

# SAVE OUR SCHOOLS

## Education Research Paper

### **Morrison Govt to Over-Fund NSW Private Schools by Nearly \$1 Billion**

NSW private schools are massively over-funded by the Commonwealth Government according to official figures presented to Senate Estimates. The figures show that NSW Catholic education system and nearly 40% of Independent schools will be over-funded by \$865 million by the Commonwealth Government from 2022 to 2028.

The Catholic system will be over-funded by \$366 million and 137 Independent schools by \$499 million. Just 41 Independent schools will be over-funded by \$340 million. They account for two-thirds of the total over-funding of all NSW Independent schools. They include many of the most expensive and exclusive schools in NSW. The full list of over-funded Independent schools is in Attachments 1 below.

St. Augustine's College is the top over-funded school. Its cumulative over-funding for 2022 to 2028 will amount to \$21 million. The school is currently funded at 173% of its Schooling Resource Standard (SRS) by the Commonwealth Government which is over double the target of 80%. The NSW Government is responsible for the other 20% of the SRS target, but its current funding of private schools is not divulged.

St. Augustine's College is a highly privileged school. Over 50% of its students are from the highest socio-educationally advantaged (SEA) quartile and nearly 90% are from the top two quartiles. Only one per cent are from the lowest SEA quartile.

Northern Beaches Christian School is also over-funded at more than double its entitlement. It is funded at 169% of its SRS and the total over-funding from 2022 to 2028 will amount to \$16.1 million. Just under 60% of its students are from the top SEA quartile and nearly 90% are from the top two quartiles.

Trinity Grammar is also highly over-funded. It is currently funded at 115% of its SRS by the Commonwealth and will be over-funded by \$16.4 million to 2028. Nearly 70% of its students are from the top SEA quartile and 93% are from the top two quartiles.

Many of Sydney's most exclusive schools will be over-funded by millions. For example, the cumulative over-funding of Newington College will amount to \$13.5 million. Three-quarters of its students are from the top SEA quartile and 95% are from the top two quartiles. Loreto Kirribilli will be over-funded by \$11 million. Over 80% of its students are from the top SEA quartile and 97% are from the top two quartiles. St. Aloysius College will be over-funded by \$10.1 million even though 91% of its students are from the top SEA quartile and 99% are from the top two quartiles. Three-quarters of the students at Monte Sant Angelo Mercy College are from the top SEA quartile and 95% are from the top two quartiles yet it will be over-funded by \$9.9 million.

## Top Over-Funded NSW Independent Schools

Schools	C/W SRS Share 2022 %	C/W Over-Funding 2022 % points	C/W Over-Funding 2022-2028 \$	Fees 2019 \$	Students in Lowest Quartile %	Students in Top Quartile %	Students in Top 2 Quartiles %
St Augustine's College	173	93	20,969,917	16,718	2	56	87
Trinity Grammar	115	35	16,366,494	27,008	1	69	93
Northern Beaches Christian School	169	89	16,136,877	13,444	1	59	88
Hunter Valley Grammar	120	40	13,696,538	13,251	3	60	87
Newington College	126	46	13,538,762	27,095	1	76	95
William Clarke College	107	37	13,117,448	11,601	3	58	86
Newcastle Grammar	164	84	12,316,000	19,096	1	70	91
Loreto Kirribilli	143	63	11,612,204	22,435	0	81	97
Central Coast Grammar	109	29	11,022,107	16,184	1	65	91
Loreto Normanhurst	143	63	10,064,223	25,941	1	68	92
St Aloysius' College	140	60	10,062,297	19,274	0	91	99
Oxford Falls Grammar	134	54	9,898,166	12,703	1	60	91
Monte Sant Angelo Mercy College	139	59	9,886,988	22,941	1	75	95
Inaburra School	119	39	9,438,357	13,824	2	53	86
Mount St Benedict College	105	25	8,912,396	14,295	1	58	89
Oakhill College	95	15	8,768,692	10,806	3	47	82
St Scholastica's College	103	23	8,632,714	9,107	3	56	87
Brigidine College	128	48	7,936,427	19,248	1	59	90
Pittwater House	143	63	7,601,407	19,759	1	68	93
Stella Maris College	108	28	6,785,169	14,124	2	51	87
St Andrew's Cathedral School	102	22	6,482,652	28,759	1	77	95
Marist Brothers (2)	126	46	6,465,775	17,355	27	30	54
Lindisfarne Anglican School	90	10	6,238,605	6,730	3	49	82
St Paul's Grammar	97	17	6,079,129	15,004	5	49	79
International Grammar	117	37	6,040,164	21,745	1	73	94
Rosebank College	90	10	5,878,118	8,551	5	43	79
St Catherine's School	122	42	5,698,471	31,330	1	73	93
St Vincent's College	111	31	5,611,476	19,998	1	62	92
Illawarra Grammar	105	25	5,576,255	16,154	2	66	90
Uniting Church (5)	97	17	5,233,226	26,762	1	73	94
St Mary Star of the Sea College	90	10	4,688,021	6,627	7	41	74
St Gregory's College	87	7	4,619,319	6,861	10	27	63
Saint Ignatius' College	97	17	4,574,100	29,941	1	74	95
OneSchool Global	87	7	4,204,136	5,841	32	0	15
St Columba Anglican School	87	7	4,131,718	5,330	4	44	78
Oxley College	96	16	4,005,327	15,134	1	64	91

**Sources:** See Attachment 2: Data Sources and Methodology.

**Note:** The over-funding, fees and student composition of the Uniting Church and Marist Brothers schools are averages for the two systems. See Attachment 1 for the total over-funding of each system.

Five Uniting Church schools will be over-funded by \$26 million. They include several of the most exclusive schools in Sydney - Knox Grammar, MLC School, Pymble Ladies' College and Ravenswood. They charge fees of around \$30,000, about 80% of their students are from the top SEA quartile and 96% or more are from the top two SEA quartiles. It is disgusting taxpayer welfare for the rich.

Many other schools with over 60% of their students from the top SEA quartile and over 90% from the top two quartiles are over-funded by four to ten million dollars. These included Central Coast Grammar, Pittwater House, St. Andrew's Cathedral School, St. Catherine's School, St. Vincent's College.

The NSW Catholic school system is over-funded at present by the Commonwealth Government at 81% of its SRS. The Commonwealth share of its SRS will increase to 83% next year and then gradually decline to 80% in 2029. This will result in over-funding of about \$366 million for 598 schools.

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 in the Federal election campaign.

In contrast to the over-funding of private schools, the chronic under-funding of NSW public schools is set to continue for the rest of the decade. NSW public schools are only funded at 87.4% of their SRS in 2022. They will be funded at less than 91% of their SRS until 2029 because the [Commonwealth-NSW bilateral funding agreement](#) allows the NSW Government to defraud public schools.

Formally, the NSW Government is only required to fund public schools to 75% of their SRS instead of 80% by 2027, with the Commonwealth providing the other 20% by 2023. However, the agreement also allows the NSW Government to claim expenditure on depreciation and the NSW Education Standards Authority up to 4% of its target share.

These expenditures are specifically excluded from the definition of the SRS and so allow the NSW Government to reduce its target share to be achieved by 2027 to 71%. Thus, public schools will only ever be funded at 91% of their SRS for at least the next five years and probably later.

This skulduggery robs public schools of billions in funding. The cumulative under-funding of public schools from 2019 to 2029 is estimated by SOS at about \$20.9 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, most recently at the NSW Teachers Federation Principals Conference.

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 revise the Commonwealth-State bilateral funding agreement to ensure that the states, including NSW, fulfil their responsibilities in funding public schools.

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## **SOS - Fighting for Equity in Education**

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## Attachment 1: Full List of Over-Funded NSW Independent Schools

School	C/W Over-Funding 2022-2028 (\$)
Anglican Schools (17)	49,029,060
Uniting Church Schools (5)	26,166,128
St Augustine's College	20,969,917
Trinity Grammar	16,366,494
Northern Beaches Christian School	16,136,877
Presbyterian Church Schools (6)	15,816,866
Hunter Valley Grammar	13,696,538
Newington College	13,538,762
William Branwhite Clarke College	13,117,448
Marist Brothers (2)	12,931,549
Newcastle Grammar	12,316,000
Loreto Kirribilli	11,612,204
St Philip's Christian Schools (5)	11,471,174
Central Coast Grammar	11,022,107
Loreto Normanhurst	10,064,223
St Aloysius' College	10,062,297
Oxford Falls Grammar	9,898,166
Monte Sant' Angelo Mercy College	9,886,988
Inaburra School	9,438,357
Mount St Benedict College	8,912,396
Oakhill College	8,768,692
St Scholastica's College	8,632,714
Newcastle Anglican Schools (5)	8,175,504
Brigidine College,	7,936,427
Pittwater House	7,601,407
Stella Maris College	6,785,169
St Andrew's Cathedral School	6,482,652
Lindisfarne Anglican School	6,238,605
St Pauls Grammar	6,079,129
International Grammar	6,040,164
Rosebank College	5,878,118
St Catherine's School	5,698,471
St Vincent's College	5,611,476
Illawarra Grammar	5,576,255
St Mary Star of the Sea College	4,688,021
St Gregory's College	4,619,319
Saint Ignatius' College	4,574,100
Seventh-Day Adventist Schools (10)	4,483,877
OneSchool Global NSW	4,204,136
St Columba Anglican School	4,131,718
Oxley College	4,005,327
Macarthur Anglican School	3,943,285
Winifred West Schools (2)	3,683,132

<b>Santa Sabina College</b>	3,478,455
<b>Bishop Druitt College</b>	3,362,040
<b>Abbotsleigh</b>	3,084,457
<b>Barker College</b>	3,004,568
<b>Pacific Coast Christian School</b>	2,937,042
<b>Campbelltown Anglican Schools (2)</b>	2,841,518
<b>Georges River Grammar</b>	2,828,623
<b>King's School</b>	2,545,923
<b>International French School</b>	2,545,769
<b>Emanuel School</b>	2,544,662
<b>Our Lady of Mercy College</b>	2,487,128
<b>Kincoppal - Rose Bay School</b>	2,451,039
<b>St Patrick's College</b>	2,276,660
<b>Calrossy Anglican School</b>	2,184,236
<b>Riverina Anglican College</b>	2,123,268
<b>Uniting Church Schools (5)</b>	2,090,131
<b>Sydney Grammar</b>	1,735,662
<b>Emmanuel Anglican College</b>	1,702,819
<b>Moama Anglican Grammar</b>	1,486,660
<b>Wenona School</b>	1,454,939
<b>Queenwood School</b>	1,384,044
<b>Ascham School</b>	1,176,880
<b>Illawarra Christian Schools (2)</b>	1,124,822
<b>Northholm Grammar</b>	1,096,180
<b>Blue Mountains Grammar</b>	1,091,603
<b>Central Coast Sports College</b>	875,887
<b>Cranbrook School</b>	863,078
<b>Kambala</b>	723,755
<b>Odyssey House</b>	673,330
<b>Wellington Christian School</b>	589,154
<b>Waranara Good Shepherd</b>	539,106
<b>Employment &amp; Training Aust</b>	433,070
<b>New Hope School</b>	425,882
<b>Wyong Christian School</b>	418,449
<b>Boys' Town Engadine</b>	379,096
<b>Hunter Trade College</b>	345,844
<b>Valley Hope School</b>	337,213
<b>Wycliffe Christian School</b>	286,889
<b>Margaret Jurd College</b>	281,159
<b>Sydney Japanese School</b>	239,061
<b>Coffs Coast Alesco School</b>	225,588
<b>Penrith Christian School</b>	201,881
<b>Namoi Valley Christian School</b>	177,389
<b>Pal Buddhist School</b>	92,072

## **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.