

## MEDIA STATEMENT

13 May 2014

### Catholic Education Response to 2014-15 Federal Budget

The National Catholic Education Commission (NCEC) has expressed strong concerns with the Government's decision to use the Consumer Price Index (CPI) as the basis for school funding indexation after 2017.

Catholic education welcomes the funding certainty for Catholic schools confirmed in the 2014-15 Federal Budget through to the end of the 2017 school year. This funding certainty will help systems and schools to plan for the next three years and assist school and system leaders to focus on the learning needs of students.

In the context of the Government's priority to reduce spending in many policy areas and reduce the budget deficit, the commitment to fully fund the Australian Education Act arrangements from 2014 to 2017 for all schools in all states and territories is welcome.

However, based on recent experience, the school funding assumptions contained in the Federal Budget for 2018 and beyond will not meet the needs of schools and students.

In the last decade the CPI has averaged less than 3%. This contrasts with school funding increases reflecting real costs in schools of almost 5.5%.

NCEC Executive Director, Ross Fox, said that limiting the rate of school funding increases to the CPI will likely mean funding would not keep up with school costs.

"School funding must keep up with real school costs. For the last ten years CPI has been around half the rate of school cost increases including teacher salaries and access to technologies that support learning.

"Using CPI after 2017 is likely to increase school fees, and strain the needs-based funding approach of Catholic education," said Mr Fox. "If funding fails to keep pace with true costs, the fee increases needed to cover the shortfall could put a Catholic education out of reach for some families."

Catholic education welcomes the capital funding in the Budget for non-government schools. This is important funding that will help build new schools and expand school facilities in growing areas.

The number of students in schools is projected to increase by more than 25 per cent in the next ten years. This growth in student numbers will present a huge challenge for all school sectors.

“Hundreds of new schools will be required for new students in the next decade and without additional capital funding it is difficult to see how school places will be found for all students.”

School funding arrangements for Catholic schools for 2018 and beyond will need careful consideration. The review of funding indexation scheduled to begin this year will be an important starting point. Funding arrangements for 2018 and beyond must provide certainty and sufficient funding to meet the true costs of delivering education across Australia.

“The NCEC will continue to work with the Government to achieve fair funding beyond 2017 that reflects the long-standing commitment to a needs-based funding approach and ensures funding keeps pace with real school costs.”

ENDS

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## **About the National Catholic Education Commission (NCEC)**

There are currently 1,706 Catholic schools across Australia, educating almost 750,000 children every year. One out of every five school children attends a Catholic school.

Most Catholic schools (96 per cent) are systemic, with the Catholic education system being a significant education provider – for example, the Catholic Education Commission of New South Wales is the fourth largest education provider in Australia and the Catholic Education Commission of Victoria is the sixth largest.

In cooperation with Catholic education commissions and diocesan education offices NCEC seeks to make a significant contribution to national education policy development. This is achieved by:

- Working towards a national policy consensus between Catholic Education Commissions in all states and territories on issues of national significance, that best reflects contemporary Catholic teaching on the nature and purpose of education;
- Providing members of the Commonwealth Parliament and the Commonwealth bureaucracy with accurate and up-to-date information;
- Acting as an effective contributor to the national education policy debate; and
- Contributing to the public good in Australia by enhancing the quality of Australian education guided by the mission of the Catholic Church.