SAVE OUR SCHOOLS  
Education Research Brief

Inequity in Education Outcomes and Funding

Inequity and injustice continue to pervade Australian education under Labor. Data published on the My School website show shockingly large achievement and income gaps between the richest and poorest schools while millions in government funding is wasted on the wealthiest private schools.

Students in the lowest socio-economic status (SES) government schools in Australia are, on average, three to five years behind the learning of students in the highest SES government and private schools. There are colossal gaps between some individual low and high SES schools.

The average literacy and numeracy results of Year 9 students in low SES government schools are lower than, or only just match, those of Year 5 students in high SES government and private schools.

Yet, low SES government schools are vastly under-funded for the task they face. For the most part, they have less than half the income per student of high SES private schools and only marginally greater income per student than high SES government schools. This is scandalous given the differences in student achievement.

Nearly $400 million a year in government funding is being wasted on the wealthiest 80 or so private schools in the country. They achieve no better literacy and numeracy results than government schools with similar, or even lower, SES profiles despite having double or more their resources. High SES government schools are clearly more efficient at producing high quality outcomes.

These findings are drawn from an analysis of the highest SES government and private schools and the lowest SES government schools in the major metropolitan cities. The sample includes 82 high SES K-12 private schools, 45 high SES government primary and 45 high schools matched from the same local area and 86 low SES government primary matched with 86 high schools.

Stark differences exist in the socio-economic composition of schools

There are stark differences in the socio-economic composition of schools in each city as shown by the Index of Community Socio-Educational Advantage (ICSEA) which is used by My School to measure school SES. The mean of the Index is set at 1000. The average ICSEA values of the highest SES private schools range from 1168 to 1201 compared to a range from 897 to 937 for low SES government schools [Chart 1].

In Sydney, for example, the average ICSEA value for the high SES private schools is 1201 compared to 915 for the matched low SES government primary and high schools. Only 1% of students in the private schools are from low income families while 83% are from high income families. In contrast, nearly 60% of students in low SES government schools are from low income families and only 8% are from high income families. The pattern is similar in the other cities.
The mean value of the Index of Community Socio-Educational Advantage is set at 1000.

Source: My School.

The average ICSEA values of the highest SES government schools in each city are slightly lower than those of the highest SES private schools. The ICSEA scores for high SES government schools range from 1129 to 1171.

It was not possible to find a comparable sample of low SES private schools. There are very few or no low SES private schools with comparable ICSEA values to the matched low SES government schools in any city. Private schools in the most disadvantaged areas of the metropolitan cities tend to draw higher SES families resident in these areas.

**Massive achievement gaps between high and low SES schools**

There is a very close correlation between the socio-economic composition of schools and their literacy and numeracy results. High SES government and private schools have similar average results which are much higher than those of low SES government schools.

The average Year 5 NAPLAN results in each city in 2010 range from 526 to 556 for high SES private schools and from 517 to 551 for high SES government schools compared to a range of 432 to 470 in low SES government schools [Chart 2]. The Year 9 results range from 623 to 643 points in high SES private schools and 603 to 675 in high SES government schools compared to 520 to 540 in low SES government schools [Chart 3].

The achievement gaps between high SES schools and low SES government schools are huge. For example, the gap between high SES private schools and low SES government schools in Year 5 in each city ranges from 75 to 90 points. This gap amounts to about three to four years of learning. The achievement gaps are even larger in Year 9 – ranging from 93 to 115 points, or four to five years of learning.
The average literacy and numeracy results of Year 9 students in low SES government schools in Sydney and Perth/Fremantle are below those of Year 5 students in high SES government and private schools. In Melbourne/Geelong, Brisbane/Gold Coast and Adelaide, the Year 9 results of the low SES government schools only just match the Year 5 results of the high SES schools.
There are colossal differences between some schools. For example, there are gaps of over 200 points between the Year 9 results of several low SES government schools in the western suburbs of Sydney and several high SES government and private schools in the eastern suburbs and the north shore. In Melbourne, there are gaps of around 140-180 points between some low and high SES schools.

On the other hand, there is little difference between the results of high SES government and private schools. High SES government schools are achieving similar results to high SES private schools, even though the SES profile of government schools is slightly lower.

**Government schools have much less income than high SES private schools**

High SES government schools are achieving similar results to high SES private schools with far fewer resources. The total income per student of high SES private schools in Sydney and Melbourne is nearly one and a half times more than those of the high SES government schools [Chart 4]. The income of high SES private schools in Brisbane, Adelaide and Perth is 67-75% greater per student than that of high SES government schools.

![Chart 4: School Income by School Socio-Economic Status, 2009 ($ per student)](chart4)

**Source:** My School.

This indicates that high SES government schools are much more efficient in delivering high quality student outcomes than high SES private schools. It suggests that taxpayer funding of high SES private schools is being wasted. Total government funding for the 82 high SES private schools in the sample was nearly $400 million in 2009.

This funding would be better directed to where it is most needed – disadvantaged government schools.

Disadvantaged government schools are getting only a fraction of what they need to make a real difference for their students. Overseas studies show that the additional funding required
for low income students to achieve adequate standards is double or more the cost of educating an average student.

However, the total income per student in low SES government schools is well below that of high SES private schools and, for the most part, little different from that of high SES government schools, despite the huge differences in ICSEA scores [Chart 4]. For example, total income per student in high SES private schools in Sydney and Melbourne is well over double that of low SES government schools.

Low SES government schools are only receiving 4% more per student than their high SES government school counterparts in Brisbane, 8% more in Victoria, and 15% more in Sydney. They are better funded in Adelaide and Perth, but still way below what is needed to meet the challenges they face.

**Labor has failed public education and the disadvantaged**

The Rudd and Gillard Governments have failed public education and the disadvantaged. Labor has ditched its commitment to public education and treats government and private schools as equivalents. Rudd’s position was: “We make no ideological distinction between government schools and non-government schools”. Gillard’s mantra is: “....we have left the debates of public versus private behind us”. The current education minister slavishly follows their lead saying that “…the days of debating public versus private schools has passed” and dismisses it as an “ideological debate”.

This is identical to David Kemp’s vision as education minister in the Howard Government. He saw distinctions between government and private schools as “outdated” and “irrelevant”.

This approach fails to recognise the role of public education in providing for the large majority of low SES students. It fails to take account of the large difference in the social composition of schools in the public and private sectors.

At present, about 25% of low SES and remote area students and 40% of Indigenous students do not achieve international benchmarks in literacy, mathematics and science and 80% or more of them attend government schools. Equal treatment of government and private schools means that the private choices of the wealthiest families in Australia are supported at the expense of the learning needs of disadvantaged students. The disadvantaged have little prospect of a decent education while funding neutrality between sectors prevails.

While genuinely low SES private schools should receive government funding, there is no case for governments to fund wealthy private schools. All it does is reduce the funding pool for disadvantaged schools.

Much more has to be done in Australia to overcome the effects of disadvantage on education outcomes. Economic and social policies have a central role to play as schools cannot do this alone. However, education funding policies also have to change in order to provide the resources needed to meet the learning challenges in low SES government schools. This is the key challenge for the Gonski review of school funding due to report at the end of the year.

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