

# How to bust myths about school funding



By Jane Caro

Every election, state and federal, is an opportunity to draw attention to the gross inequity of Australia's bizarre schools funding system. No other developed country funds schools the way we do.

We are the world leader when it comes to giving public money to private, fee- charging schools. And we languish near the bottom of international rankings when it comes to the percentage of education funding we give to our public schools.

Despite this stark reality, those seeking to justify the way Australia differentially funds its schools tend to fall back on the same tired old myths. And such claims can be confusing to debunk, especially in the heat of an argument. So, maybe – having enjoyed more than my fair share of heated arguments on this subject – I can help.



## Myth 1: “I pay taxes. The funding system should support my choice.”

We all pay taxes to fund all sorts of public services and amenities that support our community. Taxation is not a deposit account that we can draw on to “buy” whatever service we choose.

Taxation funds all sorts of things we may never ourselves use – ambulances we may never need, firefighters we may never call, roads we will never drive on. And childless taxpayers also fund schools. According to Myth 1, they should be able to withdraw these taxes because they do not have kids.

Our taxes fund public transport, for example, but just because someone chooses not to catch a train or a bus, we don't believe their choice of private car should be subsidised by the taxpayer. Yet, car drivers could make many of the same arguments that private school supporters do. After all, by choosing not to use public transport they could argue they leave more space for other commuters. Or that if everyone used public transport, the system would be overwhelmed.

But it's worse than that. Given that public schools educate the vast majority of our most disadvantaged children, those who argue that fee-charging schools should be subsidised to support their choice are essentially saying that families who have no choice should subsidise those who do – to buy what they perceive is an educational advantage! It is literally a case of the poor subsidising the rich so the better-off can shut the children of the poor out and lock them into underfunded schools.

Quick comeback: “We all pay taxes for stuff we don't use! So, what you're really saying is: families with no choice should

subsidise your choice to give your kids an advantage over theirs?”

**Myth 2: “The federal government has invested ‘record’ funding in schools.” Record funding to private schools, perhaps, but not to public ones.**

According to a recent study, the Morrison Government gave an extra \$10 billion to private schools, while public schools remain underfunded by \$6.5 billion per year. In fact, almost every public school in Australia is funded below the minimum agreed schooling resource standard (SRS), while every private school in Australia is funded at or above this benchmark.

This glaring injustice is made even worse when you consider that public schools overwhelmingly educate the most disadvantaged children. These kids are also the most expensive to teach because they need more resources to reach their potential and overcome the inevitable inequities visited upon them at birth.

Which leads to the big question of what we want our education system to be – one that optimises the opportunity of educational success and social mobility for even the most disadvantaged students, or one that further entrenches inequality and segregation.

While our growing population always necessitates increased funding, it’s true we waste a lot of school funding in Australia – but not on public schools. We waste it on already luxuriously resourced schools, often charging exorbitant fees, serving high-wealth communities and enrolling students who are already doing well.

Quick comeback: “Record funding overall, but not for public schools! Funding for private schools has been rising at eight times the rate of that for public ones. How is that fair?”

**Myth 3: “The states are responsible for funding public schools. The federal government funds private ones.”**

When Malcolm Turnbull was Prime Minister, the parliament legislated an 80:20 split in school funding. It was meant to end the school funding wars. It didn’t. Here’s why. According to this legislation, the federal government is meant to provide 80 per cent of public funding to private, fee- charging schools. Each state government is meant to give their private schools 20 per cent. The reverse is true for public schools – the states provide 80 per cent, the feds 20 per cent.

This may sound reasonable, but here is why it does not work: Most state governments, including Victoria, give less than 80 per cent to public schools and more than 20 per cent to private.

Public schools enrol at least 80 per cent of the students who are most expensive to educate while private schools cream off the cheaper end. This means that even if public schools were funded according to Turnbull’s legislation, they still would not have enough to give their most vulnerable students the help they need.

State governments are dependent on federal GST revenue for their income. It simply does not make sense to make the neediest schools dependent on the most cash-strapped arm of government while the most advantaged schools can depend on the richest one.

Public schools in the poorest states (Tasmania and the NT) enrol some of Australia’s most disadvantaged students, and their state or territory governments simply don’t have the means to give them the help they need to break generational disadvantage.

Quick comeback: “That’s just an old hangover from federation! How does it make sense for the neediest schools to be dependent on the most cash- strapped arm of government?”

Do we want our education system to optimise opportunity and social mobility, or to further entrench inequality and segregation?

**Myth 4: “Sending my kid to a private school saves the public purse. The system would collapse if we all sent our kids to public schools.”**

Because private schools (with a handful of honourable exceptions) carefully choose where they will and will not open campuses, and which kids they will or will not educate, all they do is remove many of the most advantaged kids from the public system.

In doing this, they actively harm our public education system. Here’s how:

1. Less kids from wealthy and middle- class backgrounds reduces a public school’s ability to fundraise and reduces the number of well-educated parents who can advocate and lobby on behalf of their own children’s schools and public schools in general.

2. By removing the students requiring less support, they reduce the economy of scale. In other words, every middle-class kid who leaves the public system increases the ratio of needier students, thereby increasing the per-student cost. If most kids went to public schools, education would be cheaper for everyone, including governments, as well as much fairer.

3. The system would not collapse if everyone sent their kids to public schools. The rest of the world – including much higher achieving systems than ours – manages to do it perfectly well. In fact, it would be far more efficient and less wasteful. As it is, we spend far too much money on infrastructure due to our parallel systems and not enough on what goes on inside them.

Quick comeback: “The rest of the world seems to manage fine. If most kids went to government schools, the public system would be better funded, much fairer – and we’d waste a lot less taxpayer money!”

**Myth 5: “The private system has the best teachers and gets better results.”**

According to research, private schools do not do better academically. Once school results are adjusted for the differences in the socio-economic status of the students they enrol, there is no difference in academic results between public and private schools – and arguably public schools actually do better, especially given they have far less money.

Even more compelling is the consistent evidence showing that public school students do better at university than their private school counterparts.

As for the “better teachers” argument – firstly, all teachers have been trained at the same institutions and many of them move between the public and private systems. Secondly, many teachers elect to work in the public system precisely because they want to make the greatest possible difference. Public schools are full of people deeply committed to empowerment through education – and, in my mind, that’s a great basis for cultivating the creativity and critical thinking skills we know our kids need.

Quick comeback: “Once you factor in students’ circumstances, public schools get better results – and their students fare better at uni. Imagine what public schools could do if they were properly funded!”

**Myth 6: “I make sacrifices to send my child to a private school.”**

No parent should feel they need to make sacrifices to get their child a decent education in the fourth richest country in the world. If that is true, we should all take to the streets in protest. Moreover, deciding to buy your child what you perceive as an advantage cannot be called a “sacrifice”. It is nothing more than a purchase decision. It’s a bit like saying: “I made sacrifices to buy this luxurious house in a prestigious suburb, so I should get a government subsidy.”

The impact of making parents feel that they should, by whatever means, send their kids to a private school has been fuelled by conservative governments who would be happy to send as many families as possible into the private sector, leaving a residual public system for the poor.

Not only is it privatisation by stealth, it destroys one of the most precious aspects of public education: ensuring the highest quality education for every child who walks through the gates; and building cohesion and connection within a diverse cross-section of each local community.

And before you let someone tell you that public funding puts downward pressure on fees... It’s been more than two decades since John Howard justified a substantial boost in private school funding as improving “choice and affordability”, and fees have done nothing but rise steadily (and in some cases rapidly) since that time. Meanwhile, the proportion of disadvantaged students attending independent schools has shrunk dramatically.

To sum up, most of the benefits of private education are cosmetic: more about buying status than accessing a better education. The tragedy is that Australia is the only country in the world that publicly funds the fears, insecurities and status anxieties of some parents to the detriment of all, but especially the most disadvantaged.

Quick comeback: “Choosing to buy your kid what you think is an advantage can hardly be called a ‘sacrifice’. Conservative governments are basically fuelling parents’ fears to further their privatisation agenda.”

*Jane Caro is a writer, social commentator and documentary-maker. Her many books include *The Stupid Country: How Australia is Dismantling Public Education* and *What Makes a Good School*. This article was first published in the Victorian AEUnews magazine and has been reproduced here with permission. The opinions expressed in this article are that of the author and do not necessarily reflect any official policies or positions of the SSTUWA or AEU*



Authorised by Mary Franklyn, General Secretary, The State School Teachers' Union of W.A.

ABN 54 478 094 635 © 2025