

## EDUCATION, SCIENCE AND TRAINING

### SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2003-2004 ADDITIONAL ESTIMATES HEARING

**Outcome:** 1  
**Output Group:** 1.1 – Funding for schools

#### **DEST Question No. E860\_04**

Senator Carr provided in writing.

*Refers to L. Watson, "A critique of the Federal Government's recent changes to private schools funding" University of Canberra 2003*

#### **Question:**

Is the Department familiar with the recent paper by Louise Watson, of the University of Canberra, on the Commonwealth's SES schools funding index?

Watson concludes from her analysis that there are:

- Two major flaws in the SES model; and
- Four major flaws in the implementation of the scheme.

Please provide comment on the following points and issues:

#### *Flaws in the model*

Watson says that the model is flawed in that:

- (1) it does not take account of private non-fee income such as endowments and donations; and
- (2) it is biased in favour of students from country areas, in that the SES scores ascribed to them are too low and unrepresentative.

How do you respond to these criticisms?

#### **Answer:**

#### *Louise Watson's paper – Alleged flaws in the model*

(1) One of the key principles that underpin the Government's policy for funding non-government schools is that private investment in education should not be discouraged. As such, the SES model deliberately does not take into account schools' private income from fees or any other sources.

(2) There is no empirical evidence that students from country areas are not representative of their Census Collection District (CD) or that they can significantly affect a school's SES score.