

**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. ED0223\_15**

**Senator O'Neill provided in writing.**

**Question**

**School funding cuts**

Page seven of the Budget 2014-15 Overview states that the Government will make “cumulative savings of over \$80 billion” from schools and hospitals. It was also confirmed that close to \$30 billion of these cuts would come from schools: Senator WONG: Can you confirm that, with that figure, broadly you are looking at around 30 for schools and 50 for hospitals? Mr Ray: It is a little bit under 30 for schools and a bit over 50 for hospitals. (Economics Committee Estimates, 4 June 2014) In the light of the confirmation that school funding has been cut by around \$30 billion: a) When was the Department first advised of the \$30 billion in cuts to school funding? b) Who advised the department? And how was the Department advised? c) Of the \$30 billion in cuts, how much will come from each State and Territory? Overall and in each year across the 10 year projection represented in a graph on page seven of the Budget Overview? d) How much of the \$30 billion cut will come from independent, catholic and government schools? Over the period to 2024-25 and in each year? e) How much of the \$30 billion cut will come from independent, catholic and government schools in each State and Territory? Over the total period to 2024-25 and in each year between now and 2024-25? f) Is it possible the \$30 billion in cuts to schools outlined in the Budget could lead to: 1. Increases in class sizes? 2. School closures? 3. The cancellation or reduction in size and scope of literacy and numeracy programs? 4. Fewer subject choices? 5. Less individual support for students? g) As a result of the \$30 billion in cuts to schools outlined in the Budget, can the Government or the Department guarantee there will not be: 1. Increases in class sizes? 2. School closures? 3. The cancellation or reduction in size and scope of literacy and numeracy programs? 4. Fewer subject choices? 5. Less individual support for students? h) What proportion of Australia’s GDP is invested in schools currently? In total, and broken down by Commonwealth contribution, state/territory contribution and private contribution? How do each of these measures compare to the OECD average and any other relevant international comparisons? i) In 2024-25, after the full impact of the Government’s \$30 billion cuts, what proportion of GDP is expected to be invested in schools? In total, and broken down by Commonwealth contribution, State contribution and private contribution? How will each of these measures compare to the OECD average and any other relevant international comparisons? NOTE – please also represent the answers to questions h) and i) graphically, and specify, for each year, the proportion of GDP invested in schooling for each category requested.

## Answer

a & b. There has been no cut to funding for government or non-government schools in the 2014–15 Budget.

Australian schools will receive an increase in recurrent and capital funding from the Commonwealth of:

- 8.7% in 2014-2015
- 8.9% in 2015-2016
- 8.9% in 2016-2017
- 6.6% in 2017-2018

From 2018 onwards, the Consumer Price Index (CPI) and enrolment growth will be applied to consolidate the already substantial funding increases in Commonwealth recurrent funding provided for government and non-government schools for 2014 to 2017. This will allow sustainable growth into the future for all Australian schools.

The department was advised that the CPI would be applied to schools funding from 2018 as part of the 2014–15 Budget process.

c to e. There has been no cut to funding for government or non-government schools in the 2014–15 Budget. School funding continues to grow year on year.

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f and g. There has been no cut to funding for government or non-government schools in the 2014–15 Budget. School funding continues to grow year on year.

h and i. Information on the proportion of Australia's GDP broken down by Commonwealth, state/territory and private contributions is not held by the department. Similar information is published by the Organisation of Economic Cooperation and Development (OECD) in their publication, *Education at a Glance 2013: OECD indicators* at pages 182–195. The entire publication is available at [www.oecd.org/edu/eag2013%20\(eng\)--FINAL%2020%20June%202013.pdf](http://www.oecd.org/edu/eag2013%20(eng)--FINAL%2020%20June%202013.pdf)

This publication includes expenditure on educational institutions as a proportion of GDP for 2000, 2005 and 2010. It does not include forward projections; hence the requested information is not available.