

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. ED0316_15

Senator Collins asked on 4 June 2014, Hansard page 96

Question

Indexation - correspondence

Senator JACINTA COLLINS: You referred to that most recent letter. I thought you said that it was both indexation and distribution. Mr Cook: The minister has indicated in his letter that, consistent with the review of indexation, he will talk about indexation with ministers. That is correct. Senator JACINTA COLLINS: When are those talks? Mr Cook: That will be a matter for the minister. Senator JACINTA COLLINS: So there is no timeframe at this stage? Ms Paul: He has written to them seeking their interest. So, in a way, he awaits their responses. We can probably give an update at next estimates. Senator JACINTA COLLINS: Could you take on notice a copy of that letter, too, please? Ms Paul: Yes, sure.

Answer

In May 2014, the Hon Christopher Pyne MP wrote to states and territories, the National Catholic Education Commission and the Independent Schools Council of Australia to provide them with an update on projected Commonwealth funding profiles for their jurisdictions/systems and to provide an update on the status of the reviews articulated in the Minister's previous correspondence of 14 January 2014.

A copy of the January letter was provided to the Senate Select Committee on School Funding following the department's appearance at the public hearing of 13 March 2014.

Text from the May correspondence is at **Attachment A**.

Attachment A

I am also pleased to confirm that the Australian Government will not only deliver on its commitment to match school funding dollar for dollar over the quadrennium (2014–2017) of the previous government, but will also increase funding to schools.

As the Government announced in the 2014–15 Budget, we will be investing a record high of \$64.5 billion in recurrent funding for Australian schools over the forward estimates, including \$1.2 billion over and above the funding committed by the previous government.

The undeniable budget emergency that the previous government left as their legacy means that the significantly elevated level of schools funding from 2018 onwards, under their approach, cannot be sustained.

The Australian Government will ensure schools have funding certainty beyond 2017, as funding will be preserved. Beyond 2017, funding will increase by the Consumer Price Index plus enrolment growth and we have foreshadowed our intention to redistribute funding on an equal needs-based proportion to all states and territories.

I am committed to working with you further to implement fairer and sustainable schools funding and, in line with my earlier commitments, funding distribution for 2018 and beyond will be subject to formal negotiations between the Commonwealth, the states and territories and the non-government sector.

These negotiations provide the opportunity to consider the issue of indexation that I committed to in my correspondence to you of 14 January 2014. I also remain committed to completing the review into the Low SES loading and the finalisation of the Students with Disability and Low English Proficiency loadings and look forward to working with relevant stakeholders on that work.