



Budget 2006-2007

FACT SHEET #F14: EDUCATION

What's in the Budget for Education?

The 2006-07 Budget reflects the Stanhope Government's *Towards 2020: Renewing our Schools* initiative and provides the largest capital investment in education since self-government.

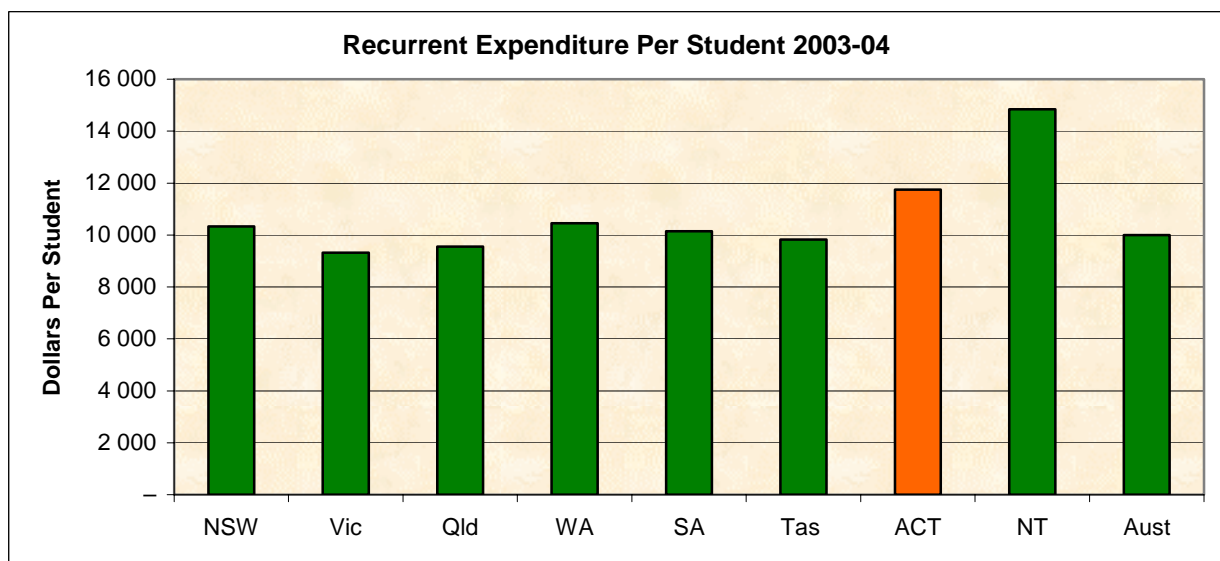
It provides funding for two new schools to be built in West Belconnen and East Gungahlin and a significant \$90 million injection for school infrastructure upgrades across the Territory. The Government has also budgeted for savings to be realised from the *Towards 2020: Renewing our Schools* proposal and the closure of some Territory schools.

How does the ACT compare to other States and Territories?

The ACT public education system delivers high quality education and student outcomes that are amongst the highest in the world. However, across the nation the public education system is facing a significant loss of students to the private sector and the ACT is not immune to this.

Compounding this issue is the demographic shift in the ACT, with declining enrolments in some older suburbs and an emerging need for new schools in newer suburbs.

Data from the Productivity Commission Report on Government Services indicates that the ACT has relatively high costs when compared with other jurisdictions. Recurrent expenditure per student in the ACT is 17.4% higher than the national average - the second highest in the country.



Source: Productivity Commission: Report on Government Services 2006



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Why is the ACT Government making these changes?

Despite falling student numbers (38,401 in 2000-01 to 35,821 in 2004-05 or 7%), education costs and expenditure in the ACT has increased significantly – a 23% increase since 2000-01. Teacher numbers have increased significantly, despite decreasing numbers of students.

The proportion of students in ACT government schools has decreased from 64% to 59% from February 2000 to February 2006 while at the same time the proportion of students in ACT non-government schools has increased from 36% to 41%.

The Government, and the community, cannot allow the drift away from public education to continue. We are spreading our educational resources too thinly at present, and in turn this leads to inequities across the public education system. If this trend continues, the public school system will cater for less than half of the total school population in the Territory within the next decade.

What effect will this have on the ACT's bottom line?

The education reforms contained in this Budget will begin a process of renewing the ACT public education system. Savings from school closures and amalgamations under the *Towards 2020: Renewing Our Schools* initiative will see \$34 million saved over the coming four years.

There will also be savings gained from changes made to the Department of Education and Training and to out of school costs amounting to \$2.2 million this year and increasing to \$6.4 million and \$6.7 million in the following two years. These savings will be applied to renewing our school infrastructure over the next four years.

The changes contained in the Budget will allow for a more efficient, responsive and dynamic public education system that reflects the needs of the community.