

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2004-2005 BUDGET ESTIMATES HEARING

Outcome: 1

Output Group: 1.1 – Funding for schools

DEST Question No. E136_05

Senator Carr provided in writing.

Question:

Schools Funding announcement 11 March 2004-06-02 -Minister's media release: MIN 639/04

1. For the graphs on page 1 of the release:
 - a. Provide details of the source of the figures in both graphs
 - o For each item: Commonwealth; State; Private – government and non-government
 - b. Confirm that, on a per student basis, the figures indicate that non-government schools operate at 107% of the total resources in government schools?
 - c. Disaggregate these data as follows:
 - o Catholic and Independent schools separately
 - o Recurrent and capital funding:
 - For Catholic, independent, total non-government, and government
 - By source of funding: Commonwealth; State; private
 - o For 'private' sources: separate figures for fees; donations; other.
2. Page 2 of the release advised funding for Catholic systems. It states that funding for the current quadrennium was 56.2% of AGSRC (51.2% in the ACT).
 - a. At what % of AGSRC will Catholic systems be funded at in each State and Territory – on average?
 - b. It also states that 'parents and friends' will contribute \$7.1 billion in fees and donations.
 - Please provide this information for each of the years 2005-2008
 - Explain how this figure relates to the \$4.1 billion in private fees in 2003/04 on page 1
 - c. Page 3 reports that 'parents and friends' will contribute a further \$12 billion in fees and donations
 - Please provide this information for each of the years 2005-2008
 - Explain how this figure relates to the \$4.1 billion in private fees in 2003/04 on page 1
3. Please provide disaggregated data for the table on page 3:
 - Indexation increases by the 3 sectors
 - 'policy' increases by the 3 sectors
 - enrolment changes in the 3 sectors
 - total increases by the 3 sectors

4. Re: 'funding maintained' schools – as on page 3:
 - confirm that this 'funding maintained' status only applies until 2008
 - advise what will happen to the schools after that time.

5. Page 4 outlines funding for other programs. Please provide figures on: (1) indexation; (2) enrolments (where applicable, e.g. ESL new arrivals) and (3) 'policy' or other increases, for each of the following programs – which should total the figures included in the release. Provide this information by the 3 sectors: government schools; Catholic systems; independent schools:
 - capital grants
 - Literacy, numeracy and special needs
 - Schools grants
 - Non-government Centre Support
 - National projects
 - Country Areas
 - ESL-new arrivals
 - Languages other than English

Answer:

Schools Funding announcement 11 March 2004-06-02

1.a 2.25 million students in government schools; 1.04 million students in non-government schools

Full time enrolments, 2002 [source; ABS]

\$19.9 billion total public funding for government schools

Financial year, accrual [source: Australian Government Budget Estimate and State/Territory 2003/04 Budget papers]

\$6.2 billion total public funding for non-government schools

Financial year, accrual [source: Australian Government Budget Estimate and State/Territory 2003/04 Budget papers]

\$2.5 billion Australian Government funding to government schools in 2003-04 [source: DEST]

2003-04 financial year, accrual as at 2003-04 Budget

Includes total direct Australian Government funding to government schools and students

Includes Outcome 1 funding for schools: *States Grants (Primary and Secondary Education Assistance) Act 2000*, *Indigenous Education (Targeted Assistance) Act 2000* (IESIP, Away from Base), *Student Assistance Act 1973* (ABSTUDY Secondary, Assistance for Isolated Children), *Appropriation (Supplementary Measures) Act (No.1) 1999* (Grants to Primary School Libraries and Annual Appropriation Act (No. 1) annual appropriations (such as Quality Teacher Programme, National School Drug Education Strategy, Values and Civics and Citizenship, Careers, Transitions and Partnerships) Attributed to government/non-government by enrolment split where necessary

\$17.4 billion State/Territory government funding to government schools in 2003-04

Derived as difference between total funding to government schools [source: analysis of State/Territory 2003-04 Budget papers] and Australian Government estimated 2003-04 expenditure as at 2003-04 Budget:

Total Funding: \$19.9 billion [source: Australian Government Budget Estimate and State/Territory budget papers, FY accrual]
Less Australian Government funding: \$2.5 billion [source: DEST estimates, FY accrual]
Equals: \$17.4 billion [derived]

\$4.4 billion in Australian Government funding to non-government schools in 2003-04 [source: DEST]

2003-04 financial year, accrual as at 2003-04 Budget

Includes total direct Australian Government funding to government schools and students

Includes Outcome 1 funding for schools: *States Grants (Primary And Secondary Education Assistance) Act 2000, Indigenous Education (Targeted Assistance) Act 2000* [IESIP, Away from Base], ABSTUDY Secondary, Assistance for Isolated Children, Grants to Primary School Libraries and annual appropriations (such as Quality Teacher Programme, National School Drug Education Strategy, Values and Civics and Citizenship, Careers, Transitions and Partnerships)

Attributed to government/non-government by enrolment split where necessary

\$1.8 billion in State/Territory funding to non-government schools in 2003-04

Derived as difference between total funding to non-government schools [source: analysis of State/Territory 2003-04 Budget papers] and Australian Government estimated 2003-04 expenditure as at 2003-04 Budget:

Total funding: \$6.2 billion [source: State/Territory 2003-04 budget papers FY accrual]
Less Australian Government funding: \$4.4 billion [source: DEST estimates FY accrual]
Equals: \$1.8 billion [derived]

\$1.0 billion for government schools in fees and donations

5% of total accrual 2003-04 public funding (\$19.9 billion)

5% as quoted by Connors *Inquiry into ACT Education Funding* report

\$4.1 billion for non-government schools in fees and donations

[source: DEST Financial Questionnaire, 2002 data]

Includes fees, charges, private donations and income

2002 data inflated to 2003 and 2004. 2003-04 figure of \$4.1 billion equals

$0.5 \times (2003 + 2004)$

Inflated by actual average increase from 2001 to 2002 for Catholic fees (7.1%) and independent fees (4.6%)

1.b Based on the total public and private funding to schools in 2003-04, the figures indicate that, on a per student basis, non-government schools operate at 107% of the total resources in government schools.

- $(\$10.3\text{billion} / 1.04\text{million students}) / (\$20.9\text{billion} / 2.25\text{million students}) = 107\%$

1.c State/Territory Budget Papers do not provide for a disaggregation to Catholic systemic and independent schools.

2.a FUNDING FOR CATHOLIC SYSTEMIC SCHOOLS 2005-2008 - AVERAGE % OF AGSRC

Average % of AGSRC

New South Wales	58.5
Victoria	58.8
Queensland	59.0
South Australia	59.9
Western Australia	58.3
Tasmania	61.2
Northern Territory	56.2
Australian Capital Territory	51.2

2.b Fees and Donations

Estimated Total Fees, Charges, Private Donations and Income 2005-08

	2005 (\$b)	2006 (\$b)	2007 (\$b)	2008 (\$b)	Total (\$b)
Catholic	1.6	1.7	1.8	2.0	7.1
Independent	2.8	2.9	3.1	3.2	12.0

Estimated Total Fees, Charges, Private Donations and Income 2003-04

	\$b
Catholic	1.5
Independent	2.6
Total	4.1

3. *Disaggregated data*

A detailed breakdown of quadrennium on quadrennium figures is extremely difficult as the policy, supplementation and enrolment changes during the first quadrennium will impact on the results. This results in the skewing of the data to reflect the changes in both quadrenniums rather than only the impact of the 2005-08 quadrennium.

To overcome this limitation, the figures supplied in this response are a comparison of 2008 to 2004. In effect, this provides details of how policy, supplementation and enrolment changes will impact on funding over the 2005-08 quadrennium.

Increases in General Recurrent Funding by Determinant (2008 compared to 2004)

	Policy	Enrolments	Supplementation	2008 Funding
Government	0.1%	-0.3%	28.1%	27.9%
- Catholic	3.0%	5.1%	30.5%	38.6%
- Independent	0.9%	6.3%	28.3%	35.4%
Total Non-gov	2.2%	5.6%	29.6%	37.4%
Total	1.6%	4.0%	29.2%	34.8%

Note: figures may not add due to rounding.

It is important to note that the supplementation applies not only to the base 2004 funding, but also to the policy and enrolment changes. Supplementation for general recurrent funding is forecast to increase by 28.2% from 2004 to 2008. Below is a table with the breakdown of the supplementation drivers.

Breakdown of Supplementation Increases (from table above)

	Supp on 2004 Funds	Supp on Policy	Supp On Enrolments	Effect of Guarantee	Total Supp
Government	28.2%	0.0%	-0.1%		28.1%
Catholic	28.2%	0.8%	1.4%		30.5%
Independent	28.2%	0.2%	1.8%	-1.9%	28.3%

Note: figures may not add due to rounding.

4. Funding Maintained Schools

Funding maintenance only applies until 2008. Funding arrangements for non-government schools beyond 2008 will be the subject of future negotiations and legislation.

5. Funding for other Programmes

A detailed breakdown of quadrennium on quadrennium figures is extremely difficult as the policy, supplementation and enrolment changes during the first quadrennium will impact on the results. This results in the skewing of the data to reflect the changes in both quadrenniums rather than only the impact of the 2005-08 quadrennium.

The figures provided in this answer are based on the increase from 2004 to 2008. The answers do not exactly align with those provided in the media release as the effects of enrolment, supplementation and policy changes during the 2001-04 quadrennium are not included.

Increases in Capital Funding by Determinant (2004 to 2008)

Capital	Policy	Enrolments	Supp	2008 Funding
Government	0.0%	0.0%	13.3%	13.3%
Non-government	-7.9%	0.0%	12.2%	4.3%
Total	-2.2%	0.0%	13.0%	10.7%

Increases in Literacy, Numeracy and Special Needs Funding (2004 to 2008)

SAISO	Policy	Enrolments	Supp	2008 Funding
Government	0.9%	0.9%	22.3%	24.1%
Non-government	4.5%	2.2%	21.5%	28.3%
Total	2.1%	1.3%	22.1%	25.5%

Increases in Country Areas Programme Funding (2004 to 2008)

CAP	Policy	Enrolments	Supp	2008 Funding
Government	0.0%	0.0%	23.4%	23.4%
Non-government	0.0%	0.0%	23.4%	23.4%
Total	0.0%	0.0%	23.4%	23.4%

Increases in ESL New Arrivals Funding (2004 to 2008)

ESLNA	Policy	Enrolments	Supp	2008 Funding
Government	0.0%	2.8%	24.1%	26.9%
Non-government	0.0%	3.4%	24.2%	27.6%
Total	0.0%	2.8%	24.1%	26.9%

Increases in Languages Other Than English Funding (2004 to 2008)

LOTE	Policy	Enrolments	Supp	2008 Funding
Government	0.0%	0.0%	23.4%	23.4%
Non-government	0.0%	0.0%	23.4%	23.4%
Total	0.0%	0.0%	23.4%	23.4%

