

Chapter 9: School Funding



This chapter reports on government funding of Australian schools, school income and school expenditure.

In Australia, responsibility for school funding is shared. Schools are funded by a combination of state/territory government funding, Australian Government funding, fees and charges, and other private contributions.

The bulk of funding for government schools comes from the state or territory government that owns and administers the school, with additional contributions from the Australian Government. A smaller contribution comes from fees, charges and other private sources. Most of the income for non-government schools comes from Australian Government funding and private sources (including fees and other charges), with smaller contributions from state and territory governments.

This chapter is structured as follows. Section 9.1 reports on government recurrent funding for school education, using data from the National Schools Statistics Collection (NSSC) and the Report on Government Services (RoGS). Section 9.2 uses the ACARA My School Finance data collection to report on school income from all sources (government funding, fees and charges and other private income). Section 9.3 provides information about school expenditure, using data from the NSSC for government schools, and unpublished data from the Australian Government Department of Education (AGDE) for non-government schools.¹

When reading this chapter, it is important to keep in mind that because of differences between the various data collections, not all data reported in this chapter is directly comparable.

¹ Please note that, due to rounding, percentages in this chapter may not total exactly 100%, and component figures may not sum precisely to their stated totals.

In this chapter, time-series figures have been adjusted for inflation to 2024 dollars, based on the Consumer Price Index (CPI) for June of each year where financial year values are presented, and December of each year when calendar year values are presented.

While wage/salary related expenditure makes up the majority of school recurrent expenditure (more so for government schools than for non-government schools), the purpose of adjusting for inflation is to provide a “real-dollar” comparison of monetary values over time.² In most years there is not a substantial amount of difference in the adjusted values when CPI or the ABS Wage Price Index (WPI) are used. There are some exceptions, for example, in periods of high inflation where wages/salaries have not increased in line with inflation, and in years where policy changes have resulted in teacher wages increasing at a higher rate than inflation.

² Nominal values and values adjusted using the General Government Final Consumption Expenditure (GGFCE) chain price deflator and the ABS WPI are available on the National Report on Schooling Data Portal. The use of deflators that focus only on wages (e.g. the WPI), or government expenditure (as is the case with GGFCE) is somewhat ‘self-referential’ in the sense that values are being adjusted by a factor of how much the values themselves have changed, rather than how much the value of a dollar (more generally) has changed. As such, the nominal values and the deflator values are likely to be highly correlated. In this sense, the CPI is the most independent, unbiased way of equating the value of the dollar at a particular point in time.

9.1 Government funding for school education

Key Facts

In the 2023/24 financial year:

- Total recurrent government funding for schooling was \$91.04 billion. This was made up of \$61.88 billion (68.0%) from state and territory budgets and \$29.16 billion (32.0%) from the Australian Government (Commonwealth) budget.
- Overall, 75.0% (\$68.27 billion) of total recurrent government funding was allocated to government schools and 25.0% (\$22.77 billion) to non-government schools.
- Total recurrent government funding was \$26,140 per student in government schools and \$15,262 per student for non-government schools.
- The bulk of state and territory funding (92.3%) was allocated to government schools, while 61.7% of Australian Government funding was allocated to non-government schools.

Under funding arrangements set out in the *Australian Education Act 2013* (the Act), the *Australian Education Regulations 2023*, and agreements between the Australian Government and state and territory governments, every school that operates on a not-for-profit bases receives funding from the Australian Government and its state or territory government.³ State and territory governments are responsible for providing most of the public funding for public schools, which they own and operate, while the Australian Government is responsible for providing the majority of public funding to non-government schools.

Government recurrent funding, which supports the ongoing operating expenses of schools, is linked to a national agreement. Each state and territory government has a separate bilateral agreement with the Australian Government, which includes jurisdictional actions to improve student outcomes, and minimum state and territory funding contribution requirements.

The Australian Government calculates the bulk of its funding through a recurrent funding model, set out in the *Australian Education Act 2013*. Under the Act, the Australian Government pays a prescribed percentage of each school's Schooling Resource Standard (SRS) each year. The SRS is an estimate of how much public funding a school needs to meet its students' educational needs. It is calculated from a per-student base-funding amount with 6 needs-based loadings to provide extra funding for students with disability, Aboriginal and Torres Strait Islander students, students who have low English language proficiency, students from a socio-educationally disadvantaged background, schools that are not in major cities and smaller schools.⁴

All state and territory governments and non-government approved system authorities are then expected to redistribute Australian Government funding between schools within their jurisdiction according to their own funding arrangements. This means that each state and territory and non-government approved system authority should have its own model for distributing Australian Government funding. For government schools, these include, for example, the Student Resource Package in Victoria or the Resource Allocation Model in New South Wales.

The Act requires these models to address specific educational needs using a base and loadings

³ To be eligible to receive government funding, schools must operate on a not-for-profit basis. Almost all primary and secondary schools in Australia are not-for-profit. However, there are a very small number of exceptions where a school is legally operated as a profit-making business and does not receive government funding.

⁴ To receive Australian Government funding, state and territory governments must be signatories to a national agreement and associated bilateral agreements. The bilateral agreements set out minimum funding contributions, as a percentage of the SRS, that state and territory governments must make for government and non-government schools for them to receive Australian Government funding.

structure which is similar to the SRS. For most non-government schools, the SRS base amount is reduced by the school's Capacity to Contribute (CTC) – a measure of the capacity of the parents and guardians of students at the school to contribute financially to operating costs, relative to the capacity at other non-government schools.⁵ However, SRS loadings are not affected by capacity to contribute.

Government recurrent funding in the 2023/24 financial year

In the 2023/24 financial year, total government recurrent funding of \$91.04 billion was provided for school education, with total government expenditure on primary and secondary education making up 2.8% of Australia's gross domestic product (GDP). This funding included \$61.88 billion (68.0%) through state and territory budgets and \$29.16 billion (32.0%) through the Australian Government budget.⁶

After adjusting for inflation, this represents an increase of 2.1% from the previous financial year, made up of a 3.7% increase in funding from the Australian Government and a 1.3% increase in funding from state and territory governments. Funding of school education over time by the Australian Government and state and territory governments, adjusted for inflation, is shown in Figure 9.1.

Figure 9.1: Australian and State/Territory government recurrent funding for all schools 2013/14 to 2023/24 (\$billion, \$2024)



Notes:

Amounts are adjusted for inflation to 2024 dollars, based on the CPI for June of each year. Nominal values and values adjusted using the GGFCE chain price deflator and the ABS WPI are available on the National Report on Schooling Data Portal.

The Australian Government provided increased assistance in 2020 to some non-government schools in response to COVID-19. Australian Government expenditure data in this table include only Australian Government specific purpose payments. Other Australian Government funding for schools and students is not included. For some non-government schools 2020/21 financial year payments from the Australian Government were brought forward to the 2019/20 financial year.

Sources: Government Schools Finance Statistics Group, *National Schools Statistics Collection (NSSC) – Finance 2024*, unpublished; the Australian Government Department of Education (unpublished); Steering Committee for the Review of Government Service Provision (SCRGSP), *Report on Government Services 2025*, Productivity Commission; ABS, *Schools, 2024*; ABS, *Consumer Price Index, Australia, 2024*.

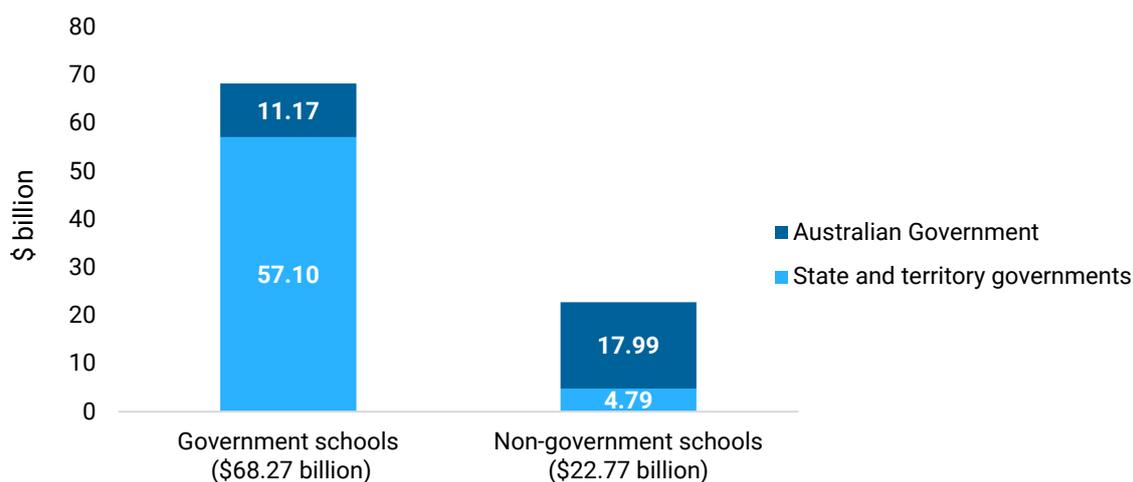
⁵ The CTC for most non-government schools is calculated using a Direct Measure of Income (DMI) based on the actual income of parents and guardians of students at each school using taxation and other data held by the Australian Government. The CTC does not apply to government schools, or non-government schools which are special schools, special assistance schools, majority Aboriginal and Torres Strait Islander schools, or sole provider schools. There are 2 other methodologies that can be used to calculate a school's CTC – the Refined Area Based (RAB) methodology and ministerial discretion. The RAB methodology is used to calculate CTC for schools if it is not practicable to use the DMI methodology for the school for the year.

⁶ Components of government recurrent funding may not sum to total due to rounding.

Government recurrent funding, by school sector

Of total government recurrent funding in 2023/24, the government school sector received 75.0% (\$68.27 billion) and the non-government school sector received 25.0% (\$22.77 billion). This breakdown is shown in Figure 9.2. The bulk of state and territory funding (92.3%) was allocated to government schools, while 61.7% of Australian Government funding was allocated to non-government schools.

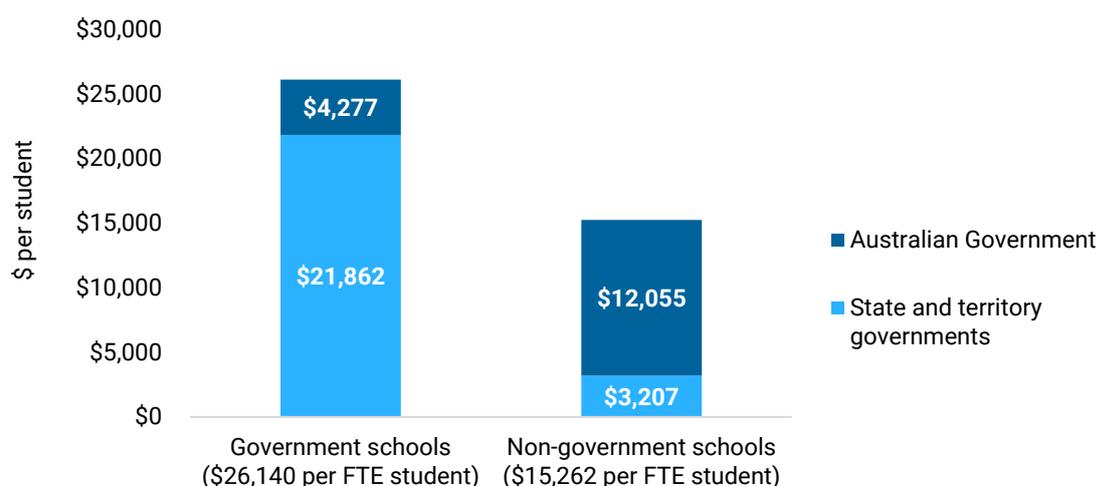
Figure 9.2: Total government recurrent funding for school education, by funding source and school sector, Australia, 2023/24 (\$ billion)



Sources: Government Schools Finance Statistics Group, NSSC – Finance 2024, unpublished; the Australian Government Department of Education (unpublished); Steering Committee for the Review of Government Service Provision (SCRGSP), *Report on Government Services 2025*, Productivity Commission.

In 2023/24, total government recurrent funding was \$26,140 per student in government schools and \$15,262 per student in non-government schools. Figure 9.3 shows the contribution of state and territory governments and the Australian Government to the government and non-government school sectors, on a per-student basis.

Figure 9.3: Government recurrent funding for school education by funding source and school sector, Australia, 2023/24, (\$ per student)



Note: Student numbers are the average full-time equivalent (FTE) student populations for the years being reported.

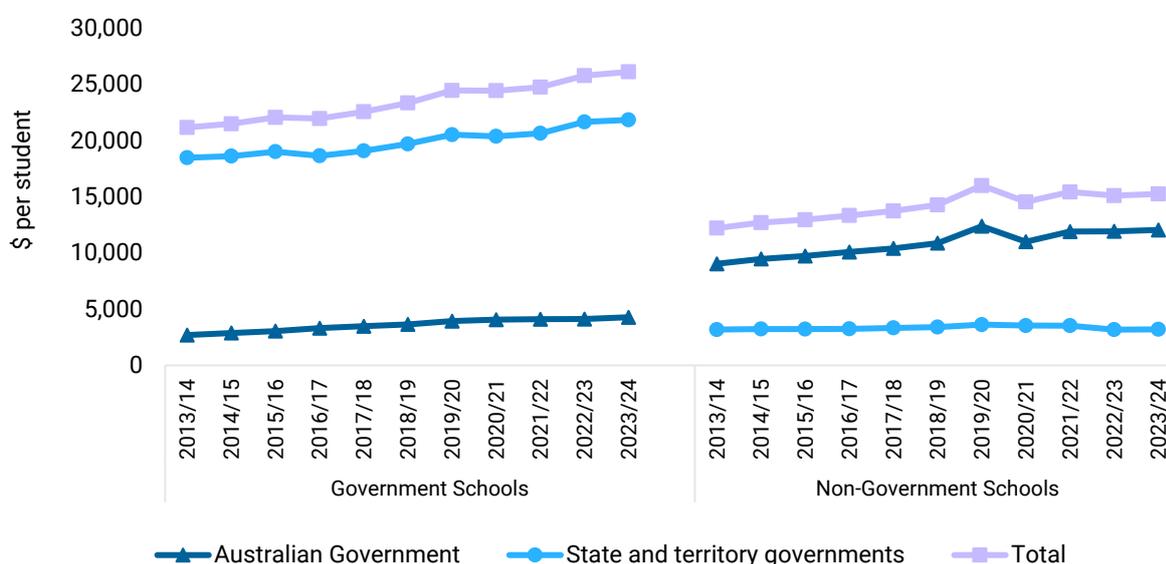
Sources: Government Schools Finance Statistics Group, NSSC – Finance 2024, unpublished; the Australian Government Department of Education (unpublished); Steering Committee for the Review of Government Service Provision (SCRGSP), *Report on Government Services 2025*, Productivity Commission.

Between the 2022/23 and 2023/24 financial years, after adjusting for inflation:

- Across all schools, total government recurrent funding per student increased by \$207 (0.9%) per student, with increases of \$181 (2.6%) in Australian Government funding and \$26 (0.2%) in state/territory funding.
- In government schools, total government recurrent funding per student increased by \$331 (1.3%), with increases of \$151 (3.7%) in Australian Government funding and \$180 (0.8%) in state/territory funding.
- In non-government schools, total government recurrent funding per student increased by \$146 (1.0%), with increases of \$117 (1.0%) in Australian Government funding and \$29 (0.9%) in state/territory funding.

Figure 9.4 shows changes in government funding per student in government and non-government schools since the 2013/14 financial year, after adjusting for inflation.

Figure 9.4: Government recurrent funding for school education by funding source and school sector, Australia, 2023/24, (\$ per student, \$2024)



Notes: Student numbers are the average full-time equivalent (FTE) student populations for the years being reported.

Amounts are adjusted for inflation to 2024 dollars, based on the CPI for June of each year. Nominal values and values adjusted using the GGFCE chain price deflator and the ABS WPI are available on the National Report on Schooling Data Portal.

Sources: Government Schools Finance Statistics Group, NSSC – Finance 2024, unpublished; the Australian Government Department of Education (unpublished); Steering Committee for the Review of Government Service Provision (SCRGSP), Report on Government Services 2025, Productivity Commission.

Over the period from 2013/14 to 2023/24, after adjusting for inflation:

- Across all schools, total government recurrent funding per student increased by \$4,128 (22.9%), with increases of \$2,190 (44.6%) in Australian government funding and \$1,937 (14.7%) in state/territory funding.
- In government schools, total government recurrent funding per student increased by \$4,950 (23.4%), with increases of \$1,578 (58.5%) in Australian government funding and \$3,371 (18.2%) in state/territory funding.
- In non-government schools, total government recurrent funding per student increased by \$3,037 (24.8%), with increases of \$3,014 (33.3%) in Australian government funding and \$23 (0.7%) in state/territory funding.

9.2 School Income

Key Facts

In Australia, school income is made up of a combination of government funding, fees and charges, and private contributions. In 2024:

- In government schools:
 - Average school income per student was \$20,368.
 - State and territory governments provided 75.0% of total gross income, Australian Government funding accounted for 21.0%, and the remaining 4.0% came from fees, charges, parent contributions and other private sources.
- In Catholic schools:
 - Average school income per student was \$22,067.
 - The Australian Government contributed 60.4% of total gross income, and state and territory governments provided 14.8%. Fees, charges, parent contributions and other private sources made up the remaining 24.8% of Catholic sector income.
- In independent schools:
 - Average school income per student was \$28,642.
 - Income from fees, charges and parent contributions made up 46.6% of total gross income, with income from other private sources contributing an additional 5.2%. Australian Government funding accounted for 38.4% of total gross income, and state and territory governments provided 9.8%.

In Australia, school income is made up of a combination of government funding (from the Australian Government and state/territory governments) and income from fees and charges and private contributions.

For government schools, the bulk of income comes from the state or territory government, with smaller contributions from the Australian Government, fees and charges, and private contributions. Most of the income for non-government schools comes from Australian Government funding and private sources (including fees and other charges), with smaller contributions from state and territory governments.

This section reports on school income from government and private sources using the ACARA *My School* finance data collection, and the amounts reported in this section are not directly comparable to the data presented in Section 9.1 of this Chapter. The *My School* data collection differs from the NSSC finance data in the following ways:

- it is based on income reported by schools, rather than government expenditure,
- it is reported on a calendar year basis, rather than a financial year basis,
- the amounts reported in the *My School* data include government and private funding that supports a school but exclude distinct income and/or expenditure items treated differently across all sectors such as user cost of capital (a notional opportunity cost), payroll tax, depreciation and the cost of transporting students to and from school.⁷

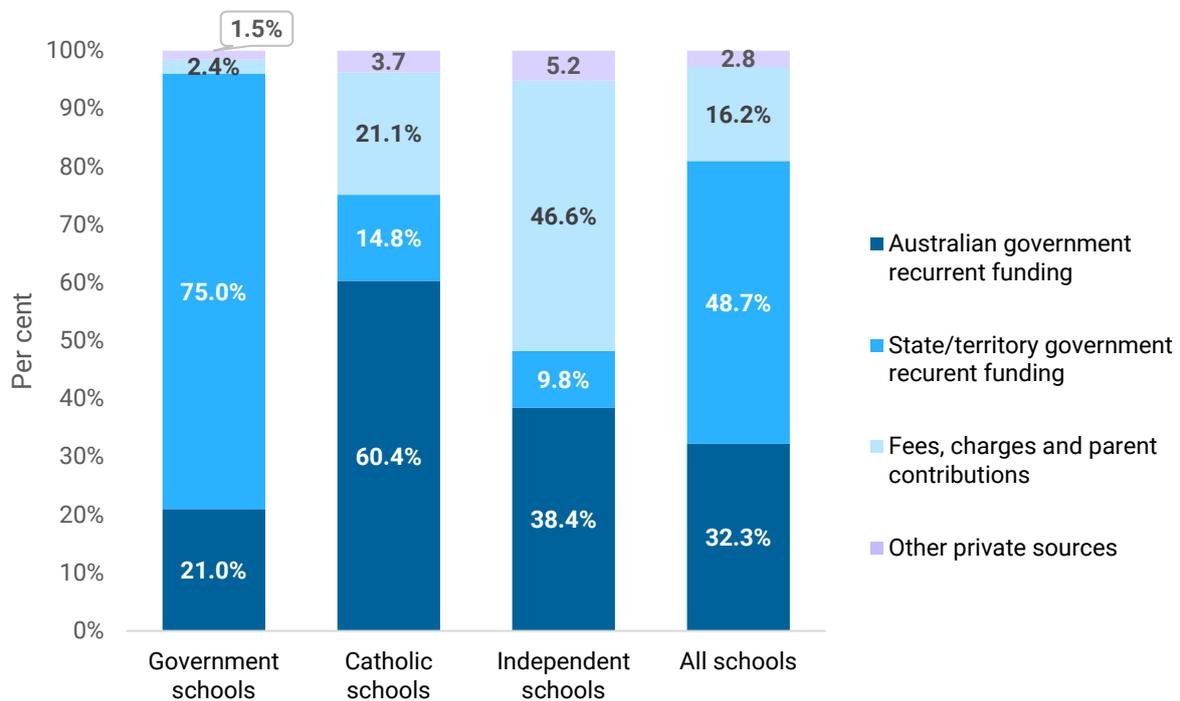
⁷ As these items are included in the NSSC finance data, school funding amounts reported in Section 9.1 are considerably higher than school income from government funding based on the *My School* data, particularly for state/territory government funding for government schools.

Recurrent income for schools

In 2024, total gross recurrent income for all schools in Australia was \$92.24 billion, made up of \$29.82 billion (32.3%) from Australian Government recurrent funding, \$44.87 billion (48.7%) from state/territory government recurrent funding, \$14.97 billion (16.2%) from fees, charges and parent contributions, and \$2.57 billion (2.8%) from other private contributions.

Australian Government recurrent funding accounted for 21.0% of the total gross income for government schools in 2024, with state and territory governments providing 75.0% of funds. For non-government schools, the Australian Government contributed 60.4% of Catholic sector gross income and 38.4% of independent sector gross income.⁸ Income from fees, charges and parent contributions made up 2.4% of recurrent income for government schools, 21.1% for Catholic schools and 46.6% for independent schools. These contributions are shown in Figure 9.5.

Figure 9.5: Gross recurrent school income, by funding source and school sector, Australia, 2024 (%)



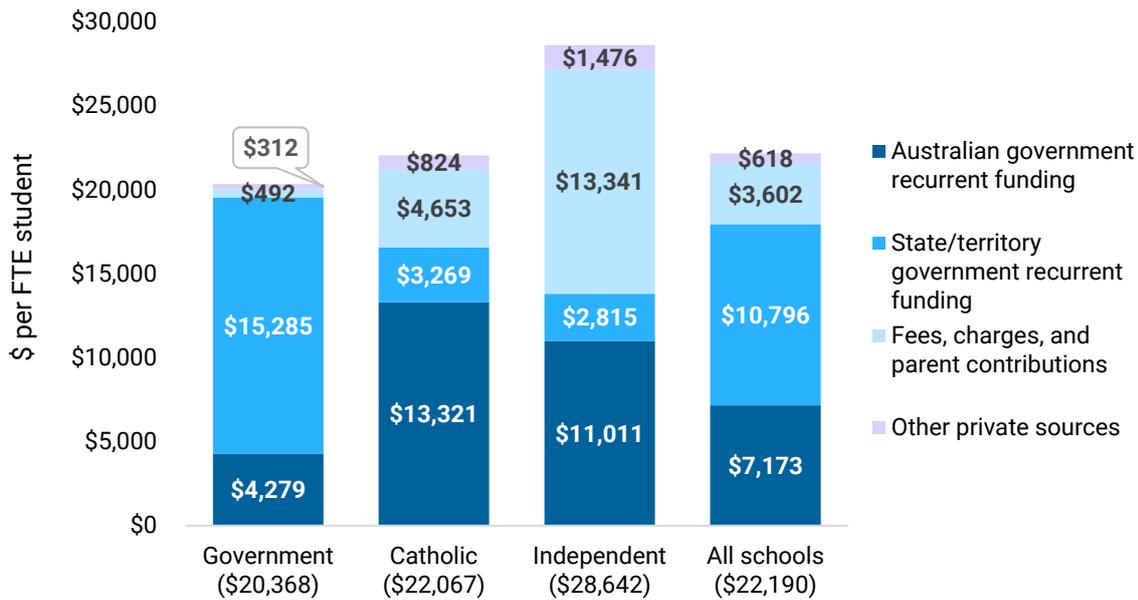
Source: ACARA, *My School* finance data collection.

In 2024, average gross recurrent income per student, across all Australian schools, was \$22,190. It was higher for independent schools (\$28,642) than for Catholic schools (\$22,067) and government schools (\$20,368). Figure 9.6 provides a breakdown by source of income and school sector.

Net recurrent income per student (NRIPS) includes total gross recurrent income from all sources (public and private) minus deductions for debt and capital expenditure. In 2024, average NRIPS across all schools was \$21,476. It was higher for independent schools (\$26,313) than for government schools (\$20,356) and Catholic schools (\$20,541).

⁸ In this section non-systemic Catholic schools are included in the independent school data to reflect their financial status. This is an exception to the general statement that non-systemic Catholic schools are counted as Catholic in this report.

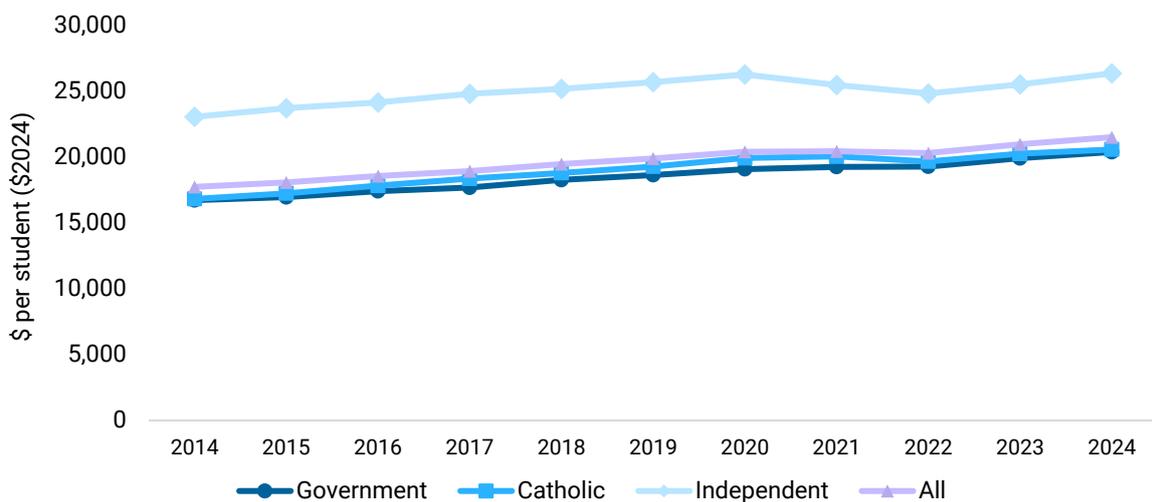
Figure 9.6: Gross recurrent school income, by funding source and school sector, 2024 (\$ per FTE student)



Source: ACARA, *My School* finance data collection.

In real terms (after adjusting for inflation), between 2023 and 2024, NRIPS increased by \$469 (2.4%) in government schools, \$319 (1.6%) in Catholic schools and \$838 (3.3%) in independent schools. Across all sectors, NRIPS was \$536 (2.6%) higher in 2024 than in 2023. Figure 9.7 shows NRIPS, adjusted for inflation, for the period 2014 to 2024.

Figure 9.7: Net recurrent income per student (NRIPS), by school sector, Australia, 2014–2024 (\$ per student, \$2024)



Note: Amounts are adjusted for inflation to 2024 dollars, based on the CPI for June of each year. Nominal values and values adjusted using the GGFCE chain price deflator and the ABS WPI are available on the National Report on Schooling Data Portal. Sources: ACARA, *My School* finance data collection. ABS, *Schools*, 2024; ABS, *Consumer Price Index*, Australia, 2025.

After adjusting for inflation, average NRIPS across all schools was \$3,766 (21.3%) higher in 2024 compared to 2014, with increases of \$3,651 (21.9%) in government schools, \$3,746 (22.3%) in Catholic schools and \$3,296 (14.3%) in independent schools.

9.3 School Expenditure

Key Facts

- In government schools, in the 2023/24 financial year, average total recurrent expenditure (money spent for all school operations) was \$26,140 per student.
- In non-government schools, in the 2024 calendar year, average total recurrent expenditure was \$22,534 per student.
- In the 2024 calendar year, capital expenditure (money spent to buy or improve long-term fixed assets, such as renovating classrooms, or constructing a new library) was \$5.28 billion in government schools, \$2.15 billion in Catholic schools, and \$3.90 billion in independent schools.

There are 2 types, or functions, of school expenditure. Recurrent expenditure is money spent on the day-to-day operations of schools, including:

- salaries for school staff,
- school supplies (e.g., textbooks, art supplies, sporting equipment),
- general operating expenses of the school (e.g., utility bills and insurance),
- maintaining the school's land and buildings (e.g., building repairs and school grounds upkeep), and
- other administrative costs (e.g., staff costs in meeting Australian Government reporting requirements and participating in NAPLAN or other national assessments).

Capital expenditure is money spent to buy or improve long-term fixed assets that can be used for educational purposes, for example, renovating classrooms, or constructing a new library.⁹ Capital expenditure amounts reported in this chapter were derived from *My School* data both government and non-government schools.

In this section, school expenditure is reported separately for government and non-government schools. For government schools, recurrent expenditure data is sourced from the NSSC and reported on a financial year basis. Only expenditure from government funding is reported.¹⁰

For non-government schools, recurrent expenditure data is sourced from the Australian Government Department of Education financial questionnaire. Expenditure is reported for the calendar year and includes expenditure from all income sources, including school fees and other private sources.¹¹

⁹ Non-government schools derive their income from Australian Government and state/territory government sources, school fees and charges, and from private sources including fundraising, and donations. This income is used to fund both recurrent and capital purposes. Under the *Australian Education Act 2013*, an approved authority for a non-government school that has a capacity to contribute greater than zero per cent must not use government recurrent funding for the purchase of land or buildings for the school, the construction of a building, or part of a building, for the school, capital improvements for the school, any form of loan, credit facility, or other interest in relation to the above.

¹⁰ For government schools, expenditure from income from fees, charges and other private sources is excluded from the amounts reported in this section. Therefore, for government schools, total expenditure is equal to the total funding amounts reported in Section 9.1.

¹¹ In this data collection, compiled by the Australian Government, non-systemic Catholic schools are counted as Catholic.

It is important to note that, due to the differences in the data sources and the time-period for which expenditure is reported (financial year for government schools and calendar year for non-government schools), expenditure per student for government and non-government schools is not directly comparable.

The classification of recurrent expenditure also differs between government and non-government schools. For government schools, the salaries component includes costs such as superannuation, payroll tax, workers' compensation, annual leave and long service leave. For non-government schools, these costs are reported under 'other staff-related expenditure'.

Recurrent expenditure in government schools

Total recurrent expenditure on government schools in the 2023/24 financial year was \$68.27 billion (\$26,140 per student).

The major component of expenditure for government schools is in-school expenditure, which covers schools' day-to-day operations. In-school expenditure encompasses expenses related to teaching, learning, school administration and library functions. Out-of-school expenditure includes state office costs, and regional and local functions which support schools. Amounts of in-school and out-of-school expenditure, by function, are presented in Table 9.1.

Table 9.1: Recurrent expenditure by government education systems, Australia, 2023/24 financial year (accrual basis), (nominal \$'000 and \$ per student)

	In school recurrent expenditure (\$'000)	Out of school recurrent expenditure (\$'000)	Total recurrent expenditure (\$'000)	Total recurrent expenditure per student (\$ per student)
Salaries - Teaching staff	31,447,043	0	31,447,043	12,041
Salaries - Non-teaching staff	9,116,386	2,185,506	11,301,892	4,328
Redundancies	1,322	17,937	19,259	7
Non-salary costs	12,162,161	1,348,714	13,510,875	5,173
Total recurrent expenditure (excluding user cost of capital)	52,726,912	3,552,157	56,279,069	21,550
User cost of capital	11,887,011	100,290	11,987,301	4,590
Total recurrent expenditure (including user cost of capital)	64,613,923	3,652,447	68,266,370	26,140

Notes: Amounts are expressed in actual dollars (nominal) and are not adjusted for inflation. Components may not add to totals due to exclusions and rounding. Salaries include on-costs such as superannuation, payroll tax, workers compensation, annual leave and long service leave. Redundancy payments have been excluded from salaries (teaching and non-teaching).

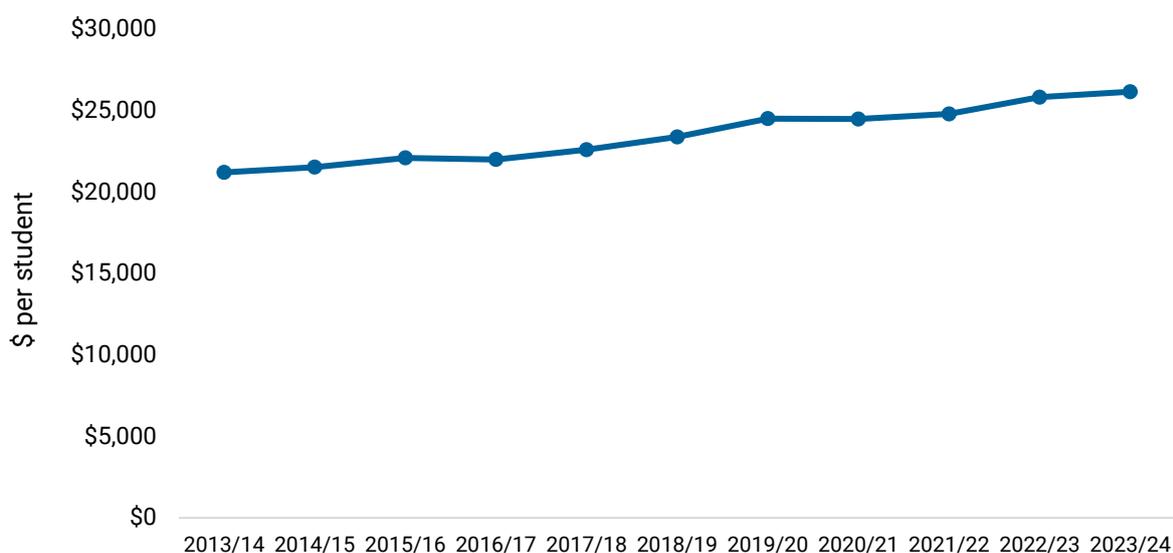
In the government budget context, the user cost of capital is usually defined as the opportunity cost of funds tied up in capital assets used to deliver government services. Capital charging is the actual procedure used for applying this cost of capital to the asset management process. As such, it is a means of representing the cost of capital used in the provision of government budgetary outputs.

Source: National Schools Statistics Collection (NSSC) (Finance), unpublished, 2024.

Salaries are by far the largest component of expenditure in schools, with teacher salaries comprising the majority of this expenditure. Teaching salary costs (average \$12,041 per student) represented 73.6% of total salary costs in 2023/24 and 46.1% of total recurrent expenditure inclusive of user cost of capital, up from 45.8% in 2022/23. In 2023/24, non-salary costs including user cost of capital made up 37.3% of total operating expenditure (inclusive of user cost of capital).¹²

After adjusting for inflation, average total recurrent expenditure per student in government schools increased by \$334 (1.3%) between the 2022/23 and 2023/24 financial years. Figure 9.8 shows average total recurrent expenditure per student in government schools, adjusted for inflation, for the period 2013/14 to 2023/24. During this period, average total recurrent expenditure per student increased by \$4,950 (23.4%) in real terms.

Figure 9.8: Total recurrent expenditure per student (including user cost of capital), government schools, Australia, 2013/14 to 2023/24 (\$ per student, \$2024)



Note: Amounts are adjusted for inflation to 2024 dollars, based on the CPI for June of each year. Nominal values and values adjusted using the GGFCE chain price deflator and the ABS WPI are available on the National Report on Schooling Data Portal. Sources: National Schools Statistics Collection (NSSC) (Finance), unpublished, 2024; ABS, Consumer Price Index, Australia, 2025.

¹² Expenditure data for government and non-government schools, aggregated up to school level (primary and secondary), is available on the National Report on Schooling data portal. Average recurrent expenditure per student is higher, on average, for secondary school students than for primary students. Capital expenditure per student is also higher, on average, for secondary school students than for primary school students.

Recurrent expenditure in non-government schools

In 2024, total recurrent expenditure in non-government schools was \$35.4 billion (\$22,534 per student). Table 9.2 shows total recurrent expenditure per student for non-government schools in the 2024 calendar year.

Table 9.2: Recurrent expenditure in non-government schools, by function, Australia, 2024 calendar year (\$'000 and \$ per student)

	Total recurrent expenditure (\$'000)	Total recurrent expenditure per student (\$)
Salaries - Teaching staff	15,626,502	9,936
Salaries - Non-teaching staff	6,336,101	4,029
Other staff-related expenditure	4,203,412	2,673
Debt servicing	550,657	350
Other operating expenditure	8,723,733	5,547
Total recurrent expenditure	35,440,405	22,534

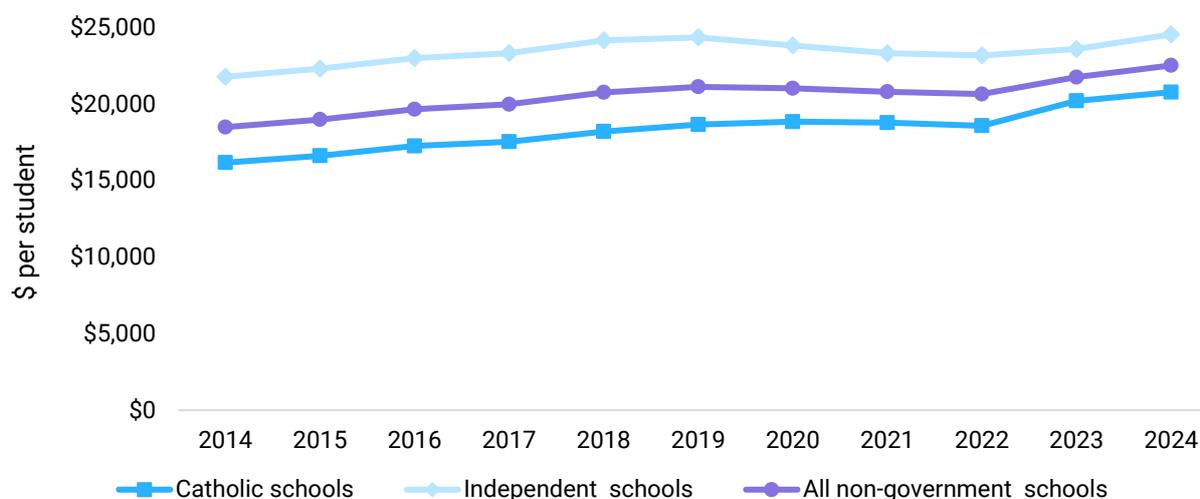
Notes: Expenditure per student for the components of recurrent expenditure is derived based on the percentage of total recurrent expenditure (including user cost of capital) of each component. Costs such as superannuation, payroll tax, workers compensation, annual leave and long service leave are included under 'other staff-related expenditure'.

Source: Australian Government Department of Education, unpublished data.

As was the case for government schools, salaries were the largest component of expenditure in non-government schools, with teacher salaries comprising the majority of this expenditure. In 2024, teaching salary costs (average \$9,936 per student) represented 71.2% of total salary costs and 44.1% of total recurrent expenditure. Non-staff related expenditure (debt servicing and other operating expenditure) made up 26.2% of total recurrent expenditure in non-government schools in 2024.

In 2024, total recurrent expenditure per student was higher for independent schools (\$24,562 per student) than in Catholic schools (\$20,788 per student). Average total recurrent expenditure per student for the period from 2014 to 2024, adjusted for inflation, is shown in Figure 9.9.

Figure 9.9: Total recurrent expenditure per student, non-government schools, Australia, by sector, 2014–2024 (\$ per student, \$2024)



Note: Amounts are adjusted for inflation to 2024 dollars, based on the CPI for June of each year. Nominal values and values adjusted using the GGFCE chain price deflator and the ABS WPI are available on the National Report on Schooling Data Portal.

Source: Australian Government Department of Education, unpublished data.

After adjusting for inflation, total recurrent expenditure per student in non-government schools increased by \$767 (3.5%) between 2023 and 2024, with increases of \$567 (2.8%) for Catholic schools and \$956 (4.0%) for independent schools.

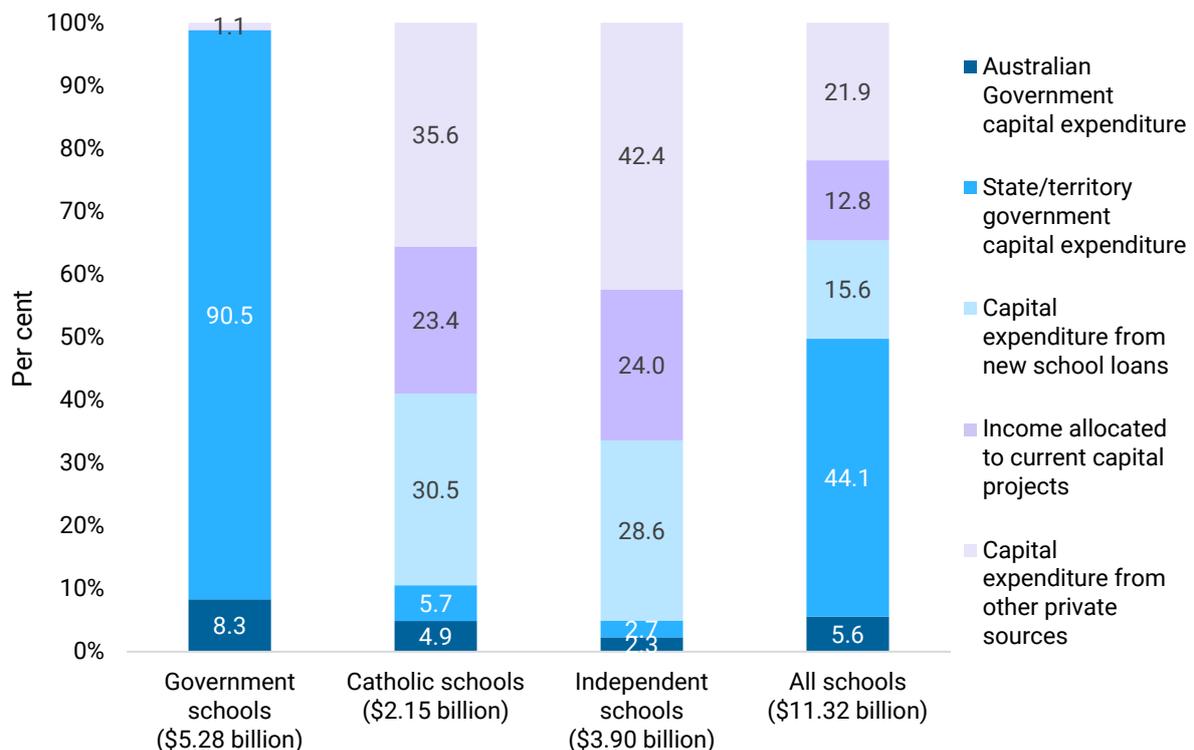
Average total recurrent expenditure per student in non-government schools, after adjusting for inflation, increased by 21.8% (\$4,030 in 2024 dollars) over the period from 2014 to 2024, with increases of 28.5% (\$4,605) for Catholic schools and 12.7% (\$2,768) for independent schools.

Capital expenditure in government and non-government schools

My School allows for comparable reporting of capital expenditure by all schools.¹³ In 2024, capital expenditure was \$5.28 billion across 6,727 government schools, \$2.15 billion across 1,759 Catholic schools, and \$3.90 billion across 1,167 independent schools.

In government schools, capital expenditure was mainly sourced from state/territory funding (90.5%), with an additional 8.3% from Australian Government funding, and 1.1% from other private sources, as shown in Figure 9.10.

Figure 9.10: Capital expenditure in government and non-government schools, Australia, by sector, 2024 (%)



Note: New school loans refer to the amount of capital expenditure funded by capital loan drawdowns in the reporting year. Income allocated to current capital projects is the amount of gross income received by the school that has been spent on capital projects in the reporting year. Other (capital expenditure) – the amount of capital expenditure funded through other private sources including retained earnings from previous years. Values may not sum exactly to 100.0 due to rounding.

Source: ACARA, *My School* finance data collection.

¹³ Capital expenditure for both government and non-government schools were derived from *My School* data. These amounts differ from the capital expenditure amounts based on NSSC data for government schools and data provided by the AGDE for non-government schools. For the *My School* finance data, jurisdictions agreed to exclude all capital expenditure on the construction and acquisition of new schools where the expenditure was incurred in calendar years prior to the school becoming operational. There are generally 40-45 new schools opened each year, for which this change applies.

A relatively small proportion of capital expenditure in non-government schools was sourced from state/territory government capital funding (5.7% for Catholic schools and 2.7% for independent schools) or Australian Government funding (4.9% for Catholic schools and 2.3% for independent schools).

In Catholic schools, 35.6% of capital expenditure was sourced from private income sources, as was 42.4% of capital expenditure in independent schools. Capital expenditure from income allocated to current capital projects made up 23.4% of total capital expenditure for Catholic schools and 24.0% of total capital expenditure for independent schools, while capital expenditure from new school loans made up 30.5% of total capital expenditure for Catholic schools and 28.6% of total capital expenditure for independent schools.

Table 9.3: An overview of the key features and differences between the 4 school funding data collections

	Government expenditure on government schools	Non-government schools' income and expenditure	School income and capital expenditure for government and non-government schools	Government recurrent expenditure on government and non-government schools
Reporting period	Financial year 2023/24 (ending in reporting year)	Calendar year 2024 (same as reporting year)	Calendar year 2024 (same as reporting year)	Financial year 2023/24 (ending in reporting year)
Scope of reporting	Government schools only Disaggregation by state/territory and primary/secondary No disaggregation by funding source	Non-government schools receiving Australian Government recurrent funding. Disaggregation by state/territory, Catholic and independent schools Catholic non-systemic schools are reported as Catholic schools	Government and non-government schools receiving government funding. Disaggregation by state/territory, Catholic and independent schools Catholic non-systemic schools are reported as independent schools in aggregated data	Government and non-government schools receiving government funding. Disaggregation by state/territory No disaggregation by Catholic/Independent for non-government schools. Disaggregation by primary/secondary for government schools
What is reported	Capital and recurrent expenditure In-school costs (e.g., teacher salaries) Out-of-school costs (e.g., state office, regional and local functions which support schools)	Income from all sources Capital expenditure and recurrent expenditure	Recurrent income from all sources Capital expenditure	Government recurrent expenditure on government schools and non-government schools
Income or expenditure based	Expenditure based (based on payment of expenses)	Income and expenditure based	Income and capital expenditure based	Expenditure based (based on payment of expenses)
Treatment of private funding	Not reported	Private income reported	Private income reported	Not reported
Inclusions	Payroll tax (real or notional) Notional user cost of capital in government school funding Non-salary costs include other operating expenses, grants and subsidies and depreciation	Recurrent and capital grants Debt servicing of loans Australian Government assistance as part of the COVID-19 response (including JobKeeper payments)	Government funding (including JobKeeper payments received by non-government schools) Private funding	Australian Government funding for schools, joint programs apportioned to government schools, assistance in response to COVID-19 (excluding JobKeeper payments received by non-government schools) Expenditure by state and territory government education departments Staff allowances for accommodation
Exclusions	Funds raised by schools, school councils or community organisations, amounts related to boarding facilities	Amounts related to boarding facilities	Items are treated differently across sectors, such as user cost of capital, payroll tax and boarding	Funds raised by schools, school councils or community organisations
Agency responsible for collecting data	State and territory governments	Australian Government Department of Education (AGDE)	AGDE (non-government schools) State/territory governments (government schools)	Productivity Commission
Source	National Schools Statistics Collection (Finance)	AGDE financial questionnaire	<i>My School</i>	NSSC Finance Collection, federal budget papers and data provided to the Productivity Commission