	1,562,389
Total - Catholic		31,506,754	45,054,658	13,547,904
Independent				
Canberra Christian	112	67,081	95,926	28,845
Montessori School	119	210,580	301,129	90,549
Galilee School	SAS	231,209	330,629	99,420
Covenant College	111	264,779	378,634	113,855
Blue Gum	117	284,711	407,137	122,426
Brindabella Christian	119	648,272	927,029	278,757
Emmaus	117	549,658	786,011	236,353
Orana School	119	1,039,609	1,486,641	447,032

Canberra Boys' Grammar	125	1,335,893	1,910,327	574,434
Canberra Girls' Grammar	125	1,472,293	2,105,379	633,086
Trinity Christian	114	1,946,764	2,783,873	837,109
Burgmann	119	2,179,533	3,116,732	937,199
Radford	123	2,228,827	3,187,223	958,396
Total - Independent		12,459,209	17,816,669	5,357,460
Total		43,965,963	62,871,327	18,905,364

Note: Figures for the Canberra Islamic School are not available

Source: ACT Government Funding 2010: My School 3.0

Table 2: Federal Government Over-Funding of ACT Private Schools, 2011 (\$)

School	SES Score	Total Over-Funding	Over-Funding per Student
Catholic			
Good Shepherd PS	118	1,582,860	2139
Holy Family PS	112	854,260	1412
Holy Spirit PS	120	1,202,910	2382
Holy Trinity PS	123	668,804	2741
Rosary PS	119	830,208	2256
Sacred Heart PS	120	876,576	2382
St Anthony's PS	112	594,452	1412
St Bede's PS	128	610,064	3352
St Benedict's PS	116	313,005	1897
St Clare of Assisi PS	111	891,198	1286
St Francis of Assisi PS	111	623,710	1286
St John the Apostle PS	111	493,824	1286
St John Vianney's PS	118	556,140	2139
St Joseph's PS	122	443,456	2624
St Jude's PS	119	627,168	2256
St Matthew's PS	114	544,495	1655
St Michael's PS	115	366,597	1771
St Monica's PS	114	759,645	1655
St Thomas Aquinas PS	111	243,054	1286
St Thomas More's PS	125	480,263	2983
St Thomas Apostle PS	113	443,410	1529
St Vincent's PS	119	331,632	2256
Sts Peter & Paul's PS	123	904,530	2741
Daramalan	119	4,605,448	3116
Marist	119	4,486,432	2818
Merici	117	2,601,560	2600
St Clare's	118	3,290,297	2755
St Edmund's	115	2,533,881	2281
St Francis Xavier	114	2,583,989	2158
St Mary MacKillop	111	2,866,128	1704
Total/Average		38,209,996	2139
Independent			
Blue Gum	117	0	0
Brindabella Christian	119	1,437,342	2780
Burgmann	119	3,379,188	2443
Canberra Christian School	112	7,728	210
Canberra Boys'	125	0	0

Grammar			
Canberra Girls' Grammar	125	0	0
Covenant College	111	123,581	888
Emmaus	117	631,623	2453
Galilee School	SAS	0	0
Islamic School	113	0	0
Montessori School	119	245,100	1900
Orana	119	1,503,774	2355
Radford	123	2,178,720	1383
Trinity Christian	114	936,648	830
Total/Average		10,443,703	1863
Total/Average		48,653,699	2075

Notes:

1. Over-funding per student in systemic Catholic schools is estimated as: *Average Catholic system FM funding rate minus average SES score funding rate for each school*. This is a nominal funding rate.
2. Over-funding per student in non-systemic Catholic schools and Independent schools is estimated as: *FM funding rate minus SES score funding rate for each school*.
3. The SES and FM funding rates per student used for combined primary and secondary schools are averages of the primary and secondary rates for each school weighted by enrolments.

Data sources:

SES funding rates: Department of Education, Employment and Workplace Relations, *2011 SES per capita rates*. Available at: https://ssp.deewr.gov.au/ssp/help/html/ses/funding_09_12/ses_rates_2011.html

FM funding rates: Parliament of Australia, Senate Estimates 2010-11. Additional Budget Estimates, Answer to Question on Notice EW0832_11, Attachments A & B. Available at:

http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=eet_ctte/estimates/add_10_11/index.htm

Enrolments: Department of Education, Employment and Workplace Relations, *SES Scores, funding status and levels for non-government schools - 2009-2012*. Available at:

https://ssp.deewr.gov.au/ssp/help/html/ses/funding_09_12/ses_scores.html

Table 3: Funding Rates in the Highest and Lowest SES Catholic Schools, ACT, 2010 (\$ per student)

School	SES Score	Average SES Rate	Average FM Rate	Actual Federal Funding	Actual Over-Funding	Actual/SES Funding Ratio	Actual Federal Funding less FM Rate
Systemic							
Good Shepherd	118	2604	4644	4861	2257	1.9	217
Holy Spirit	120	2377	4644	4271	1894	1.8	-373
Holy Trinity	123	2041	4644	4646	2605	2.3	2
Rosary	119	2495	4644	4445	1950	1.8	-199
Sacred Heart	120	2377	4644	4171	1794	1.8	-473
St. Bede's	128	1470	4644	4379	2909	3.0	-265
St. John Vianney's	118	2604	4644	4904	2300	1.9	260
St. Joseph's	122	2150	4644	4887	2737	2.3	243
St. Jude's	119	2495	4644	4484	1989	1.8	-160
St. Thomas More's	125	1814	4644	5022	3208	2.8	378
St. Vincent's	119	2495	4644	5365	2870	2.2	721
Sts. Peter and Paul	123	2041	4644	4215	2174	2.1	-429
St. Clare's College	118	3270	5834	6452	3182	2.0	618
Merici College	117	3418	5834	7011	3593	2.1	1177
St. Clare of Assisi	111	3402	4644	3913	511	1.2	-731
St. Francis of Assisi	111	3402	4644	4471	1069	1.3	-173
St. John the Apostle	111	3402	4644	4707	1305	1.4	63
St. Thomas Aquinas	111	3402	4644	5188	1786	1.5	544
Holy Family	112	3284	4644	4244	960	1.3	-400
St. Anthony's	112	3284	4644	4555	1271	1.4	-89
St. Mary McKillop	111	4273	5834	6573	2300	1.5	739
Non-Systemic							
Daramalan	119	3134	6039	6441	3307	2.1	402
Marist College	119	2979	5618	5855	2876	2.0	237
St. Edmund's	115	3537	5659	5832	2295	1.6	173

Notes:

1. Over-funding per student in systemic Catholic schools is estimated as: *Average Catholic system FM funding rate minus SES score funding rate for each school.*
2. Over-funding per student in non-systemic Catholic schools is estimated as: *FM funding rate minus SES score funding rate for each school.*
3. Actual over-funding per student is estimated as: *Actual funding rate minus average SES score funding rate for each school.*
4. The SES and FM funding rates per student for combined primary and secondary schools are averages of the primary and secondary rates for each school weighted by enrolments.

Data sources:

SES funding rates: Department of Education, Employment and Workplace Relations, *2010 SES per capita rates*. Available at: https://ssp.deewr.gov.au/ssp/help/html/ses/funding_09_12/ses_rates_2010.html

FM funding rates: Parliament of Australia, Senate Estimates 2010-11. Additional Budget Estimates, Answer to Question on Notice EW0832_11, Attachments A & B. Available at:

http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=eet_ctte/estimates/add_1011/index.htm

Actual funding rates: My School 3.0.

Enrolments: Parliament of Australia, Senate Estimates 2010-11. Additional Budget Estimates, Answer to Question on Notice EW0832_11, Attachments A & B. Available at:

http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=eet_ctte/estimates/add_1011/index.htm