

**AUSTRALIAN COUNCIL FOR THE DEFENCE OF GOVERNMENT  
SCHOOLS  
PRESS RELEASE 805**

**MYSCHOOL THE RESOURCE THAT KEEPS ON GIVING-  
EVIDENCE OF EXTRAORDINARY  
CAPITAL GRANTS TO PRIVATE SCHOOLS**

Financial analysts have discovered the MYSCHOOL website is a gift that keeps on giving – evidence of gross and ridiculous inequities in education funding.

The MYSCHOOL website, rather than the Gonski ‘Needs’ enquiry, is the most valuable inheritance from the Julia Gillard government.

The gross inequities between direct per capita grants to private rather than public schools has been well documented by Trevor Cobbold of Save Our Schools at <http://saveourschools.com.au/>

**The taxpayer is now subsidising some private schools at more than 100% of requisite running costs.**

**Take them over? But what about their real estate?**

**Well, now the figures are indicating that taxpayers are paying for that also. So, as the funding and social - but not the educational divide- becomes ever wider, is it time to just – take the private schools over?**

**The State Aid policy has proved to be a socially divisive, expensive failure.**

**The time has come for action !**

Private schools are engaged in a ridiculous arms race for up-market facilities, with unnecessary recurrent subsidies releasing private as well as public funding for capital expenditure. Meanwhile public schools deteriorate.

The ABC, as well as Save Our Schools has entered the research and reveal enterprise. Their analysis focuses on capital expenditure for individual schools and sectors, which aligns with ACARA’s reports and the My School website But they offer no real solutions.

On 13 August 2019 Inga Ting, Alex Palmer and Nathanael Scott produced a program entitled

**[Rich school, poor school: Australia’s great education divide](#)**

Their research is based on school finance figures from the My School website — a dataset so tightly held that in the decade since its creation, it has only been released to a handful of researchers under strict conditions. Independently compiled by ABC News, it provides a more detailed picture of school income and expenditure than any publicly available data.

8,500 schools are ranked from highest to lowest on the income ladder, according to their average yearly income between 2013 and 2017.

The investigation, which encompasses these 8,500 schools teaching 96 per cent of students, reveals:

- Half of the \$22 billion spent on capital projects in Australian schools between 2013 and 2017 was spent in just 10 per cent of schools
- These schools teach fewer than 30 per cent of students and are the country's richest, ranked by average annual income from all sources (federal and state government funding, fees and other private funding) over the five-year period.
- They also reaped 28 per cent (or \$2.4 billion) of the \$8.6 billion in capital spending funded by government.

This revelation follows the ABC's [previous and equally graphic presentation](#) late last year of the bizarre features of the recurrent public funding of schools. That report showed, in funding terms, that most private schools have become public, something that became very apparent [over three years ago](#). This time around it is capital funding under the microscope. The problems are the same: little or no effective coordination between state and federal governments, the states locked into cyclical election promises to the private sector, and relentless and less-than-honest advocacy by the private school peak groups.

For large numbers of private schools their annual capital funding exceeds their recurrent funding from governments. In the words of Barry McGaw, "you can see that they are receiving much more money than they need to spend on their recurrent operations – as evidenced by the fact that they can pass [so much money] out to capital works"

### **Consider the following information on the 'Infrastructure arms race' between Australian schools.**

Wesley College, Haileybury College and Caulfield Grammar in Melbourne, together with Knox Grammar in Sydney, spent \$402 million. They teach fewer than 13,000 students.

### **The poorest 1,800 schools spent less than \$370 million although they teach 107,000 students.**

The richest 1% of schools spent \$3 billion. The poorest 50% spent \$2.6 billion combined. The poorest 50% of schools teach nearly five times as many students.

They present a list of mouth watering luxurious capital extensions to already well appointed private schools- for example Wesley College has an **Income** of \$104.6m Capital expenditure of \$96.7m and Capital expenditure from the government of. \$30,747 has extensive redevelopment including a \$21m music school, \$16m boarding facility and \$2.3m visual arts and design precinct. The school is currently fundraising for \$2.5m refurbishment of Wesley Boathouse.

While Haileybury ., with an Income of \$98.1m, Capital expenditure of \$103.5m and Capital expenditure from the government of \$455,466 has a new campus in King Street, Melbourne.

Haileybury City features an indoor sports facility, a dedicated floor for music, art and drama and two terrace gardens. Classrooms with floor to ceiling windows offer 180-degree views of the city.

It should here be noted that this is a school with no playgrounds, so at recess times- usually twice or thrice a day, the children take over portion of the Flagstaff Gardens.

And so the list goes on. These wealthy school lists have been causing outrage since 1969, but until the last decade the private sector were not receiving massive capital as well as per capita costs handouts. Or so it was thought.

Over the past decade, public funding to private schools has risen nearly twice as fast as public funding to public schools, according to the latest figures from the Australian Curriculum, Assessment and Reporting Authority, which runs the My School website. Recurrent public funding to private schools topped \$14 billion in 2017.

What is the reaction?

Chris Bonner in a response in *The Conversation* wrote:

There is much more to come out about the funding of our schools, both public and private. Long-treasured myths – such as how this funding represents a saving on the public purse – can now be seriously challenged. We constantly hear that students in private schools get between 50 and 70% of the government funding going to those in public schools. Research currently under way points to the real figure being much closer to 100%, and sometimes more. The oft-claimed annual saving to the public purse of around \$7 billion *might* be half a billion, if it exists at all. Indeed, if all the students funded to attend private schools since 2011 had instead attended *public* schools, governments would have pocketed over \$100 million in recurrent funding costs each year. As for capital funding, the claimed savings created by students attending private schools would have been one-third the amounts claimed by private school peak groups.

And of course, last but not least, that symbolic status of Goulburn in the opening years of the state aid debate is under continuing challenge. If Goulburn's Catholic schools had to shut their doors today the recurrent funding *gain* to governments would be \$1 223 612. Maybe the bishops should try that stunt again!

The reality is that we know more and more about school funding than ever before. It gets harder and harder to defend the indefensible. The ABC report has made an invaluable contribution to a better debate.

And

University of Melbourne professor Barry McGaw, former chair of the ACARA board, said the data now available on the My School website “open up a whole set of questions we’ve not been able to ask before”.

In some large non-government schools, the amount allocated to capital programs is “often pretty much equivalent” to the amount of recurrent funding provided by government, Professor McGaw told the ABC.

He said the figures show how much schools are “liberated to transfer to capital works”, even though they may argue the money is sourced from parents.

“That’s one of the reasons you’re seeing such massive building programs going on.”

At scores of private schools around the country — the vast majority in the independent sector — the amount allocated to capital projects was worth a substantial share of (or even exceeded) their recurrent government funding.

Among the schools are:

- Caulfield Grammar, Vic: recurrent funding: \$74.7m; capital allocation: \$83.8m
- Hale School, WA: recurrent funding: \$42.3m; capital allocation: \$45.6m
- Canberra Grammar, ACT: recurrent funding: \$30.5m; capital allocation: \$33.9m
- Loreto Normanhurst, NSW: recurrent funding \$34.3m, capital allocation: \$33.3m

[Embed: At scores of private schools, the income allocated to capital projects was worth a large chunk of their recurrent public funding](#)

“You can’t stop [schools raising funds privately]... but you can see that they are certainly receiving much more money than they need to spend on their recurrent operations — as evidenced by the fact they can pass [so much money] out to capital works,” McGaw said.

“And they never lower their fees. The more government gives, the fees never go down.”

All Professor Proctor from the University of Sydney could say was: ‘The figures are extraordinary’.

The response of the Australian Education Union is worth being reproduced in full.

The extent to which public schools in Australia are being ignored by the Morrison Government when it comes to capital funding for new facilities and renovations has been highlighted again today.

This year alone the Commonwealth Capital Grants Program has allocated more than \$146 million to fewer than 140 non-government schools. By contrast, public schools will not receive a single dollar of equivalent Commonwealth funding<sup>[1]</sup>.

Between 2013 and 2017, Australia's four richest elite private schools spent more on new facilities and renovations than 1800 schools combined.

In 2017, only 38 per cent of total spending on school infrastructure was in public schools — far below the sector’s 66 per cent share of enrolments.

The richest 1% of schools spent \$3 billion, while 50% of schools spent \$2.6 billion combined. That 50% of schools teaches nearly five times as many students.

Australian Education Union Federal President Correna Haythorpe said that public school capital funding requirements have been completely disregarded by the Morrison Government’s private school capital funding cash splash.

Ms Haythorpe said the figures raised serious questions about how private schools are using recurrent funding provided by the Commonwealth.

“In private schools around the country the amount they allocate to capital projects is similar to the amount provided by the Commonwealth for recurrent funding,” Ms Haythorpe said.

“However the rules are clear - recurrent funding cannot be used for capital works projects. This raises serious questions about how some private schools are actually using their recurrent funding.”

While the Morrison Government will provide \$1.9 billion in capital works funding for private schools over ten years, public schools will not receive a single dollar of equivalent Commonwealth funding.

Ms Haythorpe said the Federal Coalition increased the private school capital fund by \$300 million in 2017 while at the same time putting an end to capital funding for public schools.

“Not only has Scott Morrison cut \$14 billion from public schools he was also the Treasurer who stopped capital funding for public schools altogether,” Ms Haythorpe said.

The lack of Commonwealth capital funding for public schools is despite the fact [ABS data shows](#) almost 200,000 additional students have enrolled in Australian schools in the past five years and 76% of the growth has been in public schools.

Between 2015 and 2018 the number of students in public schools increased by 113,039 compared to an increase in Catholic school enrolments of 196 and an increase of 29,626 in Independent Schools. Catholic school enrolments decreased in 2017 and 2018.

“In 2018 and 2019 alone, 315 non-government schools received a total of \$312.6 million in allocations from the Morrison Government’s private school capital works fund – an average of nearly one million dollars per grant,” Ms Haythorpe said.

“The Prime Minister’s insistence on ignoring public schools while handing billions in capital funding to private schools will entrench and increase the funding inequality gaps between the sectors.”

“Public schools are experiencing significant enrolment growth and it is the public sector which has the greatest need for classrooms, libraries, science labs or sporting facilities.”

Ms Haythorpe said that the Commonwealth should establish a capital works fund for public schools as recommended by the Gonski Review. She said this fund should include at least \$300 million in the first instance.

“If the Morrison Government wants to give all school students a fair go, it must immediately end capital funding inequality and provide funding to public school capital works.

In the 1960s DOGS predicted what is now happening.

The current \$14 billion of State Aid per annum for private religious schools is an interesting, if underestimated figure. State Aid started with a few hundred

thousand for science blocks after Russia sent Sputnik into the sky. It started with a trickle. It is now a flood.

Perhaps we can now stop romancing about ‘needs’, which are really bottom of the school yard schemes, be clever, and learn from what our forebears did in the nineteenth century. It took them a few decades to wake up, but they withdrew State Aid to the private religious sector, and Australian education flourished.

Private schools never have and never will educate all the nation’s children. Their very nature is to educate the minority at the expense of the majority.

They have once again proved to be a very expensive anomaly. They should be either taken over or become genuinely independent.

We, the citizen taxpayers, pay for them. Open them up and take them over until we are left with a strong public system and a few genuinely independent schools again. Those with direct public funding up to 50% should be open to all children, with offence to none – immediately. Those with over 50% public funding should be taken over completely in the next ten years. Those which are over 100% funded should be taken over immediately.

**LISTEN TO THE DOGS PROGRAM**  
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**<http://www.3cr.org.au/dogs>**