Public school $30b capital funding divide



Five private schools spent more on lavish new facilities in 2021 than governments spent on over half the public schools in the nation, according to a new report which reveals the full extent of the $30 billion capital divide in Australian schools.

The Australian Education Union (AEU) report was released as Education Ministers gathered for a meeting in Melbourne in late February. It shows:

- The average annual capital spending per student in private schools from 2012 to 2021 was more than double that of public schools. Governments would have had to spend an additional $31.8 billion just to match the investment per student private schools made in new and upgraded schools.
- Five elite private schools in Victoria and NSW spent more in 2021 on new facilities ($175.6 million) than governments spent on capital works in 3,372 public schools that educate 842,120 students ($175.4 million).
- One Sydney school, Cranbrook, spent more on a new pool and expanded fitness and drama facilities in 2021 ($63.5 million) than governments spent on 2,549 public schools which educate over 472,000 students. The Cranbrook spending was also more than the NT and Tasmanian governments spent on new and upgraded schools in 2021.
- Private schools will get almost $1 billion more in capital funding from the federal government over the next four years. Public schools will get nothing after this year unless the Albanese Government extends a one-year program.
- Over $40 million from a federal government capital fund designed to support private schools in disadvantaged areas has been funnelled into wealthy private schools over the last five years, including two of the richest in the nation.
- Overfunding by the Commonwealth helped private schools divert $2.5 billion of their recurrent income into capital projects between 2019 and 2021.

AEU Federal President Correna Haythorpe said the staggering capital funding divide must be addressed by governments in the bilateral school funding agreements that are being negotiated this year.

“Making our education system fairer starts with fairer funding,” she said.

“Only 1.3 per cent of public schools are fully funded compared to 98 per cent of private schools and that inequity in recurrent funding is contributing to an unacceptable $30 billion divide in spending on new and upgraded schools.

“While private schools, fuelled by government overfunding, are buying office towers and building $80 million Scottish castles, public schools in every state and the NT are underfunded and increasingly left with demountable classrooms to cope with rising enrolments.

“The Prime Minister must deliver on his promise to fully fund public schools. We also strongly support the call from state and territory governments for new bilateral agreements to include both capital and recurrent funding.

“While private schools will get almost $1 billion in capital funding from the Commonwealth over the next four years, public schools will get nothing after this year unless the Albanese Government extends its one-year school upgrade fund.

“The Prime Minister must step in and help even the playing field with a nation-building investment in public schools.

“Our report is calling for a $1.25 billion injection into public schools to make up for the fact there has been no ongoing capital funding from the Commonwealth since the former Coalition Government axed it in 2017. There also needs to be an ongoing fund that matches the per student investment of the Commonwealth in private schools.

“There is a huge unmet need for new and upgraded public schools that can meet the increasingly diverse needs of students and equip each of them with the knowledge, skills and capabilities required to be successful in the modern world.

“There is also the recent announcement that foundational supports for children with disability are likely to be delivered in schools and the recommendation of the school expert panel that ‘full service’ schools should be established which provide a broader range of allied health and community support services on site to better support students and their families.

“We aren’t calling for Olympic pools and polo fields. We are calling for safe, high-quality classrooms, libraries and learning spaces that enable teachers and students to do their best.

“New figures from the Productivity Commission shows how government funding has widened the resource gaps between sectors in the last decade. Public school funding per student increased by 20.3 per cent (or two per cent per year) in real terms between 2012-13 and 2021-22. Private school per student funding from governments increased over the same period by 37 per cent.”

To read the AEU report click here.

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