

## Auditor General's report shows a broken system

The Auditor General's report *Monitoring the Impact of Australian Government School Funding* shows how school funding needs fundamental change, not tinkering, Catholic Education Commission of Victoria Ltd (CECV) Executive Director Stephen Elder says.

'Coverage of the report has focussed on "rich" and "poor" schools,' Mr Elder said, 'but the simple fact is that the Commonwealth's funding model doesn't actually identify "poor" students – or allocate funding specifically to them.

'Instead, the measure used to assesses school family incomes and wealth – school Socio-Economic Status (SES) scores – is perhaps the worst means test found in any policy anywhere in the country.

'SES scores are not actually based on the families in a school, but the neighbourhoods they live in.

'Perversely, this is highly disadvantageous to schools that enrol low-income families that happened to live anywhere other than low income areas.

'It results in bizarre outcomes whereby families at elite independent schools in Victoria such as Haileybury College are assessed to be less wealthy than the families in dozens of low-fee Catholic parish primary schools throughout Melbourne, including schools where more than 15% of students come from families with a Health Care Card.

'With such a faulty approach, it is no wonder that Catholic systems are forced to reallocate grants between schools.

'Bureaucrats in Canberra working on spreadsheets can't pretend to have better information on school needs than the people at the coalface in Catholic education who run and manage schools.

'They can't pretend that the diverse funding needs of schools can be accurately estimated – right around the country – using a one-size-fits-all model with six crude and simplistic loadings.

'Catholic education has shown, in two publicly available reports, that school SES scores are a poor measure of need and that they are structurally biased against Catholic schools.

'The Gonski Review panel told the government more than five years ago to develop a new measure "as soon as possible".

'It added "The current SES measure is ... subject to a potentially large degree of inaccuracy as the students attending a particular school are not necessarily representative of the socioeconomic averages of the areas in which they live. A more precise measure of the SES of a school would be more accurate and credible. The panel considers that work should commence as a priority to develop a more precise measure of capacity to contribute to replace the existing SES measure."

# Media Release



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The academic who created the SES system, Associate Professor Stephen Farish, said in May this year: “The SES scoring system is outdated and needs to be reviewed ... It is clearly not working at the top end for the more prestigious schools ... It is clearly time to overhaul it.”

‘The Grattan Institute also has also called for a review – and to emphasise the one-way direction of the debate on SES scores, the Centre for Independent Studies has found; “Since the Catholic system mostly charges low fees, it is disadvantaged by school SES scores ... Certainly there is a strong case for reviewing the arrangements for calculating school SES scores and considering alternative methods.”

‘Unfortunately, Education Minister Simon Birmingham has ignored these reports – along with the recommendations of the Gonski Review – by putting SES scores at the heart of his funding policies for non-government schools.

‘The Minister is now trying to fix his school funding shambles by having the National Schools Resourcing Board review SES scores, along with dodgy new data on students with disability – all after he legislated for these to drive school funding outcomes for the next decade.

‘Without major reform we will see what the ANAO and day-to-day experience shows us – that there are major problems with the way the Australian government estimates school funding needs.’

*Detailed information on how the Catholic Education Commission of Victoria allocates government grants to schools may be found in the publication *Allocating government grants to Catholic schools in Victoria*, available from the CECV website.*

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