

**AUSTRALIAN COUNCIL FOR THE DEFENCE OF GOVERNMENT
SCHOOLS
PRESS RELEASE 857**

**The Catholic System of Education Has Always Taken from the
Poor to Give to the Rich**

A research team within the ABC, Inga Ting, Katia Shatoba and Alex Palmer have been busy doing statistical analysis on the MYSCHOOL website and Examining some leaked documents from the highly centralised, independent and secretive Catholic authorities. They have uncovered a scheme which suggests that hundreds of NSW Catholic schools are missing out under a scheme that will divert more than \$300 million in public funding from the system's poorer to richer primary schools by 2023.

<https://www.abc.net.au/news/2020-09-02/how-the-catholic-school-system-takes-from-the-poor/12588920?nw=0>

This scheme is administered by the Catholic bureaucracy but it is- and must be – approved by the State's bishops. The object of the scheme is to keep fees low for families in wealthy parts of Sydney. But it comes at a hefty private cost for low and middle-income families in the system who are asked to pay higher fees to make up the shortfall.

How can this happen? State and federal government funding for the Catholic system schools in NSW – amounting to \$2.8 billion in direct grants alone – is calculated based on the ICSEA value of individual schools but delivered as a lump sum payment to the Catholic bureaucracy – Catholic Schools NSW (CSNSW), the sector's administrative body for schools funding.

This body uses its own 'needs-based' model to distribute funding to the state's 11 diocese, which, in turn use their own 'needs-based' models to allocate the funds to individual schools.

The details of these distributions have long been kept secret, despite Reports of Auditors General, and recent recommendations of the National Schools Resourcing Board that private school systems disclose more information on how they distribute government funding to their schools.

According to a draft proposal, CSNSW's 2020-23 distribution model gives three times more government funding to the system's highest-SES primary schools than they are entitled to under the Australian Education Act (AEA).

Mr McInerney confirmed that this accurately describes the current model.

The extra money comes from the government funding intended for low- and middle-SES schools, which are mostly in outer Sydney or regional and rural NSW.

This allows schools in some of the state's wealthiest areas to collect roughly one-third to half of the fees parents at those schools are estimated to be able to afford, the documents suggest.

Meanwhile, school fees in much poorer areas are set up to two or three times above those parents' "capacity to contribute" under the Australian Education Act.

The dioceses benefiting most from this model are Sydney and Broken Bay. (Broken Bay diocese encompasses Sydney's Northern Beaches and North Shore, as well as the Central Coast.)

By 2023, wealthier dioceses will have gained an estimated \$309 million at the expense of poorer dioceses.

They gain at the expense of regional and rural dioceses, including Armidale, Wagga Wagga, Wilcannia-Forbes and Bathurst.

Piecing together data from the documents, the ABC estimates that between 2015 and 2023, Catholic school authorities will have diverted some \$309 million in government funding from poor and middle-income dioceses to the state's wealthiest dioceses.

Professor Piccoli from the Gonski Institute, who was blowing the whistle when he was Liberal Minister for Education in NSW

"The people who should be really angry about this are the parents who send their kids to low-SES Catholic schools, particularly in regional New South Wales,".

This research puts facts and figures for only one Australian State on the public record. But the rorting of the 'Needs' policy by the Catholic school system in particular – and there is no reason to believe that it is the only system doing this. Nor are these bottom of the schoolyard schemes confined to NSW in 2020. They have been the modus operandi of the Catholic system since 1973. For them, the 'Needs' policy was always a sham. If need be, using their political influence, they have always used public money for 'needy' schools to produce more 'needy schools'. And, whatever classification has been introduced by government authorities like the Schools Commission of Gonski, they can re-classify. Why?

Because there is no accountability or genuine ministerial responsibility for expenditure of taxpayer funds.

DOGS have been producing evidence of the bottom of the school yard schemes since 1973. They have placed full page Advertisements in newspapers exposing the diversion of education funds for the poor to the expansion of the Catholic system for the wealthy.

Consider what happened in the heady days of the Schools Commission, when the Karmel Report used a 'Needs' policy to rescuscitate a denominational system inherited from pre-Enlightenment societies ruled by a monarch, the aristocracy and clerical hierarchy.

The really big winners in 1973 were never the disadvantaged in public schools since from the beginning they received 72% of the specific funds available for a proportional enrolment in those days of 78.3%. Church schools received 28% for their proportional enrolment of 21.5%. By July 1976, church school 'neediness' coefficient was even higher. Public schools received only 64.3% of the funds while church schools received 36.7%.

The wealthy schools like Geelong Grammar, which was category A, most wealthy in 1973 had been demoted to category two by 1977, the same category as the average Victorian state secondary school.

But the really big winners in the 'needy classification game were the systemic schools. These were automatically categorised as 'most needy'. In the period 1974 to 1983 there was a reclassification 'downward' to more 'need' and more money for a sizeable number of schools in the Catholic sector. Other religious schools were soon to follow. The following tables illustrate the games that were played.

Table 1
Non-systemic private school changes:
in classification and numbers Australia wide (six states)
1974 & 1983

Category	Roman Catholic		Other Private		Total	
	1974	1983	1974	1983	1974	1983
Class 1	33	5	224	213	257	218
Class 2	107	1	47	122	154	123
Class 3	316	214	8	123	324	337
Total	456	220	279	458	735	678

*There was a change in the classification system during the first decade of the 'needs' policy. Categories A to G instituted in 1974 became 1 to 3 in 1983.

An examination of this table reveals that in 1974 there were 140 Roman Catholic non-systemic schools outside the most 'needy' highest subsidy category. In 1983 there were only 6.¹⁰⁷ Taking into account the result of closures and amalgamations, the majority of these schools ended up in the 'most needy poor parish schools' category as systemic schools.

Table 2
Variation in systemic and non-systemic
Roman Catholic Schools
Australia: (six states)

Category	1974	% of Total	1983	% of Total	Difference
Systemic	1252	73.3%	1422	86.6%	+ 170
Non-Systemic	456	26.7%	220	13.4%	- 236
Total	1708	100%	1642	100%	- 66

From the very beginning the private school sector played bottom of the schoolyard schemes. These were the years when the High Court encouraged taxation minimisation schemes and the Keynesian redistribution of wealth and income after the Second World War was overtaken by neoliberal ideology. Labour and well as Liberal Governments encouraged the privatisation of essential services such as education.

The DOGS attempted to blow the whistle on the bottom of the schoolyard schemes in the following Newspaper Advertisements in the *Age*, *The Herald*, *The Australian* and the *Canberra Times*.

***The Age:* 12 November 1970; 27 November , 1972, 4; 16 May 1973, 10; 12 July 1973, 14; 12 December 1975, 12 ; 23 June 1977, 16; 2 December 1977; 5 December, 1977, 12; 3 May 1984, 18; 28 November 1984, 20; 1 May 1985; 30 August 1988, 22-23; 2 March 1998, 11; April 26, 2005; 27 March 2006;**

***The Herald:* 1 December 1972, 11; 11 December 1975, 38;**

***The Australian :* 10 December 1975, 5;19 July 1985, 7;**

***Canberra Times:* 18 December 1980; 4**

During the twenty first Century the levels of funding to the private sector; the underfunding for public schools and the growing levels of inequality have reached a turning point. All attempts by governments to introduce 'Needs' policies have failed. The private sector has been tried and found wanting. Their bureaucracies cannot be trusted to fulfil legislative or accountability requirements.

Trevor Cobbold of Save our Schools has mined the MySchool website for clear statistics that prove that State Aid to private schools is not only socially divisive. It is uneconomic on an educational, economic and international level.

DOGS suggest that private schools which taxpayers fund to 80% of the current resource standard level be taken over, made accessible to all children and their funding be administered by an Education Department answerable for the expenditure of every dollar to an elected Minister.

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