

**AUSTRALIAN COUNCIL FOR THE DEFENCE OF GOVERNMENT
SCHOOLS
PRESS RELEASE 850
COALITION GOVERNMENT SENSITIVE ABOUT
SHENANIGANS OF PRIVATE SCHOOLS**

Turnbull claimed in his recent book *A Bigger Picture* that he and other politicians had been “gullible” in believing that Catholic systems would use their needs-based funding to support poor schools. He indicated that he and others had ignored incontrovertible evidence available to them that the Church was misappropriating taxpayer funding from poor schools to support its schools in wealthy suburbs. Turnbull and others, including Labor, chose to turn a blind eye to it and did nothing about it.

Catholic misuse of taxpayer funds has been highlighted by several reports. They included reports by the National Audit Office to the Parliament in 2009 and 2017, the Gonski review, the Victorian Auditor-General and a review of the NSW Catholic system by Kathryn Greiner, a former member of the Gonski review. The Grattan Institute had also provided evidence that Catholic systems allocated funding to schools in richer areas at the expense of those in poorer districts as had Save Our Schools.

The [2009 National Audit Office report](#) found that systemic schools with low SES scores receive less Australian Government general recurrent grants per student from their school systems than if they were directly funded under the SES arrangements. [The 2017 report](#) found that many low SES Catholic schools were allocated significantly less funding by Catholic education authorities than their entitlement. It found that the Department of Education failed to ensure that school systems published their distribution model and did not check whether systems distributed funding according to need.

[The report of the Victorian Auditor-General](#) found that the Catholic Education Commission of Victoria reallocated state government recurrent grants away from the lower socio-economic status schools to schools with a higher socio-economic status. The 2016 review of the NSW Catholic education system by Kathryn Greiner, [tabled in Senate Estimates in 2017](#), found significant differences between the current funding of schools and a model more closely aligned with the Australian Education Act.

A comparison of funding of Catholic schools in affluent and poor areas of Melbourne by the [Grattan Institute](#) in 2017 found they were not funded according to need. [A research paper by Save Our Schools](#) came to the same conclusion by comparing the actual funding for schools reported on the My School website with their funding rates determined by their SES scores. It found that almost all high SES Catholic combined and secondary schools in Australia were over-funded compared to entitlement according to their SES score.

The [Gonski report in 2011](#) expressed concern about the lack of transparency of funding allocations in private school systems. It recommended that they should be obliged to disclose how government funding is distributed to member schools. This was ignored by the then Labor Government which had arranged a special funding deal with the Catholic Church and was not going to challenge the Church’s longstanding arrangement with the Commonwealth.

The Coalition Government Can Ignore the Scandal No Longer

To protect themselves, the current Minister for Education Dan Tehan and the Commonwealth Department of Education, in April 2019, requested the **Australian Government National School Resourcing Board** they set up in 2015, to conduct a review of needs based funding requirements for Approved System authorities under subsection 78(5) of the Australian Education Act 2013. The final Report, delivered in December 2019 has been made available.

The Chairman of the Committee, Natalie Brown is a public school graduate who is a professor in Education at the University of Tasmania, but Bill Daniels, an erstwhile Executive officer of ICSA - the Independent Schools lobby group was also a member. There is a lot of pussy footing language –weazel words - in this report, but perhaps the most classic statement on page iii is as follows:

‘Nationally, there is a strong appetite for more clarity on the application of the needs-based funding requirements, particularly insofar as it relates to the flexibility systems have to develop their own needs-based funding arrangements’.

And

Additional guidance is required to support transparency of Systems’ needs-based funding arrangements.

DOGS suggest that if Australia still has any semblance of responsible democratic governments then accountability for the \$310.3 billion in recurrent funding for schools from 2018 to 2029, is basic. This, of course, is only recurrent, and does not include capital or special purpose funding. Nor does it include taxation expenditures in the form of taxation exemptions.

Approximately two thirds of this recurrent funding public money goes to one third of the Australian students in the private sector.

Stand back and contemplate these billions and ever increasing billions of taxpayer funds being diverted to prop up a failed private business plan for educating ALL Australian children. The lack of transparency and accountability in this sector, exposed again and again in the last decade, is a national scandal.

Although some of their recommendations require greater transparency from the private systems, the Review Committee does not question the principle of ‘*subsidiarity*’. This is a convenient term for delegation of responsibility for public money to service providers like the Catholic Church to distribute according to their **own** ‘needs-based’ criteria.

Some recommendations however, MAY bring more facts and figures online for the perusal of concerned taxpayers and public school supporters.

Trevor Cobbold, from *Save Our Schools* has analysed the Report as follows:

Catholic School Systems Required to be More Transparent About How They Use Taxpayer Funds at [Trevor Cobbold](#) / [July 10, 2020](#) / [Funding](#)

Catholic school systems have been diverting taxpayer funding for schools in poor areas to schools in wealthy inner suburbs for years. [Many official and other reports](#) have documented this unethical and unchristian practice. It may at last be about to change.

Catholic and other private schools systems will be placed under greater public scrutiny as a result of a new report by the [National School Resourcing Board \(NSRB\)](#). The [Commonwealth Government](#) has accepted its recommendations that private school systems disclose more information on how they distribute government funding to their schools.

Under the Australian Education Act, school systems (public and private) are required to distribute Commonwealth Government funding on a needs basis which includes having a base amount per student and six disadvantage loadings and being publicly available and transparent. Past reports have shown that the Australian Department of Education has not met its responsibility under the Act to ensure that taxpayer funding is distributed on a needs-basis.

In April 2019, the Commonwealth Minister for Education commissioned the NSRB to review the needs-based funding arrangements of school systems and recommend action to improve compliance with the Education Act. Its report released in July found there is insufficient transparency about how school systems distribute Australian Government funding and made several recommendations to increase publicly available information on system funding arrangements. It said that system funding arrangements should be unambiguous and easily accessible so the public can understand decisions about the distribution of funding to schools.

The report found that current reporting on school funding allocation and distribution is fragmented, inconsistent and incomplete. There is much variation in the needs-based funding arrangements between school systems as well as the level of detail of what is published about these arrangements.

It also found that needs-based funding arrangements also vary within systems, particularly in the Catholic school system where the relevant state-based Catholic Education Commission distribute funding to Dioceses that are responsible for the day to day operations and financial affairs of schools. The needs-based funding and distribution arrangements at the Diocese level may be different to those at the system level, but most of the Diocese arrangements are not published. This fragmentation, inconsistency and lack of detail make it difficult to see how the funding for individual schools in the system are determined.

The report noted that there is limited information on the Department of Education website about how systems distribute funding. Moreover, the Department has not been able to make any findings on systems' compliance with the Act because of the limited information it collects about system distribution of funding.

The report said that there are good reasons requiring needs-based funding arrangements to be publicly available and transparent.

Transparency supports accountability and publicly available arrangements create an evidence base about different approaches which is valuable, especially when there is limited evidence explaining what constitutes an effective approach to respond to the variety of often competing needs of students and schools at a local level. [p. 16]

The report recommended that the Department of Education should provide a list of school systems on its website together with a link to each system's website where its current needs-based funding arrangement is published. It should include a statement by the Department advising whether all systems have published their current needs-based arrangements.

The report also recommended that the Government should identify instances where school-level public funding distribution in a private school system varies significantly from the publicly funded share of the Schooling Resource Standard for the school. This is needed to further revise funding arrangements and support public confidence that the Government is monitoring systems' distribution of taxpayer funds to schools.

Another recommendation was for the Department provide further guidance to school system authorities to standardise the level of information to be publicly available. This would require systems to make publicly available information on the methodology for their needs-based funding arrangements as well as requiring them to provide a rationale for that methodology. It would also include the provision of this information for sub-systems, where the system's arrangement includes distributing funding to a lower level administration which then passes funding on to schools.

Under the Regulation of the Australian Education Act, each school system is required to report to the Department of Education on the amount of Commonwealth Government financial assistance it has provided at the school level. This information is collected through the Block Allocation Report. systems are required to report the amount of funding distributed to each member school by base and loadings as well as administrative costs and centralised expenditure.

The report recommended that the Department publish the information provided in Block Allocation Reports. At present, the reports are not publicly available. Indeed, the Department has denied requests from Save Our Schools for the full reports by Catholic systems. After consultation with Catholic Education Commissions, the Department partially exempted each Block Allocation Report from disclosure and redacted information on the payments for the disadvantage loadings for low socio-economic status, Indigenous, disability and low English language proficiency students. SOS appealed to the Information Commissioner over a year ago to grant full access to the reports, but no decision has been made.

The Government has accepted the recommendations of the report and many will be implemented by the end of 2020. However, it remains to be seen whether it will make any difference to the practices of Catholic systems. They have long thumbed their nose at legislative requirements for transparency and got away with it because of inaction by Coalition and Labor Governments.

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