

Submission

to

Senate Employment, Workplace Relations and Education
References Committee

Inquiry into student income support

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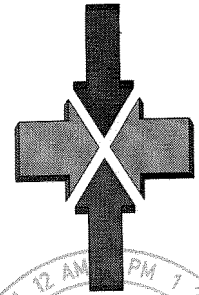
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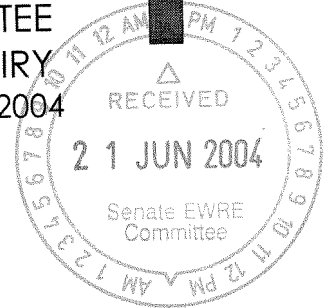
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SUBMISSION TO SENATE COMMITTEE
OF ENQUIRY
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Who is the Victorian Ecumenical System of Schools Inc?

This submission is made in the name of the Victorian Ecumenical System of Schools Inc, a System approved by DETYA in 1996 to administer the government recurrent grants for its foundation schools, namely –

- Highview Christian Community College, Maryborough
- Bayview Christian Community College, Portland
- Newhaven College, Phillip Island
- Cranbourne Christian College, Cranbourne

Since that time the System, which was granted ERI Level-10 status under the then Labor government, has grown to include virtually all the major non-catholic independent schools in country Victoria.

Amongst the church traditions represented in the schools are Anglican, Uniting and Coptic Orthodox churches – the Ecumenical schools represent a more varied mix of traditions.

The System, since its beginning, has helped the development of four Anglican schools in the Diocese of Wangaratta and continues to be a source of reference to new groups seeking to establish a school.

From this experience we wish to present what we hope would be a constructive submission to honourable members of the Senate Enquiry.

What is the present formula of funding?

1. **Basis**

Its basis is the family: "aid to students" assessed on the student's census collection data related to occupation, education and income.

2. **UN Declaration of Rights**

Its change of funding direction from school to family honours the UN Declaration of Rights – that families have the right of choice in education for their children.

3. **Application of Tax Revenue to Fund Government Schools**

Recognises that the taxpayer is the source of government funding and automatically provides taxes for the complete funding of government schools.

It is worth noting that the aggregate of SES scores for all the System's schools, despite their diversity, would equate to our former Level-10 status under ERI funding.

4. **Recurrent Costs**

Commonwealth Recurrent Grants to independent schools are based on the Average Government School Recurrent Cost of educating a student at a government school (AGSRC).

That is to say, the Commonwealth per capita contribution to the recurrent cost of educating a student at an independent school is ALWAYS less than the per capita contribution made through State Governments to the recurrent cost of educating a student at a government school. Typically, the independent school receives about 50% of AGSRC per capita (extremes of the range are from 13% to 70% of AGSRC).

The gap between AGSRC and per capita grant government funding to independent schools contributes to the requirement for independent schools to seek alternative sources of funding, typically satisfied in part by charging attendance fees. Looked at another way, this gap could also be seen as a contribution which the independent schools sector makes to Federal Government revenue.

Per capita funding from Federal Government for students at independent schools, even at this reduced level, has been of significant importance to schools in minimising the need to raise alternative sources of funding.

If family income were assessed as with Medicare, the SES formula would then be the simplest measure in equating student need to the individual family income base. Whatever funding formula is used for Recurrent Grants to a non-government school, it is based on the Average Government School Recurrent Cost (AGSRC) of educating a student at a government school.

That is to say recurrent grants to non-government schools are only a percentage of the cost of educating a student at a government school. The governments of each state are not only responsible for all government schools but through registration boards and teachers' registration certify the operation of all non-government schools. State governments are not only responsible for all recurrent costs of students at government schools but they are also responsible for the total capital investment in land and buildings. Much of this income has flowed through the GST and other federal grants. Indeed any estimate of their contribution to non-government schools would probably be as low as 10% of the AGSRC. The contribution of SES funding from the national government to non-government schools has been of significant importance to all of the non-government sector.

In Victoria, the only funds provided for capital works in non-government schools in this last year amounted to \$7 Million. This was to be distributed between the non-Catholic sector schools for the whole state. The enquiry should acknowledge that the resources and buildings of the non-government sector are contributed for present use by generations of parents.

In a new low fee school community support alone makes it possible to negotiate bank loans for capital developments. Whether it is acknowledged or not, the great majority of capital development is made possible by private donation. One would think that such a partnership between public and private sectors is to be encouraged.

To reiterate with figures of funding, in 2003 the AGSRC was –

<i>Primary</i>	\$6,056
<i>Secondary</i>	\$8,021

At the top end of the scale, schools reflecting the poorest socio economic rating would receive 70% of the AGSRC. Whilst schools reflecting the wealthiest areas would receive 13% of the AGSRC. The great majority of non-government schools would fall in the middle area of funding and receive 45% to 50% of the AGSRC rating.

The difference between actual funding and the total AGSRC is the saving that the non-government sector contributes to government funding for school education at Federal level. At state level there is a total saving of capital expenditure.

Some thoughts on a future funding model

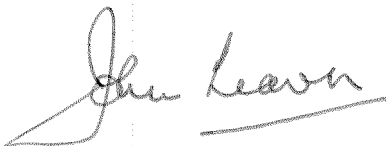
Surely it is time to recognize that in this country we need a system of funding which could be applied to students in all schools - a funding model that would provide all children with a basic recurrent fund for their education. We respectfully submit the following for consideration by the Committee.

- An equitable model for funding of education that would provide a basic per capita amount which would be applicable to the recurrent cost of educating each student, anywhere in the country, at the family's school of choice (government or independent).
- To accommodate differences, including at least socio-economic need, diversity and disability, a scale of supplements might be devised.
- Gifts to schools, both government and independent, should be fully tax deductible.

How could such a funding model be developed?

As with other services the tax system could deliver an education credit – an Educare Card – that could be redeemed as a full or part payment of fees in the school of choice.

Political parties may have differing policies for education based on long-standing philosophic views. We respectfully point out that schools are changing – note the impact of computers. They are not getting cheaper to run, build or maintain. Australia prides itself on being an equitable multicultural society, and education is vital in the process of honouring, fostering and moulding the cultural and religious values and traditions that are part of our national inheritance. The schools that we represent are a small part of the richness that has developed in Australian schooling. May your deliberations and recommendations continue to support that richness.



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