

**LUTHERAN CHURCH OF AUSTRALIA  
BOARD FOR LUTHERAN SCHOOLS**

**STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE)  
BILL 2000**

**A submission to the Senate Employment, Workplace Relations, Small  
Business and Education Committee**

**1. Lutheran Schools**

Lutheran schools have been operating in Australia since 1839. Despite closure and sanctions during the World Wars, they have been important regional and community educational agencies in Australia for 161 years. There has been particular growth in the last 30 years as follows:

1967    3 592 students  
1983    9 956 students  
2000    24 762 students

Today Lutheran school enrolments are as follows:

	<b>SA</b>	<b>NT</b>	<b>VIC/ TAS</b>	<b>NSW</b>	<b>WA</b>	<b>QLD</b>	<b>TOTAL</b>
<b>PRIMARY</b>	4287	514	1525	714	0	3639	10679
<b>SECONDARY</b>	2936	220	829	239	0	2162	6386
<b>P-12</b>	803	0	529	0	474	5891	7697
<b>TOTAL</b>	<b>8026</b>	<b>734</b>	<b>2883</b>	<b>953</b>	<b>474</b>	<b>11692</b>	<b>24762</b>

This growth reflects the church's commitment to serving its people and the community. About one third of the enrolments are Lutheran. Further modest growth is planned in response to needs. Lutheran schools have formed systems because they prefer to work co-operatively. There are three Lutheran systems which administer all but 13 of the 78 schools in Australia. It should be noted that the first system was formed in 1976. Two systems are funded at category 9 and one at category 10.

**2. Quadrennial Commonwealth Recurrent Funding**

The Bill implements the introduction of the new socio-economic status (SES) based funding arrangements for non-government schools and provides for recurrent funding for the quadrennium 2001-2004. This will be the fourth period of quadrennial funding and the stability provided has strengthened the dual system of education in Australia.

Lutheran schools and systems support the introduction of SES based funding because it:

- has been based on full and open consultation by DETYA, where we were able to put our concerns about the previous inadequate funding model and the requirements of a more appropriate model
- is founded on a reliable funding mechanism that has been used in Australia for a number of years and in a number of situations. The mechanism is clearly objective and transparent. It is a technical improvement on the long established needs based system of funding in this country.
- is a fair and equitable mechanism for funding, measuring real need - schools serving similar communities will generally be funded at similar levels
- provides a basic entitlement for each student
- is needs based, providing most money for those in greatest need
- fosters and strengthens choice by more accurately reflecting the needs of the community
- encourages private income and initiative at a time when education requires additional - there is now no disincentive for this to happen

The new SES funding arrangements will replace funding based on the Educational Resource Index (ERI). This model has been in place since the 1970s, has undergone a number of refinements and is no longer reflecting the real needs of the school community. Thus we fully accept the conclusion of the various reviews that the ERI is unsustainable for determining the future funding of non government schools.

Lutheran schools and systems participated in the SES simulation project in 1998. Nation wide the ranking of Lutheran schools reflected our perception of their needs. In particular our rural schools receive a better deal under this funding mechanism. Thus we believe the SES will distribute funds to schools fairly, according to their needs.

Non Catholic systems will receive funding by aggregating the funding of individual schools in the system. We believe that this new procedure for systemic funding will enable schools to receive recurrent funding that actually meets the needs of the communities they serve. Accordingly we support the proposed method of funding new non Catholic systemic schools.

The concept of maintained funding levels means that no school is worse off under the new mechanism. This will be important for some of our schools and will provide stability for the future.

It will be important that schools know their funding levels as soon as possible to ensure financial planning for 2001 and the years beyond. Thus there is some urgency about the passing of the legislation, since our schools need to inform parents of fee levels for the next year in adequate time.

### 3. **Commonwealth programs for targeted assistance**

These programs are designed to provide targeted assistance for the educationally disadvantaged. The Strategic Assistance for Improving Student Outcomes combine a number of programs and this provides greater flexibility to meet needs. Lutheran schools and systems support this approach as it

reflects a program based on sound social justice principles and ensures that the most disadvantaged receive appropriate assistance.

Lutheran schools and systems look forward to being part of ongoing discussions on the best way of delivering and administering these programs so that they achieve their desired goals.

4) **Accountability**

Lutheran schools and systems have always accepted the need to be accountable for the Commonwealth funding they receive. We believe the proposed accountability reporting on achievement of performance targets against the national goals is an appropriate way forward. Lutheran schools note that the performance targets are being developed through the MCEETYA National Education Performance Monitoring Taskforce and will apply to states and independent school authorities alike. This seems fair to us.

5) **General Commentary**

The legislation also provides welcome assistance for schools in their first two years as well as short term emergency support through the 'School Transitional Emergency Assistance Program' to assist schools through difficulties as the new funding arrangements come on stream.

Overall the legislation provides welcome funding for non government schools and systems in a number of areas. The legislation is based on sound and agreed principles and provides increased choice for parents. It reflects a commitment to need and equity.

6) **Conclusion**

This Bill is important for the ongoing funding of schools from 1<sup>st</sup> January 2001 and for providing stability for future planning. The Bill enables student learning and parents to exercise the right of choice.

In providing this stability, the Bill builds on the decisions and experience of the last 30 years, which have seen education providers working together in the interests of Australian children.

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*Ref: doc:Senate Bill*