Review of SES Funding Arrangements

Media outlets have indicated that the report on the review of the SES funding arrangements which commenced under the Howard government is critical of some aspects of the allocation mechanism, in particular, the high number of schools on funding maintenance. Some newspaper outlets in the eastern states are suggesting that the Prime Minister should not honour his election promise to retain the current Federal funding arrangements for the next quadrennial period. This call is supported by the AEU and other Government school lobby groups. Journalists refer to ‘overpayments’ to non-government schools as though some financial errors have been generated, rather than the actual implementation of the funding policy.

However the Federal Education Minister (Julia Gillard) has indicated the government will honour its election promise.

The Australian Centre for Educational Research (ACER) has also released a policy paper prepared by Dr Andrew Dowling which is critical of current funding arrangements for government and non-government schools.

The author calls for a transparent model of funding based on consistent measures of need. He also states that the current system for funding schools is fragmented by level of government (State or Federal), type of sector (government or non-government), location (state or territory), accounting approach (cash or accrual), and even time period (financial or calendar year). He calls for a common financial reporting instrument for government and non-government schools. He is critical of the use of the Average Government School Recurrent Cost as the basis for allocating public funds to non-government schools and the SES funding model.

The report makes no reference to the significant contribution that parents make to the cost of building infrastructure for Independent schools or the changing profile of the students that attend Independent schools.

*Australia’s School Funding System*, by Andrew Dowling, Principal Research Fellow with ACER’s Policy Analysis and Program Evaluation Unit, is available for download from [www.acer.edu.au](http://www.acer.edu.au).