

Senate Standing Committee on Education and Employment - Education

**QUESTIONS ON NOTICE
Budget Estimates 2014-2015**

Outcome 2 - Schools and Youth

Department of Education Question No. ED0209_15

Senator O'Neill provided in writing.

Question

Portfolio Budget Statement - distribution of funding under the Act

P45 says: The Government has committed to an approach which is based on the best evidence available and which acknowledges that states, territories and school systems are responsible for the operation and management of their schools, including determining the distribution of funding to their schools a. Did the Department provide that wording? If not, who did? b. What evidence did the Government rely on in making this statement? c. At what rate did Commonwealth funding for non-government and government schools (via the states) grow each year, from 2001-02 through to 2013-14. Please provide a separate annual breakdown for the non-government sector and the government sector.(alternatively: At what rate had Commonwealth funding to schools – both government and non-government schools - been growing prior to the Gonski reforms? d. What evidence does the Government have to support the funding model it has applied? A flat indexation rate of CPI – what expert evidence that supports the assertion that this will improve student outcomes? e. What analysis did the department do to satisfy itself and the Minister that this funding model will improve student outcomes?

Answer

- a. The department provided the wording in the Portfolio Budget Statement (PBS).
- b. As the Schooling Resource Standard (SRS) continues to underpin the recurrent schools' funding budget figures, see QoN 8 and 9 of the Senate Select Committee on School Funding Budget Estimates hearing, 4 June 2014 for further information on the evidence that underpins the development of the loadings and the SRS.
- c. The rate of annual growth of Commonwealth funding for government and non-government schools from 2001-02 to 2011-12 is set out at Attachment A.
- d. The Government has implemented the needs-based funding arrangements in accordance with the *Australian Education Act 2013* (the Act). Hence the underpinning evidence relates to the base and loadings of the current SRS. See QoN 8 and 9 of the Senate Select Committee on School Funding Budget Estimates hearing, 4 June 2014 for further information on the evidence that underpins the development of the loadings and the SRS.

The changes signaled by the Government from 2018, indexation at the Consumer Price Index (CPI) and enrolment growth, is the only change to the current school funding model.

The school funding model continues to be a needs-based funding model. See QoN 8 and 9 of the Senate Select Committee on School Funding Budget Estimates hearing, 4 June 2014 for further information on the evidence that supports a needs-based funding model as a way to improve student outcomes.

- e. See QoN 8 and 9 of the Senate Select Committee on School Funding Budget Estimates hearing, 4 June 2014 for further information on the evidence that supports a needs-based funding model as a way to improve student outcomes.

ATTACHMENT A

The National Schools specific purpose payment (reported from 1 January 2009) does not distinguish between capital and recurrent purposes. Until 1 January 2009, school grants were allocated between recurrent and capital expenditure. Therefore, from 2008-09 onwards, some Australian Government specific purpose payments previously identified as capital expenditure may be allocated as recurrent expenditure.

For this reason, average funding growth should only be considered for the years 2002-03 to 2007-08; and 2008-09 to 2011-12.

Average Commonwealth funding growth			
	Government schools	Non-government schools	Total
2001-02 to 2007-08	5.8%	7.4%	6.8%
2008-09 to 2011-12	10.0%	10.2%	10.1%