

Catholic schools in Australia

The National Catholic Education Commission (NCEC) provides this submission to inform the National School Resourcing Board's review of regional Schooling Resource Standard (SRS) Loadings.

As the national body representing Australia's Catholic schools, the National Catholic Education Commission's views are informed by the continuing contribution of Catholic schools to the common good, and for the special nature and mission of Catholic schools. All families and communities, whatever their geographic location, should have the option to choose a Catholic education for their children.

Australia's Catholic schools have a long history of serving communities in regional and remote settings.

A significant education attainment gap exists between students living in regional and remote areas and those in metropolitan areas. This has been highlighted by the recent report of the House of Representatives Standing Committee on Employment, Education and Training into Education in remote and complex environments.

As the Issues Paper notes, research and governmental reviews over a long period of time have consistently found that the delivery of educational services in regional and remote settings is associated with persistent challenges and increased costs.

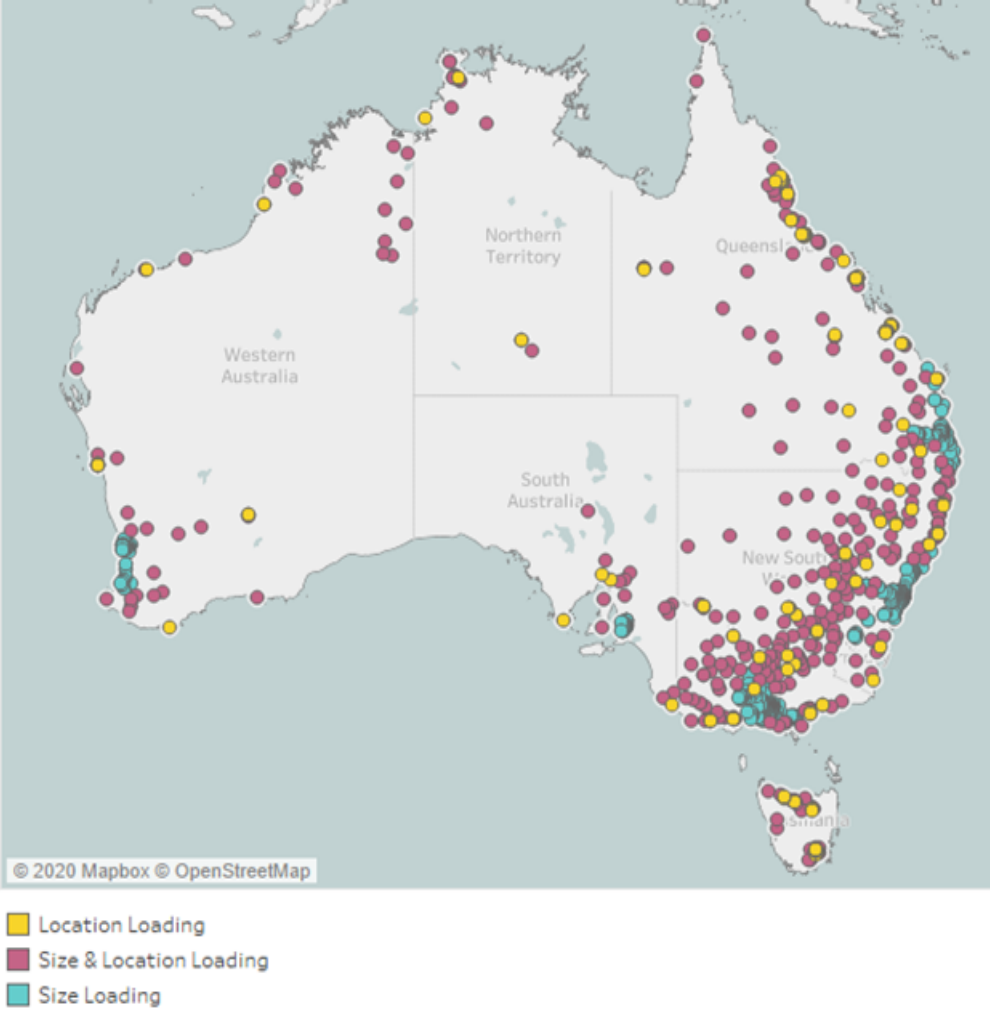
In 2019, Catholic schools educated 768,295 students (headcount) and employed 98,402 staff (headcount) nationwide. Australia's Catholic schools are widely distributed across all regions, ensuring that all parents who choose a Catholic education for their children can do so.

Of the 1,751 Catholic schools in Australia in 2019, 662 (or 38%) are in inner regional, outer regional, remote or very remote areas. In the Northern Territory and Tasmania all schools are in regional or remote categories and attract location loadings; many of these schools are small and will also attract size loadings. Nationally 577 schools (or 87% of Catholic schools in regional and remote areas) attract location or both loadings.

Many schools in major cities have less than 300 full time equivalent students in primary schools and less than 700 full time equivalent students in secondary schools and attract size loadings. Four hundred and fifty (or 41% of Catholic schools in major cities) attract size loadings. Small schools predominate in major cities in South Australia, Victoria and New South Wales where they represent almost half of all Catholic schools.

In total 1,027 (or 59% of all Catholic schools) receive size and/or location loadings.

Distribution of Catholic schools attracting location and/or size loadings



Number of Catholic schools with location and/or size loading by remoteness

State/Territory	Major Cities			Regional/Remote		
	Total Schools	Schools with size loading	Proportion of schools	Total Schools	Schools with location and/or size loadings	Proportion of schools
ACT	32	10	31.3%	0	0	0.0%
NSW	397	168	42.3%	200	173	86.5%
NT	0	0	0	18	18	100.0%
QLD	150	43	28.7%	156	142	91.0%
SA	81	40	49.4%	20	18	90.0%
TAS	0	0	0	38	38	100.0%
VIC	322	155	48.1%	175	138	78.9%
WA	107	34	31.8%	55	50	90.2%
Total	1,089	450	41.3%	662	577	87.2%

Nationally, in 2019, 18.0% of students enrolled in Catholic schools were identified under NCCD and 3.1% were Indigenous. These students are more likely to attend schools in regional and remote Australia. Of the 260,025 students enrolled in Catholic schools with loadings, 20% were identified under NCCD and 6.3% were Indigenous.

Characteristics of students enrolled in schools with location and/or size loadings

State/Territory	Number of Students Enrolled in Schools with Loadings	Proportion of Students under NCCD	Proportion of Indigenous Students
ACT	2,428	17.0%	3.0%
NSW	79,907	20.3%	6.0%
NT	4,736	31.9%	33.5%
QLD	61,707	15.4%	8.5%
SA	15,040	21.0%	2.8%
TAS	15,043	17.0%	7.6%
VIC	65,139	22.7%	1.7%
WA	16,025	23.6%	11.6%
Total	260,025	20.0%	6.3%

As outlined in the Issues Paper, Australian Government funding arrangements includes additional loadings for a range of particular student and school characteristics, including school location and school size. The NCEC supports in principle the intent of the additional loadings, however the current settings for the school location and school size loadings do not adequately support these schools to meet the educational needs of their students.

Their essential nature and mission mean that Catholic schools have a responsibility to provide education in settings where it may not otherwise be most cost-efficient to do so. In keeping with this responsibility, Catholic state systems and diocesan offices allocate funding to schools according to assessed local needs and government requirements.

1. What are the elements specific to school location that increase the cost of delivering education in these settings?

A previously stated, the recent report of the House of Representatives Standing Committee on Employment, Education and Training into Education in remote and complex environments found that a significant education attainment gap exists between students living in regional and remote areas and those in metropolitan areas.

As the Issues Paper notes, research and governmental reviews over a long period of time have consistently found that the delivery of educational services in regional and remote settings is associated with persistent challenges and increased costs.

Among the elements highlighted in the Issues Paper are the challenges of limited or non-existent human service provision as discussed by the Productivity Commission's 2017 report, *Introducing Competition and Informed User Choice into Human Services: Reforms to Human Services*. The key drivers of additional and increased costs identified by Emeritus Professor John Halsey in the *2018 Independent Review into Regional, Rural and Remote Education* (the Halsey Review) were found as having a significant impact on the cost of providing education in regional and remote settings. This corresponds closely with the experience of Catholic schools.

Catholic schools have identified the following elements specific to school location that increase the cost of delivering education in these settings:

- Staffing costs

These costs include, but are not limited to,

- the expense involved in the attraction and retention of teachers (particularly experienced teachers) and school leaders,
- providing appropriate, targeted professional learning for teachers, leaders, and other school staff, relocation and accommodation costs, and
- travel expenses.

Staffing costs in regional and remote settings are usually high both as a stand-alone expense and as a comparison with the cost for schools in metropolitan areas.

- Provision of learning programs for students

Schools, particularly small schools in non-metropolitan settings, face significant additional costs in providing the same level of educational services as metropolitan schools. These extra expenses may include

- certain fixed costs,
- costs to provide a base level of staffing and subject offerings, and
- costs associated with transport for students to get to school or to access learning opportunities such as cultural institutions and other social experiences through excursions and trips.

- Provision of additional services

Due to the location or size of the community in which they are based, schools may be required to deliver care and support services, such as health or other specialised and social facilities, beyond

standard educational services. The challenge of delivering these services substantially adds to the costs borne by these school communities.

- **Infrastructure costs**

Capital building costs, upgrade costs and maintenance costs, such as for IT services, and supplier costs, whether due to transport, expertise, or waiting times, all contribute to the greater expense of school provision in non-metropolitan settings. Expenditure on infrastructure for regional and remote schools can often be up to three to four times that of metropolitan schools.

Often the increase in costs is due to lack of economic competition for service providers as well as, in some locations, seasonal variations which make some schools inaccessible for significant periods each year.

While each of these elements individually add substantially to the expense of delivering education, it is the compounding effect of a combination of the factors that significantly increases the ongoing operating costs of schools in regional and remote settings.

2. Are there additional elements associated with school size for smaller schools in regional and remote settings that increase the cost of delivering education over the costs for small schools in city areas?

As noted above, all schools have a range of fixed costs including providing a base level of educational services, subject offerings, and minimum staffing levels. While these factors are acknowledged in the current size loading there remain additional elements associated with school size for smaller schools in regional and remote settings that increase the cost of delivering education which are not recognised.

For example, small schools in metropolitan areas may be able to attract staff on a fractional appointment due to proximity for staff to take other part time employment opportunities. Small schools in regional and remote settings offering a fractional appointment may have difficulty attracting suitable staff as those employees may not have access to other fractional employment opportunities they may wish to access. This may mean that small schools in regional and remote settings advertise for a full-time position when student enrolments and other circumstances may require only a limited appointment.

The experience for many small Catholic schools in regional and remote locations is that the current size loading does not reflect the individual and compounding additional costs faced by these schools, as outlined above in the NCEC's response to Focus Question 1.

3. Is the dollar value of the current school location and school size loadings appropriate to meet the additional costs specific to school location and school size?

The Issues Paper acknowledges that currently the size loadings for small and medium schools in regional and remote locations are the same amounts as the size loadings for small and medium schools in metropolitan areas. Only very small schools in regional and remote locations attract size loading amounts higher than for the same size school in metropolitan areas.

As discussed in response to Focus Questions 1 and 2, the experience of Catholic schools is that the dollar value of the location loading and the size loading as it relates to schools in non-metropolitan areas is not adequate to meet the additional costs specific to educational provision in these settings.

When proposed in the *Review of Funding for Schooling—Final Report* (the ‘Gonski Report’) it was stressed that the additional loadings were intended to be “dynamic and evolve over time in response to changing performance and need” (pg 167). The NCEC is strongly of the view that these size loadings need to be urgently addressed in order to better support schools in regional and remote settings.

Very small, small, and medium size schools in regional and remote areas should be provided with an additional lift in funding in response to the clearer indicators of need, which have been identified since the current settings were implemented.

The complexity of the current funding model makes it difficult for schools and systems to isolate the specific effects of the present loading settings and their interaction with each other. Work should be undertaken by the Australian Government Department of Education, Skills and Employment (DESE) to understand the consequences of the current load settings and, particularly, to develop and model the impact of alternative methodologies and loading settings for school location and size.

The NCEC is ready to work together with DESE to help state and territory governments further understand the costs of providing Catholic school services in these settings and to propose and test alternative models and methodologies.

4. Are there elements specific to school location which have particular resourcing implications for certain types of schools in regional and remote areas, such as boarding schools and small non-systemic schools? What are the elements?

The Issues Paper acknowledges that the Australian Government recurrent funding for boarding schools covers in-school costs only and does not extend to supporting the provision of boarding. Boarding schools often provide a range of services and support for their students and school communities, for which they receive no government funding.

All of the factors highlighted above in response to Focus Questions 1, 2 and 3, which add extra operational costs to schools in regional and remote settings, are experienced in Catholic boarding schools. Most Catholic boarding schools are in regional Australia and are low fee. Students from regional and remote Australia also make up a significant proportion of the student population at Catholic boarding schools located in capital cities.

In boarding schools, the elements previously identified such as staffing expenditure, infrastructure costs, the expense of providing additional care, support and health services 24 hours a day, and transport costs are multiplied. To ensure boarding remains affordable for families, boarding fees charged are often lower than the cost of providing boarding services, meaning boarding operations often run at a deficit.

The distinctive cultural, educational and support needs of Indigenous students attending boarding schools in regional and remote locations adds significantly to the particular costs of operating these boarding schools.

Boarding schools may be the only choice for students who wish to continue their education beyond what is available in their local community. Lack of government funding supporting the provision of boarding does not recognise the important role boarding schools play in providing educational opportunities for students in regional and remote settings.

5. Is ARIA+ the most appropriate basis for classifying locations and applying to the school location loading? Should another measure be considered?

As noted in response to Focus Question 3, the complexity of the current funding model makes it difficult for schools and systems to isolate the specific effects of the present loading settings and their interaction with each other.

The NCEC is concerned that the current use of the Accessibility Remoteness Index of Australia Plus (ARIA+) does not fully capture student and school community need, particularly the compounding effect of the factors that significantly increases the ongoing operating costs of schools in regional and remote settings.

For example, the NCEC has identified concerns regarding the current use of ARIA+ with the classification of Catholic schools in the Northern Territory, particularly metropolitan Darwin schools. ARIA+ is limited in its capacity to appropriately reflect the remoteness of Darwin, the city's disconnection from other parts of Australia, and the consequent true cost of providing educational services. The Report on Government Services has repeatedly shown that the cost of delivering education in the Northern Territory is considerably greater than for other states and territories. The use of ARIA+ only as a measure in these circumstances significantly disadvantages students in the Northern Territory.

The reality that Catholic state systems and Diocesan offices are required to allocate funding to schools according to assessed local needs and government requirements is an indication that ARIA+ classifications are not currently able to completely reflect local circumstances and conditions.

Work should be undertaken by the Australian Government Department of Education, Skills and Employment (DESE) to understand the consequences of the current load settings and, particularly, to develop and model the effects of alternative methodologies and loading settings for school location and size.

The NCEC is ready to work together with DESE to help governments further understand the costs of providing Catholic school services in these settings and to propose and test alternative models and methodologies.

6. Are there new or emerging factors that should be taken into consideration when looking at the cost of education in regional and remote areas and/or small schools?

The COVID-19 pandemic highlighted and exacerbated new and existing challenges for small schools and schools in regional and remote settings. This will have an impact on the cost of providing education in these schools.

The requirement to switch to remote learning affected the education of many students. While there is presently insufficient detail to understand the full ramifications of the remote learning experience, observable patterns are emerging, and it is becoming clear that vulnerable students who were already experiencing disadvantage pre-COVID suffered and will continue to suffer the worst.

The inherent limitations of remote educational delivery mean that some students have fallen behind. These limitations have been felt most acutely by students who lack the means to fully engage with remote learning

because of reliable high-speed internet connection and access to essential electronic devices like smartphones, laptops and tablet computers.

Existing care, health and support services (e.g. telehealth, virtual counselling), beyond educational programs have become essential, both online and in person, during the pandemic. The likelihood is that schools will need to continue to offer these extended services once the height of the pandemic has passed, with the resultant extra costs to school communities.

It remains to be seen how the experience of the pandemic and other emergencies such as bushfires and floods will impact on staffing, infrastructure, supply and delivery, and other costs.

Conclusion

The National Catholic Education Commission (NCEC) welcomes the opportunity to provide this submission to inform the National School Resourcing Board's review of regional Schooling Resource Standard (SRS) Loadings.

Research and governmental reviews over a long period of time have consistently found that a significant education attainment gap exists for students living in regional and remote areas, and the delivery of educational services in regional and remote settings is associated with persistent challenges and increased costs.

The NCEC is concerned that the current use of the Accessibility Remoteness Index of Australia Plus (ARIA+) does not fully capture student and school community need.

The experience for many Catholic schools is that the current location and size loadings do not reflect the individual and compounding additional costs faced by many schools and are not adequate to meet the additional costs specific to educational provision in these settings.

The NCEC is ready to work together with the Australian Government Department of Education, Skills and Employment (DESE) to help governments understand the consequences of the current load settings and to assess the impact of alternative methodologies and loading settings for school location and size.