

## The Public Funding of Schools

**All schools receive public funding from their State or Territory government and the Australian Government.**

**The amount each school receives depends on:**

- Its sector,
- The State or Territory in which it is located,
- The socio-economic background of its students (for non-government schools).

### Public funding of school education

All school students, whether they attend government, Catholic or independent schools, receive public support for their education from their state or territory government and the Australian Government.

Students in government schools receive the most public funding and the main source of this funding is the state or territory government that owns the school they attend. Nationally in 2007-08 state and territory governments provided 91.4 per cent of total recurrent funding for government schools.

Students in independent schools are eligible for a much lower level of public funding and the main source of this support is the Australian Government. The Australian Government provided 72.1 per cent of total recurrent funding for non-government schools.

**The sectoral differences in the sources of public funding for Australian schools means it is important to base comparisons on total government funding. It is also important to use per student amounts if funding comparisons are to be meaningful.**

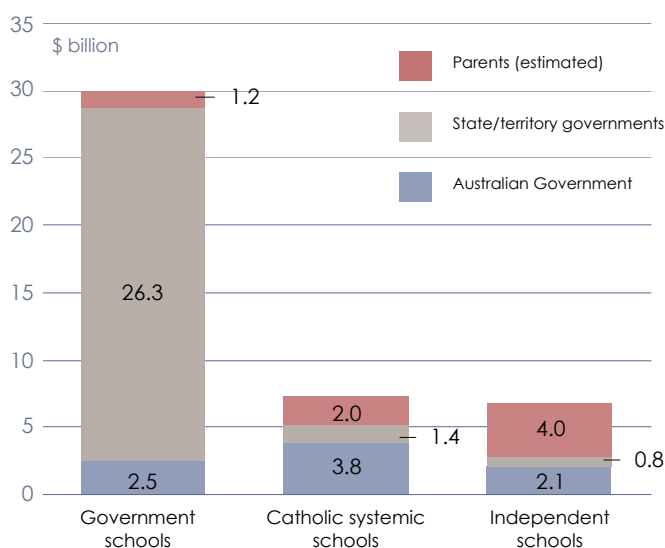
Total public support for a student in a government school is on average \$12,639 each year – but for a student in an independent school it can be as low as \$2,540. On average, total government funding for a non-government school student is \$6,607 per year.

**\$36.9 billion**  
Total government funding for all schools

**\$28.8 billion**  
Total government funding for government schools

**\$8.1 billion**  
Total government funding for non-government schools

### Recurrent funding for school education in Australia 2007-08



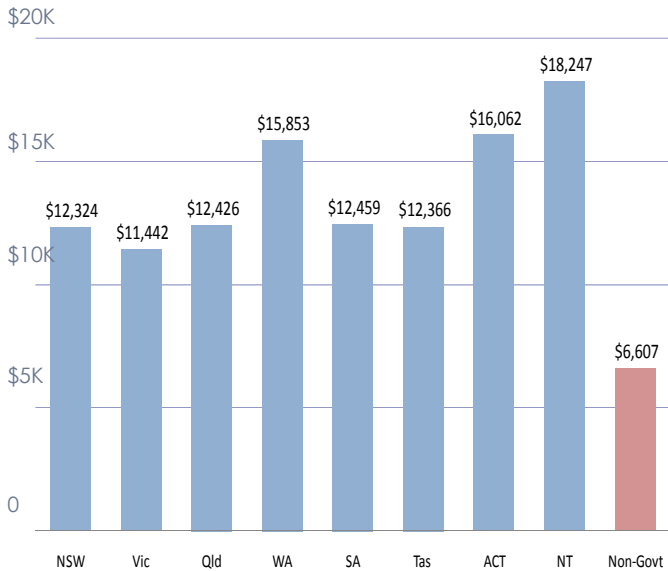
**Not all schools operate on the same levels of recurrent funding. The government sector receives roughly 78 per cent of total government recurrent funding while it accounts for 66 per cent of student enrolments. The Catholic systemic sector receives roughly 14 per cent of total government recurrent funding while accounting for 20 per cent of student enrolments. The independent sector receives roughly 8 per cent of total general recurrent funding while it constitutes 14 per cent of student enrolments.**

### State and Territory Funding

State and territory governments own and are responsible for government schools and provide the bulk of funding (91.4 per cent). There are significant differences in the levels of funding provided by each state and territory government to its own schools and to non-government schools.

Some funding is provided to government schools by the Australian Government however this is a relatively small per capita amount. This funding variation between states and territories depends solely on the funding allocated by each government.

**Average government recurrent funding per student for government students by state and non-government students nationally 2007-08**



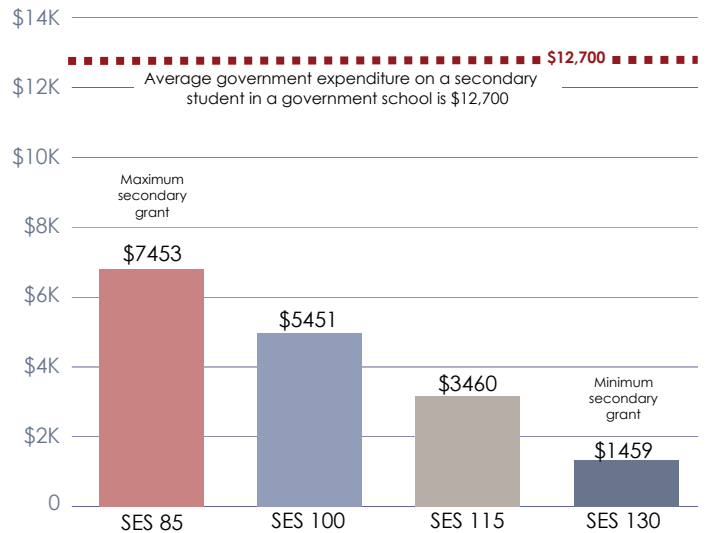
**Socio-Economic Profile of SES Students**

The Australian Government uses a funding model that measures the SES of individual school communities to assess the level of funding eligibility of students in non-government schools.

The higher a school’s SES score, the less public funding its students receive. Students attending schools with a lower socio-economic profile receive more public funding.

Under the SES model, all students in non-government schools are eligible for some funding in support of their education. The minimum grant is 13.7 per cent of a measure of Average Government School Recurrent Costs (AGSRC). There is a sliding scale of eligibility up to a maximum grant of 70 per cent.

**Australian Government SES grants for secondary students in independent schools 2009**



For primary students in independent schools, the minimum SES grant is \$1,149 and the maximum is \$5,866. The average recurrent cost of educating a primary student in a government school is \$10,330 per year.

**Australian Government general recurrent grants are per student grants allocated on a sliding scale according to relative need. Students attending lower SES schools are eligible for greater public support, although the level of this support is still much lower than what amount the students would receive if they attended a government school.**

**Total Savings from Non-Government Schools**

Non-government schools represent significant cost savings to governments. Students in non-government schools are eligible for a much lower level of public funding with the main source of income coming from parental and private contributions.

Government costs of educating school students would be higher if more students attended a government school.

Total government funding accounted for 57 per cent of total non-government schools income in 2008 with the remaining 43 per cent sourced from private fees and fundraising.

Using Productivity Commission data, ISCA calculates that the total savings in government expenditure from students attending non-government schools was \$7 billion in 2007-08.

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