For your information the following email was sent today to all Catholic schools and parish priests in Victoria.

Stephen Elder
Executive Director

Next Steps

12 December 2012

Dear Colleagues

The Australian Government’s proposed reforms to education funding have attracted much attention during 2012.

The Gonski Review, released in February, proposed a new funding model known as the Schooling Resource Standard (SRS). For Catholic schools, the SRS provides a base per student amount calculated according to a student’s socio-economic status (SES), and needs-based loadings.

In delivering the Australian Government’s formal response to the Gonski report in September, the Prime Minister introduced the National Plan for School Improvement (NPSI).

The Australian Government has also:

- committed to equal funding for students with special needs, regardless of the school they attend
- proposed that all government education initiatives be funded through the SRS, including existing programs like the Digital Education Revolution, and some new proposals, such as the teaching of priority Asian languages.

The Australian Government also commenced bilateral negotiations with representatives of the National Catholic Education Commission (NCEC) including myself, in September.

The Australian Education Bill was introduced into Parliament late last month. The Prime Minister's speech on the Bill includes reference to 'our nation’s expectations for our children’s achievements at school' and the intention to 'enact in law a plan, not only to teach them well, but to fund them well'.

The current funding arrangements expire at the end of 2013. Great uncertainty remains as to how funding reform will be resolved.

There will be three major events in 2013 relevant to the final outcome for Catholic school funding:

1. **Council of Australian Governments (COAG) process**

   The Australian Government plans to seek agreement from state and territory governments to fund a share of the additional $6.5 billion to implement the new SRS funding model, at the first COAG meeting in 2013.

   COAG’s last meeting was held on 7 December 2012, where discussions on school funding reform focused on the NPSI, and the five reform areas outlined in the Australian Education Bill.

   The Victorian Government has expressed reservations over this timeline. In his statement following the 7 December meeting, Victorian Premier, Ted Baillieu, said ‘Victoria is disappointed that once again COAG has not held a meaningful discussion of the Commonwealth’s proposed Gonski reform’.
‘It is fanciful to expect that this reform will be agreed in April 2013 if the Commonwealth continues to refuse to discuss the proposed funding.’

The Australian Government has insisted that the next COAG meeting in 2013 will be devoted to education funding. It is anticipated that this meeting will be held anytime between the months of February and April.

2. Legislative changes

If COAG agrees to new funding arrangements for schools, a series of legislative and regulatory changes would need to take place at both the state and federal level.

The Schools Assistance Act 2008 outlines the Australian Government’s current funding arrangements for Catholic and other non-government schools. This Act has been amended to expire at the end of 2013. New funding legislation would be required to include government schools, in addition to non-government schools.

In Victoria, state funding for Catholic schools is currently delivered through a Memorandum of Understanding (MoU) between the Victorian Government and the CECV. The Victorian Government may need to change funding arrangements for government schools, and would likely require a new MoU with non-government schools.

3. 2013 Federal Election

Constitutionally, a federal election is required by the end of November 2013.

If the funding reform process has not been resolved at the time of the next federal election, education funding will be a significant issue.

I will continue to update you on the progress of the funding debate in 2013.

For more information or to find resources about school funding which may be useful to you and your school community, visit our funding website www.ceomelb.catholic.edu.au/funding.

Should you have any questions regarding the Australian Government’s funding review, please contact Mr Michael Pountney, Policy & Research Adviser at this Office, via email mpountney@ceomelb.catholic.edu.au, or on (03) 9267 0228 or 0409 860 884.

Good wishes

Stephen Elder
Executive Director