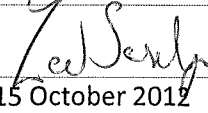


Request for Costing an Election Commitment

Name of election commitment:	<i>Increased Funding to Keep Our Non Government Schools Affordable</i>
Person and party requesting costing:	Zed Seselja MLA, Leader of the Opposition
Date of public release of election commitment, including source:	30 August 2012, media release 'Libs announce increased funding for non-government schools'
Summary of election commitment:	Increase per capita funding to non government schools
Intention of election commitment:	Increase per capita funding to non government schools until it reaches 25%
Signature of person requesting costing:	
Date of request for costing:	15 October 2012

What are the key assumptions that have been made in the election commitment?

- Funding per capita for government schools in 2012-13 is \$12,981 (BP4, page 422 and QoN 2415)
- Funding per capita for non-government schools in 2012-13 is \$1,936 (15%) (BP4, page 402 and school census)
- The 2013-14 year is a 2% increase (to 17%), 2014-15 is a 1% increase (to 18%) and 2015-16 is a 1% increase (to 19%)
- The forward estimates of government school per capita funding is calculated using budget paper 4 (page 422) and the projection of student numbers (QoN 2415)
- The budget for non-government schools over the forward estimates is calculated by assuming per capita funding remains at 15% as the Minister could not provide a breakdown (QoN 2416)
- Non-government student numbers remain the same over the forward estimates as there is no reliable projection of student numbers and the policy will need to be reviewed on a yearly basis as it is demand driven. Advice from both the CEO and Independent School Association is that most non government schools are at saturation point
- The increase to 25% is a long term goal, with a 5% increase planned for the first term (until 2016-17)
- See attached documents for further information

Where relevant, is the funding for the policy to be demand driven or a capped amount?

Demand driven – this policy will be reviewed in each budget and funding adjusted to reflect the changes in student numbers

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the election commitment?

The Catholic Education Office and Independent Schools

Will funding/the cost require indexation?

Funding will be tied to Government Schools funding which is subject to indexation

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this election commitment and estimated costs each year (if available)?

	2012-13	2013-14	2014-15	2015-16	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)					
Expenses ^(a)	0	-6,840	-10,520	-14,010	-31,370

Capital					
(a) A negative number indicates a decrease in revenue or an increase in expenses.					
What is the likely take up?					
100%					
Any other assumptions?					
No costing is requested to be undertaken for 2016-17, in line with the Canberra Liberals stated approach to use the standard of the current published budget and forward estimates period of 2012-13 to 2015-16.					

<i>Administration of the election commitment</i>					
How will the election commitment be administered?					
In line with the administration of grants to non-government schools currently					
Who will administer the election commitment?					
ETD					
Has an allowance been made for expenses necessary to support the implementation of this election commitment?					
Administering grants is considered business as usual for the ETD					
What is the intended implementation date of the election commitment?					
1 July 2013					
Are there transitional arrangements associated with election commitment implementation?					
n/a					
Are there any other assumptions that need to be considered?					
The 25% is a long term goal, with each budget increasing the per capita funding by 1% (except 2013-14). The cost is 2016-17 is expected to be \$17.5 million.					
When is the election commitment expected to be fully operational?					
1 July 2013					
Will the election commitment cease and if so when?					
This is commitment is ongoing as it is a long term commitment to bring funding up to 25%					

Non Government Schools Funding – Costing Justification

This policy has been calculated by increasing the per capita funding to non government schools by intervals over the forward estimates based off the 2012-13 per capita funding.

Government Per Capita Funding

This has been calculated using the funding for public school education over the four years (BP4, p422) and the projection in government school students as per QoN 2415 (attached).

2012-13: $519,378,000 / 40,010 = \$12,981$

2013-14: $519,217,000 / 41,672 = \$12,460$

2014-15: $538,366,000 / 42,153 = \$12,772$

2015-16: $542,943,000 / 42,591 = \$12,748$

Non Government School Per Capita Funding

Given that the Minister was unable to provide the estimated budget for non government schools over the forward years (QoN 2416), the forward estimates for this policy have been calculated assuming that funding to non government schools remains constant at 15% per capita of government schools as per the 2012-13 calculation. The 2012-13 year has been calculated using Grants Paid to Non Government Schools (BP4,p402) and the number of non government school students as per the 2013 school census (attached).

2012-13: $53,159,000 / 27,462 = \$1,936$

$1,936 / 12,981 = 15\%$

2013-14: $12,460 * 0.15 = \$1,869$

2014-15: $12,772 * 0.15 = \$1,916$

2015-16: $12,748 * 0.15 = \$1,912$

Increase in funding

The increases in funding each year have been calculated by estimating the per capita funding at a desired percentage level and then multiplying the difference between the current level and the desired level by the number of students.

2013-14

$12,460 * 0.17 = 2,118$

$2,118 - 1,869 = 249$

$$249 * 27,462 = \$6,838,038$$

2014-15

$$12,772 * 0.18 = 2,299$$

$$2,299 - 1,916 = 383$$

$$383 * 27,462 = \$10,517,946$$

2015-16

$$12,748 * 0.19 = 2,422$$

$$2,422 - 1,912 = 510$$

$$510 * 27,462 = \$14,005,620$$

Costs will be updated on an annual basis to reflect the increase in student numbers for both school sectors.

The costs of this policy have been rounded up to the nearest \$5,000.

Budget Papers and ACT School Census
Non Government Schools

	2012-13
ACT Government Per Capita	53,159,000 1,936
Student numbers % of Government school per capita	27,462 14.9

Government Schools

	2012-13	2013-14	2014-15	2015-16
ACT Government Per Capita	519,378,000 12,981	519,217,000 12,460	538,366,000 12,772	542,943,000 12,748
Student Numbers	40,010	41,672	42,153	42,591
15% per capita		1,869	1,916	1,912
Funding per capita % Increase to Additional Funding per capita		2,118 17.00 249	2,299 18.00 383	2,422 19.00 510
Additional Funding		6,838,038	10,517,946	14,005,620
Funding		6,840	10,520	14,010

Output Classes cont.

Grants paid to Non Government Schools	2011-12 Est. Outcome \$'000	2012-13 Budget \$'000
Commonwealth Government ¹	145,637	158,601
ACT Government	47,956	53,159
Total	193,593	211,760

Note:

1. The increase in Commonwealth Grants in the 2012-13 Budget compared to the 2011-12 estimated outcome is mainly due to increased recurrent grants.

	Total Cost ¹		Government Payment for Outputs	
	2011-12 Est. Outcome \$'000	2012-13 Budget \$'000	2011-12 Est. Outcome \$'000	2012-13 Budget \$'000
Output Class 3				
Vocational Education and Training	40,145	36,301	39,183	35,452
Output 3.1				
Planning and Coordination of Vocational Education and Training Services	40,145	36,301	39,183	35,452

Note:

1. Total cost includes depreciation and amortisation of \$0.007 million in 2011-12 and \$0.046 million in 2012-13.

Output Description

The Directorate is responsible and accountable for the provision of strategic advice and management of post school VET and higher education in the ACT. This includes monitoring and auditing the provision of publicly funded vocational education and monitoring non self-accrediting higher education providers.

The Directorate administers Territorial and national funds for a variety of programs addressing skills development for entry level and existing workers, as well as adult and community education.

All aspects of apprenticeship training are managed by the Directorate through user choice arrangements as well as support provided for equity groups through the purchase of targeted training programs.

ACT VET policy and funding priorities are developed in consultation with industry and community groups to reflect industry trends and to meet the future training requirements of the ACT.

Table 2: Number of enrolments by school level and sector, 2008 to 2012^{1, 2}

	2008	2009	2010	2011	2012
Public					
Primary	22,239	22,423	22,833	23,105	23,990
High	9,816	9,654	9,722	9,569	9,614
College	5,848	5,875	5,941	5,986	6,067
Special education	327	328	357	350	403
Subtotal public	38,230	38,280	38,853	39,010	40,074
Non-government					
Independent schools					
Primary	4,097	4,699	4,904	5,391	5,373
High	5,874	5,900	5,911	5,981	5,985
College	2,366	2,379	2,413	2,414	2,387
Subtotal independent schools	12,337	12,978	13,228	13,786	13,745
Catholic Systemic schools					
Primary	8,168	8,216	8,243	8,195	8,538
High	3,608	3,652	3,734	3,739	3,742
College	1,270	1,254	1,354	1,414	1,437
Subtotal Catholic Systemic schools	13,046	13,122	13,331	13,348	13,717
All Non-government schools					
Primary	12,265	12,915	13,147	13,586	13,911
High	9,482	9,552	9,645	9,720	9,727
College	3,636	3,633	3,767	3,828	3,824
Subtotal non-government schools	25,383	26,100	26,559	27,134	27,462
Total all schools	63,613	64,380	65,412	66,144	67,536

¹ Includes a small number of students who attend more than one school.

² Break in data series. 2009, 2010, 2011 and 2012 data cannot be directly compared with years' prior to 2009 due to the reporting of preschool level students in non-government schools from 2009 onwards.

Since 2011, the total number of Aboriginal and Torres Strait Islander students in ACT schools has increased by 79 students (5.0%) to 1,648, with public schools increasing by 54 (4.2%) students, and non-government schools increasing by 25 (8.7%) students. The public sector continued to have the highest proportion of Aboriginal and Torres Strait Islander students (1,337 or 3.3% of total public enrolments). From 2008 to 2012, the public school system showed the greatest increase numerically, up by 364 (37.4%) students.

Table 3: Number of Aboriginal and Torres Strait Islander enrolments by sector, 2008 to 2012^{1, 2}

	2008	2009	2010	2011	2012
Public schools	973	1,082	1,208	1,283	1,337
Non-government schools					
Independent schools	89	84	94	99	110
Catholic Systemic schools	184	164	178	187	201
Subtotal non-government schools	273	248	272	286	311
Total	1,246	1,330	1,480	1,569	1,648

¹ Includes a small number of students who attend more than one school.

² Break in data series. 2009, 2010, 2011 and 2012 data cannot be directly compared with years' prior to 2009 due to the reporting of preschool level students in non-government schools from 2009 onwards.

In 2012, the number of students with special education needs increased by 101 (4.3%) from 2011. The number of students with special education needs in public schools increased by 42 (2.3%).

MINISTER FOR EDUCATION AND TRAINING
LEGISLATIVE ASSEMBLY QUESTION

QUESTION NUMBER 2416

Budgeted grants to non-government schools

MR DOSZPOT - asked the Minister for Education and Training on 7 June 2012:

- 1) What is the budgeted grants to non-government schools for each year from 2013-14 to 2015-16 for (a) Commonwealth and (b) ACT Government.

DR BOURKE - the answer to MR.DOSZPOT'S question is:

- a) This data could not be sourced through the Education and Training Directorate.
- b) Grants to non-government schools for each year 2013-2014 and 2015-16 will be considered as part of the Government's annual Budget process.

Approved for circulation to the Member and incorporation into Hansard.



Dr Chris Bourke MLA
Minister for Education and Training

Date:.....14/8/12.....

MINISTER FOR EDUCATION AND TRAINING
LEGISLATIVE ASSEMBLY QUESTION

QUESTION NUMBER 2415

Budget allocation for public school education

MR DOSZPOT - asked the Minister for Education and Training on 7 June 2012:

- 1) What is the budget allocation for Output Class 1: Public School Education for (a) 2013-14, (b) 2014-15 and (c) 2015-16.
- 2) What is the actual and estimated number of students attending public schools for each year from 2011-12 to 2015-16.

DR BOURKE - the answer to MR DOSZPOT'S question is:

- 1) 2012-13 Budget Paper 4 – page 422 provides details of funding for Output Class 1 including revenue and expenditure.
- 2) Data provided is for the calendar year indicated, with results marked as actual taken from the February school census in that year. Please note that data marked as projection are estimates only and are subject to change.
 - a) 2011 - 39,010 (actual)
 - b) 2012 - 40,010 (actual)
 - c) 2013 - 41,672 (projection)
 - d) 2014 - 42,153 (projection)
 - e) 2015 - 42,591 (projection)

Approved for circulation to the Member and incorporation into Hansard.



Dr Chris Bourke MLA
Minister for Education and Training

Date:.....19/7/12.....

Public School Education Operating Statement

2011-12 Budget \$'000		2011-12 Est. Outcome \$'000	2012-13 Budget \$'000	Var %	2013-14 Estimate \$'000	2014-15 Estimate \$'000	2015-16 Estimate \$'000
Income							
Revenue							
481,760	Government Payment for Outputs	494,954	519,378	5	519,217	538,366	542,943
15,415	User Charges - Non ACT Government	15,415	15,841	3	16,041	16,241	16,641
119	User Charges - ACT Government	394	404	3	414	424	435
1,685	Interest	1,685	1,542	-8	1,465	1,465	1,465
16,980	Other Revenue	19,080	19,057	..	19,034	19,011	19,011
248	Resources Received Free of Charge	248	248	-	248	248	248
516,207	Total Revenue	531,776	556,470	5	556,419	575,755	580,743
516,207	Total Income	531,776	556,470	5	556,419	575,755	580,743
Expenses							
350,859	Employee Expenses	369,774	378,756	2	381,406	395,496	398,898
52,464	Superannuation Expenses	53,694	56,991	6	56,355	56,588	55,072
58,883	Supplies and Services	60,511	61,561	2	56,516	60,318	61,852
54,557	Depreciation and Amortisation	53,816	57,280	6	59,628	60,846	60,935
20	Borrowing Costs	20	20	-	20	20	20
1,150	Grants and Purchased Services	1,639	1,185	-28	1,196	1,208	1,221
58,153	Other Expenses	60,387	62,658	4	63,244	64,183	65,119
576,086	Total Ordinary Expenses	599,841	618,451	3	618,365	638,659	643,117
-59,879	Operating Result	-68,065	-61,981	9	-61,946	-62,904	-62,374