

## Senate Committee: Education and Employment

### QUESTION ON NOTICE Budget Estimates 2017 - 2018

#### Outcome: Schools and Youth

#### Department of Education and Training Question No. SQ17-000653

Senator Hanson-Young, Sarah asked on 01 June 2017, Proof Hansard page 49

#### ***Cost of a shorter transition for 'over-funded' schools***

##### **Question**

Senator HANSON-YOUNG: What would be the additional savings from reducing the overfunded schools if you shortened the time frame? Have you modelled that, or have you only done it based on 10 years?

To give you the specifics of what to take on notice, I would like to know what the additional savings would be from reducing the overfunding to the 24, but, also, if there were a reduction in the growth rate for those extra 350 schools. What would the additional savings on the budget be if that were implemented in four, six, or seven years?

Mr Cook: Four, six and seven?

Senator HANSON-YOUNG: Maybe we should put five in there, too.

##### **Answer**

347 schools are estimated to have a higher starting share in 2017 than the consistent Commonwealth shares in 2027 (20 per cent of the SRS for all government schools and 80 per cent of the SRS for all non-government schools) and will therefore transition downwards over the next decade. Of these, the Department has estimated the individual funding for 344 schools and is working with the other three schools to calculate their estimates due to incomplete data from these schools. Twenty-four of the 344 schools are non-systemic independent schools that experience a negative growth over 2018-2021.

The table below shows the saving compared to the cost of transitioning these 24 schools and all 344 schools over 10 years as set out in the Australian Education Amendment Bill 2017.

*Table: Ten year savings from 4, 5, 6 and 7 year transitions to consistent shares (\$ million)*

Transition length	Total cost over 2018 to 2027		Difference compared to proposed arrangements	
	24 schools	344 schools	24 schools	344 schools
4 year (2018-21)	1,354.6	10,296.4	-268	-662
5 year (2018-22)	1,396.9	10,400.7	-226	-558
6 year (2018-23)	1,440.1	10,507.4	-183	-451
7 year (2018-24)	1,484.3	10,616.4	-139	-342

*Note: These 10 year estimates are based on latest enrolment data reported to the Commonwealth Department of Education and Training and assumes the same student population applies from 2017 to 2027 to allow meaningful comparison. This is consistent with the approach used to produce figures on the School Funding Estimator website.*