

Funding a fairer education system

Submission to the NSW Government's
Review of Section 83C of the
Education Act 1990 (NSW)

The NSW education system is increasingly inequitable. Private schools receive public funding and tax concessions that have enabled multimillion dollar developments and salaries in excess of \$1 million, while public schools struggle. This submission makes recommendations that would ensure private schools are more transparent and accountable for how they spend public money.

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Summary

The NSW Government review into Section 83C of the Education Act 1990 (NSW) is a timely addition to the broader discussion on school funding in Australia. Many private schools in NSW receiving government funding or tax concessions appear to be operating in breach of the relevant legislation that requires them not to operate for profit, to pay wages in line with market values, and with expenditure that is not required for the operation of the school. Examples include:

- Cranbrook School, which spent \$125 million on a five-story sandstone building that contains a double-height orchestra room, 267-seat theatre, and Olympic-sized indoor pool;
- The Scots College, which in 2019 paid a reported \$29 million to renovate a library so that it would resemble a Scottish Baronial castle; and
- The King's School, which paid \$15 million to buy six hectares of land next to Lane Cove National Park for staff and student camps.

Much of this private school expenditure is facilitated by tax-deductible status for private school building funds. This submission shows that the estimated cost of tax concessions to just five private schools in NSW amounts to over \$2 million per year (see Table 1). This suggests the total cost is likely to be tens of millions in NSW and possibly over one hundred million across Australia, which is potential tax revenue forgone for the country.

Australia Institute polling shows that Australians are more supportive of tax deductions for school buildings that have an unambiguous educational benefit. Results show that three in four Australians think that libraries (76%), classrooms (74%), and science labs (73%) should receive tax deductions. For only four of the 14 building options given, drawn from real examples, did more Australians say the building should be eligible for tax deductibility. Polling also shows that four in five Australians (80%) agree that as a condition of receiving special tax deductions for buildings, private school facilities should be made available for community groups to use outside of school hours.

Private schools receiving government funding and tax concessions pay principals up to \$1 million per year. This appears to be in breach of the act that requires them to pay no more than “reasonable market value”, given public school principals are paid between \$140,000 and \$216,000. In effect, this appears to be distribution of profit rather than payment for educational outcomes.

To arrest growing inequality in our school system, we recommend that:

- All schools – including private schools – be required to table in state parliament an annual report that includes details of school income broken down by funding source, and an itemised list of expenditure including the salaries paid to individual senior managers.
- The tax deductions given to private school building funds should be removed.
- The facilities of private schools should be made available for community groups to use outside of school hours.
- As a condition of receiving public funding, private schools should have to disclose an itemised list of the salaries they pay senior executives.

Schools – whether private or public – serve an essential public service. But they should exist in the public interest, especially if they receive public funding and tax concessions. Public funding is granted to private schools with the understanding that it be spent on education that is in the public interest. However, as this submission shows, many private schools convert this public funding into private benefit.

Introduction

Thank you for the opportunity to make a submission to the review of section 83C of the Education Act 1990 (NSW) (the Act). The NSW Government, and Deputy Premier and Minister for Education Prue Car, should be commended for initiating this review. The Australia Institute has long called for an end to tax concessions for private schools and a broader evaluation of their place in Australia society.¹ Reform is needed to ensure all Australian children have access to the best education possible, regardless of income, geography, or culture.

Section 83C of the Act prohibits the Minister for Education and Early Learning from “provid[ing] financial assistance ... to or for the benefit of a school that operates for profit,”² and defines what constitutes operating for a profit. This includes circumstances in which:

“(a) any part of its proprietor’s assets (in so far as they relate to the school) or its proprietor’s income (in so far as it arises from the operation of the school) is used for any purpose other than for the operation of the school, or

(b) any payment is made by the school to a related entity or other person or body—

(i) for property, goods or services at more than reasonable market value, or

(ii) for property, goods or services that are not required for the operation of the school, or

(iii) for property, goods or services that is in any other way unreasonable in the circumstances having regard to the fact that financial assistance is provided to or for the benefit of the school by the Minister, or

¹ Wilkinson, Denniss and Macintosh (2004) *The accountability of private schools to public values*, <https://australiainstitute.org.au/report/the-accountability-of-private-schools-to-public-values/>; Macintosh and Wilkinson (2006) *School vouchers: An evaluation of their impact on education outcomes* <https://australiainstitute.org.au/report/school-vouchers-an-evaluation-of-their-impact-on-education-outcomes/>

² *Education Act 1990 No 8* (NSW), <https://legislation.nsw.gov.au/view/whole/html/inforce/current/act-1990-008#sec.83C>

(c) any payment is made by the school to a person in connection with the person’s activities as a member of the governing body of the school unless it is in reimbursement for a payment made by the person in connection with the operation of the school.”³

This submission specifically questions if the buildings constructed by private schools, which are largely paid for through tax-deductible building funds, constitute “property, goods or services that is in any other way unreasonable,” or are for purposes “other than for the operation of the school.” We also question if the high salaries given to the heads of some private schools are paid at “more than reasonable market value.”

This submission specifically relates to the Minister’s Terms of Reference Number 4, which is to: “make recommendations to improve the regulation of financial assistance to non-government schools, including:

- any suggested amendments to the legislation, including to the regulations, to bring about further clarity for non-government schools and the Minister;
- any suggested changes to regulatory practices in place for the regulation of financial assistance to non-government schools.”⁴

As a condition of receiving funding from the Commonwealth and NSW Governments, private schools should be required to fully disclose their expenditure. Without this transparency, it is hard to determine if schools are operating for profit in breach of Section 83. We recommend that:

- All schools – including private schools – should be required to table in state parliament an annual report that includes details of school income broken down by funding source, and an itemised list of expenditure including the salaries paid to individual senior managers.
- The tax deductions given to private school building funds should be removed.
- The facilities of private schools should be made available for community groups to use outside of school hours.
- As a condition of receiving public funding, private schools should have to disclose an itemised list of the salaries they pay senior executives.

Schools – whether private or public – serve an essential public service. But they should exist in the public interest, especially if they receive public funding and tax concessions. Public funding is granted to private schools with the understanding that it

³ *Education Act 1990 No 8* (NSW).

⁴ NSW Government (2024) *Minister’s Terms of reference: Review of section 83C of the Education Act 1990 (NSW)*, <https://www.nsw.gov.au/education-and-training/nesa/about/who-we-are/what-we-do/reviews>

be spent on education that is in the public interest. However, as this submission shows, many private schools convert this public funding into private benefit.

Private school spending and calls for reform

In 2024, the Commonwealth will spend an estimated \$29.1 billion on schools in Australia. More than half of this – \$17.8 billion – will go to private schools.⁵ On top of this, the NSW Government provides private schools with another \$1.6 billion every year.⁶ According to a report published by the NSW Teachers Federation, in 2020 alone private schools in NSW were overfunded by \$120 million.⁷ Data from the Australian Curriculum Assessment and Reporting Authority shows that, between 2012 and 2021, funding to private schools increased by more than 30% compared to only 17% for public schools.⁸ Between 2017 and 2021, 50 private schools across Australia received \$611 million in donations and investment income. Nearly one third of this went to ten schools alone, four of which are in NSW.⁹ This generous funding, which is coupled with generous tax concessions, raises serious questions about the equity of Australia’s education system. If more tax dollars go to private schools than public schools, then they are not saving money, or taking a burden off government budgets.

This inquiry comes after recent reviews at the Commonwealth level that have called attention to the inequities in funding between public and private schools.

The findings of the Commonwealth Department of Education’s *Review to Inform a Better and Fairer Education System*, were released in December 2023. The review notes the uneven funding differences between and within schools in Australia and finds that while nearly all private schools are receiving at or above their minimum

⁵ Commonwealth Department of Education (2023) *Reports on school funding*, <https://www.education.gov.au/schooling/reports-school-funding>

⁶ NSW Government Education (2023) *Funding*, <https://education.nsw.gov.au/schooling/non-government-schools/funding>

⁷ Rorris (2022) *NSW – Public funding schools and the school resourcing standard*, <https://www.nswtf.org.au/get-informed/publications-research/reports/>

⁸ Beazley and Cassidy (2023) ‘Private school funding increased twice as much as public schools’ in decade after Gonski, data shows’, *The Guardian*, <https://www.theguardian.com/education/2023/jul/17/gonski-review-government-funding-private-public-schools>; Ting, Palmer and Scott (2023) ‘Rich school, poor school: Australia’s great education divide’, *ABC News*, <https://www.abc.net.au/news/2019-08-13/rich-school-poor-school-australias-great-education-divide/11383384>

⁹ SOS (2023) *50 wealthy private schools raked in over \$600 million in donations & investment income*, <https://saveourschools.com.au/funding/50-wealthy-private-schools-raked-in-over-600-million-in-donations-investment-income/>

allocated funding, nearly all government schools are not.¹⁰ It makes two recommendations that specifically relate to transparency and accountability, which this inquiry could use to inform new regulations for private schools. This includes a recommendation that schools be required to publish the details of funding allocations and expenditure on an annual basis, and a call for “enhanced accountability” of schools through an “accessible and interactive public reporting tool.”¹¹ This would include the delivery of annual reports to the Australian Parliament.¹² The NSW Government could do the same at the state level by requiring schools that receive funding from the NSW Government to table annual reports in NSW Parliament.

Recommendation: All schools – including private schools – should be required to table in state parliament an annual report that includes details of school income broken down by funding source, and an itemised list of expenditure including the salaries paid to individual senior managers.

The Australian Productivity Commission’s 2023 inquiry into philanthropic giving made similar findings about the need for greater transparency and accountability by organisations permitted to use tax-deductible funds – including private schools. Specifically, the inquiry found that giving deductible gift receipt (DGR) status to the building funds of private schools is an ineffective use of government support. The Commission said that this arrangement is contrary to the principles for determining DGR status because of the risk that tax-deductible donations are used for private benefit.¹³ In particular, the draft report notes that because parents can be donors there is a risk of “tax-deductible donations being directly converted into lower fees,” and that “the likelihood that they generate broader community-wide benefits is reduced.”¹⁴ The Commission suggests that private school building funds be excluded from DGR status unless there is an “explicit equity objective”.¹⁵ The education advocacy organisation Save Our Schools wants the Productivity Commission to go

¹⁰ Commonwealth Department of Education (2023) *Improving outcomes for all, the report of the independent expert panel’s review to inform a better and fairer education system*, <https://www.education.gov.au/review-inform-better-and-fairer-education-system/resources/expert-panels-report>

¹¹ Commonwealth Department of Education (2023) *Improving outcomes for all, the report of the independent expert panel’s review to inform a better and fairer education system*, p 24.

¹² Commonwealth Department of Education (2023) *Improving outcomes for all, the report of the independent expert panel’s review to inform a better and fairer education system*, p 25.

¹³ Productivity Commission (2023) *Future foundations for giving, Draft report*, p 188, <https://www.pc.gov.au/inquiries/current/philanthropy/draft>

¹⁴ Productivity Commission (2023) *Future foundations for giving, Draft report*, p 188.

¹⁵ Productivity Commission (2023) *Future foundations for giving, Draft report*, p 188. The report states that public benevolent institutions – “which covers charities that undertake activities intended to help a specific group of people in need” – should continue to receive this benefit (p 159), which we agree is justified.

further than this by recommending revoking the tax deductibility of any and all donations to private schools.¹⁶

DGR status was first given to private schools for building funds in 1954. Since then, private schools have proliferated in Australia. Some are now charging almost as much as the median wage in Australia per year. For example, some schools in Sydney are set to charge nearly \$50,000 per year in 2024.¹⁷ Australian Bureau of Statistics shows median personal annual income in Australia is \$54,890.¹⁸

After 70 years, the Commission shows why giving this form of indirect government support to private schools is no longer appropriate.¹⁹ The Commission suggests that private schools instead make use of the Australian Government's capital grants program for non-government schools, eligibility for which is determined by financial need.²⁰ This inquiry should consider if the money generated through these tax concessions is spent in a way genuinely "required for the operation of the school", as required by Section 83C. The next section of this submission highlights the myriad examples of questionable spending by private schools in NSW.

¹⁶ Save Our Schools (2024) *Productivity commission should recommend ending tax deductibility for all donations to private schools*, <https://saveourschools.com.au/funding/productivity-commission-should-recommend-ending-tax-deductibility-for-all-donations-to-private-schools/>

¹⁷ Carroll (2024) 'Fees at Sydney private schools hit almost \$50,000 a year', *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/fees-at-sydney-private-schools-hit-almost-50-000-a-year-20231227-p5etsr.html>

¹⁸ ABS (2023) *Personal Income in Australia*, 6 December 2023, <https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/personal-income-australia/2020-21-financial-year>

¹⁹ Productivity Commission (2023) *Future foundations for giving, Draft report*, p 15.

²⁰ Productivity Commission (2023) *Future foundations for giving, Draft report*, p 189.

Tax deductible building funds: “required” for the operation of a school?

In announcing this inquiry, the NSW Department of Education acknowledged that “five non-government schools have been found to be operating for-profit over the past 10 years and some have been forced to pay the money back or stop receiving any public funds.”²¹ This included:

- Al Amanah College, which was found to be operating for a profit between 2011 and 2018 for numerous ways in which it spent money, including on the purchase of a hotel and restaurant.²² Because of these breaches of Section 83C of the Act, Al Amanah College was made to repay the NSW Government \$19.4 million in public funding;²³ and
- The Kings School, which in 2023 was found to have misused public money in breach of the Education Act because a plunge pool it planned to build for the headmaster’s residence was deemed to be a breach of its obligation not to operate for a profit.

While these examples may be particularly egregious, it is not hard to find examples of private schools spending vast amounts of money on ornate accretions public schools have had to do without. In the five years to 2022, private schools in NSW spent an estimated \$1.5 billion for capital projects²⁴ in what one journalist has described as a ‘building arms race’²⁵ between high-fee schools. Among the highest spenders are:

²¹ NSW Government Education (2023) *Greater clarity on public funding for non-government schools*, <https://education.nsw.gov.au/news/latest-news/greater-clarity-on-public-funding-for-non-government-schools>

²² Al Amanah College (2021) *Newsletter, Issue 02*, <https://www.alamanah.nsw.edu.au/wp-content/uploads/2021/04/Al-Amanh-College-Bankstown-Campus-April-2021-Newsletter.pdf>

²³ Carroll (2023) ‘Sydney private schools forced to repay \$23 million in government funding’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/sydney-private-schools-forced-to-repay-23-million-in-government-funding-20230405-p5cyha.html>

²⁴ Carroll (2022) ‘Residents, private schools clash over billion-dollar building boom’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/residents-private-schools-clash-over-billion-dollar-building-boom-20230316-p5cstl.html>

²⁵ Carroll (2023) ‘Sydney private schools spend millions on land for new campuses’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/sydney-private-schools-spend-millions-on-land-for-new-campus-20230224-p5cnin.html>

- Cranbrook School, which spent \$125 million on a five-story sandstone building that contains a double-height orchestra room, 267-seat theatre, and Olympic-sized indoor pool;²⁶
- The Scots College, which in 2019 paid a reported \$29 million to renovate a library so that it would resemble a Scottish Baronial castle;²⁷ and
- The King's School, which paid \$15 million to buy six hectares of land next to Lane Cove National Park for staff and student camps.²⁸

This big spending shows no sign of abating, as several schools are in the process of developments that run into the hundreds of millions of dollars. This includes Al-Faisal College, which has a \$275 million 20-year development plan; Barker College, which is currently planning a \$160 million dollar development; and Trinity Grammar's \$115 million renovations.²⁹ In fact, recent examples of extravagant spending by private schools in NSW are so abundant that we have compiled a list, which is attached as Appendix A.

This profligate spending is underpinned by favourable tax concessions that enable already wealthy schools to spend ever more money on ever more elaborate facilities. The inquiry should consider if this spending is necessary for the "operation" of the school as required by the Act. Our analysis suggests that it is not.

In defining exactly what constitutes a school building fund, the Australian Taxation Office (ATO) states that it "must be used to provide instruction for a purpose connected with the curriculum of the school. The building's use for school purposes must be substantial. It also must be of a kind that enables the building to be characterised as being 'used as a school'."³⁰ Is the intended outcome of this policy really an orchestra pit, a cafe, or a hypoxic chamber – all of which are real examples of spending made by private schools in NSW detailed in Appendix A.

In January 2024, the Australia Institute conducted a poll asking 1,017 Australians whether they thought school buildings should receive a tax deduction. Respondents were given a list of various buildings and asked which ones should be eligible for a tax

²⁶ Carroll (2022) 'Cranbrook unveils \$125m revamp as private schools compete in building boom', *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/cranbrook-unveils-125m-revamp-as-private-schools-compete-in-building-boom-20221013-p5bpg3.html>

²⁷ Gorrey (2019) 'Intrusion': Scots College's \$29 million library approved', *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/intrusion-scots-college-s-29-million-library-approved-20190829-p52m5i.html>

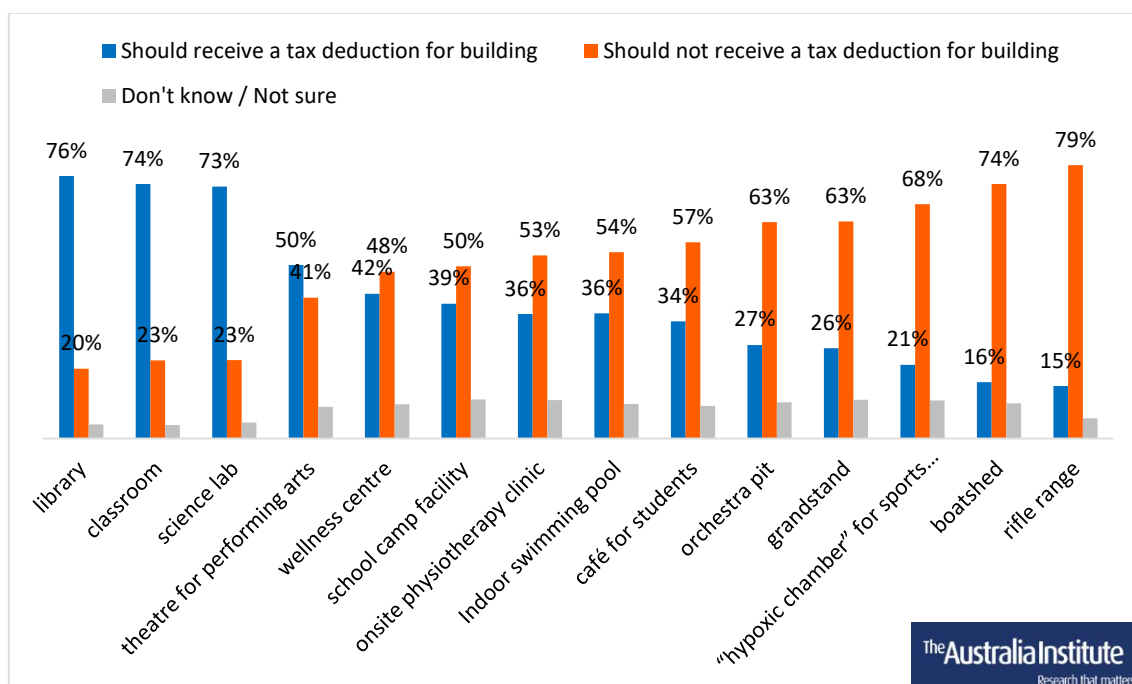
²⁸ Carroll (2023) 'Sydney private schools spend millions on land for new campuses'.

²⁹ Carroll (2023) 'Cranbrook unveils \$125m revamp as private schools compete in building boom'.

³⁰ Australia Tax Office (n.d.) *School building funds*, <https://www.ato.gov.au/businesses-and-organisations/not-for-profit-organisations/getting-started/in-detail/types-of-dgrs/l-z/school-building-funds>

deduction. In Figure 1, the results show that three in four Australians think that libraries (76%), classrooms (74%), and science labs (73%) – all of which have an unambiguous educational benefit – should receive tax deductions. Comparatively, less Australians think buildings like boatsheds, rifle ranges, hypoxic chambers, grandstands, orchestra pits, cafes for students, indoor swimming pools, and on-site physiotherapy clinics – none of which are needed for students to complete the required curriculum – are deserving of tax deductions. For only four of the 14 building options, drawn from real examples, did more Australians say the building should be eligible for tax deductibility.

Figure 1: Buildings and tax deductions



Source: The Australia Institute polling.

Interestingly, but perhaps not surprisingly, people who went to, or send their children to private schools, are more supportive of these tax concessions than people who went to, or send their children to, public schools. As further polling results in Appendix B show, the average level of support for tax deductions across all building types from people who went to private schools was 46% compared to 38% from people who went to public schools. Similarly, the average level of support for tax deductions from people who send their children to private schools was 49% compared to 38% for people who send their children to public schools. See Appendix B for further discussion.

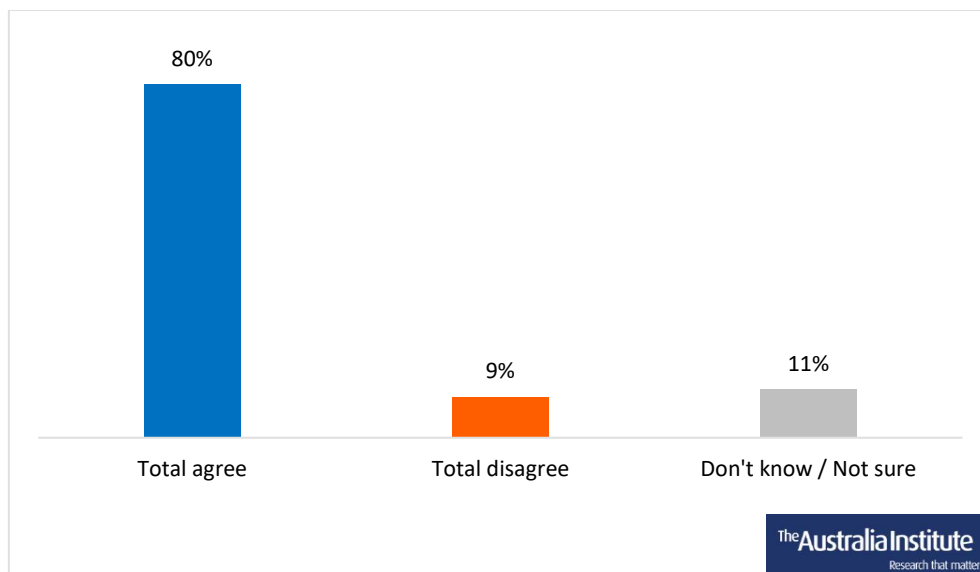
In its report on charitable donations, the Australian Productivity Commission states that “DGR status should also not be extended to other forms of informal education,

including where this is supported through a school building fund” because there is a “material risk of converting tax-deductible donation into private benefits.”³¹ In this context, many of the examples cited in Appendix A to this report look less like educational spending and more like the conversation of foregone public revenue into private benefit.

One way of addressing this potential misuse of public money would be to ensure that the benefit of these building funds is not entirely private, and that the broader community is able to enjoy the ornate amenities of private schools. This could be done by requiring private schools to make facilities available to the public outside of school hours. This would help mitigate against the potential that tax-deductible charitable donations are being converted into private benefit.

The same January 2024 polling conducted by the Australia Institute shows that 80% of Australians agree that as a condition of receiving special tax deductions for buildings, the facilities of private schools should be available for community groups to use outside of school hours.

Figure 2: Private schools should make their facilities available to community groups



Source: The Australia Institute polling.

Recommendation: Facilities of private schools should be made available for community groups to use outside of school hours.

³¹ Productivity Commission (2023) *Future foundations for giving, Draft report*, p 191.

Are donations voluntary?

In addition to questions about *how* schools spend the money in their tax-deductible building funds, there are questions about how voluntary the ‘donations’ made to these funds are in the first place. According to the Australian Productivity Commission, there are about 5,000 school building funds across Australia, which makes them the second most common category of deductible gift-recipient endorsement (although, as the Commission notes, some public schools do have these funds). In its 2023 report on charitable giving, the Australian Productivity Commission noted “the practice of schools including voluntary contributions to school building funds on fee invoices, alongside tuition fees.”³² It said,

such direct solicitation for donations from the people who are also charged fees is strongly indicative that the main beneficiaries from an organisation’s service are likely to be the individual recipients of the service and that any broader community-wide benefits are likely to be incidental.³³

The report concluded that “current arrangements for school building funds are difficult to justify.”³⁴ This dynamic would help explain why, according to a report in the Sydney Morning Herald, “donations made to some of Sydney’s top private schools almost doubled between 2016 and 2019, as 20 schools drew in almost \$340 million in contributions from parents and alumni over a six-year timeframe.”³⁵

Australia Institute research shows that private schools have included building fund donations on invoices for school fees for at least the last 20 years.³⁶ We have made some indicative calculations based on a sample of private schools in NSW. Table 1 shows that some of the most expensive private schools in NSW are making millions of dollars from donations to tax-deductible building funds. The annual tuition fees and student numbers for each school is shown, as well as the amount each school “recommends” parents donate to their building fund. While these donations may technically be voluntary, including a recommended amount on fee schedules ensures that the greatest number of parents make these contributions. Most schools do not make the information needed for these calculations readily available, which means this list is merely indicative.

³² Productivity Commission (2023) *Future foundations for giving, Draft report*, p 188.

³³ Productivity Commission (2023) *Future foundations for giving, Draft report*, p 188.

³⁴ Productivity Commission (2023) *Future foundations for giving, Draft report*, p 188.

³⁵ Carroll and Gladstone (2023) ‘Sydney’s top private schools rake in millions in donations’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/sydney-s-top-private-schools-rake-in-millions-in-donations-20221208-p5c4x1.html>

³⁶ Wilkinson, Denniss and Macintosh (2004) *The accountability of private schools to public values*.

We have calculated total revenue by multiplying the “recommended” donation by *half* the number of students listed for each school. This is an estimate, and total figures are likely to be higher. We calculated annual tax expenditure by multiplying the estimated total revenue by the current top marginal tax rate, which is 47% (45% plus the 2% Medicare levy). This tax bracket applies to people with incomes of \$180,001 and over, which is a fair assumption to make for parents sending their children to schools with fees in excess of \$40,000 a year.

Table 1: Indicative sample of tax deductions given to selected private schools in NSW

Name of school	Tuition cost (\$ yr 12, 2024)	Student number	Recommended building fund donation (\$)	Estimated total revenue p.a. (\$) (if 50% of parents pay the nominated fees)	Estimated annual tax expenditure (\$)
Cranbrook School	46,346	1,760	200	176,000	82,720
Trinity Grammar	44,500	2,252	500	563,000	264,610
The King’s School	43,560	2,193	980	1,074,570	505,048
Newington College	42,201	2,061	2,000 (name on locker)*	2,061,000	968,670
Newington College	42,201	2,061	200 (brick of support)*	206,100	96,867
Kincoppal, Rose Bay	40,248	903 (2021)	550	248,325	116,713
TOTAL					2,034,628

Sources: Details of fee schedules were taken from the websites and annual reports (2021 and 2022) of each school. Student number is for 2022, unless otherwise specified.

* These tax-deductible donations go towards the cost of aquatics and rugby change rooms.

If the tax concessions are in place to ensure spending on education, and parents are so willing to donate this money, which as the Productivity Commission makes clear should not be converted into private benefit, perhaps all donations to tax-deductible building funds should be put into a communal pool. Like the Commonwealth Government’s capital grants for private schools program, the primary criteria for determining how the money from this fund should be spent would be financial need.

But an easier way to avoid the problems with these funds would of course be to remove the tax deductions they are given. In the United Kingdom, a similar debate about whether private schools should be given tax concessions and charitable status is ongoing. The UK Labour party initially proposed to remove both, but after a backlash it

settled on the elimination of tax concessions and proposed a 20% VAT on private school fees.³⁷ It has been estimated that removing these tax concessions could generate around £1.6 billion a year in tax revenue.³⁸

To ensure greater equity and appropriate use of government funding, we recommend that the tax deductible status for private building funds should be removed.

Recommendation: The tax deductions given to private school building funds should be removed.

³⁷ Institute for Fiscal Studies (2023) *Tax, private school fees and state school spending*, <https://ifs.org.uk/publications/tax-private-school-fees-and-state-school-spending>; Forrest and Dalton (2023) 'Labour U-turns on plan to strip private schools of charitable status', *The Independent*, <https://www.independent.co.uk/news/uk/politics/labour-private-school-fees-tax-status-b2419785.html>

³⁸ Institute for Fiscal Studies (2023) *Tax, private school fees and state school spending*; see also Private Education Policy Forum (2022) *REPORT: Local taxation relief and charitable private schools*, <https://www.pepf.co.uk/publications/local-taxation-relief-and-charitable-private-schools-a-study/>

Head of school salaries

In October 2023, the NSW Department of Education released the draft *Not-for-profit guidelines for non-government schools*.³⁹ According to these guidelines, private schools are required to maintain clear records related to employment expenses. This includes contracts, payments made for the achievement of key performance indicators, and documents that demonstrate how a school determines that a salary is not more than reasonable market value.⁴⁰

Regarding Section 83C, the draft guidelines state that:

- “In order for a school not to operate for profit, the payment of each and every salary or remuneration package must be required for the operation of the school, be at no more than reasonable market value, and not be in any other way unreasonable in the circumstances having regard to the fact that financial assistance is provided to or for the benefit of the school.”

And

- private schools should be required to “clearly explain how the school has determined that the relevant salary is no more than reasonable market value, required for the operation of the school, and not unreasonable in the circumstances.”⁴¹

NSW public school salaries are set by the Crown Employees (Teachers In Schools and Related Employees) Salaries and Conditions Award 2022. According to this, the minimum amount a school principal can earn is \$140,502 (at the ‘TP1’ level) and the maximum amount a school principal can earn is \$216,264 (at the ‘P5’ level).⁴²

Determining how much the principals of private schools are paid is difficult, because they are not required to publish this information. While recent changes to rules for reporting to the Australian Charities and Not-for-profits Commission mean that schools

³⁹ NSW Government Education (2023) *DRAFT Not-for-profit guidelines for non-government schools*, <https://education.nsw.gov.au/about-us/our-people-and-structure/non-government-schools/non-government-schools-not-for-profit-regulatory-framework-development-and-not-for-profit-guidelines-review>

⁴⁰ NSW Government Education (2023) *DRAFT Not-for-profit guidelines for non-government schools*, p 19.

⁴¹ NSW Government Education (2023) *DRAFT Not-for-profit guidelines for non-government schools*, p 19.

⁴² Industrial Relations Commission of New South Wales (2023) *Crown employees (teachers in schools and related employees) salaries and conditions award 2022*, p 29,

https://education.nsw.gov.au/content/dam/main-education/industrial-relations/media/documents/awards/teachers-award/Teachers_Award_Variation_10_Nov_23.pdf

must detail how much “key management personnel” are paid,⁴³ the individual salaries of top earners remain secret. However, a recent survey of private schools around Sydney gives some idea. The survey, revealed in 2023 through an investigation by *The Sydney Morning Herald*, found that principals received remuneration packages of between \$460,000 and \$970,000, with an average of \$687,000;⁴⁴ that at least four high school principals in NSW receive salary and benefit packages of over \$900,000; and that one got over a million dollars.⁴⁵ More recent analysis has shown that the top earner at some private schools are paid more than \$300,000 more than the average staff member.⁴⁶ After reports that the headmaster of The King’s School was paid over \$700,000 a year, a spokesperson for the school said the salary “was well in line with industry standards”.⁴⁷ But can this spending really be considered “reasonable market value” (as is required under Section 83C) when the entirety of the market – including the salaries paid to public school staff – is accounted for?

If equity is a goal of our education system, is it fair that someone heading a private school gets three times as much as a person heading a public school? Do these high-paid heads of school produce better educational results? The evidence suggests not.

For these salaries to constitute an investment in education spending there would need to be a correlation between the salary received by a head of school and the educational outcomes of that school – but this is demonstrably untrue. Analysis by *The Sydney Morning Herald* found that “[m]ore than a dozen schools with fees of \$10,000 or less have recorded above-average HSC results compared to the top-ranked private schools over the past four years.”⁴⁸ It also found that schools which charge fees of \$6,000 or less “had a similar or greater proportion of students achieving top band six

⁴³ ACNC (2022) *New remuneration reporting rules to help drive further charity transparency and accountability*, <https://www.acnc.gov.au/media/news/new-remuneration-reporting-rules-help-drive-further-charity-transparency-and-accountability>

⁴⁴ Carroll (2022) ‘Principals at top private schools notch up pay packages of nearly \$1 million’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/principals-at-top-private-schools-notch-up-pay-packages-of-nearly-1-million-20221103-p5bv8p.html>

⁴⁵ Carroll (2023) ‘Private school principal pay tops \$1m, big bonuses collected’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/private-school-principal-pay-tops-1m-big-bonuses-collected-20230607-p5deug.html>

⁴⁶ Harris (2024) ‘The pay packets of high-fee private school bosses revealed’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/the-pay-packets-of-high-fee-private-school-bosses-revealed-20240118-p5ey61.html>

⁴⁷ Carroll and Baker (2022) ‘Plan for plunge pool at headmaster’s residence at King’s fuels tension’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/plan-for-plunge-pool-at-headmaster-s-residence-at-king-s-fuels-tension-20220624-p5awcl.html>

⁴⁸ Carroll and Gladstone (2023) ‘The low-fee private schools outperforming expensive rivals in the HSC’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/the-low-fee-private-schools-outperforming-their-expensive-rivals-in-the-hsc-20231220-p5esu2.html>

results than schools with fees of nearly \$40,000.”⁴⁹ The HSC ranking of two public schools – Moss Vale High School and Parkes High – which by law cannot pay their principals more than the ‘P5’ rate, both jumped up 200 places in 2023 HSC rankings.⁵⁰ This shows that excessive salaries are not necessary for good educational outcomes, and if this spending is not related to education it could constitute a breach of the Act. The most consistently top performing schools are selective public high schools,⁵¹ and while screening for high-achieving students gives these schools an obvious competitive advantage, it is not because they pay their staff the most.

International examples provide further evidence that salaries are not related to educational outcomes. Finland’s education system – which is entirely public – has long been ranked the best in the OECD.⁵² This is despite spending less than the OECD average on each secondary school student,⁵³ and less than the OECD average on upper secondary school staff.⁵⁴ This highest paid head of school in Finland is paid just two-thirds of their Australian public school counterpart – and this is *without* taking into account the salaries paid to private school headmasters, which are not measured by the OECD.⁵⁵ At the other end of the scale, Luxembourg pays the heads of its public schools more than any other nation in the OECD,⁵⁶ but it ranks just 31st in educational attainment (out of 41).⁵⁷ Clearly, high salaries do not translate to educational outcomes, which begs the question: is this educational spending or the distribution of profit?

Equity in our education system starts at the top, and transparency is the first step to bringing about change. As a condition of receiving public funding, private school should have to disclose the salaries paid to senior executives. The NSW Government

⁴⁹ Carroll and Gladstone (2023) ‘The low-fee private schools outperforming expensive rivals in the HSC’.

⁵⁰ Carroll and Gladstone (2023) ‘The school that rocketed up the HSC rankings by 200 places’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/the-school-that-rocketed-up-the-hsc-rankings-by-200-places-20231214-p5erjs.html>

⁵¹ Carroll, Gladstone and Harris (2023) ‘North Sydney Boys High tops HSC for first time’, *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/north-sydney-boys-high-tops-the-hsc-for-the-first-time-20231212-p5er0s.html>

⁵² OECD Better Life Index (n.d.) *Education*, <https://www.oecdbetterlifeindex.org/topics/education/>

⁵³ This expenditure includes teachers’ salaries, pension systems, instructional and teaching hours, the cost of teaching materials and facilities, and the number of students enrolled in the education system (see Indicator B1) OECD (2023) *Education at a Glance 2023*, p 264, https://www.oecd-ilibrary.org/education/education-at-a-glance-2023_e13bef63-en

⁵⁴ This expenditure includes salaries, pensions and other benefits earned by teaching and non-teaching staff. OECD (2023) *Education at a Glance 2023*, p 270.

⁵⁵ OECD (2023) *Teacher’s and school heads’ statutory salaries*, https://stats.oecd.org/Index.aspx?DataSetCode=EAG_TS_STA

⁵⁶ OECD (2023) *Teacher’s and school heads’ statutory salaries*.

⁵⁷ OECD Better Life Index (n.d.) *Education*.

could adopt the policy of Queensland Government, which requires private schools to table their annual reports, including details of the pay packages paid to teachers, in state parliament.⁵⁸ Jurisdictions in other countries have similar policies. In the United Kingdom, schools must report the salary bands of their highest earners as a condition of maintaining tax-deductible status, and in New York state, the pay received by principals is included in tax filings.⁵⁹

Recommendation: As a condition of receiving public funding, private schools should have to disclose an itemised list of the salaries they pay senior executives.

⁵⁸ Queensland Department of Education (2023) *Annual Reporting Policy*, <https://education.qld.gov.au/about-us/reporting-data-research/reporting/annual>

⁵⁹ Sydney Morning Herald (2023) 'Editorial: Parents have a right to know salaries of private school principals', *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/parents-have-a-right-to-know-salaries-of-private-school-principals-20230620-p5dhx4.html>

Conclusion and recommendations

This inquiry is an excellent opportunity for the NSW Government to consider how public money can be used to ensure equitable educational outcomes. Section 83C makes it clear that a school may not operate for profit if it wants to receive public funding. If ‘profit’ includes assets or income not required for the “operation of the school”; or expenditure on goods and services paid at “more than reasonable market value”; or on goods and services that “are not required for the operation of the school”, then this inquiry should be concerned about the increasingly exorbitant spending on plush amenities and high salaries that define many private schools. This spending, which is well above the capacity of public schools, is not for educational outcomes that ultimately benefit New South Wales as a whole, but the conversion of public subsidy for the benefit of a few private beneficiaries.

To arrest growing inequality in our school system, we recommend that:

- All schools – including private schools – be required to table in state parliament an annual report that includes details of school income broken down by funding source, and an itemised list of expenditure including the salaries paid to individual senior managers.
- The tax deductions given to private school building funds should be removed.
- The facilities of private schools should be made available for community groups to use outside of school hours.
- As a condition of receiving public funding, private schools should have to disclose an itemised list of the salaries they pay senior executives.

Appendix A

This Appendix lists facilities and amenities of 23 private schools in NSW. It includes recent development approvals as well as already existing facilities. These schools receive public funding and have tax deductibility status available for donations to their building funds. All the facilities and amenities listed have been, to some degree, subsidised by taxpayers.

The King's School

The King's School boasts 17 sports fields, nine halls, and 480 acres of space.⁶⁰ In 2022, the school was found to have misused public money in breach of the Education Act – twice. First because a plunge pool it planned to build for the headmaster's residence was deemed to be a breach of its obligation not to operate for a profit,⁶¹ and then because it paid an estimated \$45,000 for its principle, deputy principle and their spouses to take business class flights to attend a British rowing regatta.⁶² In the same year, the school paid \$15 million to buy six hectares of land right next to Lane Cove national park for staff and student camps.⁶³

Newington College

Newington College recently purchased a 200-hectare property on the NSW Mid North Coast for \$5.4 million to set up as a “social service-based campus” for students in year nine.⁶⁴ According to the College's chairman, this purchase was among the reasons for why Newington College increased their fees in 2022.⁶⁵ The school also has its own rifle range.⁶⁶

⁶⁰ The King's School (2024) *World-class, inspiring facilities*, <https://www.kings.edu.au/discovering/our-facilities/>

⁶¹ Carroll and Segart (2023) 'King's School ordered to 'immediately cease' plans for headmaster's plunge pool', *Sydney Morning Herald*, <https://www.smh.com.au/politics/nsw/king-s-school-ordered-to-immediately-cess-plans-for-headmaster-s-plunge-pool-20230213-p5ck5f.html>

⁶² Carroll (2023) 'Business class flights to be repaid following probe into King's School regatta trip', *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/business-class-flights-to-be-repaid-following-probe-into-king-s-school-regatta-trip-20230810-p5dvec.html>

⁶³ Carroll (2023) 'Sydney private schools spend millions on land for new campuses'.

⁶⁴ Carroll (2023) 'Sydney private schools spend millions on land for new campuses'.

⁶⁵ Carroll and Harris (2023) 'Sydney private school fees eclipse \$45,000 after parents hit by hikes', *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/sydney-private-school-fees-eclipse-45-000-after-parents-hit-by-hikes-20221222-p5c8bc.html>

⁶⁶ Newington College (2024) *Facilities*, <https://insites.newington.nsw.edu.au/sport/facilities/>

The Scots College

In 2019, The Scots College paid a reported \$29 million to renovate a library so that it would resemble a Scottish Baronial castle. The renovation added a rooftop terrace, grand hall, boardroom, 100-seat theatre, counselling rooms and a dining area to the original library.⁶⁷ The library-cum-castle has yet to be completed, and reports say the cost is now closer to \$80 million.⁶⁸ Analysis of the school's annual financial reports indicate that the Scots College received about \$53 million in donations between 2016 and 2021.⁶⁹ Earlier in 2013, the Scots College was reported to have purchased a hypoxic chamber that could simulate altitude training for up to 3000 metres above sea level.⁷⁰ The school also offers rifle shooting as a sport.⁷¹

Cranbrook School

In 2022, Cranbrook School completed a \$125 redevelopment that resulted in a five-story sandstone building, which included a double-height orchestra room, 267-seat theatre, and Olympic-sized indoor pool.⁷² Parents and old-boys donated at least \$25 million towards construction costs.⁷³ According to the school's council president, the buildings were outdated and the school's 25-metre pool "wasn't very good for water polo."⁷⁴ Cranbrook also owns 90 hectares of land in Wolgan Valley, where it has a campus and student accommodation.⁷⁵

Shore School

The all-boys Shore School owns around 20 hectares of bush land in the Blue Mountains.⁷⁶ In 2020 the school opened an upgraded sports facility, which was the

⁶⁷ Gorrey (2019) 'Intrusion': Scots College's \$29 million library approved'.

⁶⁸ Napier-Raman and Towell (2023) 'Four years later, Scots College's \$29 million castle still hasn't been built', *Sydney Morning Herald*, <https://www.smh.com.au/cbd/castle-s-still-in-the-air-for-scots-college-20230913-p5e4gk.html>

⁶⁹ Carroll and Gladstone (2023) 'Sydney's top private schools rake in millions in donations'.

⁷⁰ Robertson (2013) 'Stakes high as schools dabble in elite approach to success', *Sydney Morning Herald*, <https://www.smh.com.au/education/stakes-high-as-schools-dabble-in-elite-approach-to-success-20130924-2ucad.html>

⁷¹ The Scots College (2023) *Sport*, <https://scots.college/why-scots/learning-offering/sport/>

⁷² Carroll and Gladstone (2023) 'Sydney's top private schools rake in millions in donations'.; NSW Planning Portal (n.d.) *Cranbrook School Redevelopment*, <https://www.planningportal.nsw.gov.au/major-projects/projects/cranbrook-school-redevelopment>; Cranbrook School (2024) *Facilities Development*, <https://www.cranbrook.nsw.edu.au/community/future-cranbrook/facilities-development/>

⁷³ Carroll (2022) 'Cranbrook unveils \$125m revamp as private schools compete in building boom'.

⁷⁴ Carroll (2022) 'Cranbrook unveils \$125m revamp as private schools compete in building boom'.

⁷⁵ Cranbrook Centenary (n.d.) *Wolgan Valley Campus*, <https://cranbrookcentenary.com.au/stories/155?tid=10>

⁷⁶ Shore School (n.d.) *Shore Facilities*, <https://www.shore.nsw.edu.au/about-us/shore-facilities>

“largest building project in Shore’s history.”⁷⁷ Among other things, the upgrade added a spin room full of Wattbikes,⁷⁸ which cost about \$5,000 each.⁷⁹

Al Amanah College

Recently, the Al Amanah College was found to be operating for a profit between 2011 and 2018 for numerous ways in which it spent money, including on the purchase of a hotel and restaurant. Because of these breaches of Section 83C of the Act, Al Amanah College was made to repay the NSW Government \$19.4 million in public funding.⁸⁰ In a letter to parents about the investigation, the school admitted that “the school used its assets and income for purposes that were not needed for the operation of the school.”⁸¹

Al-Faisal College

Al Faisal College has a \$275 million 20-year master plan, which includes construction of a multi-purpose hall, two basketball courts, a gym, a 158-space basement carpark, and an open concert hall.⁸²

Ascham School

A 2022 media report says that in an 18-month period, \$23 million worth of property was purchased by Ascham School.⁸³

Abbotsleigh School

Abbotsleigh School’s \$20 million sports centre features a sports hall, elevated hockey field, fitness rooms, tiered seating, a VIP viewing room, and two basement carparks, and has won several architecture awards.⁸⁴

⁷⁷ Shore School (n.d.) *R A I Grant Centre*, <https://www.shore.nsw.edu.au/about-us/shore-facilities/r-a-i-grant-centre>

⁷⁸ Wattbike (2022) *A school steeped in sporting history embarks on new physical education centre*, <https://commercial.wattbike.com/blogs/case-studies/shore-school-sydney>

⁷⁹ Wattbike (2024) *Wattbike Atom*, <https://au.wattbike.com/products/wattbike-atom>

⁸⁰ Carroll (2023) ‘Sydney private schools forced to repay \$23 million in government funding’.

⁸¹ Al Amanah College (2021) *Newsletter, Issue 02*.

⁸² Decode Group (n.d.) *Project Update - Al Faisal College Multi-Purpose Hall, Austral*, https://www.linkedin.com/posts/decode-group_decode-decodegroup-education-activity-6786169579212279808-kORm?trk=public_profile_like_view; NSW Planning Portal (n.d.) *Redevelopment and Expansion of Al-Faisal College*, Liverpool, <https://www.planningportal.nsw.gov.au/major-projects/projects/redevelopment-and-expansion-al-faisal-college-liverpool>

⁸³ Macken (2022) ‘Sydney private schools go on \$100 million buying bonanza’, *Sydney Morning Herald*, <https://www.smh.com.au/property/news/sydney-private-schools-go-on-100-million-buying-bonanza-20220803-p5b71x.html>

⁸⁴ TTW (2024) *Abbotsleigh Sports Hall*, <https://www.ttw.com.au/projects/abbotsleigh-sports-hall>

Barker College

Barker College has a \$160 million infrastructure project in progress.⁸⁵ An aquatic and tennis centre is due to come in 2027 and a performing arts centre in 2029.⁸⁶

Kincoppal – Rose Bay school

In 2021, Kincoppal School had plans approved for a \$48.8 million refurbishment and expansion of facilities to help cater for increased student numbers.⁸⁷

Kambala

In 2021, the Kambala school received approval for a \$59.7 million Wellbeing and Senior Learning Precinct.⁸⁸ Kambala is set to charge more than \$50,000 per year for years 9 and 10 level in 2024. To cover an increase in teacher salaries, the school apparently increased fees by 7.5%.⁸⁹

MLC School

The MLC School has recently applied for a \$108 million upgrade for a new sports centre, an expanded aquatic centre, which includes a new pool, and a multistorey performing arts centre.⁹⁰

⁸⁵ Carroll (2022) 'Cranbrook unveils \$125m revamp as private schools compete in building boom'; Urbis (2021) *Barker College Scoping Report*,

<https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=PDA-30626610%2120211109T215310.642%20GMT>

⁸⁶ Barker College (n.d.) *The Planning Pathway*, <https://www.barker.college/about-barker/our-master-plan/the-planning-pathway/>

⁸⁷ NSW Planning Portal (n.d.) *Alterations and additions to Kincoppal-Rose Bay School*, <https://www.planningportal.nsw.gov.au/major-projects/projects/alterations-and-additions-kincoppal-rose-bay-school>; Taylor (2021) 'Greedy land grab': Why Sydney's top private schools can be difficult neighbours', *Sydney Morning Herald*, <https://www.smh.com.au/national/greedy-land-grab-why-sydney-s-top-private-schools-can-be-difficult-neighbours-20210220-p574a9.html>

⁸⁸ NSW Planning Portal (n.d.) *Kambala Sport, Wellbeing and Senior Learning Precinct*, <https://pp-dev.planningportal.nsw.gov.au/major-projects/projects/kambala-sport-wellbeing-and-senior-learning-precinct>; Ethos Urban (2020) *Environmental Impact Statement*,

<https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=SSD-10385%2120201019T233835.973%20GMT>

⁸⁹ Harris (2024) 'The Sydney private school charging more than \$50,000 for year 9', *Sydney Morning Herald*, <https://www.smh.com.au/national/nsw/the-sydney-private-school-charging-more-than-50-000-for-year-9-20240110-p5ewbo.html>

⁹⁰ Silmalis (2024) *MLC School makes splash with \$108m pool and performing arts centre application*, <https://www.dailytelegraph.com.au/news/nsw/mlc-school-makes-splash-with-108m-pool-and-performing-arts-centre-application/news-story/37175efb22c5582f9939a3a32e68b73c>

Monte Sant' Angelo Mercy College

The upgrade to the bathrooms at Monte Sant' Angelo Mercy College's won the school a Best Bathroom award in 2018.⁹¹

St Ignatius' College Riverview

In 2021, St Ignatius' College Riverview received approval for a \$39.7 million redevelopment for a new five-storey learning and flexible teaching building.⁹² A broader \$153 million redevelopment is underway.⁹³

Moriah College

In 2021, Moriah College received approval for a \$81.7 million upgrade, including for new multi-storey building for STEM and learning centres, car parks, and sports facilities.⁹⁴

Lakes Christian College

In 2021, Lakes Christian College was ordered to repay \$3.8 million in funding because it breached the Education Act in the process of transferring land to the school's Trust, for which the school was making the repayments.⁹⁵

Loreto Normanhurst

In 2021, Loreto Normanhurst received approval for a \$130 million upgrade, including for boarding school accommodation, extensions to carparks, the gym, and performing arts centre.⁹⁶

⁹¹ Sachathap (2018) *One of Australia's best bathrooms is in this Sydney girls school*, <https://www.indesignlive.com/projects/corian-monte-sant-angelo#>

⁹² NSW Planning Portal (n.d.) *Saint Ignatius' College Riverview Redevelopment Stage 2*, <https://www.planningportal.nsw.gov.au/major-projects/projects/saint-ignatius-college-riverview-redevelopment-stage-2>

⁹³ NSW Planning Portal (2016) *Secretary's Environmental Assessment Report*, <https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=SSD-7140%2120190227T100222.494%20GMT>; Baker (2020) 'An arms race for prestige: The billion-dollar private school building boom', *Sydney Morning Herald*, <https://www.smh.com.au/education/an-arms-race-for-prestige-the-billion-dollar-private-school-building-boom-20200306-p547ki.html>

⁹⁴ NSW Planning Portal (n.d.) *Moriah College Redevelopment*, <https://www.planningportal.nsw.gov.au/major-projects/projects/moriah-college-redevelopment>

⁹⁵ Carroll (2023) 'Sydney private schools forced to repay \$23 million in government funding'; The Lakes Christian College (n.d.) *Statements & Policies, NSW not-for-profit compliance issue*, <https://www.thelakescc.nsw.edu.au/compliance-and-reporting>

⁹⁶ NSW Independent Planning Commission (2021) Loreto Normanhurst wins conditional approval for \$130-million redevelopment, [https://www.ipcn.nsw.gov.au/news/2022/03/loreto-normanhurst-wins-conditional-approval-for-\\$130-million-redevelopment](https://www.ipcn.nsw.gov.au/news/2022/03/loreto-normanhurst-wins-conditional-approval-for-$130-million-redevelopment)

Knox Grammar

Knox Grammar has a \$47 million Performing Arts Centre, which consists of a 750-seat theatre with adjustable orchestra pit.⁹⁷ Amongst many other facilities (including a 2,200-capacity hall and an aquatic centre with a fully heated Olympic sized swimming pool), Knox Grammar also has its “hotel-like boarding accommodation” available for hire⁹⁸ and has an on-site barista for their senior students.⁹⁹

Sydney Grammar

In 2021, Sydney Grammar received approval to build a new \$54.4 million sports complex.¹⁰⁰ The new sports centre offers “swimming, water polo, basketball, fencing and taekwondo” but “will not be used for teaching purposes.”¹⁰¹

Trinity Grammar

In 2021, Trinity Grammar received approval for a \$127.7 million redevelopment, including for a new performing arts centre, a new five-storey building, and an underground carpark.¹⁰² Other general facilities include large orchestral, band, and choir rooms, each with digital recording capacity, as well as three playing fields, two rugby ovals, two cricket ovals and ten cricket nets, a FIFA-approved full size football synthetic playing surface, an all-weather running track, two gyms, six tennis courts, an aquatic centre that can accommodate for water polo and diving, an on-site physiotherapy facility, and shotput, high jump and discus throwing facilities. Trinity Grammar’s Field Studies centre also sits on a 50-hectare property.¹⁰³

⁹⁷ Schneiders and Millar (2021) ‘Australia’s top private schools are growing richer and faster than ever’, *Sydney Morning Herald*, <https://www.smh.com.au/national/australia-s-top-private-schools-are-growing-richer-and-faster-than-ever-20210615-p5814b.html>; Knox Grammar School (n.d.) *Senior school facilities*, <https://www.knox.nsw.edu.au/senior-school/facilities/>

⁹⁸ Knox Grammar School (n.d.) *Accommodation*, <https://www.knox.nsw.edu.au/community/facilities-for-hire/accommodation/>

⁹⁹ Knox Grammar School (n.d.) *Knox Senior Academy*, <https://www.knox.nsw.edu.au/senior-school/the-academies/senior-academy/>

¹⁰⁰ NSW Independent Planning Commission (2021) *Weigall Sports Complex, Sydney Grammar School*, <https://www.ipcn.nsw.gov.au/cases/2021/10/weigall-sports-complex-sydney-grammar-school>

¹⁰¹ Sydney Grammar School (2024) *Sydney Grammar to upgrade Weigall Sports Ground*, <https://weigallfields.sydgram.nsw.edu.au/>

¹⁰² NSW Planning Portal (n.d.) *Trinity Grammar School Redevelopment*, <https://www.planningportal.nsw.gov.au/major-projects/projects/trinity-grammar-school-redevelopment>

¹⁰³ Trinity Grammar School (2024) *Our facilities*, <https://www.trinity.nsw.edu.au/about-us/our-facilities/>

Roseville College

In 2021, Roseville College received approval for a \$29.5 million sports centre, which includes a new pool with grandstand, a gym, rooftop sports courts, food and technology space, general learning areas and a basement car park.¹⁰⁴

Pymble Ladies' College

In 2021, Pymble Ladies' College purchased more than 75 acres of land for \$12.4 million to construct Vision Valley. The property features two pools, playing fields, an archery range, rock climbing and abseiling sites, mountain bike trails, and a dual zip-line.¹⁰⁵

¹⁰⁴ Independent Planning Commission (2021) *Roseville College Sport and Wellbeing Centre*, <https://www.ipcn.nsw.gov.au/cases/2021/05/roseville-college-sport-and-wellbeing-centre-ssd-9912>

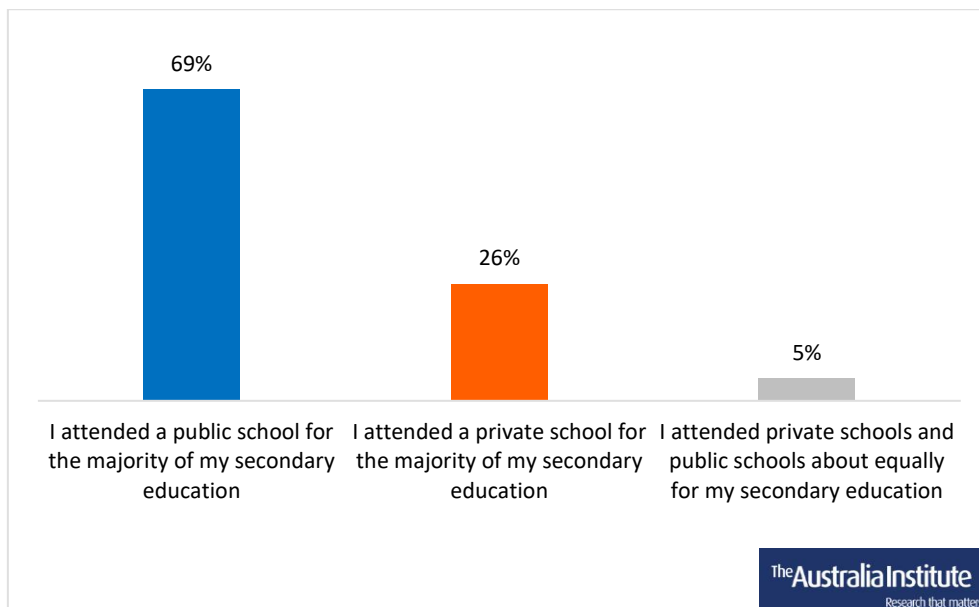
¹⁰⁵ Carroll (2023) 'Sydney private schools spend millions on land for new campuses'; Pymble Ladies College (n.d.) *Vision Valley*, <https://www.pymblelc.nsw.edu.au/pymble-life/visionvalley/>

Appendix B

This Appendix B provides further results for the January 2024 polling questions that are not included in the main report. Figures 3 and 4 show the results for whether respondents went to private or public schools, or both, and for whether respondents have children who have or will attend public or private schools, or both. Figures 5 and 6 present this data for the question on tax deductions for buildings.

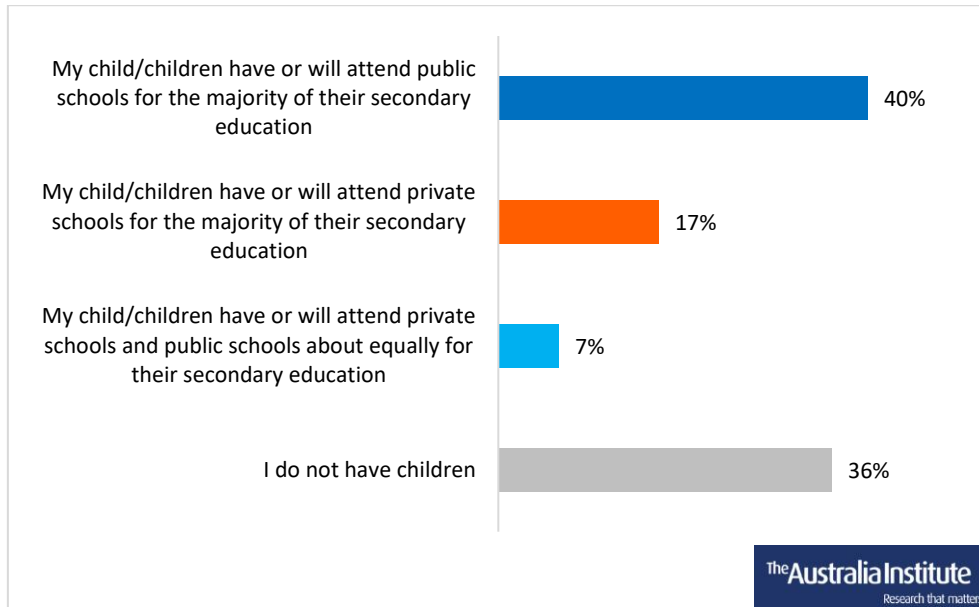
Respondents were asked whether they went to public schools, private schools, or about both equally, for the majority of their secondary education. The results presented in Figure 3 show that more Australians (69%) went to public schools than to private schools (26%) for most of their secondary years, with only 5% attending both about equally.

Figure 3: Public or private schooling, by adult educational background



Respondents were also asked whether they have children who have or will attend public or private schools, or about equally for both, for most of their secondary years. The results presented in Figure 4 show that more respondents say their children have or will attend public schools (40%) than private schools (17%). More than one third of respondents do not have children (36%).

Figure 4: Public or private schooling, by children school status



Respondents were given a range of buildings and asked which ones should receive a tax deduction. The results below are for respondents who attended either private or public schools for the majority of their secondary years, and for respondents with children who have or will attend either private or public schools for the majority of their secondary years.

Figure 5 shows that for all building types, support for tax deductions was stronger amongst people who attended private schools compared to those who attended public schools. Figure 6 shows that the same is true for those whose children have or will attend private schools compared to those whose children have or will attend public schools.

Figure 5: Buildings that should receive tax deductions, by adult educational background

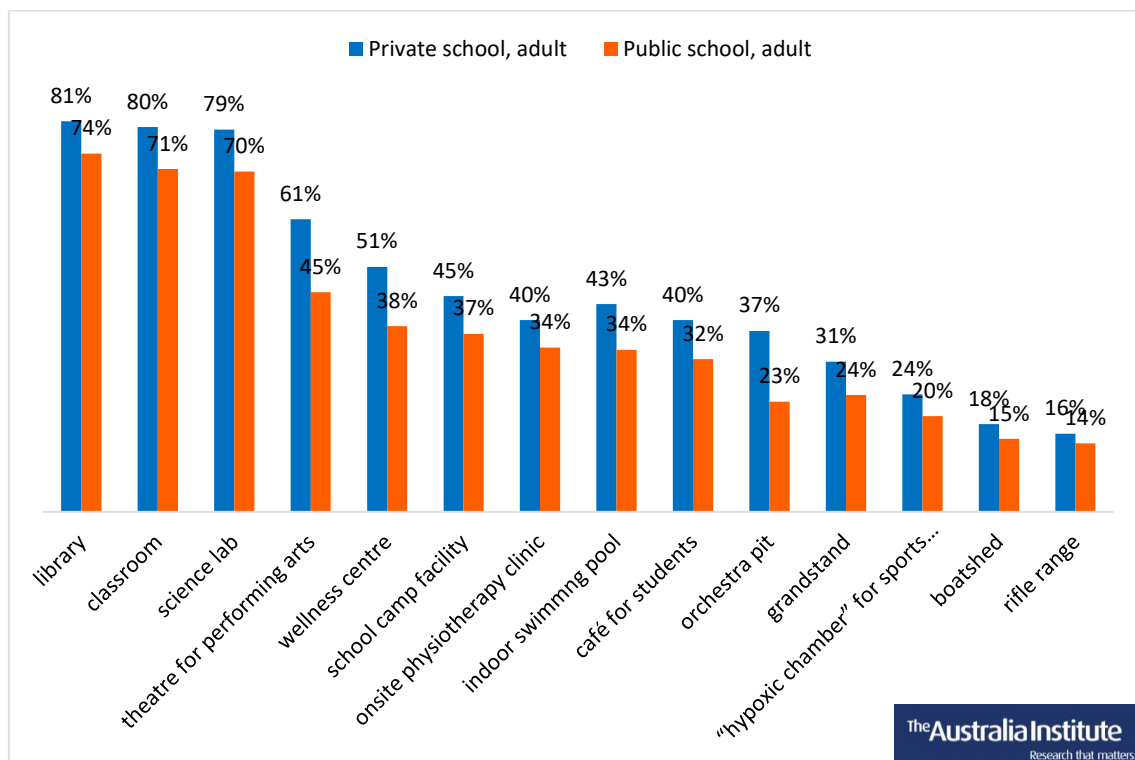
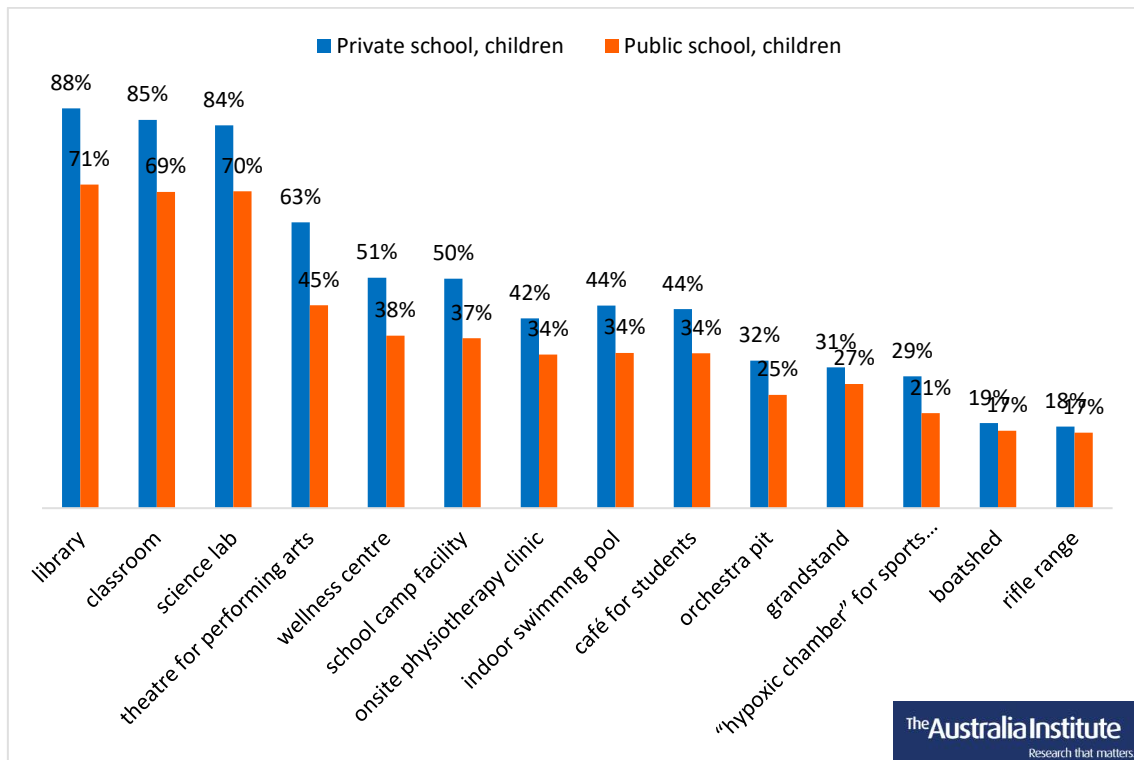


Figure 6: Buildings that should receive tax deductions, by children school status



Appendix C

Method

Short disclosure statement

Research company	The Australia Institute
Client commissioning the research	NA
End client	NA
Fieldwork dates	23 January 2024 to 29 January 2024
Mode of data collection	Online recruited from research panel
Target population	Australian adults aged 18+
Sample size	1,017
Australian Polling Council compliant	Yes
Voting intention published	Yes
Long disclosure statement	See below

Long disclosure statement

Effective sample size after weighting applied	1,004
Margin of error associated with effective sample size	±3%
Variables used in weighting	Age, gender, and state or territory based on Australian Bureau of Statistics “National, state and territory population” data
Gender identity categorisation	Those who answered the gender identity question as “Non-binary”, “I use a different term”, or “Prefer not to answer” had their responses included with females for the purpose of reporting, due to constraints from weighting data availability
Weighting method used	Raking method
Full question text, responses categories and randomisation	See below
Source of online sample	Dynata’s online panel
Positioning of voting intention questions in questionnaire	Immediately after demographics, before policy questions
How were undecided voters handled?	Respondents who answered “Don’t know / Not sure” for voting intention were then asked a leaning question; these leanings are included in voting intention crosstabs
Method of calculating 2PP	NA
Voting intention categorisation	Voting crosstabs show voting intentions for the House of Representatives. “Coalition” includes separate responses for Liberal and National. “Other” refers to Independent/Other, and minor parties in cases where they were included in the voting intention but represent too small a sample to be reported separately in the crosstabs
Location results	Results are shown only for larger states



Detailed results

No preceding questions in the poll are expected to have influenced the results of the questions published here.

Select the response that most closely matches your circumstances.

	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>WA</i>
I attended a public school for the majority of my secondary education	69%	72%	67%	67%	65%	70%	77%
I attended a private school for the majority of my secondary education	26%	24%	27%	30%	29%	25%	16%
I attended private schools and public schools about equally for my secondary education	5%	4%	6%	4%	5%	5%	7%

	<i>Total</i>	<i>Labor</i>	<i>Coalition</i>	<i>Greens</i>	<i>One Nation</i>	<i>Other</i>
I attended a public school for the majority of my secondary education	69%	69%	66%	67%	86%	73%
I attended a private school for the majority of my secondary education	26%	26%	28%	29%	12%	25%
I attended private schools and public schools about equally for my secondary education	5%	6%	6%	4%	2%	2%

Select the response that most closely matches your circumstances.

	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>WA</i>
My child/children have or will attend public schools for the majority of their secondary education	40%	39%	41%	40%	42%	39%	42%
My child/children have or will attend private schools for the majority of their secondary education	17%	18%	16%	16%	18%	17%	16%
My child/children have or will attend private schools and public schools about equally for their secondary education	7%	6%	7%	6%	6%	5%	7%
I do not have children	36%	36%	36%	39%	34%	38%	36%

	<i>Total</i>	<i>Labor</i>	<i>Coalition</i>	<i>Greens</i>	<i>One Nation</i>	<i>Other</i>
My child/children have or will attend public schools for the majority of their secondary education	40%	45%	38%	32%	45%	40%
My child/children have or will attend private schools for the majority of their secondary education	17%	15%	24%	13%	15%	9%
My child/children have or will attend private schools and public schools about equally for their secondary education	7%	7%	8%	3%	8%	3%
I do not have children	36%	32%	29%	51%	32%	49%

Which, if any, of the following do you think private schools should receive a tax deduction for building?

The first two options were presented in random order.

- Should receive a tax deduction for building
- Should not receive a tax deduction for building
- Don't know / Not sure

	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>WA</i>
<i>An indoor swimming pool</i>							
Should receive deduction	36%	37%	36%	31%	43%	36%	39%
Should not receive deduction	54%	54%	53%	59%	48%	52%	52%
Don't know / Not sure	10%	9%	11%	10%	9%	12%	9%
<i>A grandstand</i>							
Should receive deduction	26%	24%	28%	24%	30%	29%	24%
Should not receive deduction	63%	64%	61%	65%	59%	58%	65%
Don't know / Not sure	11%	12%	11%	11%	11%	13%	11%
<i>A rifle range</i>							
Should receive deduction	15%	15%	15%	14%	16%	11%	14%
Should not receive deduction	79%	79%	79%	79%	79%	84%	79%
Don't know / Not sure	6%	6%	6%	7%	5%	5%	7%
<i>A "hypoxic chamber" for sports performance training</i>							
Should receive deduction	21%	22%	21%	23%	20%	20%	23%
Should not receive deduction	68%	67%	68%	64%	69%	67%	71%
Don't know / Not sure	11%	11%	11%	13%	11%	12%	6%
<i>An orchestra pit</i>							
Should receive deduction	27%	26%	28%	25%	32%	23%	25%
Should not receive deduction	63%	64%	61%	62%	59%	68%	63%
Don't know / Not sure	10%	10%	11%	13%	9%	8%	12%

<i>A theatre for performing arts</i>							
Should receive deduction	50%	48%	52%	45%	57%	50%	51%
Should not receive deduction	41%	43%	39%	44%	36%	41%	43%
Don't know / Not sure	9%	9%	9%	12%	7%	8%	6%
<i>A café for students</i>							
Should receive deduction	34%	35%	33%	31%	43%	26%	39%
Should not receive deduction	57%	54%	60%	59%	49%	62%	54%
Don't know / Not sure	9%	11%	8%	10%	8%	11%	6%
<i>A library</i>							
Should receive deduction	76%	76%	76%	74%	77%	76%	76%
Should not receive deduction	20%	19%	21%	21%	18%	20%	22%
Don't know / Not sure	4%	5%	3%	5%	4%	3%	2%
<i>An onsite physiotherapy clinic</i>							
Should receive deduction	36%	37%	35%	35%	41%	34%	37%
Should not receive deduction	53%	53%	53%	53%	50%	53%	52%
Don't know / Not sure	11%	10%	13%	11%	9%	13%	11%
<i>A science lab</i>							
Should receive deduction	73%	73%	72%	69%	73%	76%	76%
Should not receive deduction	23%	22%	23%	24%	23%	20%	22%
Don't know / Not sure	5%	5%	4%	6%	5%	3%	2%
<i>A classroom</i>							
Should receive deduction	74%	74%	73%	74%	74%	73%	75%
Should not receive deduction	23%	21%	24%	21%	23%	24%	23%
Don't know / Not sure	4%	5%	3%	5%	3%	3%	2%
<i>A school camp facility</i>							
Should receive deduction	39%	40%	38%	36%	47%	38%	40%
Should not receive deduction	50%	49%	50%	53%	45%	51%	47%
Don't know / Not sure	11%	10%	12%	11%	8%	11%	13%
<i>A boatshed</i>							
Should receive deduction	16%	17%	15%	16%	17%	14%	18%
Should not receive deduction	74%	73%	74%	73%	73%	74%	75%
Don't know / Not sure	10%	9%	11%	11%	10%	12%	7%
<i>A wellness centre</i>							
Should receive deduction	42%	41%	43%	42%	45%	40%	41%
Should not receive deduction	48%	49%	47%	47%	45%	49%	49%
Don't know / Not sure	10%	10%	10%	11%	10%	10%	10%

	Total	Labor	Coalition	Greens	One Nation	Other
<i>An indoor swimming pool</i>						
Should receive deduction	36%	38%	39%	36%	31%	29%
Should not receive deduction	54%	55%	50%	54%	52%	62%
Don't know / Not sure	10%	7%	11%	10%	17%	9%
<i>A grandstand</i>						
Should receive deduction	26%	27%	27%	28%	20%	20%
Should not receive deduction	63%	64%	61%	61%	59%	67%
Don't know / Not sure	11%	8%	12%	10%	20%	13%
<i>A rifle range</i>						
Should receive deduction	15%	14%	17%	19%	14%	9%
Should not receive deduction	79%	81%	77%	77%	74%	85%
Don't know / Not sure	6%	5%	6%	4%	12%	6%
<i>A "hypoxic chamber" for sports performance training</i>						
Should receive deduction	21%	22%	22%	23%	20%	15%
Should not receive deduction	68%	68%	66%	70%	62%	71%
Don't know / Not sure	11%	9%	12%	8%	19%	14%
<i>An orchestra pit</i>						
Should receive deduction	27%	27%	29%	30%	15%	24%
Should not receive deduction	63%	64%	60%	63%	69%	63%
Don't know / Not sure	10%	9%	11%	8%	15%	14%
<i>A theatre for performing arts</i>						
Should receive deduction	50%	49%	52%	55%	45%	46%
Should not receive deduction	41%	43%	39%	36%	40%	45%
Don't know / Not sure	9%	8%	9%	9%	15%	9%
<i>A café for students</i>						
Should receive deduction	34%	36%	38%	31%	26%	25%
Should not receive deduction	57%	54%	54%	62%	58%	64%
Don't know / Not sure	9%	9%	9%	7%	17%	11%
<i>A library</i>						
Should receive deduction	76%	79%	82%	66%	63%	70%
Should not receive deduction	20%	18%	15%	29%	26%	26%
Don't know / Not sure	4%	3%	3%	6%	11%	4%
<i>An onsite physiotherapy clinic</i>						
Should receive deduction	36%	35%	40%	34%	35%	29%
Should not receive deduction	53%	54%	48%	58%	53%	59%
Don't know / Not sure	11%	11%	12%	8%	12%	12%
<i>A science lab</i>						
Should receive deduction	73%	75%	78%	66%	58%	68%
Should not receive deduction	23%	22%	18%	28%	31%	26%
Don't know / Not sure	5%	3%	4%	5%	11%	6%
<i>A classroom</i>						
Should receive deduction	74%	76%	79%	66%	63%	65%
Should not receive deduction	23%	21%	17%	29%	30%	30%
Don't know / Not sure	4%	3%	4%	5%	8%	5%

<i>A school camp facility</i>						
Should receive deduction	39%	40%	41%	37%	34%	34%
Should not receive deduction	50%	49%	47%	52%	50%	55%
Don't know / Not sure	11%	10%	11%	11%	17%	11%
<i>A boatshed</i>						
Should receive deduction	16%	16%	17%	20%	13%	13%
Should not receive deduction	74%	77%	71%	72%	74%	73%
Don't know / Not sure	10%	7%	12%	8%	14%	14%
<i>A wellness centre</i>						
Should receive deduction	42%	41%	45%	42%	34%	39%
Should not receive deduction	48%	51%	44%	50%	49%	50%
Don't know / Not sure	10%	8%	11%	8%	17%	10%

	<i>Total</i>	<i>I attended a public school</i>	<i>I attended a private school</i>	<i>I attended private and public schools about equally</i>
<i>An indoor swimming pool</i>				
Should receive deduction	36%	34%	43%	37%
Should not receive deduction	54%	57%	44%	57%
Don't know / Not sure	10%	9%	13%	6%
<i>A grandstand</i>				
Should receive deduction	26%	24%	31%	26%
Should not receive deduction	63%	66%	54%	70%
Don't know / Not sure	11%	10%	15%	4%
<i>A rifle range</i>				
Should receive deduction	15%	14%	16%	22%
Should not receive deduction	79%	80%	76%	74%
Don't know / Not sure	6%	5%	8%	4%
<i>A "hypoxic chamber" for sports performance training</i>				
Should receive deduction	21%	20%	24%	25%
Should not receive deduction	68%	70%	60%	71%
Don't know / Not sure	11%	10%	16%	4%
<i>An orchestra pit</i>				
Should receive deduction	27%	23%	37%	31%
Should not receive deduction	63%	67%	50%	65%
Don't know / Not sure	10%	10%	12%	4%
<i>A theatre for performing arts</i>				
Should receive deduction	50%	45%	61%	59%
Should not receive deduction	41%	45%	29%	41%
Don't know / Not sure	9%	9%	11%	0%
<i>A café for students</i>				
Should receive deduction	34%	32%	40%	32%
Should not receive deduction	57%	59%	49%	66%
Don't know / Not sure	9%	9%	11%	2%

<i>A library</i>				
Should receive deduction	76%	74%	81%	74%
Should not receive deduction	20%	21%	15%	26%
Don't know / Not sure	4%	4%	4%	0%
<i>An onsite physiotherapy clinic</i>				
Should receive deduction	36%	34%	40%	41%
Should not receive deduction	53%	56%	45%	49%
Don't know / Not sure	11%	10%	15%	10%
<i>A science lab</i>				
Should receive deduction	73%	70%	79%	71%
Should not receive deduction	23%	25%	16%	29%
Don't know / Not sure	5%	5%	5%	0%
<i>A classroom</i>				
Should receive deduction	74%	71%	80%	77%
Should not receive deduction	23%	25%	17%	21%
Don't know / Not sure	4%	4%	3%	2%
<i>A school camp facility</i>				
Should receive deduction	39%	37%	45%	37%
Should not receive deduction	50%	53%	42%	51%
Don't know / Not sure	11%	11%	13%	12%
<i>A boatshed</i>				
Should receive deduction	16%	15%	18%	20%
Should not receive deduction	74%	76%	67%	76%
Don't know / Not sure	10%	9%	15%	4%
<i>A wellness centre</i>				
Should receive deduction	42%	38%	51%	43%
Should not receive deduction	48%	52%	38%	53%
Don't know / Not sure	10%	10%	11%	4%

	<i>Total</i>	<i>Children attend public</i>	<i>Children attend private</i>	<i>Children attend private and public about equally</i>	<i>No children</i>
<i>An indoor swimming pool</i>					
Should receive deduction	36%	34%	44%	40%	34%
Should not receive deduction	54%	58%	44%	54%	54%
Don't know / Not sure	10%	8%	12%	6%	12%
<i>A grandstand</i>					
Should receive deduction	26%	27%	31%	30%	22%
Should not receive deduction	63%	64%	56%	62%	65%
Don't know / Not sure	11%	8%	13%	9%	14%
<i>A rifle range</i>					
Should receive deduction	15%	17%	18%	15%	12%
Should not receive deduction	79%	78%	76%	82%	81%
Don't know / Not sure	6%	5%	6%	3%	7%
<i>A "hypoxic chamber" for sports performance training</i>					
Should receive deduction	21%	21%	29%	20%	18%
Should not receive deduction	68%	70%	60%	67%	69%
Don't know / Not sure	11%	9%	11%	13%	12%
<i>An orchestra pit</i>					
Should receive deduction	27%	25%	32%	36%	25%
Should not receive deduction	63%	66%	56%	57%	63%
Don't know / Not sure	10%	9%	11%	7%	12%
<i>A theatre for performing arts</i>					
Should receive deduction	50%	45%	63%	65%	48%
Should not receive deduction	41%	47%	30%	28%	41%
Don't know / Not sure	9%	9%	7%	7%	11%
<i>A café for students</i>					
Should receive deduction	34%	34%	44%	34%	29%
Should not receive deduction	57%	59%	49%	51%	59%
Don't know / Not sure	9%	7%	7%	14%	12%
<i>A library</i>					
Should receive deduction	76%	71%	88%	86%	73%
Should not receive deduction	20%	25%	10%	14%	20%
Don't know / Not sure	4%	4%	2%	0%	6%
<i>An onsite physiotherapy clinic</i>					
Should receive deduction	36%	34%	42%	46%	34%
Should not receive deduction	53%	59%	45%	41%	53%
Don't know / Not sure	11%	7%	14%	13%	14%
<i>A science lab</i>					
Should receive deduction	73%	70%	84%	82%	69%
Should not receive deduction	23%	26%	14%	13%	24%
Don't know / Not sure	5%	4%	2%	4%	7%
<i>A classroom</i>					
Should receive deduction	74%	69%	85%	87%	70%
Should not receive deduction	23%	27%	12%	9%	25%
Don't know / Not sure	4%	3%	3%	4%	5%

<i>A school camp facility</i>					
Should receive deduction	39%	37%	50%	45%	34%
Should not receive deduction	50%	54%	37%	42%	53%
Don't know / Not sure	11%	9%	13%	13%	13%
<i>A boatshed</i>					
Should receive deduction	16%	17%	19%	24%	13%
Should not receive deduction	74%	74%	70%	69%	75%
Don't know / Not sure	10%	9%	11%	7%	12%
<i>A wellness centre</i>					
Should receive deduction	42%	38%	51%	43%	42%
Should not receive deduction	48%	54%	37%	49%	48%
Don't know / Not sure	10%	9%	12%	9%	10%

To what extent do you agree or disagree with the following statement?

“As a condition of receiving special tax deductions for buildings, the facilities of private schools should be available for community groups to use outside of school hours.”

	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>WA</i>
Strongly agree	37%	36%	38%	36%	37%	38%	34%
Agree	43%	43%	42%	44%	44%	44%	42%
Disagree	7%	7%	7%	7%	8%	5%	7%
Strongly disagree	2%	3%	2%	2%	2%	3%	2%
Don't know / Not sure	11%	11%	11%	13%	9%	9%	15%

	<i>Total</i>	<i>Labor</i>	<i>Coalition</i>	<i>Greens</i>	<i>One Nation</i>	<i>Other</i>
Strongly agree	37%	40%	31%	46%	37%	38%
Agree	43%	42%	49%	37%	29%	38%
Disagree	7%	6%	7%	8%	13%	5%
Strongly disagree	2%	3%	2%	0%	5%	4%
Don't know / Not sure	11%	9%	11%	8%	16%	15%