

**AUSTRALIAN COUNCIL FOR THE DEFENCE OF  
GOVERNMENT SCHOOLS  
PRESS RELEASE 881**

**INTEGRATION OF PRIVATE SCHOOLS  
INTO PUBLIC SECTOR :  
HAS NOT AND CANNOT WORK  
6 MARCH 2021**

Every decade or so, those who wish to compromise on the State Aid issue come up with the ‘Integration of private schools within the public system’ thought bubble.

It has not worked in the UK and it has not worked in New Zealand. It only means further inequalities and the marriage of two completely opposing objectives, one public and one private, with private privilege publicly funded to the fullest extent.

Since the idea was first introduced in Australia in the 1980s DOGS position is that public schools are public in purpose and outcome; public in access; public in ownership and control’ public in funding and accountability.

Private schools might be public in funding but that is where their public service ceases. They own and control their assets, including those paid for by the public Treasury; and above all, by picking and choosing their students, they are dedicated to private privilege.

To include private schools in the public system would be a complete and improper mismatch.

Yet, once again, the idea is being mooted, this time by the well-meaning Gonski Institute. A new paper published by the [Gonski Institute for Education](#) recommends integration of private schools into the public system. It sees this as a key solution to the increasing inequity and social segregation which is described as a “structural failure” of education in Australia.

The idea has been dismissed by the chief executive officer of Catholic Schools NSW, Dallas McInerney, as a “think tank clickbait fantasy”. See our [Press Release 879](#). It has also been rejected by

1. Trevor Cobbold from Save our Schools as deepening rather than assisting structural failure.
2. Jean Ely as a complete mismatch of educational systems which would undermine the public system.
3. By Chris Bonner as just another failure from overseas . However, Bonner questions Trevor Cobbold's expenditure figures, implying that private school public funding is so great that perhaps, perhaps, it might be time to take them over anyway.
4. DOGS have always been against the integration of the private into the public sector and note that the economic argument for State Aid has outworn its usefulness. We now pay for private schools. Let's just make them public schools and be done with it.

The arguments of Cobbold, Ely and Bonner are reproduced below.

### **1. The Trevor Cobbold Argument:**

#### **Integration of Private Schools in the Public System Would Deepen Structural Failure**

 [Trevor Cobbold](#) / [February 22, 2021](#) / [Funding](#)

But, far from solving structural failure, this proposal will deepen it and further deny the Gonski vision that education outcomes should not reflect differences in the socio-economic background of students. Integration of private schools in the public system will not increase equity in education.

The proposal to bring private schools into the public system and fund them as public schools will provide another massive boost to government funding of private schools and increase social segregation with all its attendant costs to society. It is also highly unrealistic and fails to specify the conditions under which private schools could be integrated with the public system. It ignores evidence that other systems that fully fund Catholic schools are also highly inequitable.

#### **More funding for private schools**

Australian governments have favoured private schools with funding increases that have far exceeded those for public schools for years. For example, estimates by Save Our Schools based on the latest figures published in the [Report on Government Services 2021](#) show that total government funding (Commonwealth and state/territory) per student for private schools, adjusted for inflation, increased by nearly six times that for public schools between 2009-10 and 2018-19.

The Gonski Institute proposal would provide billions more in government funding to private schools, despite its claim that the additional funding would be “quite low” and amount to less than 2% of government recurrent funding of all schools. In fact, it would cost at least an additional \$4 billion a year.

Based on 2018 funding and enrolment figures published by the Australian Curriculum and Reporting Authority (ACARA), Catholic schools would get an extra \$1.65 billion per year and Independent schools an extra \$2.28 billion [see Table]. This is about 8% to total recurrent funding, four times what the Gonski Institute claims.

### **Additional Funding for Private Schools to Match Public School Funding**

<b>School Sector</b>	<b>Enrolments 2018 (No)</b>	<b>Govt Funding per Student 2018 (\$)</b>	<b>Funding Difference per Student (\$)</b>	<b>Additional Funding to Equal Public Schools (\$)</b>
<b>Public</b>	2,558,169	14,189		
<b>Catholic</b>	765,735	12,037	2,152	1,647,861,720
<b>Independent</b>	569,930	10,190	3,999	2,279,150,070

Source: ACARA, [National Report on Schooling data portal](#)

Instead of shovelling another \$4 billion a year to private schools and their more advantaged families, it would be better used to support under-funded public schools and disadvantaged students. It is completely inequitable and discriminatory to direct another \$4 billion a year to private schools when existing public schools are starved of funds needed to make a difference for the vast majority of disadvantaged students. [Public schools are under-funded by \\$6-7 billion a year](#), enrol over 80% of disadvantaged students and account for about 95% of the most disadvantaged schools in Australia.

### **Integration would increase social segregation in the public system**

The paper makes the extraordinary claim that integration of private schools will help alleviate inequity in education and reduce social segregation between schools. On the contrary, it would increase social segregation and worsen the hierarchy of school status within the public system.

It ignores a fundamental cause of the social segregation, namely, the imbalance in school funding. [Private schools are over-funded and public schools are massively under-funded](#) for the tasks they face. Another \$4 billion a year in subsidies to private schools would only serve to stop the decline enrolments in private schools.

The proposal would establish private schools as independent public schools akin to charter schools in the US and academies and “free” schools in England. This would provide them with special status and continue social segregation as it has in the US and England. They would become another form of independent public schools as in Queensland and Western Australia and as in the case of selective public schools in NSW and Victoria. These “independent” schools have gained a special status within the public system to attract middle class families. Including private schools in the system would only compound the status hierarchy in the public system. The proposal would reinforce social segregation in schools.

Australia already has one of the most socially segregated school systems in the OECD. Incorporating private schools within the public system is hardly going to reduce this given the extra funding they will receive. Moreover, it is hard so see that private schools will give up being able to set fees and control admissions which they use to socially segregate.

Private schools would also insist on control of their curriculum to meet religious and other objectives. In particular, Catholic and other Christian schools in the public system would insist on being able to teach religion as part of their curriculum. For some, it includes not teaching evolution and refusing to teach proper sex education.

### **Highly unrealistic**

The proposal is also highly unrealistic. It is impossible to believe that Catholic and Independent schools would ever agree not to charge fees as a condition for the increase in government funding because it would mean reducing their resource advantage over public schools.

At present, Catholic schools have much greater income per student than public schools because of larger increases in government funding and continuing fee increases. In 2018, the income of Catholic schools was \$16,401 per student and \$23,029 per student in Independent schools compared to \$14,940 in public schools. As such, they have a major resource advantage over public schools. Why would they choose to give this up? They will never accept a reduction in income to the level of public schools. They will always insist on the right to charge fees to maintain their resource advantage and status. It is no surprise that the CEO of Catholic Schools NSW called the proposal a [“flight of fantasy”](#).

### **Fails to specify conditions for integrating private schools**

Incredibly, the paper also fails to spell out any conditions for integrating private schools within the public system. Such schools should meet the same social obligations as public schools. This would involve meeting many conditions relating to funding, enrolments, staffing, curriculum and regulations.

They should include banning school fees and levies, special funding deals, and diverting funding for disadvantaged schools to fund schools in wealthy areas as Catholic systems do now. Schools would not be permitted to discriminate in enrolments or staffing on religious or other grounds. Integrated private schools should also be required to adhere to curriculum requirements such as teaching evolution and sex education and making religious studies optional and not compulsory. Schools should also meet the same reporting and other regulations as public schools.

If such conditions are not met, private schools incorporated into the public system would have a special status and would continue social segregation as they do at present.

### **High inequity in other integrated school systems**

A key argument used by the paper to support its recommendation is that New Zealand and three provinces in Canada (Alberta, Ontario and Saskatchewan) fully fund Catholic schools as part of the public system. In particular, it argues the lower achievement gap between advantaged and disadvantaged students in Canada compared to Australia as due to less variation in the socio-economic composition and implies that integrated school systems are a significant factor in this.

This is a very shoddy case, especially for an academic institution. It ignores contrary evidence.

[Canada's PISA 2018 report](#) shows major differences in results between the three provinces that fully fund Catholic schools. While Alberta and Ontario were the highest achieving provinces, Saskatchewan had the 3<sup>rd</sup> lowest results of the ten provinces in reading and science and the 2<sup>nd</sup> lowest in mathematics. Alberta had the 2<sup>nd</sup> largest achievement gap in reading between the lowest and highest socio-economic status quartiles of the ten provinces while Saskatchewan had the 3<sup>rd</sup> largest. There were also very large achievement gaps between the 5<sup>th</sup> and 95<sup>th</sup> percentiles of student performance in reading in the three provinces as well as large differences between them.

The paper fails to do a proper analysis of the factors behind Canada's overall better equity performance than Australia's. Instead, it asserts this is due to fully funding Catholic schools in only three Canadian provinces, despite the different equity performance of these provinces.

In using New Zealand as a model of an integrated school system to follow, the paper conveniently ignores the fact that the achievement gap between advantaged and disadvantaged students is [even larger than in Australia](#). In addition, the achievement gap in reading between the 5<sup>th</sup> and 95<sup>th</sup> percentiles of student performance in New Zealand is slightly higher but statistically similar to that in Australia.

All this is hardly compelling evidence that fully funding Catholic schools will reduce inequity in education.

### **Fully fund public schools and reform funding of private schools**

A better solution to the “structural failure” of Australian education would be to fully fund existing public schools, not waste billions to move private schools into the public sector. Public schools are currently massively under-funded by about \$6-7 billion a year and face chronic under-funding under the current funding arrangements.

Another key solution is to reform private school funding. The basic principle behind government funding of private schools should be that no school operates with less total resources than a community standard necessary to provide an adequate education for all students.

Government funding for private schools should only fill the gap between the income from fees and other sources of income and the community standard. Schools with private income above the community standard are not entitled to baseline government funding because it extends their resource advantage over public schools. The difference between the basic SRS and private funding would only be available to schools that adopt inclusive, non-selective enrolment practices and provide access to a comprehensive curriculum. Disadvantaged students would be entitled to various funding loadings.

This model would provide a genuine needs-based funding model that eliminates the vast over-funding of private schools under the current approach. It would better contribute to overcoming the structural failure of education than boosting private school funding under an integration model.

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## 1. **The Jean ELY Argument** [February 24, 2021 at 3:45 pm](#)

Dear Trevor,  
We strongly agree.

It is necessary to get back to basics and define a public school as being distinct from a private school.

It must be public in purpose and outcome; public in access; public in ownership and control – because otherwise it cannot be public in accountability. And it should be the only one eligible for public funding.

Private schools only have the public funding indicia. They can never be genuinely public.

**Jean Ely.**

## 2. **The Chris Bonner Argument** : [February 25, 2021 at 12:32 pm](#)

Like others reading this I admire Trevor’s work and cite it ad nauseum. And I’ve stored away his points for future reference. For example, yes, the paper could have referred to options rather than solutions...even though they fell well short of being recommendations. But rather than ‘to’ and ‘fro’ on bits and pieces, I’d prefer to leave it up to others to read it and decide. I hope the paper is widely read. It raises a host of issues that policy makers have avoided for decades.

Trevor raises what it would cost, in recurrent funding, for government schools to enrol all students. But there are at least three calculations which produce three different costs:

1. The first is the cost if governments had to meet the total recurrent expenditure (including from fee income) on non-gov schools. That is the figure (around \$8-9bn) often cited by the Catholic and Independent peak groups. But it is obviously wrong, being bloated by parental contributions, which, as Structural Failure suggests, constitute an over-investment.

2. The second calculation is based on sector averages and based on the assumption that all students cost the same to teach. Hence the cost of teaching non-government students is presumed to be the average cost of teaching government school students, ignoring the higher costs in government schools because of their obligation to cater for every student, from every family, everywhere. These are the figures cited by Trevor and produce a cost of just under \$4 billion. For what they measure they are accurate, but insufficient.

3. The third is my calculation, with others, based on the likely recurrent cost to governments if all existing non-government school students were funded at the same level as government school students with similar levels of advantage and needs. The cost is much closer to zero and when such things as economies of scale are added governments might be financially ahead if they stopped funding non-government schools entirely. For more see Table C in The Money-go-round....available from my site <http://www.edmediawatch.com.au> That paper is currently being updated with more recent data.

This third calculation uses ICSEA to adjust student costs and notionally ‘transfers’ all non-gov students into ‘similar’ gov schools. It shows that the total combined government funding of non-government schools is close to (and sometimes exceeds) what governments spend on similar students in government schools.

In other words it would cost almost no extra recurrent public funding. This is not an argument to do it, but knowing the cost is very important. Private schools are publicly funded almost as much as equivalent government schools...but Jean Ely is right, this doesn’t make them public schools. They don’t perform the same role and have nowhere near the legal or other obligations of government schools. And they have mechanisms (including fees) which provide them with an advantaged enrolment. So do some public schools.

The problem is that this creates a gross injustice, including to comprehensive public schools, their principals, teachers and especially kids. It lies behind a host of problems. It has to stop. The fact that non-government schools are almost fully funded by governments creates a problem, but it also creates an opportunity. It gives policy makers leverage to insist on big changes to the status quo.

What changes? Structural Failure mentions the ingredients needed for much better solutions, but that is only a start. It raises far more questions than answers. It’s about starting a debate.

Finally on integrated school systems. My own belief is that they are also badly flawed and I reached this conclusion long ago after visiting them in three countries. The regulations around their operation are too loose. They bend or break the rules, especially regarding enrolment and fees.

**Chris Bonner**

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