Victorian Catholic Education Authority

23 February 2026

AEU report on capital investment inaccurate again

The Australian Education Union's (AEU) latest report on school capital investment is flawed because its analysis wilfully ignores the billions of dollars the Victorian Government has invested building 123 new government schools since 2017.

The AEU's report, which compares capital investment between school sectors, uses ACARA data on school capital expenditure. As clearly stated on ACARA's website, this data does not include the billions spent by state and territory governments on new school land and construction costs. ACARA only records school capital expenditures after a school opens.

"Every year the AEU cherry picks data to support its narrative. In this instance, they have ignored the Victorian Government's multi-billion-dollar investment in buying land and constructing new public schools," said Professor Elizabeth Labone, CEO of the Victorian Catholic Education Authority (VCEA).

"While the Victorian Government fully funds these costs for government schools, the financial burden of acquiring land and constructing new Catholic schools is largely borne by our school communities, which contribute more than 85 per cent of the funds spent on capital works in Victorian Catholic schools."

The AEU's report comes less than a week after the Productivity Commission's 2026 Report on Government Services, which showed in 2023–24, government schools in Victoria received government and in-kind support valued at $24,255 per student, compared to $14,631 per student for non-government schools — a difference of $9,624 per student.

"We remain frustrated that the AEU's approach to school funding, both recurrent and capital, is to attempt to pit education sectors against each other, rather than seeking fair funding for all schools in the best interests of every student," said Professor Labone.

Catholic schools play an important role in meeting demand for affordable schooling. Supporting affordable non-government schools with capital funding helps ensure families have access to local schools and allows the system as a whole to respond more effectively to growth. Population growth means demand cannot be met by one sector alone.

ENDS

Media contact Scott Cresswell 0433 099 044