

**Education Policy Brief**

# **Govt. Failure to Ensure Private School Systems Distribute Funding According to Need Will Continue Under Gonski 2.0**

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## Summary

[A recent report by the Australian National Audit Office \(ANAO\)](#) has slammed the Commonwealth Government for failing to ensure its funding of private school systems is distributed according to need and for not knowing how private school systems distribute their funding. The report is a scathing indictment of a massive failure of ministerial responsibility and government administration. Yet, this failure is likely to continue under Gonski 2.0, as it has for the past decade or more.

The ANAO report is highly critical of Commonwealth Government administration of funding for private school systems. In effect, the ANAO found that the Department of Education has failed to enforce its own legislation. It failed to ensure that:

- Private school systems' funding arrangements are publicly available and transparent;
- Private school systems distribute taxpayer funding to affiliated schools on a needs-basis;
- Progress of agreed national reform directions is adequately monitored.

The report also notes that few private school systems report their administrative expenditures and that there are large variations between systems that do. Some appear to be diverting considerable funding to their own administration.

These are not new criticisms. Several have been highlighted by other reports over the past decade, including a previous ANAO report, the Gonski review, the Victorian Auditor-General and by Kathryn Greiner, a former member of the Gonski review. The Grattan Institute has also provided evidence that Catholic systems have allocated funding to schools in richer areas at the expense of those in poorer districts.

Despite all this evidence, there has been little change - private school organisations have continued to thumb their noses at legislative and regulatory requirements to be accountable for how they distribute their taxpayer funding. In particular, Catholic education authorities have long refused to divulge how they distribute funds to their schools. Successive Commonwealth governments and the Department of Education have been complicit in allowing them to ignore their obligations.

There is little prospect that this will change under Gonski 2.0. It maintains similar administrative and regulatory arrangements that have failed in the past.

First, the Government has made it clear that there will be no change to the autonomy of private school systems regarding the distribution of funding to their schools. Commonwealth funding will continue to be paid as a lump sum for them to distribute to schools through their own arrangements.

Second, the transparency arrangements for private school systems remain unchanged. Formally, they are required to ensure that their funding re-distribution arrangements are "publicly available and transparent". This was required by the Regulations under the Australian Education Act 2013 and is included in the amendments to the Act passed by the Parliament last June. This requirement was not enforced in the past, as the ANAO report shows, and there are no additional enforcement procedures under Gonski 2.0.

Third, the amendments to the Act do not provide for any additional enforcement procedures to ensure private schools distribute funding according to need. There are no additional requirements for the Department to audit the distribution of funds to schools.

One substantive change is the establishment of the National School Resourcing Board (NSRB) to conduct reviews of the operation of the Act, particularly of arrangements and requirements relating to funding for schools. The Department's response to the ANAO criticisms relies on reviews by the Board to improve transparency and public accountability of the use of taxpayer funds by private school systems. It failed to commit to using its powers and sanctions more effectively in the future.

In principle, the NRSB is a step forward, although it is very different from the joint Commonwealth/State/Territory statutory authority originally recommended by the Gonski report. There are strong reasons to doubt that it will do any better than the Department has over the last ten years or more. It is a review body, not a regulatory body. Given that the Department of Education, with its legislative and regulatory authority, has failed spectacularly to make private school organisations report on how they distribute funding to their schools, it is difficult to see how a review board without any significant regulatory powers will make any difference

Moreover, the ability of the NRSB to conduct genuinely independent reviews of private school funding arrangements is compromised by its composition. The Education Act requires that the Board consist of at least six members, including members nominated by the National Catholic Education Commission (NCEC) and the Independent Schools Council of Australia (ISCA) [s.128(4)], both of whom have now been appointed. The original Gonski review recommended against representation of sectoral interests on the Board and said that its members should be appointed on merit.

The basic tenet of public administration is that government departments implement and administer legislation passed by the Parliament. The ANAO report and several other reports show that the Department of Education has failed in its key responsibility to monitor and enforce legislative and regulatory requirements for private school systems to distribute taxpayer funding according to need.

The Department's formal response to the ANAO report is to wash its hands of its core responsibility rather than take stronger action. It means to outsource its responsibility to the NSRB. It is a scandalous "Yes, Minister" avoidance of its administrative responsibility.

The Commonwealth Government and the Department of Education must ensure that private school systems publish their funding models on their websites. The Department must use its powers and sanctions to compel private school systems to provide evidence on how they distribute their taxpayer funding. It should also conduct much more robust annual audits on how private school systems distribute their funding to member schools and publicly report these audits.

## 1. ANAO criticisms

[A recent report by the ANAO](#) presents a scathing indictment of the failure of the Commonwealth Government and the Department of Education to carry out the statutory responsibility to ensure the public accountability of private school organisations for the use of their substantial taxpayer funding:

The department is yet to establish sufficiently robust arrangements to ensure that system authorities have in place, and make publicly available, compliant needs-based funding arrangements. There are also weaknesses in the arrangements established by the department to collect and validate the information provided by approved authorities to account for funding. These weaknesses have reduced the level of assurance the department has that funding is allocated in accordance with the needs-based principles established under the legislative framework....

Overall, the arrangements established by the department have not delivered the level of transparency and accountability envisaged under the Act. [pp. 8-9]

Specifically, the Department of Education has failed to ensure that:

- Private school system authorities' needs-based funding arrangements are publicly available and transparent;
- Private school systems distribute taxpayer funding to affiliated schools on a needs-basis;
- Progress of agreed national reform directions is adequately monitored.

The report also notes that few private school systems report their administrative expenditures and that there are large variations between systems that do. Some appear to be diverting considerable funding to their own administration.

These are not new criticisms. Several have been highlighted by other reports over the past decade, including by the ANAO, the Gonski review, the Victorian Auditor-General and Kathryn Greiner. The Grattan Institute has also provided evidence that Catholic systems have allocated funding to schools in richer areas at the expense of those in poorer districts.

### **1.1 Department has failed to ensure that private school system funding models are public**

The Australian Education Act allows private school systems to distribute government funding according to their own funding models as long as they comply with the needs-based principles established under the Act. The Regulations to the Australian Education Act require that the needs-based funding arrangements of private school systems should be publicly available and transparent (s. 61). The Catholic education systems in each state are the biggest systems, but there are several smaller systems and groups of schools that have what is called "block funding", including Anglican, Lutheran, Christian and Seventh Day Adventist systems. They are free to determine how they distribute it, subject to meeting the principles of needs-based funding.

The ANAO report found that the Department has failed to monitor whether private school funding models are publicly available and transparent as required. The ANAO's analysis revealed only nine of 33 private school authorities have published details of how they distribute government funding among their schools.

The department has not effectively monitored the requirement for system authorities to have in place needs-based funding arrangements and, therefore, is not well positioned to determine whether the basis on which authorities are distributing Australian Government funding is in accordance with legislative requirements.... [p.30]

The Department told the ANAO that it did not check whether private school system authorities' funding models are publicly available because of its "commitment to reduce regulatory burden". This is an amazing admission – reducing the regulatory impact on private schools and organisations was more important than ensuring accountability to the taxpayer. As the ANAO said, "Not all regulatory activity is 'red tape'" [p.12].

While acknowledging the benefits that can accrue from a reduction in 'red tape', any reduction in regulation should be informed by an appropriate assessment of risk, including the risk of non-compliance with legislative requirements or reduced transparency and accountability. [p.50]

## **1.2 Department has failed to ensure that private school systems distribute funding on a needs-basis**

The report also found that the Department of Education has not effectively monitored the distribution of funding by private school system authorities to ensure that taxpayer funding is being allocated on a needs-basis, as required by the legislation.

...the department has not fully utilised the available legislative provisions to monitor and report on the manner in which Australian Government school funding has been allocated by the department or subsequently redistributed by system authorities. As a result, the department has limited assurance that the redistributions undertaken by system authorities have been conducted using an appropriate needs-based model. [p.33]

This finding is based on a comparison of the funding calculated by the Department for individual private schools against the funding amount reported as allocated to individual schools by system authorities conducted by the ANAO. Its analysis shows significant differences between the funding allocated to private school system authorities by the Department and the funding these authorities reported having distributed to each of the schools that they represent. Of 1794 private schools that received funding and had an SES score, 206 (11%) received at least 10% more funding than was allocated to the system by the Department and 223 (12%) received at least 10% less funding than allocated. Of these schools, 24 received at least 30% more funding than was allocated to the system by the Department and 18 received at least 30% less funding than allocated.

Several low SES Catholic schools were allocated significantly less funding by Catholic education authorities than their entitlement calculated by the Department. For example, the funding received by St. Patrick's School in St. Arnaud, Victoria, was 41% less than its entitlement in 2015 while St Mary's School in Inglewood received 37% less than its entitlement and Holy Rosary School in Heathcote received 35% less than its entitlement. In NSW, St Joseph's School in Tenterfield received 40% less than its entitlement, All Saints Primary School in Tumbarumba received 35% less than its entitlement and St Jerome's Catholic Primary School in Punchbowl received 31% less than its entitlement. The differences amounted to several hundred thousand dollars for each school and over \$1 million in the case of St. Jerome's.

In contrast, many low and medium SES Catholic schools received substantially more than their entitlement. For example, funding received by St Joseph's School in Peak Hill, NSW, was 218% higher than its entitlement, while St Patrick's School in Winton, Queensland, received 105% more than its entitlement. The differences in funding amounted to several hundred thousand dollars in each school.

The report also found that many systems were not distributing funding for disadvantage loadings as required under the Education Act. There were large differences in the funding allocated by the

Commonwealth for low SES and disability students and the funding allocated to schools for these students by private school system authorities.

For example, about \$550 million was allocated to the low SES loading by the Department of Education in 2015, but only \$300 million was distributed to schools by system authorities under the loading. Just over \$500 million was allocated to the disability loading, but system authorities only distributed \$300 million to schools for this loading.

Private school authorities distributed about \$200 million for other loadings not required under the Education Act and nearly all authorities failed to describe these loadings in reporting to the Department. Another \$200 million or more of the funding allocated to loadings was distributed by authorities to base funding and administrative costs. It found large variances in the amount of funding retained by private system authorities for administrative costs and centralised expenditure.

### **1.3 Department has failed to monitor progress of national reforms**

The report is also highly critical of the failure of the Department to monitor the progress of national reform directions and ongoing policy requirements. It found that the Department has failed to establish robust arrangements to monitor the progress of agreed reform directions established under the National Education Reform Agreement (NERA). As a result, the Department is unable to determine the extent to which reform directions established under the NERA have been progressed by authorities. It also found significant weaknesses in administrative arrangements to monitor the implementation of ongoing policy requirements. Moreover, the Department has made only limited use of the available data to build its understanding of the impact of funding on educational outcomes.

### **1.4 Inadequate reporting of administrative costs of private school systems**

The report also found that many private school systems do not report on their administrative costs and centralised expenditure and that there appear to be very large variations between systems that do report on this expenditure. In 2015, only nine out of 25 systems reported these costs. Some appear to be diverting considerable funding to their own administration. The proportion devoted to central administration ranged between 0.1% and 18.9% of total recurrent funding, with a value between \$100,000 and \$30.7 million.

The ANAO noted that previous funding arrangements that were in place prior to the introduction of the Australian Education Act included a condition that administrative expenditure not exceed 2% of total funding. A written explanation was required when authorities sought to exceed the limit. However, the current Regulation permits recurrent funding to be used to cover administration costs and does not specify a limit on the amount that can be allocated for this purpose. This is a major failure of government administration.

## **2. 2009 ANAO report**

[A performance audit report by the ANAO in 2009](#) made some identical findings to those in its latest report. First, it found that the Department did not have information on the funding formulae that private school systems used to distribute funds to their affiliated schools:

The Department did not have information on the funding formulae that non-government school systems use to distribute funds to their affiliated schools, including whether and how these formulae account for need....

By identifying the methods used by school systems to distribute general recurrent grants, the department would be better placed to assess whether school systems are distributing these grants consistent with Australian Government policy guidelines and with their contractual arrangements. [p. 27]

The Department actually admitted that it did not collect this information. It told the ANAO:

The Department does not specify how non-government system authorities define need, nor does the Department collect information as to the methodology used on how systems distribute their funds. [p. 86]

The report recommended that the Department should find out whether schools systems distribute their block funding according to the principles of the funding arrangements at the time:

The ANAO recommends that the department request from school systems, information on their funding formulae used to distribute general recurrent grants to their affiliated schools, to assess whether:

- distributions are made according to need within overall Australian Government policy guidelines... [p.87-88]

The Department agreed to this recommendation [p.88]. It undertook to consult with school systems by the last quarter of 2009 and request that they provide details of how they distribute Australian Government funding to their member schools.

However, it appears that the Department did not follow up on its commitment to implement the ANAO recommendation. Nearly three years later there was still very little information available on how private school systems distribute their block funding. The Gonski report on school funding found that only “limited information is collected on these methods” [p.47]. All it could say was that smaller private school systems are known to distribute funding according to the SES score of their member schools. It could not say what the largest system – the Catholic system – did.

Second, the 2009 ANAO audit found that private school systems give less weight to the socio-economic status (SES) scores when distributing government funding to individual schools than required under program guidelines.

ANAO analysis found that systemic schools with low SES scores (that is, schools servicing low socio-economic communities) receive less Australian Government general recurrent grants per student from their school systems than if they were directly funded under the SES arrangements (as are non-systemic schools). [pp. 22, 85]

### **3. Gonski report**

[The Gonski report on school funding](#) expressed concern about the lack of transparency of funding allocations in private school systems. It noted that there was limited information available about the methods private school systems use to distribute government funding to their affiliated schools [p.47].

The report stated that “...there should be an expectation that systems will be publicly accountable for their decisions on the distribution of funding” [p. xvii] and that “efforts must be made to improve the accountability of systems for their resourcing decisions” [p. 52].

It is important that the same transparency and accountability arrangements apply to both government and non-government systems. This includes greater transparency in how systems distribute and allocate recurrent and capital funding to their member schools, and how funding is allocated to address the needs of disadvantaged students. [p. 53]

It recommended that school systems should be transparent about the basis on which they allocate funding 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. [p.181]

#### **4. Victorian Auditor-General's report**

There is also evidence that the failure of ministerial responsibility and government administration at the Federal level is replicated at the state level. In 2016, [the Victorian Auditor-General](#) found that the Victorian Department of Education and Training was not aware of the methodology used by the Catholic Education Commission of Victoria (CECV) to distribute state recurrent grants (SRGs) to system schools. In fact, the Department admitted to the Auditor-General that was not aware of the methodology used by CECV to distribute its funding.

The Auditor-General's report was highly critical of the failure to monitor how state government funding was distributed and used by schools. It found that there is insufficient oversight of private schools by the Department of Education, and this has resulted in a lack of transparency and accountability for the use of state government grants. It is largely a self-regulated funding system.

There has been limited oversight of the non-government school sector by DET, and this has resulted in a lack of transparency and accountability for the use of state government grants. [p. vii]

In some cases, DET relies on system authorities to administer and oversee grants made to schools. In effect, this means that the system authorities oversee themselves, because they receive the grant funding from DET, manage the allocation of grants to schools, and provide acquittals to DET on expenditure. DET has only assessed these acquittals from system authorities to ensure that expenditure matched the payments provided. DET does not oversee or monitor system authorities to assure itself that grants are used for their intended purpose or achieving the intended outcomes. [p. xiii]

The report found that, in contrast to other systemic school systems, the CECV was directing state government funding away from lower SES schools to higher SES schools.

CECV reallocates the SRG to Catholic schools using its own methodology. The overall effect of the CECV distribution methodology is that some Catholic schools receive substantially more than they would receive under DET's allocation and some substantially less. [p. xiv]

Overall, the highest SES schools gained an additional 75% in student funding compared with what they would have received under the Department's allocation model while the lowest SES schools lost between 11 and 63% of their funding.

#### **5. Greiner report on NSW Catholic system**

[A confidential report prepared for NSW and ACT Catholic Bishops in 2016 by Kathryn Greiner](#) (a former member of the Gonski review) and tabled at Senate Estimates in 2017 found evidence that taxpayer funds for Catholic schools are being directed to schools in more populous dioceses in and

around Sydney to the detriment of the greater need in rural and remote dioceses. The report shows that disadvantaged schools in rural and remote areas had decreased funding under the Catholic education funding model in favour of larger city dioceses. It cited the example of the diocese of Wilcannia and Forbes, covering most of western NSW, which received a funding decrease despite being the most disadvantaged diocese in NSW. It said that the use of government funding in accordance with equity principles is a major issue for the Bishops of NSW and the ACT.

The review commissioned Deloitte to develop a funding model that is consistent with the needs-based approach required by the Australian Education Act. It found significant differences between the current Catholic Education Commission funding and a model more closely aligned with the Act. The dioceses of Sydney and Broken Bay would receive significantly reduced funding while the other eight dioceses would receive increase funding.

The report referred to “the current impasse on funding allocation” and “the inability for the Catholic school system to reach consensus with regard to distribution of funding...” [pp. 20, 40]. It said this was the result of a “flawed governance model” and recommended a new structure for the delivery of Catholic schooling in NSW and the ACT that ensures efficient, accessible and needs-based allocation of resources to all schools, regardless of geographical location or current resource levels.

[The NSW Catholic Education Commission](#) claims that it implemented a new funding distribution model last year that gives schools in rural and regional areas between 30 and 60% more funding per student on average than schools in metropolitan areas. However, the model is not published on the Commission’s website and the claim cannot be verified. The new ANAO report demonstrates that issues remain around the transparency and the extent of needs-based funding in Catholic systems.

## **6. Grattan Institute**

[The Grattan Institute](#) has also provided evidence that Catholic schools in Melbourne are not funding schools according to need. A comparison of eight schools in affluent areas of Melbourne with eleven Catholic schools in Melbourne’s less privileged Broadmeadows area showed that total net recurrent funding for the Broadmeadows schools was only 4 per cent higher per student in 2015 than in the affluent schools. It also found that if Catholic schools were funded directly according to the Gonski needs-based distribution formula then the affluent schools would lose 42% of their funding while the Broadmeadows schools would gain 78%.

The school education program director at the Institute, Dr. Peter Goss, said this data raised serious questions about how funds were allocated by the Catholic school systems. [The Minister for Education, Simon Birmingham, agreed:](#)

This does appear to demonstrate that in some cases there are benefits flowing to schools in wealthier suburbs compared with schools in less wealthy suburbs.

## **7. Gonski 2.0 continues the same failed administrative arrangements**

There has been a litany of government and bureaucratic failures to ensure public transparency and accountability of how private school organisations spend taxpayer money. Some private school organisations have arrogantly refused to meet legislative and regulatory requirements. In particular, Catholic education authorities have long refused to divulge how they distribute funds to their schools. Successive Commonwealth governments and the Department of Education have been complicit in allowing them to ignore their obligations.

The latest ANAO report makes two key recommendations for the Department of Education to meet its obligations to ensure public transparency and accountability by private school organisations under the Australian Education Act 2013:

1. The Department of Education and Training establish a risk-based approach to monitoring compliance with requirements established under the Australian Education Act 2013 and, in keeping with the intent of the Act, increase the transparency surrounding the allocation and use of Australian Government school funding.
2. The Department of Education and Training strengthen its analysis of school funding allocation data to gain assurance that school funding is appropriately distributed in accordance with need as required under the Australian Education Act 2013. [p. 10]

However, Gonski 2.0 continues the same administrative and regulatory arrangements that have failed in the past.

First, the Government has made it clear that there will be no change to the autonomy of private school systems in distributing funding to their schools. They will continue to be paid the Commonwealth school funding for all of their schools as a lump sum. They can distribute this funding to their schools through their own needs-based funding arrangements provided they comply with the principles of needs-based funding stated in the Australian Education Act. A fact sheet issued by the Government titled "[How will a school's transition to new funding arrangements be calculated?](#)" makes this clear.

The Minister for Education has repeatedly emphasised that while the basis for the calculation of system lump sums has changed, systems will remain free to decide how to allocate the funds. For example, he told [The Guardian](#) in May:

....we absolutely respect their system autonomy and we're not seeking to change that. But the manner in which the eight different Catholic education systems around Australia will each be paid a lump sum of funding won't change. Yes, we're going to calculate it based on a manner treating all schools consistently across the non-governmental sector, but will then give them still a lump sum check. They will retain the autonomy to choose to redistribute that across their schools.

Even when confronted with evidence that Catholic systems were not distributing funding according to need, [the Minister re-affirmed](#) that "the Turnbull Government is not proposing to change the autonomy of Catholic education in terms of the way funding works".

Second, the transparency arrangements for private school systems remain unchanged. Formally, they are required to ensure that their funding re-distribution model is "publicly available and transparent". This was required by the Regulations under the Australian Education Act [s.61 (2)] and is now included in the amended Act [s.78 (3)]. This requirement was not enforced in the past, as the most recent ANAO report shows, and there are no additional enforcement procedures under Gonski 2.0.

Third, the amendments to the Australian Education Act do not provide for any additional enforcement procedures to ensure private schools distribute funding according to need. There are no additional requirements for the Department to audit the distribution of funds to schools.

The Australian Education Act 2013 required private school systems to distribute their funding on a needs-basis [s.78(3)] and the Regulations to the Act required systems to report annually to the Department on how funding for affiliated schools was determined in accordance with the system's needs-based funding arrangement. These requirements are retained in the amended Act and its Regulations, but with additional details. The ANAO report shows that the Department of Education failed to implement these requirements.

One substantive change is the establishment of the [National School Resourcing Board \(NSRB\)](#) to conduct reviews of the operation of the Education Act, particularly of arrangements and requirements relating to funding for schools [s.128]. As part of this function, the Board may (but, is not required) to conduct reviews of whether school systems distribute funding according to need.

The Department's response to the ANAO criticisms and recommendations relies on the establishment of the NSRB to provide independent oversight of the distribution of Commonwealth funds by private school organisations. It said that the Board will review whether approved system authorities distribute their funding in accordance with the needs-based funding requirements of the Act and that reports by the Board to the Parliament will provide greater transparency on the distribution of Government funding within systems [p. 45]. The Department's response was conspicuously silent on any commitment to take stronger action to ensure that all private school organisations publish their funding models and distribute funding to their schools according to need.

In principle, the NRSB is a step forward, although it is very different from the board originally recommended by the Gonski report. It recommended that the NSRB be established as an independent statutory authority jointly accountable to Commonwealth and state/territory education ministers rather than as a Commonwealth review board.

There are strong reasons to doubt that the new NSRB will do any better at holding private school organisations to account than the Department has over the last ten years or more. The amendments to the Australian Education Act and Government statements indicate that the NSRB will be a review body, not a regulatory and administrative enforcement body. Given that the Department of Education, with its legislative and regulatory authority, has failed spectacularly to make private school organisations report on how they distribute funding to their schools, it is difficult to see how a review board without significant regulatory powers will make any difference. Indeed, the likelihood is that the Board will rely on information and analysis provided by the Department and, as the ANAO report so conclusively demonstrates, there is much scope for the Department to improve its performance in this regard.

Moreover, the independence of any such review by the NSRB is compromised by its composition. The Education Act requires that the Board consist of at least six members, including members nominated by the National Catholic Education Commission (NCEC) and the Independent Schools Council of Australia (ISCA) [s.128(4)], both of whom have now been appointed. Furthermore, the Minister for Education must consult with the NCEC and ISCA, and the education ministers' council, in developing the terms of reference of any review conducted by the Board [s.128(3)].

Direct representation of private school organisations on the NSRB was an anathema to the Gonski panel. Its recommendation was that NSRB "members should be appointed on merit and not on the basis of sectoral representation" [p. 192]. It restricted sectoral representation to an advisory group to the Board and which would include representatives of both the public and private systems [p. 193].

The basic tenet of public administration is that government departments implement and administer legislation passed by the Parliament. The ANAO report and several other reports show that the Department of Education has failed in its key responsibility to monitor and enforce legislative and regulatory requirements for private school systems to distribute taxpayer funding according to need. Its response to the ANAO report is to wash its hands of its core responsibility rather than take stronger action. It means to outsource its responsibility to the NSRB. It is a scandalous “Yes, Minister” avoidance of its administrative responsibility.

It is incumbent on governments to require private school systems to actually distribute their funding according to need. This principle should be inviolate. It was required under the Regulations pertaining to the Australian Education Act. However, the latest ANAO report shows that this requirement has been ignored, as it was in the past. Governments have refused to enforce it and there is little prospect for change under Gonski 2.0.

The Commonwealth Government and the Department of Education must ensure that private school systems publish their funding models on their websites. The Department must use its powers and sanctions to compel private school systems to provide evidence on how they distribute their taxpayer funding. It should also conduct much more robust annual audits on how private school systems distribute their funding to member schools and publicly report these audits.