

Education Research Brief

Funding Increases for Victorian Elite Private Schools Far Exceed that for Disadvantaged Public Schools

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October 2016

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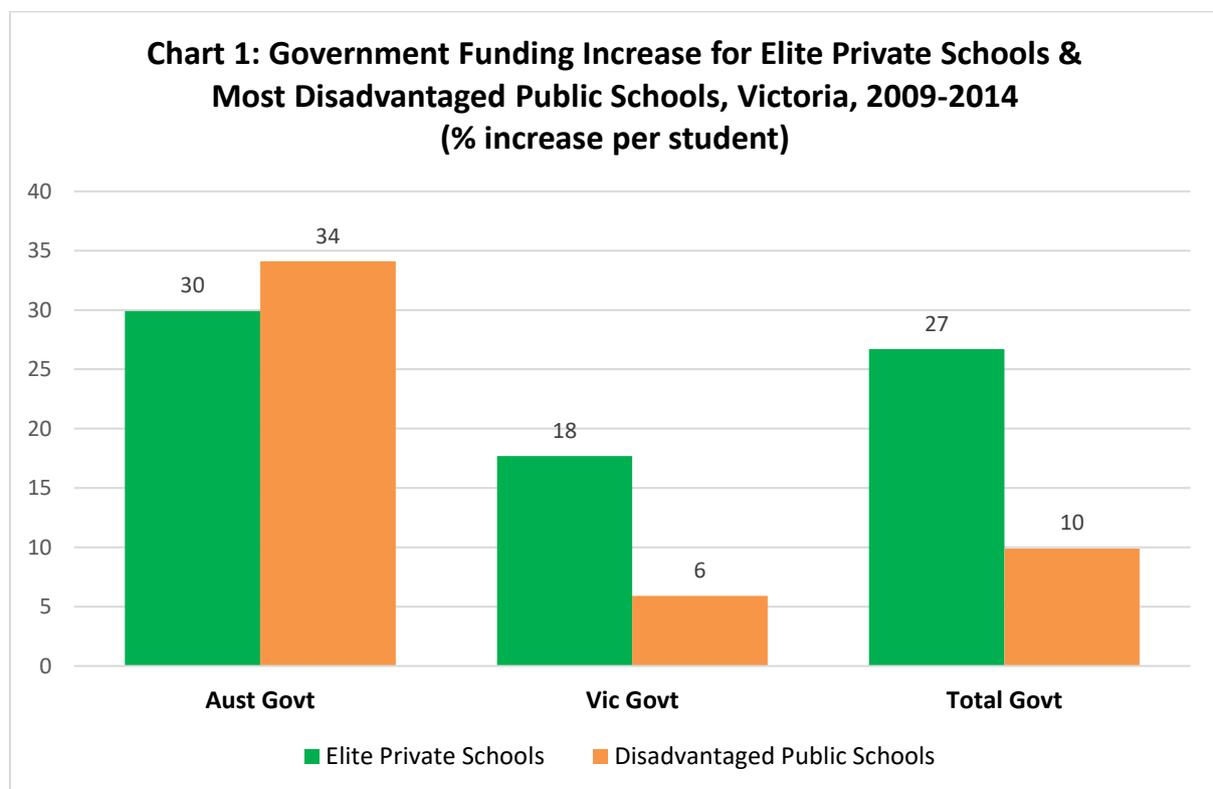
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Government funding increases for Victorian schools have dramatically favoured elite private schools over the most disadvantaged public schools in recent years. Total government funding per student in high fee, exclusive private schools increased by nearly three times more than for the most highly disadvantaged public schools between 2009 and 2014. The average funding increase per student for the 35 most advantaged private schools was 27% compared with only 10% for the 37 most disadvantaged public schools [Chart 1].

The large disparity in funding increases was due to the failure of the Victorian Government to increase funding for disadvantaged public schools while boosting its funding of private schools. The funding increase from the Australian Government was similar for the elite private schools and the disadvantaged public schools – 30% and 34% respectively. However, the Victorian Government, which accounts for about 80% of public school funding, increased funding for the most disadvantaged schools by only 6%. In contrast, it increased funding for the elite private schools by three times as much – 18%.

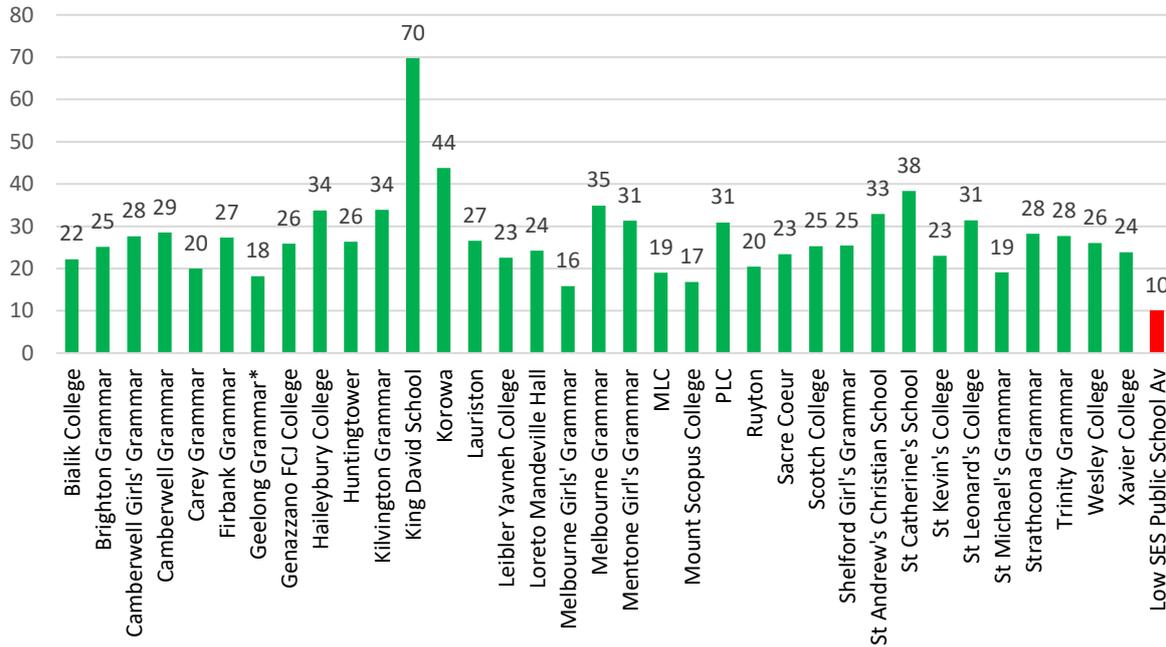


Source: My School

The average funding increase over the five years for the most disadvantaged public schools was \$1008, only slightly higher than the \$911 increase for the elite schools, most of which have fees of over \$20,000 a year.

Government funding per student for many elite, high fee private schools increased by over 30% between 2009 and 2014 while several disadvantaged public schools had their funding cut. 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% [Chart 2]. Ten of the 35 highest SES private schools received government funding increases of over 30%. All schools received increases of well over the average for the most disadvantaged public schools. No elite school had its funding cut.

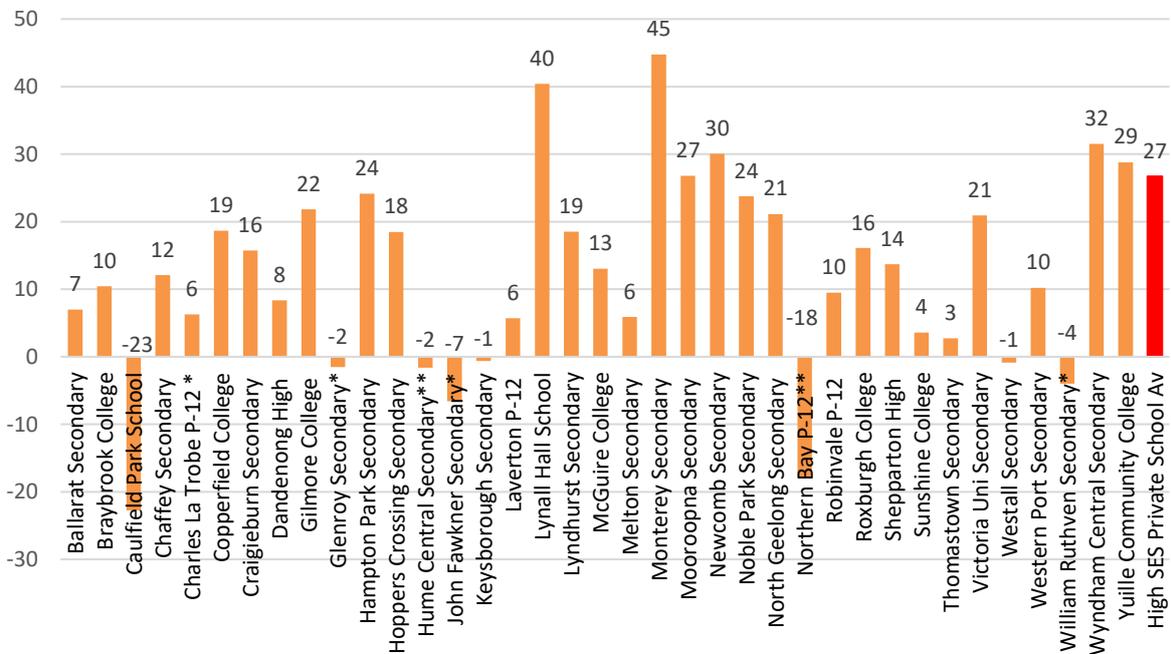
Chart 2: Government Funding Increase for High SES Private Schools, Victoria, 2009-2014 (% increase per student)



Source: My School

*Funding decrease from 2010

Chart 3: Government Funding Increase/Decrease for Low SES Public Schools, Victoria, 2009-2014 (% change per student)



Source: My School

*Funding decrease from 2010;

**Funding decrease from 2011

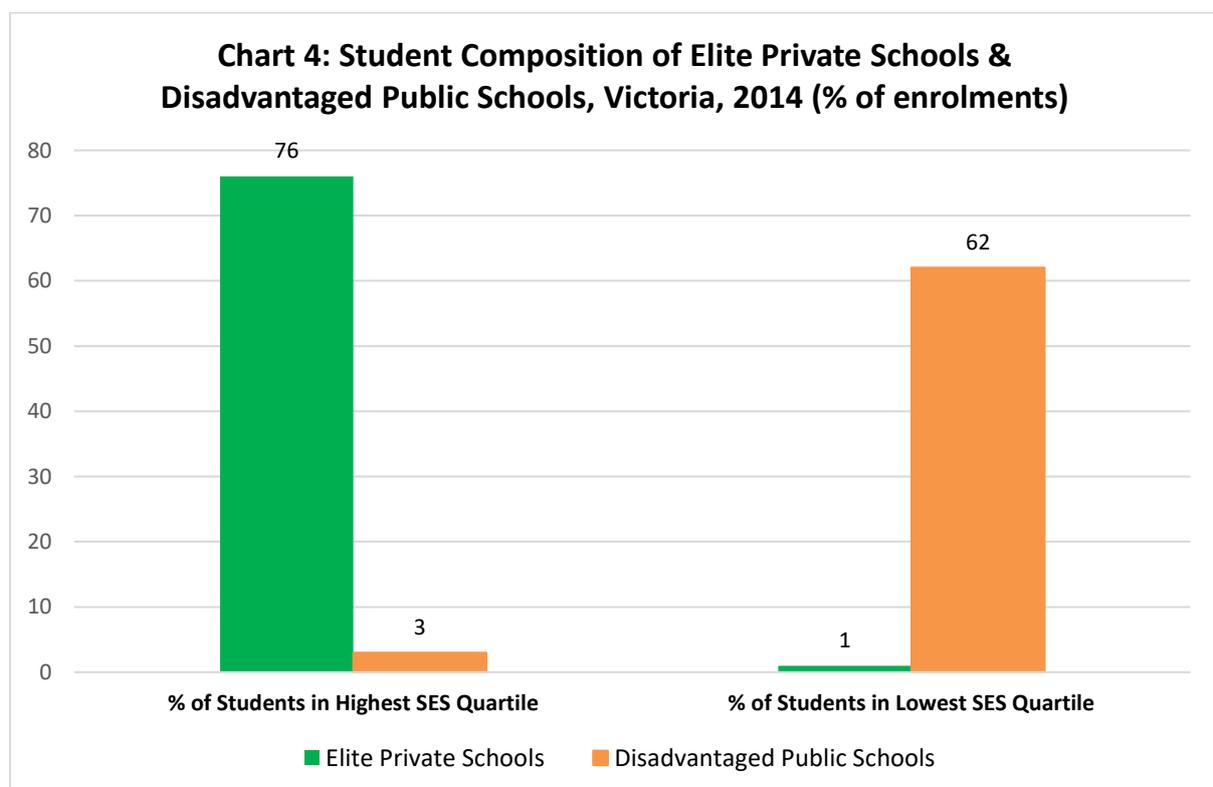
In contrast, per student funding for Caulfield Park Community School was cut by 23% while funding for Northern Bay P-12 College fell by 18% from 2011 [Chart 3]. Six other disadvantaged schools also had their funding cut. Funding was cut in these schools even though the proportion of students in the lowest SES quartile increased over the period in seven of the eight schools and there was little change in the proportion in the other school.

The cuts in five of the schools were due to cuts by both the Commonwealth and State governments. The cuts in two other schools were due to reductions in Commonwealth Government funding, while it was due to a reduction in State Government funding in the other school.

Funding for a further six schools increased by less than 10% over the five years. The funding increase for 31 of the 37 most disadvantaged schools was smaller than the average increase for the elite schools.

Many of the disadvantaged schools are likely to have received funding increases in 2015 and 2016 as a result of the Gonski funding increases. However, we cannot be sure of this until official figures are available. Past Victorian governments have substituted Commonwealth Government funding for state funding of public schools while increasing funding for private schools.

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 [Chart 4]. 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.



Source: My School

These figures demonstrate how woefully misdirected funding increases have been in Victoria in recent years. Schools with the least disadvantaged students had their funding increased by nearly

three times those with the most disadvantaged students. The blame for this deplorable state of school funding lies largely at the feet of successive Victorian governments.

The future funding for the most disadvantaged schools in Victoria is highly problematic beyond next year. The Abbott and Turnbull Governments sabotaged the Gonski funding model by refusing to provide the planned funding increases in 2018 and 2019 when some \$1.75 billion in Commonwealth Government funding was to flow to Victorian schools. In doing this, the Coalition abandoned the Gonski national goal that all schools would reach 95% of their Schooling Resource Standard (SRS) by 2019.

The Turnbull Government also further sabotaged the Gonski agreement by reducing annual indexation of school funding over the years 2018-2020 from 4.7% to 3.56%. Under the National Education Reform Agreement, the Commonwealth and the signatory states agreed to maintain their existing funding effort (as at 2011 and indexed to 2014) over the six years at agreed rates to ensure a consistent baseline for calculating shares of the additional Gonski funding and to ensure funding from one level of government was not substituted for funding from another level in the transition to the anticipated funding levels in 2019. The Commonwealth Government agreed to increase its per student baseline funding by 4.7% a year after 2014. The reduction of this indexation rate to 3.56% represents a further loss for Victorian and all other schools from 2018.

The Andrews Government has also abandoned the goal for Victorian public schools be funded at the 95% of their SRS by 2019. It has refused to commit to funding its share of the last two years of Gonski funding despite the fact that the previous Napthine Government agreed to do so. This will mean a further loss of funding of about \$0.9 billion.

In addition to this dismemberment of the Gonski plan, the Andrews Government undermined the Gonski funding principles by legislating to assure all private schools in Victoria that they will receive at least 25% of total Victorian government funding for public schools irrespective of need in private schools. Elite schools will get a windfall gain of 25% from any general increase in funding for public schools and a smaller windfall gain from any targeted funding increase for disadvantaged students and schools.

All up, Victorian schools will lose up to \$3 billion from the refusal of the Turnbull and Andrews governments to fund the last two years of Gonski and the Commonwealth's reduced indexation. Of this, nearly \$2.5 billion would have gone to under-funded public schools.

These decisions mean that Victorian public schools will continue to operate at substantially below their schooling resource standard into the future. Public schools in Victoria are the most severely under-funded school system in Australia. Under the current funding arrangements, they will be operating at only 82% of their schooling resource standard (SRS) by 2017. This compares to 89% for public schools in NSW, 88% in South Australia, 95% in Tasmania, nearly 100% in Western Australia and 112% in the ACT.

Victorian public schools will also be substantially under-funded in comparison to Victorian Catholic and Independent schools. Catholic schools have already reached 95% of their SRS and in 2017 will be at 96%. Independent schools are at 94% of their SRS and in 2017 will be at 95%.

Last month the national education ministers' council agreed to begin negotiations on the school funding arrangements to apply from 2018. They will be conducted in secret behind closed doors. There is a very real danger that the Gonski model will be further dismembered. If so, funding for

disadvantaged students in public schools everywhere will be setback even further and make it even more unlikely that their education outcomes will improve.

Data details

Source: My School.

School type: Combined and secondary schools.

High SES: Schools with around 70% or more students in the highest socio-educational advantage quartile. There are 35 private schools in this category and only two public schools – Melbourne HS & MacRobertson Girls HS.

Low SES: Schools with 55% or more students in the lowest socio-educational advantage quartile. There are 37 public schools in this category and only three private schools – Antonine College (Pascoe Vale), Adass Israel School & Mt Hira College.

Funding figures: Current \$, not adjusted for inflation.