



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**ADJOURNMENT**

**Schools: Funding**

**SPEECH**

**Monday, 25 June 2001**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

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**Questioner**  
**Speaker** Cox, David, MP

**Source** House  
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**Mr COX** (Kingston) (10.29 pm)—In May 1999 the Department of Education, Training and Youth Affairs published its *SES Simulation Project: Validation Report*. It was intended to show that the SES rating of schools was a reflection of relative need. The document stated:

Schools with low SES scores have the highest number of School Card recipients and the number of recipients declines as the SES score of the school increases. For example, 33 schools (17% of schools) had SES scores less than or equal to 90. At these schools 40% of students were School Card holders. At the other end of the SES score range, 13 schools (7%) had SES scores greater than 115 and only 4% of students in receipt of assistance under school card.

While on average the formula appears to work, it is not an accurate reflection of need. The reason for that is that it uses to approximate need not the resources of the school or the income of the parent but the income of the parent's neighbours. It does this by reference to the average socioeconomic circumstances of the census collection district from where each student comes.

A good example of how the formula can fail is the Sunrise Christian School. It is an R to 7 coeducational primary school with about 600 students located on three campuses of about 200 students each. The school was established by the Adelaide Christian Centre to serve the community and make Christian education available to all. It has a means-tested fee structure—ranging from \$130 to \$510 per term—which allows it to take a large proportion of students whose parents are eligible for a health care card or school card. The school has 61 per cent of families earning \$30,000 a year or less, while only eight per cent earn \$50,000 a year or more.

The school's three campuses are located quite some distance apart. The first is in my electorate of Kingston at Morphett Vale. As an indicator of the relatively low incomes of many of its families, 47 per cent are eligible for a school card or a health care card. It has an SES rating of 97. The second is on the other side of town in the electorate of the member for Sturt. Forty per cent of its families have a school or health care card and it has an SES rating of 98. The third is at Fullarton in the electorate of Adelaide. That is a relatively affluent area, but not all people in an affluent area are affluent. Thirty-seven per cent of the parents of children at the Fullarton campus are eligible for a school or health care card. However, because of the relative affluence of the people in that area, this school in Fullarton—with 37 per cent of the parents eligible for a health care card—has an SES rating of 114. By way of comparison, St Peter's College, which is without doubt the wealthiest category 1 private school in South Australia, has an SES rating of 116—only two points higher. Under the government's funding formula, St Peter's gets a funding increase but the Sunrise Christian School gets nothing. When the three Sunrise campuses are combined, they have an average school or health card rate of 41 per cent and an SES rating of 103.

The consequence is that the Sunrise School will struggle to provide the facilities and programs that will make it attractive to parents who will know that those facilities and programs are available in another low fee Christian school not too far away. The school will have two choices. The first is that they may gradually lose those students in the higher fee paying bracket, bearing in mind that the fees are means-tested, because the parents will realise that there are better facilities and programs available at other schools for the same level of fees they are paying at Sunrise. Those other schools are receiving increases over the quadrennium of between \$232 and \$1,478 per student. The second choice would be to put up the fees at Sunrise, effectively excluding the children of the parents on low incomes—those whom the school was established to cater for. If the funding formula were truly needs based, the school would be able to continue providing a Christian education to children from low income families. If choice and access are important objectives of the SES funding formula, as the minister says when he is defending it in parliament, then the formula has failed the Sunrise School. The SES ratings for the Morphett Vale and Paradise campuses more accurately reflect the needs of the families from those areas using the school, but the rating for the Fullarton campus does not, and that will affect the whole school. I am seeking a meeting with the minister to discuss the SES formula with him.