

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Budget Estimates 2017 - 2018**

Outcome: Schools and Youth

Department of Education and Training Question No. SQ17-000764

Senator Collins, Jacinta provided in writing

Schools funding

Question

Please provide, for all government school systems (approved authorities) funding proposed in each year, in real terms:

- expressed in 2017-18 dollars, adjusted for inflation as measured by a composite CPI and wage cost index, as proposed in the Australian Education Act 2017
- adjusted for inflation as per CPI.

Answer

The composite indexation rate for the Schooling Resource Standard (SRS) under the *Australian Education Act 2013* is 75 per cent wage price index (WPI) and 25 per cent consumer price index (CPI). The indexes will be drawn from the relevant Australian Bureau of Statistics annual publications in June.

Table 1 and 2 detail estimated Commonwealth recurrent funding for government school systems over 2017–18 to 2026–27, adjusted to expected 2017–18 prices using both the composite measure and CPI, based on financial year estimates of these indexes as at the 2017–18 Budget.

It is important to note that the composite measure has been structured to include an allowance for changes in wages, which generally exceed growth in consumer prices. Therefore when applying the composite index to the SRS, Commonwealth school funding is expected to increase by more than if indexation was based on CPI alone.

Table 1: Estimated recurrent funding for government school systems, deflated to expected 2017–18 prices using the composite measure (\$m)

	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27
NSW	2,268	2,370	2,465	2,554	2,642	2,735	2,799	2,835	2,872	2,909
Vic.	1,606	1,709	1,807	1,901	1,993	2,087	2,153	2,192	2,232	2,273
Qld	1,623	1,714	1,817	1,913	1,989	2,062	2,110	2,132	2,152	2,171
SA	467	496	523	550	575	601	617	620	623	623
WA	655	717	780	842	906	973	1,016	1,036	1,056	1,077
Tas.	187	189	190	192	193	195	196	195	194	192
ACT	97	106	115	125	134	144	151	155	158	162
NT	194	194	194	193	193	193	192	192	192	191
Total	7,097	7,495	7,891	8,269	8,627	8,990	9,234	9,358	9,478	9,598

Source: departmental modelling as at June 2017

Notes: 1. nominal funding amounts have been deflated using the composite measure

2. this table **does not** reflect funding received by government school systems if the SRS was indexed by the composite measure

Table 2: Estimated recurrent funding for government school systems, deflated to expected 2017–18 prices using CPI (\$m)

	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27
NSW	2,268	2,383	2,497	2,610	2,726	2,847	2,940	3,005	3,072	3,140
Vic	1,606	1,718	1,830	1,943	2,056	2,172	2,262	2,324	2,388	2,453
Qld	1,623	1,724	1,841	1,955	2,051	2,147	2,217	2,260	2,302	2,344
SA	467	498	530	562	593	626	648	658	666	673
WA	655	721	790	861	935	1,013	1,068	1,098	1,129	1,163
Tas.	187	190	193	196	200	203	206	207	207	207
ACT	97	107	117	128	139	150	158	164	169	175
NT	194	195	196	198	199	201	202	204	205	206
Total	7,097	7,536	7,993	8,452	8,898	9,358	9,700	9,919	10,138	10,361

Source: departmental modelling as at June 2017

Notes: 1. nominal funding amounts have been deflated using CPI

2. this table **does not** reflect funding received by government school systems if the SRS was indexed by CPI