

SAVE OUR SCHOOLS

Education Research Paper

Exclusive WA Private Schools Massively Over-Funded by the Morrison Government

Western Australian private schools are massively over-funded by the Commonwealth Government. The WA Catholic education system and about 40 per cent of Independent schools will be over-funded by \$324 million by the Commonwealth Government from 2022 to 2028.

The Catholic system will be over-funded by \$158 million and 56 Independent schools by \$166 million. Just 14 Independent schools will be over-funded by \$98 million. They include many of the most expensive and exclusive schools in Western Australia. The full list of over-funded Independent schools is in Attachments 1 below. The estimates are based on official figures presented to Senate Estimates.

Under the current funding arrangements for private schools, the Commonwealth Government is responsible for funding private schools at 80% of their Schooling Resource Standard (SRS). However, many WA private schools are funded at well above 80% as shown in the table below.

The WA Government is responsible for the other 20% of the SRS target, but it has not divulged its current and future funding estimates for individual private schools and systems.

St Mary's Girls School is the top over-funded school. Its cumulative over-funding by the Commonwealth Government for 2022 to 2028 will amount to \$12.9 million. The school is currently funded at 140% of its Schooling Resource Standard (SRS) by the Commonwealth Government instead of the target 80%.

St Mary's is a highly privileged school. Nearly 70% of its students are from the highest socio-educationally advantaged (SEA) quartile and 91% are from the top two quartiles. Only one per cent are from the lowest SEA quartile.

The prestigious Hale School is also highly over-funded. It is currently funded at 121% of its SRS by the Commonwealth and will be over-funded by \$10.8 million to 2028. Over 70% of its students are from the top SEA quartile and 92% are from the top two quartiles.

Other over-funded highly privileged schools include Wesley College which is currently funded at 123% of its SRS by the Commonwealth and its cumulative over-funding to 2028 will be \$9 million. All Saints College is funded at 113% of its SRS and will be over-funded by \$8.7 million to 2028; Perth College is funded at 115% of its SRS and will be over-funded by \$7.6 million; Penrhos College is funded at 113% of its SRS and will be over-funded by \$7.4 million and St. Hilda's Girls School is funded at 102% of its SRS and will be over-funded by \$3.4 million. About two-thirds of students in these schools are from the top SEA quartile and around 90% are from the top two quartiles. Only 1-3% of their students from the lowest SEA quartile.

The WA Catholic school system is over-funded at present by the Commonwealth Government at 83% of its SRS. The Commonwealth share of its SRS will increase to 84% next year and then

gradually decline to 80% in 2029. This will result in over-funding of about \$158 million for 165 schools.

Top Over-Funded Independent Schools in Western Australia

Schools	C/W SRS Share 2022	C/W Over-Funding 2022 % points	C/W Over-Funding 2022-2028 \$	Fees 2020 \$	Students in Lowest SEA Quartile %	Students in Top SEA Quartile %	Students in Top 2 SEA Quartiles %
St Mary's Girls School	140	60	12,899,707	20,613	1	67	91
Hale School	121	41	10,788,794	26,148	2	71	92
Guildford Grammar	109	29	10,164,926	17,810	4	51	82
Wesley College	123	43	9,094,518	21,459	2	66	90
All Saints' College	113	33	8,702,458	18,142	1	69	92
Perth College	115	35	7,638,309	20,723	3	64	88
Penrhos College	113	33	7,357,237	21,974	2	65	90
Mandurah Baptist College	92	12	7,160,101	5,188	12	23	58
Bunbury Cathedral Grammar	109	29	6,244,994	14,471	3	54	84
Tranby College	95	15	4,322,964	6,702	8	27	64
St Stephen's School Great Southern	85	5	3,933,359	9,015	4	49	81
Grammar	89	9	3,476,586	9,429	5	39	73
St Hilda's Girls School	102	22	3,399,647	22,561	1	84	96
South Coast Baptist College	86	6	3,160,944	3,844	12	19	55

Sources: See Attachment 2: Data Sources and Methodology.

The over-funding of private schools is due to end by 2029 as the Commonwealth reduces its funding share to 80% of their SRS. However, there is no guarantee this will occur. Several private school organisations are campaigning against losing their over-funding and, indeed, want more. Their greed is unrestrained. In effect, it is a campaign against funding for those most in need.

[In its pre-Budget submission](#), Independent Schools Australia called for increased funding to support choice in education. Their demands include more funding for schools to transition to the Direct Measure of Income (DMI) methodology for calculating the financial need of private schools. This is despite receiving \$455 million over ten years from 2019-2029 under the Choice and Accountability slush fund, \$66 million in various forms of transitional assistance to the DMI approach in 2019 and hundreds of millions in JobKeeper payments in 2020. It also wants more funding for regional boarding schools and an increase in capital grants.

Not to be outdone, the [National Catholic Education Commission](#) also wants additional funding for its schools in regional, rural and remote areas and for regional boarding schools. This is despite its huge windfall of \$3.7 billion over ten years from 2019 to 2020 from the introduction of the DMI to assess the financial need of schools, \$727 million in additional funding under the Choice and Accountability Fund and \$157 million in transitional assistance to the DMI in 2019.

We can expect to hear more of these demands during the Federal election campaign.

In contrast to the over-funding of private schools, the chronic under-funding of public schools in WA is set to continue for the rest of the decade. WA public schools are only funded at 89.6% of their SRS in 2022. They will be funded at less than 91% of their SRS until 2029 because the [Commonwealth-WA bilateral funding agreement](#) allows the WA Government to continue to defraud public schools.

Formally, the WA Government is only required to fund public schools to 75% of their SRS instead of 80% by 2029, with the Commonwealth providing the other 20% by 2023. However, the agreement also allows the WA Government to claim expenditure on depreciation, school transport and pre-school education up to 4% of its target share. In addition, it can also claim expenditure on the WA Curriculum and Standards Authority as well as regulatory functions of the Department of Education.

These expenditures are specifically excluded from the definition of the SRS and so allow the WA Government to reduce its target share to be achieved by 2029 to less than 71%. Thus, public schools will only ever be funded at less than 91% of their SRS for at least the next seven years.

This skulduggery robs public schools of billions in funding. The cumulative under-funding of public schools from 2022-2029 is estimated by SOS at \$5 billion.

We are at a critical point in the future of school funding. The Morrison Government is under pressure to provide another special deal for private schools to protect their millions in over-funding. The question is not whether it will deliver to its clients, but how much in the lead up to the Federal election.

Meanwhile, public schools continue to suffer from massive chronic under-funding. The Federal election is an opportunity for Labor, the Greens and Independents to address the inequity in school funding.

Labor and the Greens must deliver on their promise to ensure that public schools are fully funded at 100% of their SRS. Shadow Minister for Education, Tanya Plibersek, has committed to this goal several times in the last few months. However, there are no details on when this will occur.

The Commonwealth Government must play a greater role in addressing disadvantage in education. A priority should be to increase the funding loadings for disadvantaged students. Another priority is to immediately revise the Commonwealth-State bilateral funding agreements to ensure that the states, including WA, fulfil their responsibilities to fully fund public schools.

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Attachment 1: Full List of Over-Funded Independent Schools

School	C/W Over-Funding 2022-2028 (\$)
Anglican Schools Commission (15)	32,627,985
St Mary's Girls School	12,899,707
Mercy Education (4)	11,875,949
Hale School	10,788,794
Guildford Grammar	10,164,926
Wesley College	9,094,518
All Saints' College	8,702,458
Perth College	7,638,309
Penrhos College	7,357,237
Mandurah Baptist College	7,160,101
Bunbury Cathedral Grammar	6,244,994
Swan Christian Education Association (7)	4,698,025
Tranby College	4,322,964
St Stephen's School	3,933,359
Great Southern Grammar	3,476,586
St Hilda's Girls School	3,399,647
South Coast Baptist College	3,160,944
Geraldton Grammar	2,792,206
Court Grammar	2,482,387
Helena College	2,352,735
Scotch College	1,969,797
Lake Joondalup Baptist College	1,399,345
Presbyterian Ladies' College	1,282,669
Communicare Academy	1,245,268
Christ Church Grammar	1,176,943
Austin Cove Baptist College	1,032,280
Hope Christian College	891,178
Grace Christian School	700,516
Rockingham Montessori	422,354
Methodist Ladies College	365,619
Mazenod College	318,020
Atlantic Beach Baptist College	206,939
International School	76,658

Attachment 2: Data sources and methodology

The over-funding estimates are based on data provided to Senate Estimates by the Commonwealth Department of Education for the 2021-22 Budget. Data on Commonwealth Government funding for school systems and individual schools and the Commonwealth shares of the Schooling Resource Standard were supplied in answer to a question on notice by Senator Mehreen Faruqi (2021-22 Budget Estimates, SQ21-000848).

The two sets of data were used to calculate the funding due to systems and schools at the target 80% Commonwealth share. The over-funding is estimated as the difference between their projected Commonwealth funding estimates and that at the 80% share of their SRS. The over-funding estimates ignore other sources of Commonwealth Government funding such as the Choice and Accountability Fund which operates until 2029.

Data on school fees and student composition were obtained from My School.