

# **AUSTRALIAN COUNCIL FOR THE DEFENCE OF GOVERNMENT SCHOOLS**

**Press Release 985**

## **HOW SECTARIAN ELITES DETERMINE AUSTRALIAN EDUCATION FUNDING POLICY**

**On June 9, Madeleine Heffernan, an education reporter from the Fairfax Press, had a business lunch costing \$311.50 with [Michael Chaney, one of the Business Mandarins who run Australian Education Funding policy.](#)**

**Chaney's own school background, his career, his contacts, and his attitude are symptomatic of what has gone wrong, very wrong in Australian education funding policy. There is a strange 'born to rule' complacency about the role this member of the new Catholic establishment has played in short changing the generations of public school children suffering gross inequalities in the sectarian Australian education system during the last 60 years.**

**Perhaps the most extraordinary statement in the Fairfax report is the following:**

*From the board's perspective, nothing much changes when governments change. The ministers have all taken the board's recommendations in full, which is gratifying for Chaney.*

**Madeleine Heffernan also tells us:**

Chaney had just flown in from his home of Perth, where he is part of a large, prominent tribe that includes his four children, 13 grandchildren and his Norwegian wife, Margrete. You might have heard of his politician father, the late Fred Chaney, or his daughter, Kate Chaney, the new "teal" member for Curtin.

Chaney chose business rather than politics but still has a bit to do with our nation's politicians. **As chairman of the National School Resourcing Board, which provides independent oversight of Commonwealth school funding, he's dealt with five federal education ministers in six years. Labor's Jason Clare is the latest, pouring record funding into state, Catholic and independent schools.**

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**. He enjoyed boarding at a Christian Brothers school in Perth, chaired his children's Catholic school and was chancellor of the University of Western Australia.**

Chaney admits he didn't understand how school funding worked when the Liberals' Simon Birmingham appointed him in 2017.

“What has struck me on my time on the board is the complexity of the system,” he says. His experience running conglomerate Wesfarmers – which owns everything from Bunnings to gas – has helped him “take a big-picture view”....

Under the Gonski school funding system, the federal education department calculates an estimate of how much public funding each school needs to meet its students' educational needs, known as the Schooling Resource Standard (SRS). The SRS is made up of a base amount and loadings for small or remote schools, students who are Indigenous, disadvantaged, have a disability or low English proficiency.

For non-government schools, the Commonwealth provides 80 per cent of each school's SRS and the states the remaining 20 per cent.

For state schools the formula is reversed: states and territories provide 80 per cent of each government school's SRS, and the Commonwealth 20 per cent.

One change is government funding to private schools is now based on parents' capacity to pay school fees, measured by income tax rather than outdated census data. “If the parents are well off, they'll get a lot less money in the school than if they're not well off,” Chaney explains.

In Victoria, 19 per cent of the state's private schools [received more funding](#) this year, 36 per cent got less and close to 45 per cent received the same amount. State school advocates say the system is needs-based in name only, as states, [including Victoria](#), balk at fully funding state schools while extending full funding to Catholic and independent schools. The Albanese government has “promised to work with states and territories to get every school to 100 per cent of its fair funding level”.

I put it to Chaney that you would never design this system from scratch. He doesn't agree. Every government believes they should fund non-government

schools – and now they have a formula to do so. “Once you’ve got anything in place, it’s likely to remain,” he says.

“I think any Australian government would be very disinclined to say ‘well, everyone can just do their own thing and work out their own funding formula’. Because there’s an interest in having commonality across Australia, so the student from a certain socio-economic group gets the same funding.”

Federal government funding is given to dozens of state, Catholic and independent education authorities in lump sums, which then distribute the money according to their own arrangements.

Chaney has called for more transparency on how state and territory education departments fund individual schools, and how all schools spend their funding. The board’s analysis has found seemingly identical government schools received vastly different amounts because the states used their own formula to distribute it.

Change is coming. In a win for transparency, the government has accepted the board’s recommendation that all education authorities should be required to publish their funding model.

In 2018, *The Age* reported that several needy Victorian schools had up to [37 per cent of their allocated government funding diverted](#), while Catholic schools in wealthier areas received hundreds of thousands of dollars more than the federal government had allocated.

**DOGS note that Chaney, along with his political friends from the old and new establishments has a lot to answer for the current inequalities in Australian education. The only good news here is that he is retiring from his job on the National School Resourcing Board.**

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