

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Budget Estimates 2013-2014**

Outcome 2 - Schools and Youth

DEEWR Question No. EW0002_14

Senator Back provided in writing.

Question

Catholic education - system funding levels

System Funding levels

1. How is the funding to Catholic education systems to be calculated?
 - a. For per student funding?
 - i. Will Catholic systems receive a student weighted average on the Capacity to contribute calculation?
 - b. For loadings?
2. What assumptions in relation to indexation, enrolments and relative need is this based on?
3. What portion of the SRS do Catholic schools reach in each year?
4. How is this relative to government schools in each year?
5. What fee increases are assumed at a school level under the model?
6. What fee increases are required to approach the SRS resource level?

Answer

1. How is the funding to Catholic education systems to be calculated?
 - a. For per student funding?
 - i. Will Catholic systems receive a student weighted average on the Capacity to contribute calculation?
 - b. For loadings?

Consistent with all other schools and systems, funding for State Catholic education systems will be calculated on a per student basis for both base amounts and loadings (with the exception of the size loading).

A system weighted average Capacity to Contribute measure will apply for Catholic systemic schools to determine the proportion of the base per student amount that will be publically funded. This approach will use a student weighted average to calculate an SES score for each state system and apply it to the Catholic systemic schools in each state.

Loadings are not affected by Capacity to Contribute and will be fully publically funded.

These calculations of public funding under the new model are then aggregated to the system level and compared to existing funding amounts to determine the transitional arrangements.

2. What assumptions in relation to indexation, enrolments and relative need is this based on?

Beyond 2014, the new funding arrangements grow Commonwealth current funding at 4.7 per cent. This rate was informed by the estimated 10-year rolling average of state and Commonwealth expenditure on all schools from all sources. It has been informed by data on current and proposed education spending by states and territories, provided through state and Commonwealth treasuries.

Beyond 2014, the states were asked to grow their baseline funding by at least 3.0 per cent. The final rates of state indexation for States that have reached agreement for the new funding arrangements are provided below:

State/sector	State indexation rates (to grow funding into the year shown)			
	2014	2015	2016	2017
NSW Gov	1.22%	2.62%	3.00%	3.00%
VIC Gov	1.35%	1.35%	3.00%	3.00%
SA Gov	1.74%	2.50%	3.00%	3.00%
TAS Gov	2.27%	2.00%	3.00%	3.00%
ACT Gov	2.94%	3.00%	3.00%	3.00%
NSW Cath	0.41%	2.62%	3.00%	3.00%
VIC Cath	1.64%	1.35%	3.00%	3.00%
SA Cath	1.56%	2.50%	3.00%	3.00%
TAS Cath	1.09%	2.00%	3.00%	3.00%
ACT Cath	2.93%	3.00%	3.00%	3.00%
NSW Ind	0.41%	2.62%	3.00%	3.00%
VIC Ind	1.64%	1.35%	3.00%	3.00%
SA Ind	1.56%	2.50%	3.00%	3.00%
TAS Ind	1.09%	2.00%	3.00%	3.00%
ACT Ind	2.93%	3.00%	3.00%	3.00%

The Schooling Resource Standard (SRS) itself, comprising of the base per-student amount and loadings, will grow at 3.6 per cent per annum. This rate was derived from a 5-year forward estimate to reflect the estimated increases in the costs of all schools from all sources. This rate will grow the SRS at or beyond real terms to ensure strong but reasonable ongoing financial support for schools.

Enrolment figures used in the SRS model are based on methodology and assumptions that are consistent with the derivation of existing Commonwealth education funding. It is also similar to the methods currently utilised for other schooling programs and supplied to Treasury.

In practice, the implementation of the SRS model would ensure that funding will be reflective of the latest enrolment data for each jurisdiction and sector.

3 and 4. What portion of the SRS do Catholic schools reach in each year? and. How is this relative to government schools in each year?

The Commonwealth has agreed a year-by-year transition that will see funding for all schools reach at least 95 per cent of the new Schooling Resource Standard (SRS) in 2019 in a fair and consistent way. Note the variation in some of the transition paths below reflect the different starting points of respective jurisdictions and sectors.

State/sector	Proportion of SRS reached			
	2014	2015	2016	2017
NSW Government	84%	84%	85%	88%
VIC Government	78%	79%	80%	80%
SA Government	88%	88%	88%	88%
TAS Government	91%	92%	93%	94%
ACT Government	111%	111%	111%	110%
Catholic sector (signed states only)	90%	91%	92%	94%
Independent sector (signed states only)	95%	95%	96%	98%

5. What fee increases are assumed at a school level under the model?

As with current arrangements for funding non-government schools, school fees will be the responsibility of the system managers. There are no 'increases' in fees assumed in the model, at either the system or school level.

6. What fee increases are required to approach the SRS resource level?

As with current arrangements for funding non-government schools, school fees will be the responsibility of the system managers. There are no 'increases' in fees assumed in the model, at either the system or school level.