



Independent Schools
Council of Australia

ABN 83 005 118 927

12 Thesiger Court Deakin ACT 2600

PO Box 324 Deakin West ACT 2600

Telephone: 02 6282 3488

Facsimile: 02 6285 2926

Email: isca@isca.edu.au

Website: www.isca.edu.au

Circular

Number: 072/18 *6 pages in total*

FOR INFORMATION

To: Board of Management
Executive Directors / Chief Executives

From: Colette Colman

Date: 8 May 2018

Subject: **Federal Budget 2018-19**

Below is ISCA's analysis of the Federal Budget 2018-19.

Quality Schools funding

In 2018–19, the Commonwealth will provide \$19.5 billion in Quality Schools funding to government and non-government schools in all States. This includes recurrent funding, capital funding, special circumstances funding for non-government schools, funding for non-government representative bodies, and other prescribed purpose funding.

Summary of expenses – education

Below is the breakdown of sector specific school funding provided in the 2018-19 Budget.

	Estimates			Projections	
	2017-18	2018-19	2019-20	2020-21	2021-22
Schools	\$m	\$m	\$m	\$m	\$m
Non-government schools	11,181	11,781	12,405	13,098	13,773
Government schools	7,118	7,687	8,343	9,036	9,729

Source: Budget Paper 1, p 6-16

Non-government school funding is expected to increase by 3.0 per cent in real terms between 2017-18 and 2018-19, and by 8.8 per cent in real terms from 2018-19 to 2021-22. Funding for government schools is expected to increase by 5.6 per cent in real terms between 2017-18 and 2018-19, and by 17.8 per cent in real terms from 2018-19 to 2021-22.

The increase in funding over the forward years is primarily due to policy changes announced in the 2017-18 Budget and the 2017-18 MYEFO measures *Quality Schools – true needs-based funding for Australia’s schools* and an increase in student enrolments.

A detailed breakdown of Quality Schools funding by sector and state and territory is below at Attachment A.

Economic Parameters

Budget Paper No 1 includes information on the following major economic parameters including forecasts and projections. Of relevance to schools are the CPI and WPI projections.

The table below is an extract from Budget Paper No 1, p 1-10.

Table 2: Major economic parameters^(a)

	Outcomes		Forecasts		Projections	
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Real GDP	2.1	2 3/4	3	3	3	3
Employment	1.9	2 3/4	1 1/2	1 1/2	1 1/4	1 1/4
Unemployment rate	5.6	5 1/2	5 1/4	5 1/4	5 1/4	5
Consumer price index	1.9	2	2 1/4	2 1/2	2 1/2	2 1/2
Wage price index	1.9	2 1/4	2 3/4	3 1/4	3 1/2	3 1/2
Nominal GDP	5.9	4 1/4	3 3/4	4 3/4	4 1/2	4 1/2

(a) Year average growth unless otherwise stated. From 2016-17 to 2019-20, employment and the wage price index are through-the-year growth to the June quarter. The unemployment rate is the rate for the June quarter. The consumer price index is through-the-year growth to the June quarter.

Source: ABS cat. no. 5206.0, 6202.0, 6345.0, 6401.0 and Treasury.

New Measures

High Achieving Teachers Program

Under this measure, the Department of Education and Training will invite proposals in 2018 from providers to deliver alternative pathways into teaching for individuals who have specific qualifications, skills and the personal attributes to become quality teachers. Individuals would become qualified and placed from 2020 into Australian secondary schools with identified staffing needs, including schools in regional, remote and low socioeconomic areas.

Funding for this measure has already been provided for by the Government. The expenditure for this measure is not for publication due to commercial sensitivities.

Non-government Reform Support Fund – additional funding

Expense (\$m)					
	2017-18	2018-19	2019-20	2020-21	2021-22
Department of Education and Training	-1.0	1.0	-	-	-1.0

The Government will provide an additional \$13.7 million over five years from 2018-19 (including \$1.0 million in 2022-23) to the *Non-Government Reform Support Fund*, to support the implementation of national policy initiatives and state reforms in non-government schools.

The cost of this measure will be met from within the existing resources of the Department of Education and Training. ISCA understands that this additional funding is for Catholic system authorities to support independent Catholic schools.

National School Chaplaincy Programme – continuation

Expense (\$m)					
	2017-18	2018-19	2019-20	2020-21	2021-22
Department of the Treasury	-	61.4	61.4	61.4	61.4
Department of Education and Training	-	0.3	0.3	0.3	0.3
Total - expense	-	61.7	61.7	61.7	61.7

The Government will provide an additional \$247.0 million over four years from 2018-19 to renew and continue the *National School Chaplaincy Programme*. The program supports the wellbeing of students and school communities through the provision of pastoral care services and other support services.

Minister Birmingham’s media release states that “under the renewed program, school chaplains will also be required to upgrade their skills by undertaking cyber-bullying training provided by the eSafety Commissioner and continue to support community involvement in the school.”

Quality Schools – communications campaign

Expense (\$m)					
	2017-18	2018-19	2019-20	2020-21	2021-22
Department of Education and Training	3.7	2.4	-	-	-

The Government will provide \$6.0 million over two years from 2017-18 to continue and update the communications campaign to increase public awareness of changes to the Government’s *Quality Schools* package, which implements true needs-based funding.

Education Services for Overseas Students – review of the annual registration charge

The Government will review the Education Services for Overseas Students annual registration charge in 2018, following recent changes to the *Education Services for Overseas Students Act 2000*. The review will include options to improve transparency in the collection and reporting of cost data.

The cost of this measure will be met from within the existing resources of the Department of Education and Training.

Early Childhood Education

There are also a number of measures relating to early childhood education. These include:

- Australian Children’s Education and Care Quality Authority (ACECQA) – additional funding
- Early Learning Languages Australia (ELLA) – expansion
- National Partnership Agreement on Universal Access to Early Childhood Education – extension.

These measures are detailed in Budget Paper No 2.

National Partnerships

The Budget Papers also includes information on a number of National Partnerships, some of which are ceasing. These include:

- National Partnership on MoneySmart Teaching (funded to 2020-21)
- National Partnership on the national quality agenda for early childhood education and care (ceasing in 2018-19)
- National Partnership — Northern Territory remote Aboriginal investment — children and schooling component (funded to 2021-22)
- National Partnership on online safety programs in schools (ceasing in 2018-19)
- National Partnership on the School Pathways Program (funded to 2019-20)
- National Partnership on the Schools Security Program (funded to 2019-20)

Further information on these National Partnerships is available in Budget Paper No.3.

Department of Education and Training Budget Portfolio Statement

The Budget Portfolio Statement notes that the department is working with states and territories to develop and implement a new national schooling reform agreement, informed by the *Review to Achieve Educational Excellence in Australian Schools* and the *Independent Review into Regional, Rural and Remote Education*.

Program expenses 1.6 Non-Government Schools National Support

	2017-18 Estimated actual	2018-19 Budget	2019-20 Target	2020-21 Target	2021-22 Target
Annual administered expenses:	\$'000	\$'000	\$'000	\$'000	\$'000
Other services (Appropriation Act No. 2)					
Non-Government Representative Bodies	24,228	41,794	40,013	40,013	40,013
Special Circumstances Funding (a)	1,539	1,561	1,584	1,608	1,632
Adjustment Assistance					
Special Appropriations: <i>Australian Education Act 2013</i>	11,191,698	11,773,654	12,398,605	13,090,270	13,766,736
Total expenses for program 1.6	11,229,290	11,829,181	12,452,819	13,145,327	13,820,565

(a) Previously published as Short Term Emergency Assistance

Source: Department of Education and training Budget Portfolio Statement p 34

The additional priorities for 2018-19 listed include the High Achieving Teachers Program, the extension of the Early Learning Languages Australia (ELLA) program and the extension of the National School Chaplaincy Programme.

Further information

The Budget Expense Measures relating to Education and Training are available to view on-line at https://budget.gov.au/2018-19/content/bp2/download/bp2_combined.pdf

The Department of Education and Training's Portfolio Budget Statements will be available on the Department of Education and Training website at <https://www.education.gov.au/budget>.

The Education and Training portfolio media release will be available at <https://ministers.education.gov.au/>.



Colette Colman
Executive Director

Attachment A – Quality Schools Funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2017-18(a)									
Government schools(b)	2,269.1	1,622.8	1,619.3	661.2	465.7	187.3	95.9	197.2	7,118.5
Non-government schools(c)(d)(e)	3,446.3	2,933.7	2,306.6	1,130.7	784.3	237.4	198.3	154.4	11,229.3
Total	5,715.4	4,556.5	3,925.9	1,791.9	1,250.0	424.7	294.2	351.6	18,347.8
2018-19									
Government schools(b)	2,426.7	1,766.2	1,738.1	742.6	508.5	195.8	107.0	204.0	7,688.9
Non-government schools(c)(d)(e)	3,627.2	3,097.5	2,427.2	1,187.4	815.4	250.7	200.9	167.3	11,829.2
Total	6,053.9	4,863.7	4,165.3	1,930.0	1,324.0	446.5	308.0	371.2	19,518.1
2019-20									
Government schools(b)	2,600.4	1,932.1	1,889.2	832.6	554.7	204.6	119.7	211.9	8,345.1
Non-government schools(c)(d)(e)	3,809.6	3,270.8	2,578.5	1,249.4	846.4	263.1	201.2	179.6	12,452.8
Total	6,410.0	5,202.9	4,467.8	2,082.0	1,401.1	467.7	320.8	391.5	20,798.0
2020-21									
Government schools(b)	2,787.3	2,105.7	2,044.6	929.6	603.3	214.3	133.2	220.6	9,038.5
Non-government schools(c)(d)(e)	4,013.4	3,466.1	2,740.7	1,315.9	881.4	276.1	203.8	192.9	13,145.3
Total	6,800.7	5,571.7	4,785.3	2,245.5	1,484.6	490.4	336.9	413.6	22,183.8
2021-22									
Government schools(b)	2,973.7	2,289.7	2,184.6	1,031.8	653.7	223.7	147.2	226.8	9,731.0
Non-government schools(c)(d)(e)	4,214.3	3,670.5	2,878.3	1,384.2	917.2	289.2	205.8	207.1	13,820.6
Total	7,188.0	5,960.2	5,062.9	2,416.0	1,570.9	512.9	353.0	433.9	23,551.6

(a) Includes additional funding for students with disability.

(b) Includes funding for the NT to accelerate evidence based reforms to improve student outcomes for some of our most vulnerable children.

(c) Includes capital funding.

(d) Includes special circumstances funding, other prescribed purpose funding, targeted adjustment assistance for schools currently funded above 80 per cent of their schooling resource standard with negative growth during transition, non-government school reform support. As State allocations cannot yet be determined, this funding is included in the total for each year only. As a result, the total for each year does not equal the sum of State figures.

(e) Includes funding for non-government representative bodies.

Source: Budget Paper No 3, p30