



Catholic Education
Commission NSW

Senate Select Committee into School Funding Investment

Submission

4 March 2016

Catholic Education Commission NSW (CECNSW) supports the submission made by the National Catholic Education Commission (NCEC) to the Committee. This supplementary submission highlights issues relating to New South Wales.

CECNSW represents NSW's 588 Catholic schools, which collectively educate 255,397 students.

Based on current enrolment patterns and population projections, however, it is estimated this number will grow to 312,000 students by 2031.

The key concerns for CECNSW are, therefore, the provision of adequate capital investment in NSW Catholic schools and ensuring recurrent funding keeps pace with rising education costs.

Capital funding

According to ACARA's *MySchool* data, Australia's Catholic schools spent \$1.12 billion on capital projects in 2013:

- \$863.2 million (77.2%) came from parents and the school community
- \$255.2 million (22.8%) came from State and Federal Governments

Catholic school parents provided more than three-quarters of the capital funding needed in their children's schools while State and Federal governments provided less than a quarter.

In comparison, State and Federal governments provided 95.6% of the capital funding for the nation's government schools.

Nationally, Catholic schools educate 20.5% of students but receive only 11% of capital funding provided by State

and Federal Governments. Expressed another way:

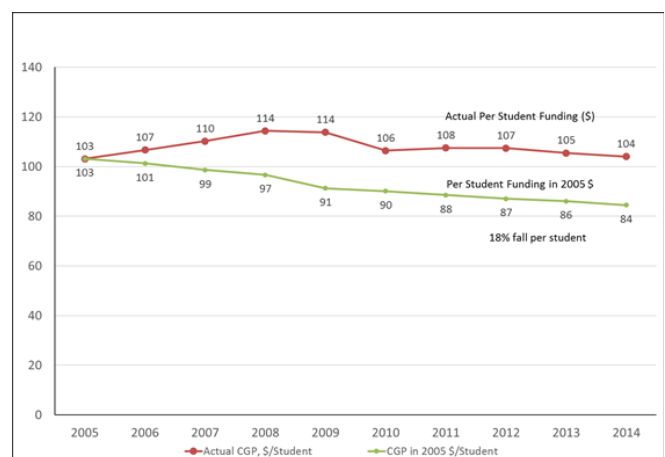
- Catholic schools receive \$330.44 per student in capital funding from governments
- Government schools receive \$804.25 per student in capital funding from governments

The size of this gap is unfair to Catholic school parents who, in addition to paying taxes that help fund government schools, must make up the difference in their children's schools.

In addition, capital grants from State and Federal governments to Catholic schools are not linked to enrolment growth. Government funding per student has therefore been falling while enrolments have been rising.

In real per-student terms, capital funding from the Commonwealth - the main source of government funding for non-government schools - has actually fallen in real terms by 23% from 2002 to 2014.

The declining value of the Commonwealth Capital Grants Programme in per-student terms Australian Government Capital Grants Programme, \$ per student (actual and 2005 dollars)



Source: Commonwealth Department of Education and Training; NCEC; Australian Bureau of Statistics

In NSW, Catholic school enrolments are expected to grow by an annualised average of 3,900 students per year to 2025 - requiring the construction of some 156 additional classrooms per year. Catholic school parents cannot be expected to meet this challenge without increased government support.

Governments must therefore increase capital funding support to Catholic schools, or government schools will be forced to accommodate a greater proportion of students at a higher cost to taxpayers.

Without an increase in government support, Catholic school parents will have to shoulder even more of the capital funding burden just to maintain the current proportion of Catholic school enrolments, including for the two fastest growing segments - Aboriginal students and students with a disability.

If Catholic schools cannot maintain their current level of enrolment growth, taxpayers will be forced to pay the full capital and recurrent costs of educating a greater proportion of students in government schools.

Recurrent funding

CECNSW is also seeking to ensure that recurrent funding keeps pace with real school costs.

Under the *Australian Education Act 2013*, the schooling resource standard funding amounts are currently indexed each year by 3.6 per cent.

Applying indexation based on the Consumer Price Index (CPI) from 2018 would represent a substantial change from current indexation arrangements and is likely to result in a significant decline in funding over time, relative to school costs and particularly staff costs.

The CPI rate over the past 10 years has been around half the rate of the Average Government School Recurrent Costs (AGSRC).

If Catholic schools are to maintain their commitment to supporting families from all socioeconomic backgrounds and locations, the Commonwealth's level of indexation must reflect real education costs.

Students First Support Funding

As an approved system authority for the NSW Catholic schools system, CECNSW is appreciative of the current annual allocation of \$4.7 million (\$41 million for all Australian non-government schools) provided under Section 70 of the *Australian Education Act 2013*.

This important funding is used to cover the responsibilities of Catholic and other non-government representative bodies for schools, as defined under the Act.

In 2015, for example, CECNSW Students First funding supported teacher quality and development activities, strategies to support the transition of students into kindergarten, parental involvement in their child's development and the implementation of various national frameworks and standards.

The 2015/2016 Budget Papers list the funding for this program as terminating in 2017.

Any increase in Commonwealth funding from 2018 may be cancelled out or significantly reduced by the need to compensate for the loss of the funding under the *Students First* program.

For further information, please contact:

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