

# Submission

to

Senate Employment, Workplace Relations and Education  
References Committee

## **Inquiry into Commonwealth Funding for Schools**

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**Submission no:** 36

**Received:** 25/06/2004

**Submitter:** Mr Allan Hird  
Executive Director

**Organisation:** Association of Independent Schools of the ACT

**Address:** 12 Thesiger Court  
DEAKIN ACT 2600

**Phone:** 02 6162 0834

**Fax:** 02 6162 0837

**Email:** [ahird@ais.act.edu.au](mailto:ahird@ais.act.edu.au)

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# **AISACT Submission to the Senate, Employment Workplace Relations and Education References Committee on the Schools Funding Legislation 2005-2008**

## **Introduction**

Independent schools in the ACT comprise schools that provide a religious, based education and schools that follow alternative educational philosophies. Independent schools in the ACT include:

- Anglican
- Christian
- Non-denominational
- Roman Catholic
- Seventh Day Adventist
- Montessori
- Steiner schools.

## **Independent Schools in the ACT**

Independent schools in the ACT provide a valuable service to the ACT community by offering a choice of schooling options to parents. In addition, parents of independent school students provide a considerable saving to taxpayers through the fees they pay.

Relevant data about the sector is provided below to illustrate the importance of independent schooling to the ACT community.

### **Number of independent schools**

|                 |    |
|-----------------|----|
| Primary         | 3  |
| Secondary       | 2  |
| Combined        | 10 |
| Special Schools | 1  |
| Total           | 16 |

### **School Type**

|                       |     |
|-----------------------|-----|
| Boys schools          | 19% |
| Girls schools         | 6%  |
| Coeducational schools | 75% |

Number of boarding schools 2

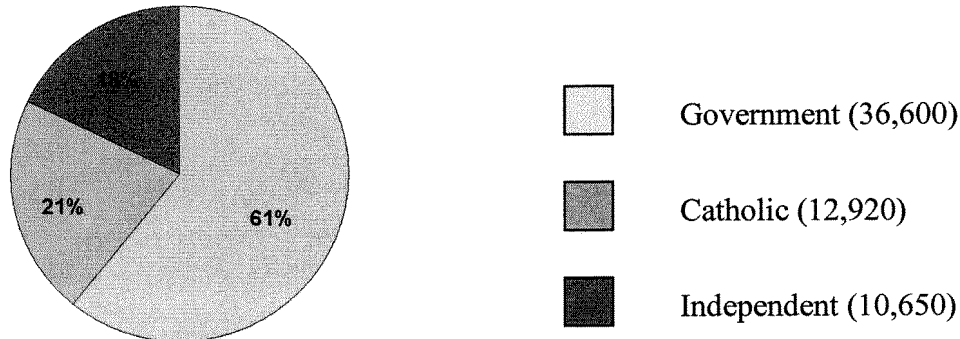
### **School Size**

- Four schools have less than 100 students (25%)
- Four schools have between 100 and 500 students (25%)
- Three schools have between 500 and 1,000 students (19%)
- Five schools have more than 1,000 students (31%)

\*These figures include independent Catholic schools and their students in the independent sector.

## Student Enrolments

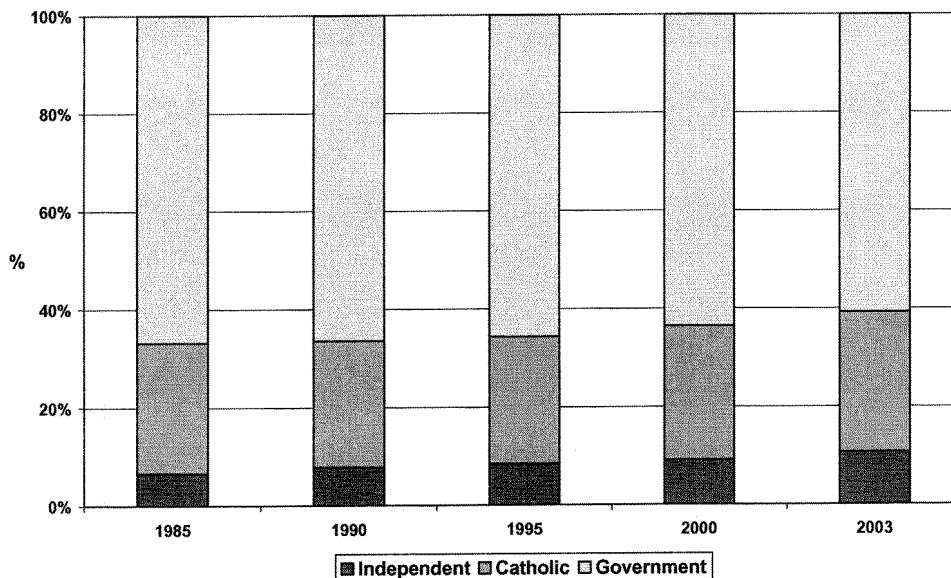
### Share of all school enrolments by sector



Source: ABS *Schools Australia* 2003 and 2003 non-government schools census data.

The independent sector in the ACT accounts for 10% of primary enrolments and 26% of secondary enrolments.

### Enrolment change by sector 1985 to 2003



## Current Funding

### Sources of independent sector income, 2002

Private source of funding (mainly parents) 61%

All government sources 39%

The proportions of private/government funding vary greatly from school to school.

Source: DEST Non-government schools financial questionnaire data 2002

## Estimated savings to governments from the non-government sector in the ACT

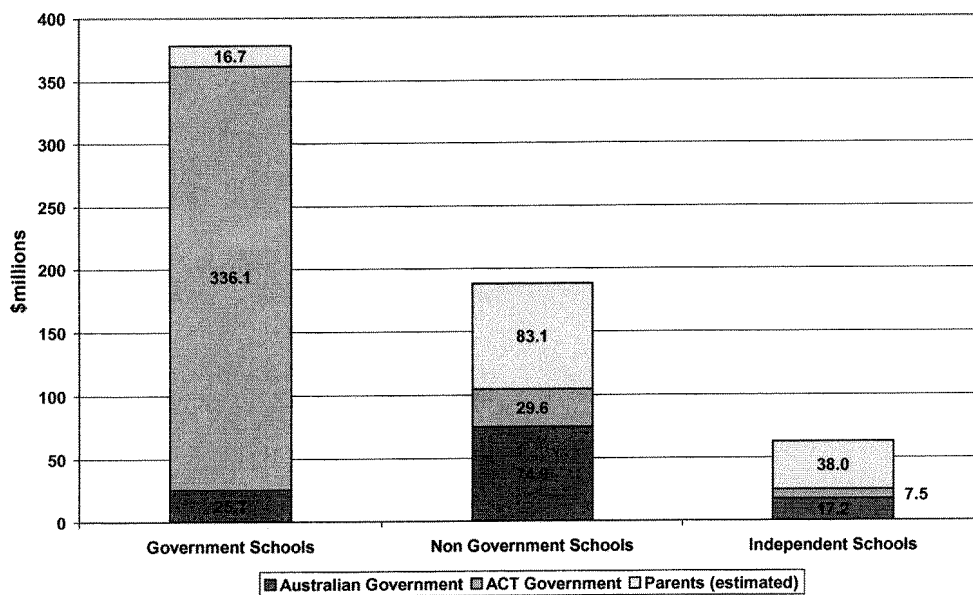
**\$117 million p.a.**

Source: Productivity Commission Report on Government Services 2004

### Public funding of independent schools

The Act and the Australian Governments share responsibility for the public funding of schools in the ACT.

### Funding for school education from all sources in the ACT, 2001-02



Source: Productivity Commission Report on Government Services 2004 and DEST Non-government schools financial questionnaire data 2001 and 2002.

### Average public funding per student in the ACT, 2001-02

|                              |         |
|------------------------------|---------|
| Government school            | \$9,609 |
| Non-government school        | \$4,531 |
| Estimated independent school | \$4,048 |

Source: Productivity Commission Report on Government Services 2004 and DEST Non-government schools financial questionnaire data 2001 and 2002.

### ACT government recurrent funding

In 2002, the ACT government provided 12% of total independent school income or 30% of total government recurrent funding for independent schools.

Source: DEST Non-government schools financial questionnaire data 2002

All funding figures use the latest available data which is for the financial year 2001-02 or the calendar year 2002. The funding figures for the independent sector do not include independent Catholic schools in the ACT. By convention they are included in the Catholic sector.

## **What the AISACT is seeking from the Public funding of ACT Independent schools**

### ***Basic entitlement***

The AISACT is committed to a system of funding that recognises the entitlement of every school student to public funding to support their education. Providing a basic entitlement gives parents an incentive to pay substantial after tax dollars for schooling. It also acknowledges that each student is part of a wider community.

The AISACT considers a reasonable basic entitlement for each student should be at least 25 per cent of the total public funding that is given for government school students provided by the Australian and ACT governments. In that, regard any reduction in ACT financial support for non-government schooling undermines this principle.

The ACT Government has reduced its funding for non-government schooling in two significant ways. First by abolishing the interest subsidy scheme for capital works and thereby shifting the cost to parents. Second, by indexing its per capita grants by the Consumer Price Index applicable in the ACT. The ACT CPI of two per cent in 2004 is considerably less than the real movements in school costs as measured by the Average Government School Recurrent Cost Index used by the Australian Government to maintain in real terms its grants to both government and non-government schools.

### ***Stability for families and schools***

Frequent and hasty changes to government funding undermines school planning and the certainty parents need when planning their family budgets. The AISACT would not support any amendments to government funding arrangements that undermine the capacity of parents and schools to plan.

### ***Needs-based support***

The AISACT supports a school funding system that includes a basic funding entitlement of at least 25 per cent of the average cost of educating a government school student with the remaining funds distributed to schools on the basis of need. AISACT supports a system that determines need based on the social and economic ability of families to contribute to the education of students.

### **Conclusions**

The AISACT would not support a funding model that:

- reduced funding for individual schools
- introduced uncertainty for parents and schools.

The AISACT supports a funding model that:

- promotes parental choice
- encourages parents to contribute financially to their children's education
- provides certainty in planning for parents and students
- defines need as function of the social and economic wealth of the families from which students come.

The AISACT has read the ISCA submission and would acknowledge its support for it.

25 June 2004