

Exclusive National Education

The private schools with the richest parents in Australia revealed



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The true extent of taxpayer overfunding of private schools has been laid bare in new figures, showing schools catering to the country's highest-income families are also raking in well over their share of excess cash.

Under the Gonski reforms, [governments agreed to fund schools](#) based on need. But 263 private schools, or the top 10 per cent ranked by their parent incomes, are still receiving a quarter of ongoing overfunding.



Penleigh and Essendon Grammar will receive more than \$24 million in funding above the agreed school resourcing standard by 2028. JOHN GOLLINGS

That means those schools, where the median family income exceeds \$209,000 a year, are set to get \$1.3 billion above the resourcing standard over the six years to 2028. At the same time, [public schools are still shortchanged](#) by billions of dollars annually below the minimum funding standards calculated under Gonski a decade ago.

Data detailing parent incomes by school was published for the first time during Senate estimates and analysed separately both by this masthead and economist and public education advocate Trevor Cobbold. It shows that median family income at almost 100 private schools across the country exceeds \$260,000 a year. Most of these schools, which charge parents thousands of dollars in fees, will bank millions of dollars in overfunding due to payments above their assessed school resourcing standard.

Public schools, which serve the majority of disadvantaged students, are still below that standard while most private schools are above it and transitioning down by 2029, according to federal Education Minister Jason Clare.

Victoria's Penleigh and Essendon Grammar, where the median family income is between \$235,000 and \$260,000 a year, will receive more than \$24 million in funding above the agreed school resourcing standard in the six years to 2028.

That comes after a new measure was introduced in 2022 to calculate how much parents could afford to contribute to private school fees.

In that same period, St Augustine's College in NSW, where the median family income is above \$260,000, will receive more than \$22 million in overfunding.

Cobbold, a former Productivity Commission economist who now runs public education advocacy group Save Our Schools, analysed the income data against overfunding and said the picture that emerged "demonstrates just how unfair the school funding system is".

"The prime minister likes to talk about egalitarianism, but ... schools serving the richest families in Australia are overfunded by nearly \$1.5 billion, while public schools serving the vast majority of low-income families are underfunded by billions," he said.

Cobbold said private schools also had other significant sources of income, from donations and grandparent contributions to rent and investments, that were not included in government funding models.

Separate figures from the Australian Charities and Not-for-profits Commission show that 10 private schools raked in nearly one-third of all donations and investment income flowing to their sector, or \$291 million.

In 2022, Melbourne Grammar, for example, received \$5.2 million in donations and another \$6.4 million in investment income.

Global education expert Pasi Sahlberg, who previously headed Finland's education system, said Australia "is a stranger" on the world stage for the scale of its funding of private schools.

Overseas, government support for the private sector is limited, usually directly tied to the fees schools charge parents.

"What would that money do if invested where it is mostly needed?" Sahlberg said, pointing to the Northern Territory, which needs about \$200 million more annually to fully fund its public schools.

Independent Schools Australia chief executive Graham Catt said that "all schools should move to 100 per cent of the [school resourcing standard], regardless of the sector". According to the peak body, half of private schools charge less than \$5300 a year in parent fees.

Cobbold's analysis, which will be published on Tuesday, comes ahead of a meeting this month of education ministers, as the Commonwealth aims to hammer out new school funding deals with the states.

While Western Australia has already struck a deal with the federal government that will result in the Commonwealth raising its longstanding share of public school funding by 2.5 per cent, [other states, including Victoria and NSW, have banded together](#) to demand a 5 per cent rise.

Clare has not commented on negotiations but told this masthead: "My focus is on working with my state and territory colleagues to get all government schools to their full and fair funding level and to tie that funding to the reforms that will help children catch up, keep up and finish school."

Greens senator Penny Allman-Payne, a former teacher whose question at Senate estimates triggered the data release, said the Gonski promise of needs-based funding had been "undermined from the very start, when Julia Gillard [as prime minister] caved to pressure and promised the private school lobby that they'd be no worse off under new funding arrangements".



Senator Penny Allman-Payne. ALEX ELLINGHAUSEN

"Since then, government funding to private schools has increased at twice the rate of public schools," Allman-Payne said in calling for an overhaul of funding arrangements in the next bilateral agreements with states.

Despite fee hikes and the cost-of-living squeeze, [demand for private schools continues to boom](#) across Australia, and enrolments are particularly strong in lower-fee schools.

Breakdowns of funding and parent income at schools that fall under other systems, such as the Catholic Church, are not available, though sector-level data indicates that many education systems – including schools run by the Marist Brothers – are still overfunded by tens of millions of dollars.

Last month, Christian Schools Australia director Mark Spencer called for fair funding for public schools, after this masthead [revealed Coalition-era loopholes and accounting tricks](#) meant shortfalls for public schools were even greater than reported.

But Spencer stressed that private school funding was already means-tested, and so “discounted” based on parent income, meaning private schools received less than public schools.

St Augustine’s College, Penleigh and Essendon Grammar and Melbourne Grammar were contacted for comment.

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