



CATHOLIC EDUCATION COMMISSION

NEW SOUTH WALES

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02 JUN 2010

GPSC's

2 June 2010

Hon Robyn Parker MLC
Chair, General Purpose Standing Committee No. 2
NSW Legislative Council
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Ms Parker

Inquiry into the Provision of Education to Students with a Disability or Special Needs

I write in response to the Committee's letter of 18 May 2010 requesting additional information in relation to the Inquiry, specifically on the claim that students with a disability in non-government schools are receiving more funding than is spent on each child in a government school.

The Catholic schools sector rejects the claim.

Claims are regularly made by groups opposed to government funding of non-government schools that they receive more funding than government schools; such claims are usually based on selective evidence or a lack of an understanding of how Commonwealth and State grants for non-government schools are calculated and allocated. The Deputy Prime Minister, Hon Julia Gillard, in a speech to the Sydney Institute on 15 May 2010 launching the review of school education funding, concisely stated the proportional funding flows from governments to government and non-government schools and the need to examine the funding of all schools from all sources.

Coming to the claim in the Committee's 18 May letter, it is correct that the government funds provided to non-government schools through general recurrent grants implicitly include a proportion of funds for students with disabilities and learning difficulties. The same implicit inclusion applies to all other recurrent educational activities. It is also correct that non-government schools have a smaller number of enrolments of Students with a Disability, as defined for funding purposes, by total and proportion than government schools.

If government grants were based on full costs in government schools and fully passed to non-government schools on the same enrolment proportion, it could be argued that the non-government schools should have at least the same amount of funding per capita for like

activities, say for special education, primary education, secondary education, and so on. However, that is not the way government grants are determined.

The Average Government School Recurrent Cost (AGSRC) used by the Commonwealth is not a full average cost and there are a number of deductions in its calculation. The current AGSRC per capita rates for 2010 are \$8,380 for primary and \$10,646 for secondary. The latest per capita expenditure figures for NSW government schools published by the NSW Auditor-General (2008-09) are respectively \$9,851 and \$12,142; the AGSRC amounts are 15% and 12% below the NSW figures. Starting from that lower base, the AGSRC is not allocated across to non-government schools at 100%. The maximum percentage of AGSRC any non-government school receives is 70%; that is the rate per student Catholic Special Schools receive, \$5,866 primary and \$7,453 secondary. Regular Catholic systemic schools receive a maximum of 56.2% of the AGSRC, that is \$4,710 primary and \$5,984 for secondary.

It is a similar outcome with the NSW Government recurrent grants. The total school budget for NSW is adjusted by "common costs" by near 30% to give a revised total on which per capita grants for non-government grants are calculated. While some of the "common costs" are valid, the Catholic sector has argued with successive State governments that many excluded costs should be included in the calculation, for example, service wide payments and systemic non-school based expenses.

When the adjusted total cost is translated into a government school per pupil cost and 25 percent of that allocated to non-government schools, the outcome for non-government schools is a base rate for 2009 of \$1,664.91 per primary student and \$2,130.73 per secondary student. If those amounts are meant to be one-quarter of the actual cost of educating a child in a NSW government school, then the government school costs could be expected to be \$6,660 primary and \$8,523 secondary. Those adjusted amounts, in comparison with the NSW Auditor-General figures (2008-09) for government primary and secondary schools of \$9,851 and \$12,142, are respectively 32% less and 30% less.

The above figures demonstrate that any amount for special needs students in government schools does not translate across in the same proportion to non-government schools to provide a funding pool for such students. The total grants are far short of the average government school cost and have to be apportioned to all aspects of education. The difference between grants and equivalent recurrent cost items in non-government schools have to be made up by fees on parents; additionally, capital costs have to be met almost fully from building levies on parents.

We are aware of the calculations behind the claim made in the Committee's request. They make tenuous connections from a Table published in the Department of Education and Training (DET) submission from a Productivity Commission Report (2010) on defined Students with a Disability to wider groups cited by the DET as "students with special needs" and a very large number of undefined "students in mainstream classes experiencing difficulties in learning". It is acknowledged that the latter undefined group needs to be carefully determined in any comparative per capita calculations in respect of any sector's budget.

As to the Committee's second question, the information requested is available to the Committee in paragraph 2.12 and Table 1, page 11, of the Catholic Education Commission submission to the Inquiry (March 2010).

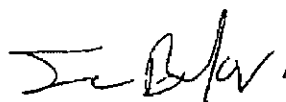
It was noted there that while defined Students with a Disability constitute 4.1% of the total student population in Catholic systemic schools, 6.7% of the total government funding to the school for all students and all purposes is allocated to Students with a Disability. That 6.7%, including Commonwealth Targeted Program funding and Commonwealth and State recurrent grants, amounts to \$84.09million. The submission noted that another \$16.41million was contributed from income from fees, levies and fund raising. These amounts relate to defined Students with Disabilities not a broader group that would include students with learning difficulties in regular classes.

We trust that the information provided answers the questions raised. The amounts cited above for AGSRC rates, NSW government school costs and so on, are for convenient reference summarised in an attached table.

By way of conclusion, our focus is on the adequacy of financial provision for students with disabilities in all schools, regardless of where they are, what sector they are part of and who operates them.

If you require any further information of a technical nature on the funding calculations, please contact Bill Walsh on 02 9287 1550 or bill.walsh@cecnsw.catholic.edu.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Baker'.

Ian Baker
A/Executive Director

RECURRENT PER CAPITA GRANT COMPARISONS FOR NON-GOVERNMENT SCHOOLS

GRANT MEASURE	PRIMARY SCHOOLS \$	SECONDARY SCHOOLS \$
NSW Government Schools Expenditure 2008-09, NSW Auditor General	9,851	12,142
Commonwealth AGSRC 2010, 100%	8,380	10,646
Catholic Special Schools 70% of AGSRC	5,866	7,453
Catholic System Schools 56.2% AGSRC	4,710	5,984
NSW Per Capita Grants DET determined 2009 Base Rate for non-government schools at 25% of cost per government school student	1,664.91	2,130.73
Calculated cost per government school student if Base Rate multiplied by 4 (that is to 100%)	6,660	8,523

AGSRC – Average Government School Recurrent Cost