



# Treating Non-Government Schools Fairly



Canberra**liberals**

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## A Key Component of our Education System

The Non-Government school sector is an important element of the ACT Education system comprising both Catholic and Independent Schools. The non-government school sector has grown in recent years at a time when the Stanhope Government has been running down the public system by closing public schools, jettisoning public school teachers and cutting public education funds.

Despite the growth in non-government school enrolments, the Stanhope Government has shown little interest in the wellbeing of ACT non-government schools. The Productivity Commission's *Report on Government Services 2008* has found that the ACT had the third lowest per capita level of Government spending on non-government students, out of all States and Territories.

This is despite the fact that non-government schools support an extremely large share of the student population in the ACT. Altogether, non-government schools support 36% of primary students and 46% of secondary students in the ACT.

The ACT Catholic school system has 13,046 students enrolled across 23 schools including all Catholic Primary Schools as well as MacKillop College, Merici College, St Clare's College and St Francis Xavier College. Catholic schools provide a large component of the ACT primary system, supporting 24% of all students.

The Independent school sector in the ACT has 12,337 student enrolments in 17 schools some of which include Marist College, St Edmund's College, Daramalan College, Trinity Christian School, Orana, Radford College, Burgmann and both Grammar schools. These schools account for 29% of secondary enrolments throughout the ACT.

Parents make significant sacrifices to send their children to non-government schools and they value the right to enrol their child in a school of their choice. This was evident in the recent *School Movement Survey* released by the ACT Department of Education and Training.

The Canberra Liberals believe that every child in the ACT deserves a right to a quality education, whether they attend a government or non-government school. Under the Stanhope Government, support to the non-government school sector has not reflected real increases in the costs of delivering educational services and this puts pressure on both non-government and government systems.

# The Stanhope Government Record

At the moment the ACT Government funds the non-Government school sector to the equivalent of 16% of the cost of educating a child at a government school. The total amount of ACT Government support to the 25,383 students in the non-government sector amounts to \$42.5 million per year, or just \$1,674 per student.

This is in contrast to overall support to Government schools in the ACT of \$388.9 million per year, or \$10,174 per student.

In New South Wales there is a legislated target for non-government schools to receive funding at 25% of the cost of educating a public school student. The ACT Government provides support substantially below that benchmark.

The Stanhope Government's model for indexing support for non-government schools does not adequately take into account the steeply rising costs of educational provision. The arbitrary indexation figure determined by the Stanhope Government has been well below inflation for many years.

Up until mid-2008, per student funding from the Stanhope Government to the non-government school sector was indexed by 3%. The decision was made by the Stanhope Government in its 2008 pre-election budget to increase this index by 0.7%, resulting in a final indexed figure of 3.7%.

The inherent flaws in the Stanhope Government's indexation model are clear. In real terms the Stanhope Government has been providing declining funding.

- ACT Treasury has reported that the overall annual CPI figure for the ACT as at the June 2008 quarter was 4.4%.
- The Education CPI figure was 4.9% for the same quarter.
- In recent years the measure of inflation for provision of school services has been increasing by amounts well above this level, right around the country.

The Catholic Education Office has noted with concern that the decline in funding under the Stanhope Government is eroding an already low funding base.

“Currently, the annual ‘cost of living’ increase to Catholic school funding from the ACT Government is based on estimated ACT CPI plus 0.7%. This approach is not representative of education cost increases and should be linked to increases.” (Catholic Education Commission, *Catholic Schools and the ACT Election*, 2008)

The current level of indexation is not a fair reflection of upward movements in real costs experienced by all non-government ACT schools. The decline in funds under the Stanhope Government has meant that non-government schools must either cut costs, reduce services and programs, or increase fees to parents significantly every year to cover the shortfall.

# Catch-up Funding

The Canberra Liberals have already announced plans to reinvest in the quality of ACT public schools. We will also help to relieve some of the financial strain that non-government schools have been under.

- A Canberra Liberal Government will provide a one-off funding injection of \$2 million in 2008-09 to non-government schools. This funding is in recognition of the fact that indexation in the ACT has been running substantially below the level of inflation in the education sector. The funds are to be untied and may be used for either capital or recurrent purposes.

# Funding Indexation

A Canberra Liberal Government will establish a fairer system of indexation for non-government schools, to better reflect the real rising costs of education.

- We will increase indexation of recurrent funding for all ACT non-government schools to a level of 5.5% per annum over the next four years.
- The indexation increase for 2008-09 will be introduced in the second half of the financial year, but will be delivered retrospectively to the commencement of the year.

	<b>2008-09 \$000</b>	<b>2009-10 \$000</b>	<b>2010-11 \$000</b>	<b>2011-12 \$000</b>
Increase of Indexation of Non-Government Schools to 5.5% per annum from 3.7% per annum	765	1,600	2,511	3,502
One-off funding assistance	2,000			

# Students with Disabilities

The Stanhope Government has not provided adequate support to meet the needs of students with disabilities in non-government schools.

- A Canberra Liberal Government will audit the needs of students with disabilities across the non-government sector in 2009. We will establish a review in cooperation with all representatives of the non-government sector, to work out a fair new funding methodology for the future.
- The review will explore options for greater equity in the level of support provided to students with disabilities in the non-government sector. No government school will lose from this review. Our intention is to meet unmet needs with new funding, not with reallocated funding.

- In 2008-09 we will provide \$250,000 as a top up to support students with disabilities in non-government schools. The funding for future years may also be further increased based on the review of student needs.

	<b>2008-09 \$000</b>	<b>2009-10 \$000</b>	<b>2010-11 \$000</b>	<b>2011-12 \$000</b>
Funding for Students with Disabilities	250			

## Restore the Interest Subsidy Scheme

The Stanhope Government has closed the Interest Subsidy Scheme which had previously supported non-government schools in their efforts to repay loans. This scheme was essential to school refurbishments and to efforts to build new facilities.


- A Canberra Liberal Government will restore access to the Interest Subsidy Scheme and will resume support for the scheme.
- Higher needs schools (as measured on the Education Resource Index) will be able to apply for a subsidy on a sliding scale up to an interest rate of 8%, while the subsidy for the lowest needs schools will scale incrementally down to 2%.
- Where applications in a given year exceed the available subsidy amount, priority will be given to the highest needs projects and to applications from schools with a lower average standard of facilities.
- Where funds have not all been used in a given year, they may be rolled over in the fund to permit draw-downs in a subsequent year.
- The subsidy will not be usable for loans on facilities with a recreational character (performance spaces and sports facilities) and will therefore be confined to use for teaching and ancillary infrastructure.

	<b>2008-09 \$000</b>	<b>2009-10 \$000</b>	<b>2010-11 \$000</b>	<b>2011-12 \$000</b>
Restore Interest Rate Subsidy		700	721	743

## Support and Fairness to all ACT Students

Many parents work hard and sacrifice a great deal to send their children to schools that offer diverse educational models to meet the needs of their children. Most non-government schools in the ACT are not affluent and many low and middle income families send their children there. For many families, the Catholic primary school is their "local school" closest to home. Most non-government schools struggle to make ends meet and they provide a valuable community service.

The Canberra Liberals policy to increase non-government school funding is a fair and affordable policy which is fully costed and funded.



The Canberra Liberals believe the schools themselves are best placed to allocate the additional funding. Non-government schools have been going backwards financially under the Stanhope Government and therefore need flexibility to direct funding to a range of areas including teacher salaries, new library books and refurbishment of ageing buildings.

This policy provides schools the freedom to allocate additional recurrent and capital support in areas that they identify as priorities. The funding is subject to usual requirements that it goes into direct provision of education and is invested in activities that can be measured in terms of student outcomes.

The Canberra Liberals have already announced very substantial increases to public education, backed by support of over \$44.6 million in recurrent funding and \$2.9 million in capital funding. This additional support to improve fairness to the non-government sector shows the Canberra Liberals' commitment to help all Canberra students in their right to an education.