

Wednesday 12 January 2022

The Hon J Frydenberg MP
Treasurer
Parliament House
CANBERRA ACT 2601
Lodged online

Dear Treasurer

2022-2023 Federal Budget Submission National Catholic Education Commission

The National Catholic Education Commission (NCEC) is pleased to present a submission to the Australian Government for the 2022- 2023 Budget.

Background

The National Catholic Education Commission (NCEC) is the peak body for Catholic education in Australia and is responsible for the national co-ordination and representation of Catholic schools and school authorities.

Working collaboratively with state and territory Catholic Education Commissions, the National Catholic Education Commission advocates through effective liaison with the federal, state and territory governments and key national education bodies. Our role is to ensure the needs of Catholic schools are served through funding, legislation and policy.

Australia's 1,755 Catholic schools educate one in five, or over 777,000 students and employs over 100,000 Australians. This makes Catholic schools the nation's largest provider of education outside government.

Our work is to foster a thriving Catholic education sector that offers parents affordable access to, and a choice of, a faith-based education for their children. Catholic education continues to advocate for fair and inclusive funding that sustains both public and accessible faith-based school systems widely available across Australia. Catholic education acknowledges the ongoing support by the federal government in the funding of Catholic schools.

In making the choice of a Catholic education, families take on nearly 29% of the annual cost of their child's education and almost 90% of the funding required to support school buildings and capital works in Catholic schools. In 2019, Catholic school families contributed approximately \$3.9 billion towards their children's education, representing a substantial saving to Australian taxpayers.

Catholic education supports approximately 81,000 full time equivalent teaching and non-teaching jobs and estimates the total Gross Value Added (GVA)* contribution to the Australian economy to be approximately \$11.8 billion. This represents almost 18% of the school education sector per year. **Estimation based on 2019 Ernst & Young analysis of Catholic Education Western Australia.*

Catholic schools also contribute to Australia's Capital infrastructure through the building of school and community infrastructure. In 2019 alone, this investment was about \$1.6 billion in capital projects, with federal and state governments contributing around 5% each.

Current circumstances

Throughout 2021, the COVID-19 pandemic has continued to present unprecedented challenges for schools and education systems. Schools and systems have had to respond quickly, creatively and sensitively, to a range of issues including support for remote and online learning, closing the digital divide, responding to financial hardship and increasing mental health and wellbeing issues.

Research** conducted in November 2021 on a wide range of issues including school funding found that over 70% of families with children in Catholic schools were satisfied with the response by their school communities to the COVID pandemic in areas such as technology response, connecting with students and parents regularly, and the quality of online teaching. ** *Finding from a large community issues survey on a range of issues from school funding to religious freedom undertaken by a respected national pollster, John Utting Research (November 2021).*

Affordability and School Choice

One of the most unique and valuable features of Australia's education system is the wide-ranging availability of genuine, affordable school choice. Today, a school education costs over \$12,000 per primary student and more than \$15,200 per secondary student annually. For most Australian families this cost would be out of reach, especially if they have two or more children. Genuine choice relies on governments providing fair funding to ensure Catholic schools are affordable and accessible to families who desire a faith-based education for their children.

It is vital that students continue to learn in the educational environment that best suits their needs, unimpeded by their families' individual circumstances. Government funding is essential for the continued operation of Catholic schools. Catholic education strongly supports the continuation of existing needs-based funding arrangements. It is critical that the Australian Government maintains the present funding arrangements as they provide certainty to school communities under a 10-year agreement. Indexation of government funding needs to be reasonable and keep up with educational costs to ensure schools can operate viably. Catholic education also supports a review of Capacity to Contribute by 2023 to ensure the fairest funding formula is in place for all Catholic families.

Recommendations

- 1. School funding arrangements should allow for Catholic education to be an affordable choice for Australian families by ensuring:**
 - **needs-based funding continues to address student need and disadvantage**
 - **the current 10-year funding agreement is maintained**
 - **Review of the Capacity to Contribute formula to ensure the fairest funding formula for families**
 - **reasonable indexation levels are preserved.**

Extension of the Non-Government Reform Support Fund beyond 2022

The Non-Government Reform Support Fund (NGRSF) which commenced in 2018 to support the implementation of national and state/territory school reform policy initiatives will cease in December 2022. The NCEC advocates for an extension of the NGRSF beyond 2022. There are several projects supporting the NGRSF priorities that will need ongoing support beyond 2022.

These national priorities are:

- Quality assurance, moderation and support for the continued improvement of the Nationally Consistent Collection of Data on School Students with Disability
- Implementation of the online delivery of the National Assessment Program
- improving governance and financial management practices in non-government schools

The Nationally Consistent Collection of Data (NCCD) about students with disability guidelines and administrative requirements, and the constant turnover of teachers and families who engage with the NCCD, means this national priority will continue to require non-government representative bodies to provide schools with moderation workshops, training and guidance. Training needs to continue to support overall consistency in the quality of NCCD data both within jurisdictions, and at a national level. The NGRSF has assisted in providing opportunities to build consistent knowledge and understanding across all Catholic schools and has resulted in enhanced reliability of data.

Implementation of online delivery of the National Assessment Program (NAP) continues to be a key priority for the Catholic sector. Throughout the NGRSF, jurisdictions have invested considerable resources in assisting schools to prepare for the planned implementation of NAP online, even with its cancellation in 2020. Catholic School Authorities (CSAs) have offered a comprehensive suite of NAP training opportunities and resources including Assessment platform training, national readiness activities, ICT support to ensure connectivity and appropriate hardware requirements, assistance in increased technical advice preparation and annual formalised opportunities for schools to review and familiarise themselves with national testing protocols. Many jurisdictions have provided schools with the tools and training necessary to understand and analyse the data results from NAP, as well as support for the remediation of local issues arising from NAP testing. While the transition to NAP online will near completion with the ending of the NGRSF in 2022, the need for training opportunities and resourcing assistance will be ongoing each year after the cessation of the funding program as will assistance in interpreting the data received from the NAP to ensure improvement strategies can be focused towards instigating change in schools to bring about improved student learning outcomes.

Quality governance is critical to the growth and longevity of the Catholic sector. Non-government Catholic schools' governance and financial management practices will continue to require additional funding support, particularly in the face of the challenges imposed by COVID. To date, activities supported by the NGRSF have been focused on the different needs of different cohorts as Catholic School Authorities across the country have responded to their local challenges and context. Opportunities made possible with the NGRSF include supporting aspiring and middle school leaders and without ongoing funding support, these vital programs will be placed in jeopardy. The need to support the teacher workforce to develop the necessary skills for school and community leadership are well documented. There is need for ongoing training to be supported to ensure future cohorts of leaders can exercise quality governance and financial management practices. As the NGRSF has provided funding to meet both national and state/territory reform priorities, each jurisdiction has worked to advance different priorities across the life of the NGRSF. While some of these have been reasonably time-dependent such as the Queensland's new senior assessment and tertiary entrance system and will therefore experience decreasing need over time, other state/territory priorities will require ongoing funding such as improving classroom practice and virtual learning opportunities in Western Australia. Whilst the urgency attached to various priorities may shift over time, few priorities have ceased. There is need, therefore, to ensure the ongoing funding of school improvement initiatives to complete and continue the critical work enabled by the NGRSF while remaining flexible enough to respond to emerging priorities.

There is also the potential for new and emerging national priority areas where the non-government sector will need support to implement national initiatives such as the school Unique Student Identifier (USI), the Online Formative Assessment Initiative (OFAI) and any recommendations which may emerge from the Quality Initial Teacher Education Review.

Should the NGRSF be extended, it is recommended that consideration is given to improving some elements of the administration of the program, as outlined below:

- **Annual Work Plans**

The NGRSF has required the development of annual workplans be submitted to the Australian Government each year, detailing planned activities and allocated budgets, for consideration and approval. In our experience, the concept of a plan has been overshadowed by a desire for certainty, and then when changes have been required to meet the needs of local contexts, this has required further applications, consideration and approvals from the Australian Government. NCEC recommends a multi-year approach to workplans which would better support the realisation of the national objectives and enable NGRBs to plan and respond to local contexts such that the national objectives are implemented and realised in a more meaningful, impactful a manner. Supporting multiyear workplans would also assist with the following issues faced by annual workplans:

- Sourcing and retaining high-quality staff through the provision of longer contracts, providing the security to recruit staff and project leads for the full lifetime of the project
- Minimising recruitment costs as staff have moved on at the completion of short-term contracts
- Maintaining consistency in staffing and project management to increase the overall effectiveness of reform projects
- Minimising the impact of unexpected hindrances to programs (such as COVID)

- **Timing of Key Dates**

The timing of key dates within the NGRSF schedule has created some unnecessary challenges for Non-Government Reform Bodies (NGRBs). For example, the timing of the submission of Workplans (on 30 November) meant that the current school year would finish prior to approval being received from the Australian Government for the next year's projects. The timing of the workplans and associated approvals is inherently flawed as it means that NGRBs and schools have no certainty of what activities will be supported until the school year has commenced, thereby undermining the effective implementation of the national reform priorities as the school year had already commenced.

- **Flexibility to seek timely adjustments to projects**

Many jurisdictions have needed to adjust projects throughout the year to respond to the needs of their local contexts. While the NGRSF guidelines have allowed some adjustment of a small nature without the need to seek approval from the Australian Government, greater flexibility to seek timely adjustments to projects would increase the autonomy of jurisdictions to meet challenges as they arise for example, as experienced through the unexpected interruptions caused by COVID.

- **Communication and consistency throughout NGRSF**

The Australian Government has, on several occasions, adjusted elements of the NGRSF program without prior communication to NGRBs which has threatened the efficiency and effectiveness of the program. For example, the 2020 guidelines provided that funding in 2020 was to be paid in three instalments which included the final 5% of the 2019 funding that had been withheld until the approval of the 2019 Annual Report. In 2020, NGRBs received just two payments, which included this 5% payment and the 5% that (according to the original schedule) should have been withheld until 2021. This change was not communicated to NGRBs.

Additionally, some NGRBs experienced significant delays in receiving advice regarding the approval of workplans and rollover requests, which prevented CSAs from commencing work according to their workplan until well into the year. This delay caused difficulties in progressing projects as originally intended.

Recommendations

- 1. Extend the Non-Government Reform Support Fund beyond 2022 to deliver current and emerging national priorities for another five years**
- 2. Review the number of objectives and reform priorities to be achieved during the life of the agreement**
- 3. Consider opportunities for improvement to the NGRSF, including:**
 - **A revised approach to the timing of key dates**
 - **The provision of clear and timely communication throughout the program, reducing delays and overall uncertainty and uncertainty regarding approval to proceed with workplans**
 - **Increased support for the provision for multi-year projects throughout lifespan of the NGRSF, with clarity over future funding amounts provided at the commencement of the agreement**
 - **The establishment of processes for reporting and the schedule of payments to be established from the beginning of the program, allowing for consistency in reporting processes**

Increased support for the Early Years

The Australian Government has demonstrated its understanding of the importance of access to quality early childhood education through its commitment to the National Quality Framework (NQF) the National Partnership Agreement on Universal Access and the Child Care Subsidy. The Preschool Reform Agreement announced by the Commonwealth in the 2021-22 budget provides ongoing preschool funding of \$2 billion in the first four years for the continued support of 15 hours of preschool each week or 600 hours per year for the year before compulsory schooling. This provides a strong foundation that should be built upon to support all children to access quality early childhood education. While Catholic education supports the reform agreement, we would like to see this extended to the **two years** prior to compulsory schooling, targeting communities that suffer disadvantage.

The Catholic sector, as a non-government body, is ready and willing to expand the delivery of early childhood education in response to increasing interest from families if funding can be assured. Research has already been undertaken to determine the level of demand in different communities. Reviews in Catholic jurisdictions have identified gaps and issues in accessing early childhood services in areas of need including rural and regional areas. The Catholic sector has provided billions of dollars of capital development in the school sector, however, the capacity to provide new facilities for early childhood education is significantly restricted. To provide urgently needed services the sector seeks federal government support for capital grants for early childhood education facilities. This will facilitate choice, access and continuity for parents seeking a Catholic education for their children.

High-quality early childhood education is dependent upon the provision of well-trained teachers, especially for lower SES areas and disadvantaged communities. In particular, Catholic education supports the provision of targeted funding through grants and subsidies to train Aboriginal and Torres Strait Islander peoples as early childhood educators supporting their local communities.

Recommendations

- 1. Funding three-year-old students with priority given to communities that suffer disadvantage**
- 2. A significant increase in dedicated capital funding to grow the number of services and deliver quality early childhood education centres in areas of need**
- 3. Improved alignment for school delivery of early childhood education**
- 4. Targeted funding to provide training for early childhood teachers in lower SES and disadvantaged communities, focusing on incentives and training packages for Aboriginal and Torres Strait Islander peoples.**

Rural, regional and remote schools and students

As well as dealing with the impacts of the pandemic, regional, rural and remote areas in Australia have faced significant challenges with drought, flooding and bushfires. The pandemic has exacerbated and deepened existing inequalities for our rural and remote students.

Students living in greater levels of disadvantage have fewer learning supports at home and reduced access to technology, making learning challenging during lockdown periods. Due to border closures, many of our students in regional, rural and remote communities found it difficult to access their school or boarding facility/residential college. Continued financial support will be needed for the 40 per cent of our schools located in regional, rural and remote areas where many of our students are experiencing growing educational disadvantage as a result of the COVID-19 pandemic and home learning.

The recent NAPLAN results highlighted those students in regional, rural and remote areas in Australia underperform on average in literacy and numeracy when compared to students in metropolitan locations. The 2021 NAPLAN results showed that numeracy, reading and writing achievement by students from regional areas was lower and significantly lower in remote and very remote areas compared with students from metropolitan locations. The Australian Government needs to further invest in successful targeted early learning literacy and numeracy programs in regional, rural and remote locations.

Catholic education, like all sectors, struggles to obtain high quality specialist teachers in regional, rural and remote areas. Current efforts to recruit staff for rural and remote schools are not efficient. They are predominantly reactive, bespoke for specific locations, or broad and minimally differentiated. There is also no systematic approach to preparing and encouraging undergraduate teachers to pursue a rural or remote career pathway. Thus, principals require additional support and preparation to manage the unique challenges of rural and remote contexts. Funding is needed to support incentives that attract and retain teachers and school leaders in these communities.

These may include:

- greater practicum experiences through partnering with universities to increase teacher supply, preparation and experience in rural and remote areas
- support for professional learning opportunities and addressing barriers to rural and remote teachers accessing ongoing professional development
- strengthening the rural leadership career pathway
- increased investment in quality teacher housing, rental subsidy and relocation costs
- increased teacher supply through scholarships, HECS reimbursement or equivalent schemes and broadening entry pathways
- ensuring relocation considers the 'family' rather than just the 'individual'.

Recommendations

- 1. Increase investment in successful literacy and numeracy programs in rural and remote communities**
- 2. Provide additional funding to Catholic education to create an incentive scheme and improved wraparound services to better attract and retain teachers and school leaders in rural and remote communities**

Closing the Gap Implementation plans and boarding facilities for Aboriginal and Torres Strait Islanders students

It is critical that Catholic schools participate in, and receive support for, Closing the Gap Schools and Early Childhood Packages to achieve Closing the Gap targets over the next 10 years.

Of particular focus is the provision of additional recurrent and capital funding for boarding facilities in schools in regional, rural and remote areas. Many of the students attending boarding schools in regional areas, particularly students from indigenous communities, have limited secondary education opportunities in their local community settings and are dependent on boarding schools to provide a viable option. It is therefore essential that students are able to access affordable, culturally safe boarding options to meet their health and wellbeing, academic and social needs. The Grant Thornton First Nations Boarding (2019) review found that boarding providers reported that Aboriginal boarders from disadvantaged and/or trauma backgrounds required a higher level of support services such as health, social, emotional, education and cultural support compared to other boarders.

Regional, rural and remote boarding schools face many more additional costs and challenges than boarding schools in city locations. With limited private contribution from families often experiencing disadvantage, the schools struggle to provide this essential service. Investment in boarding facilities in regional, rural and remote areas would provide additional support for those disadvantaged by the tyranny of distance and lack of opportunity.

There is currently no opportunity for the Catholic sector in Western Australia or the Northern Territory to negotiate with the National Indigenous Australians Agency (NIAA) on how existing schools could be modified or enhanced to produce a model to better support the needs of Aboriginal and Torres Strait Islander Students.

Recommendations

- 1. Catholic Schools need greater access for Aboriginal and Torres Strait Islander students to Closing the Gap initiatives and funding that support the complex needs of students across a range of settings (urban, remote, boarding)**
- 2. Catholic boarding schools are provided additional funding to ensure they can continue to sustain a critical service for students. Particular consideration should be given to boarding schools in regional and remote areas of the country with a higher number of indigenous students which face many additional compounding challenges to boarding schools in metropolitan areas.**
- 3. The Australian Government assist schools in regional, rural and remote areas with the provision of extra support services to maintain the well-being of students and staff.**
- 4. That other boarding providers for Aboriginal students be provided with an opportunity to discuss this new model with NIAA with the possibility of extending the funding.**

Student Mental Health and Wellbeing

As previously noted, throughout 2021 the COVID-19 pandemic has continued to present unprecedented challenges for schools and education systems. A range of studies undertaken over the past 18 months have identified that the mental health of Australian children has deteriorated significantly due to COVID-19.

The government has identified an increase of student mental health and wellbeing issues being addressed by Australia's schools. As the government has acknowledged, the pandemic has not only increased the number of students seeking support for mental health issues but also intensified the degree of the issues experienced by students.

Catholic education welcomes the additional support that the government has provided to fund new and existing programs to raise awareness and provide additional support for student mental health and wellbeing. Initiatives that the government have supported, such as the Raising Healthy Children App, the scaled-up community support services provided by organisations such as Beyond Blue, Lifeline and Kids Helpline, and the National Children's Mental Health and Wellbeing Strategy will provide much needed care to students and families.

This additional support will compliment continuing government resources and programs which Catholic schools use to support student wellbeing and resilience, such as the National School Chaplaincy Program, the Australian Student Wellbeing Framework, and the Student Wellbeing Hub.

Recommendations

1. **The Australian Government continue to assist the provision of mental health and wellbeing services to students and families. Services could be community based or ideally targeted to specifically support schools and school systems.**
2. **Commit to funding the National School Chaplaincy Program beyond the current 30 June 2023 end date.**
3. **Provide targeted funding to increase the number of psychologists who specialise in education-based settings and facilitate their employment in schools, with priority given to communities that experience disadvantage.**

Catholic education appreciates the opportunity to make a submission for the upcoming federal budget. Should further information be required, please do not hesitate to contact me (sally.egan@ncec.catholic.edu.au).

Yours sincerely

A handwritten signature in blue ink that reads "Sally Egan". The signature is written in a cursive style with a large initial 'S' and 'E'.

Sally Egan
Acting Executive Director