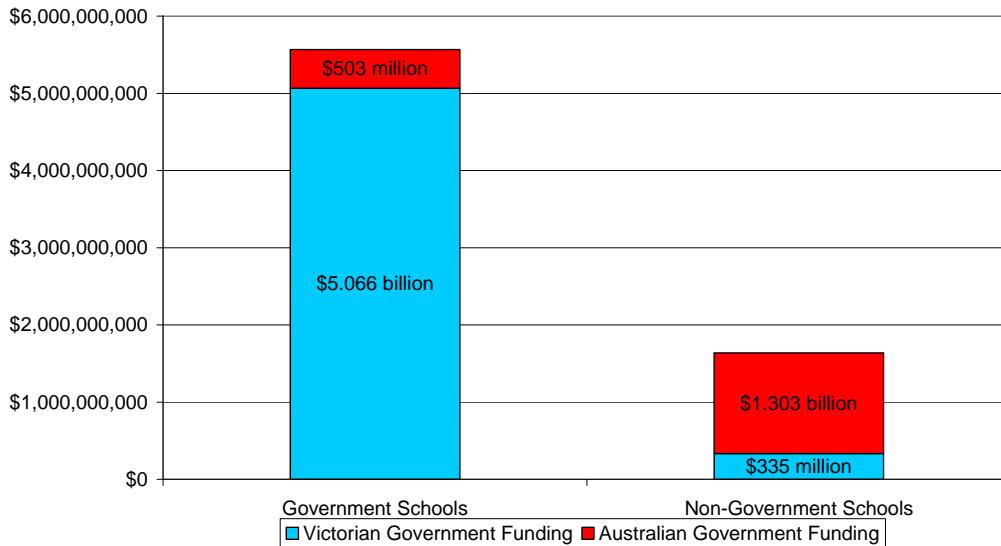




## Funding for Independent Schools

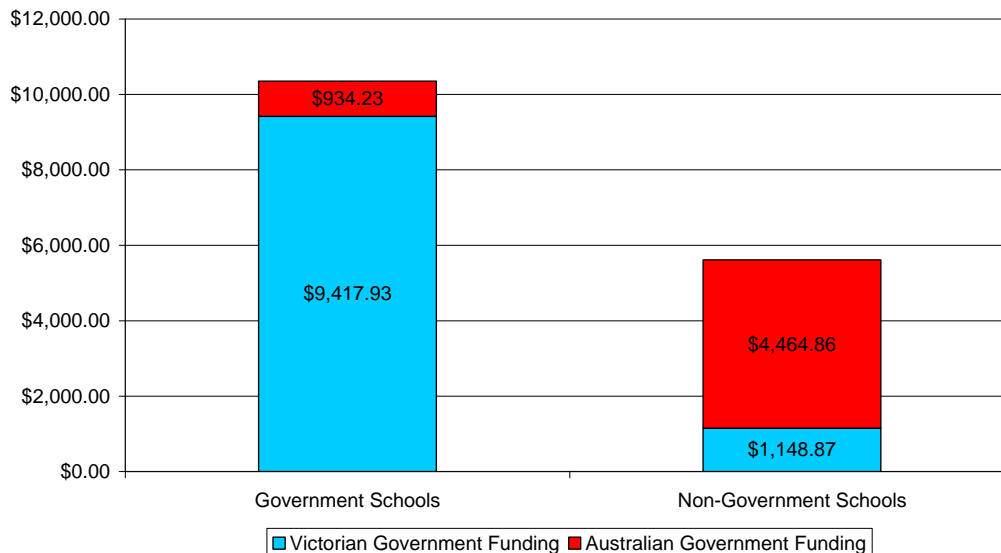
Data released by the Productivity Commission in 2008 demonstrates that, in 2005-06, the Victorian Government and the Australian Government provided combined funding of \$1.638 billion to Victorian non-government schools, compared with \$5.569 billion to government schools.

**Government Funding for Victorian Schools**



Similarly, Victorian government schools received total government funding of \$10,352.16 per student, while non-government schools received just \$5,613.73 per student.

**Government Funding per Student for Victorian Schools**

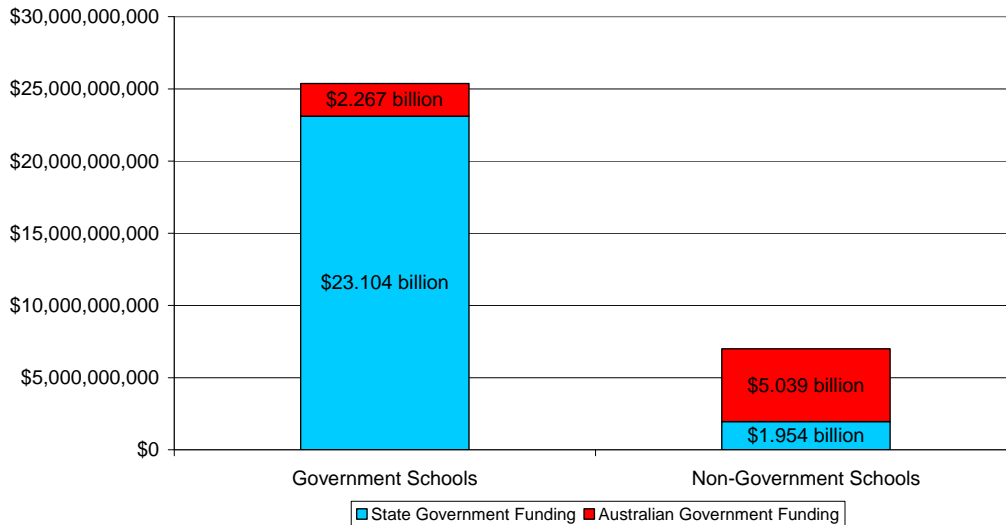


When comparing funding between different states, students in Victorian non-government schools continue to receive less funding from the state government than in any other state or territory. The Victorian Government provides total funding of \$1,148.87 per student to non-government schools. This is \$126.87 less than in South Australia, the next lowest funding state, and \$608.13 less than the Australian average. To bring Victorian Government funding for non-government schools up to the current Australian average, the Victorian Government would need to provide an additional amount of greater than \$175 million per year.

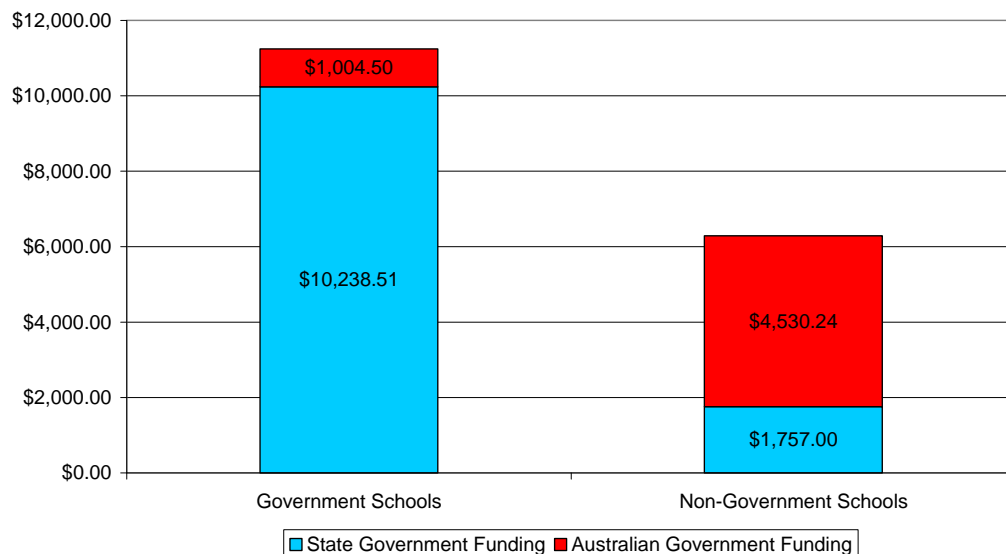
| Aust       | Vic               | SA         | ACT        | Tas        | NSW        | WA         | Qld        | NT         |
|------------|-------------------|------------|------------|------------|------------|------------|------------|------------|
| \$1,757.00 | <b>\$1,148.87</b> | \$1,275.74 | \$1,564.80 | \$1,667.86 | \$1,890.89 | \$1,913.51 | \$2,467.66 | \$3,651.29 |

Across Australia, in 2005-06, government schools received total government funding of \$25.37 billion, or \$11,243.01 per student. By contrast, non-government schools received only \$6.99 billion, or \$6,287.24 per student.

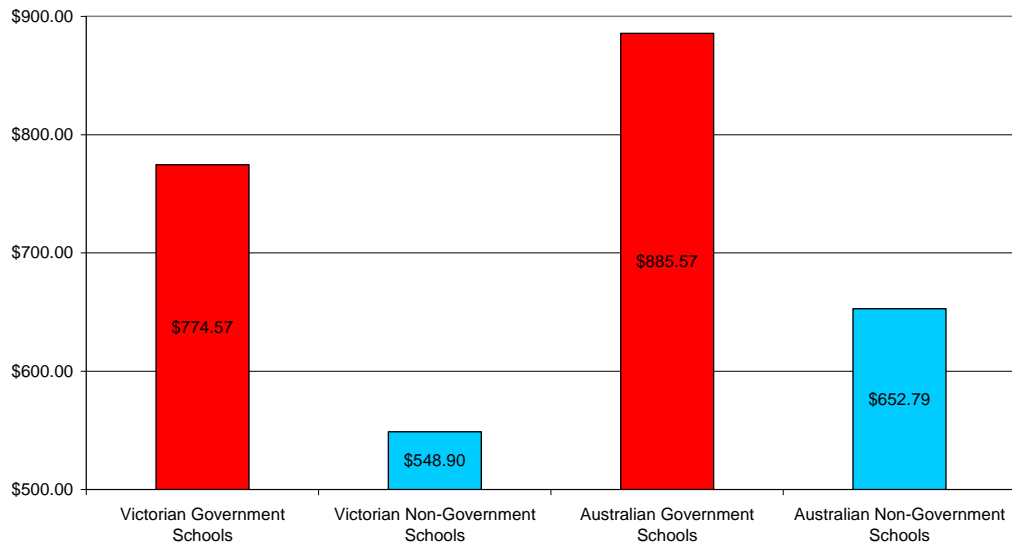
**Government funding for Australian Schools**



**Government Funding per Student for Australian Schools**



### Government Funding Increase per Student, 2001-02 to 2005-06



Since 2001-2002, total government funding per student for non-government schools has increased more rapidly than funding per student for government schools. However, this is because funding for non-government schools is coming from a lower base. Between 2001-02 and 2005-06, across Australia, total government funding per student increased in real terms by \$885.57 in government schools, from \$10,357.44 per student to \$11,243.01 per student in 2005-2006 prices. In non-government schools, total government funding per student increased from \$5,634.45 to \$6,287.24 per student, an increase of only \$652.79 per student.

In Victoria, total government funding per student increased by \$774.57 in real terms in government schools between 2001-2002 and 2005-2006, from \$9,577.59 per student to \$10,352.16 per student. In non-government schools, total government funding per student increased from \$5,064.83 to \$5,613.73 per student, an increase of only \$548.90 per student.

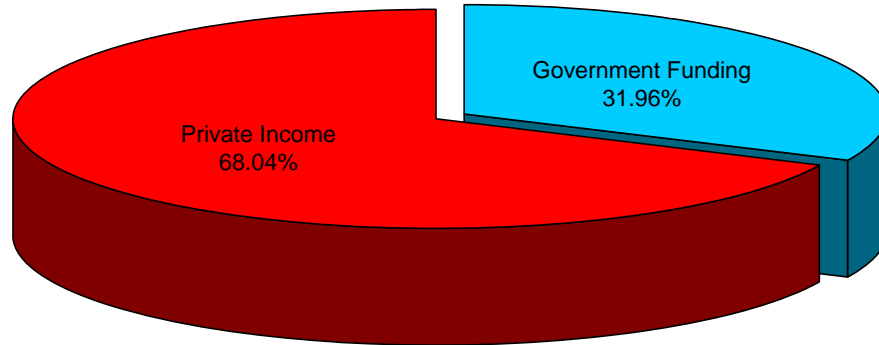
Although Independent and Catholic schools educate 35.2% of Victorian school children, these schools receive only 22.7% of total government funding.

Source: Productivity Commission's Steering Committee for the Review of Government Services. *Report on Government Services 2008*.

## Funding and School Fees

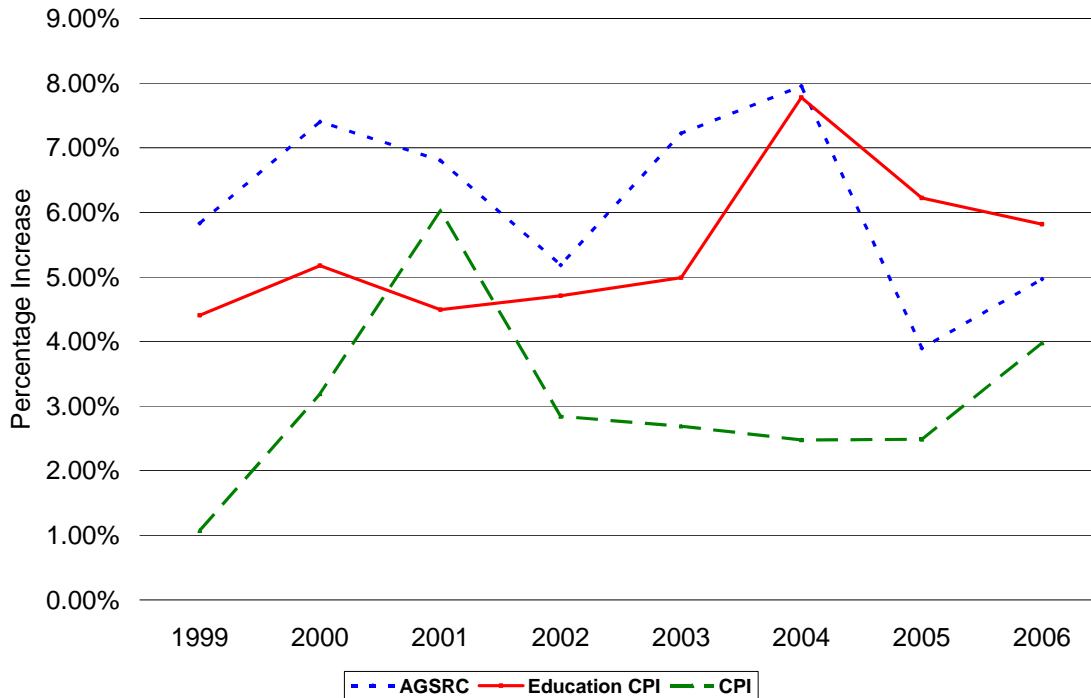
In 2005, Victorian independent schools received, on average, 32% of their income from the State and Federal Governments – the rest was paid for by parents.

Sources of Income for Victorian Independent Schools



Source: MCEETYA. *National Report on Schooling in Australia, 2005*.

As not-for-profit organisations, non-government schools set their fees to ensure that they are able to cover the costs of delivering a quality education to their students. As the cost of delivering education increases, non-government school fees need to rise to maintain that quality. In the past six years, both the Australian Government School Recurrent Cost (AGSRC), which measures the cost to government of educating one student in a government school for one year and the education Consumer Price Index, which reflects the increased costs of providing education, have consistently increased more quickly than the national CPI. These economic indicators highlight a significant increase in the cost of providing education in recent years.



Sources: Australian Bureau of Statistics, *Consumer Price Index, Australia, Jun 2007*.  
 Department of Education, Science and Training, *Schools Assistance (Learning Together - Achievement Through Choice and Opportunity) Amendment Regulations 2007 (No. 2)*