

LT009/155

23 March 2017

Senator the Hon Simon Birmingham
Minister for Education and Training
107 Sir Donald Bradman Drive
Hilton SA 5033

Dear Minister

As the Australian Government's current funding commitment for schools ceases at the end of this year and the Government is currently considering future funding arrangements for schools, it is timely to discuss this important issue for Independent schools in Australia. With 2017 well underway, Australia's 1,100 Independent schools are extremely concerned at the prospect of sudden and untimely changes to Australian Government funding arrangements. The current uncertainty around funding makes planning with confidence from next year extremely difficult.

While on average, the majority of funding for Independent schools comes from parents, the Australian Government is the major public funder of Independent schools. This Australian Government funding is a significant contributor to the ongoing affordability and financial viability of Independent schools.

In this context, Independent schools believe it is critical that all Federal members and senators have an accurate understanding of the nature of Independent schools and the significant contribution Independent schools make to the educational, economic and social well-being of Australia.

- Independent schools serve the full spectrum of Australian society from remote 100 per cent Indigenous schools serving severely disadvantaged students through to high fee schools in urban areas. All Independent schools enrol students with additional educational need.
- Independent schools are significant educators of students with disability. The number of students with disability enrolled across Independent schools is increasing at 8 per cent per year, four times the rate of overall enrolment growth. The Independent sector is also a significant provider of the option of a special school setting for students with disability.
- More than three quarters of Independent schools enrol Indigenous students, with around 40 Independent schools having Indigenous enrolments of more than 50 per cent. Further, Independent schools are the major provider of boarding

school education for Indigenous students, with boarding schools located both in regional and urban settings.

- The vast majority of Independent schools charge medium to low fees. In fact around 10 per cent of Independent schools charge minimal or no fees due to the disadvantaged nature of their students.
- The median fee in Independent schools is less than \$5,000 per year. This is comparable to fees in Catholic systemic schools.
- The contribution of parents to the cost of Independent school education results in significant savings to governments. If every child in an Independent school were to attend a government school it would cost Australian governments an additional \$4.3 billion in recurrent funding every year.
- All Independent schools are funded according to their legislative entitlement and NO Independent school is grandfathered at historical funding levels. All Independent schools are transitioning into the new Schooling Resource Standard funding arrangements.

The majority of Independent schools are stand-alone schools entirely responsible for their own ongoing financial planning and viability. School systems, including both government and Catholic systems, have the ability to redistribute funding within their systems across schools, thus providing systemic schools with a financial safety net. This is not possible for the majority of Independent schools.

To allow for prudent financial and operational planning, Independent schools must be able to undertake financial and operational planning at least 5 years into the future. For this reason, funding certainty around Australian Government funding support is critical for Independent schools.

Independent schools are extremely concerned at the prospect of sudden and unanticipated changes to Australian Government funding arrangements from 2018, which may adversely impact on the financial operations of individual Independent schools. Independent schools appreciate that governments need to make fiscal decisions in the context of the broader budget and Australian economy more generally. However, given the role of the Australian Government as the major public funder of Independent schools and the lengthy lead times required for financial planning in schools, it is vital that schools be given sufficient warning of proposed changes to Australian Government funding going forward.

It is critically important for Independent school parents that their Federal representatives are aware of the impact of any potential changes to school funding arrangements on the Independent schools in their State.

Yours sincerely

Colette Colman
Executive Director