LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

REPORT ON THE
VOLUNTARY PARENT CONTRIBUTION SCHEME
IN THE
AUSTRALIAN CAPITAL TERRITORY SCHOOL SYSTEM

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Report Number 11

December 1995

TERMS OF REFERENCE

On 3 April 1995 the committee resolved to inquire into and report on the voluntary parent contribution scheme in the ACT Government schools system, with particular reference to:

(i) the necessity for voluntary fees including the extent to which such fees fund school-wide resources used by all students, and materials for hands-on tuition in elective subjects for individual students

(ii) mechanisms for setting, and procedures for the collection of, fees

(iii) banking and accounting arrangements for fees

(iv) public accountability for receipt and expenditure of fees

(v) equity and outcomes between schools

(vi) reasons for any variations in fee levels between schools

(vii) whether students whose parents are unable to, or choose not to, pay fees are disadvantaged compared with students whose parents do pay fees

(viii) whether fee paying parents subsidise the school-wide and elective subject costs of students whose parents are unable to, or choose not to, pay fees

(ix) any related matters.

MEMBERSHIP OF THE COMMITTEE

Ms Rosemary Follett MLA (Chair)
Mr Trevor Kaine MLA (Deputy Chair)
Ms Lucy Horodny MLA

Secretary:	Bill Symington
Research Officer	Liz Yuncken

CONTENTS

GLOSSARY

ACSSO	Australian Council of State School Organisations
ACTCOSS	ACT Council of Social Service
ACTPC	ACT Council of Parents & Citizens Associations
AEU	Australian Education Union, ACT Branch
APFACTS	Association of Parents and Friends of ACT Schools
DET	Department of Education and Training
IT	Information Technology
OFM	Office of Financial Management
P&C	Parents & Citizens Association
SBM	School Based Management
STAS	Students Assistance Scheme

RECOMMENDATIONS

Recommendation 1

The committee recommends that the Government review per capita grants to schools at all levels to ensure that the grants are sufficient to meet the reasonable needs of the schools for school texts and equipment. (paragraph 2.14)

Recommendation 2

The committee recommends that the Department of Education and Training establish a mechanism for ensuring that schools have adequate opportunity to be fully informed with regard to, and to negotiate with the Department on, overall school budgetary needs and problems. (paragraph 2.20)

Recommendation 3

The committee recommends that, if voluntary contributions are to remain part of the school funding base, the Government:

(a) make an unequivocal statement in support of the voluntary nature of such contributions; and

(b) that it develop measures to assist those parents who do not have the capacity to make the contributions. (paragraph 3.14)

Recommendation 4

The committee recommends that the Department of Education and Training, in full consultation, develop a policy of consistency between schools in identifying the bases upon which voluntary contributions are sought. (paragraph 3.21)

Recommendation 5

The committee recommends that the Department of Education and Training take steps to emphasise to parents the distinctions between voluntary contributions for general school funding needs and subject levies which are necessary to ensure that schools can provide and maintain appropriate hands-on subject tuition and practical classes. (paragraph 3.34)

Recommendation 6

The committee recommends that the Department of Education and Training consider the establishment of a fund designed to assist the participation in defined excursions and extra curricular activities of those students whose parents do not have the capacity to fully or partially meet the costs of their children's participation. (paragraph 3.46)

Recommendation 7

The committee recommends that the Department of Education and Training develop a basis for ensuring that all schools, and in particular, primary schools, have access to central office advice on the benefits of coordinating the acquisition of major equipment items at the most favourable prices available to Government. (paragraph 4.13)

Recommendation 8

The committee recommends that the Government clearly establish as an entitlement for all schools, operational equipment essential to education, for example, photocopiers, and that such equipment be provided and maintained at public expense. (paragraph 4.20)

Recommendation 9

The committee recommends that the Department of Education and Training develop a program for the IT cabling of all schools to a standard appropriate to curriculum needs. (paragraph 4.25)

Recommendation 10

The committee recommends that the Government review IT resources available in schools to ensure that all schools have appropriate resource access to MS-DOS based systems and that the Government directly assist schools, as necessary, in order to achieve that access. (paragraph 4.31)

Recommendation 11

The committee recommends that the Department of Education and Training develop an appropriate definition of a disadvantaged school to ensure that maximum benefit is gained from both ACT and Commonwealth funding for such purposes. (paragraph 5.6)

Recommendation 12

The committee recommends that the Department of Education and Training make clear to all schools the discriminatory nature of practices such as not allowing students to join classes or keep the work they produce in classes where subject levies have not been paid, and that it strongly discourage such practices. (paragraph 5.16)

Recommendation 13

The committee recommends that the Department of Education and Training consider the development of a fund to finance core high school and college elective subjects, to be financed by schools on the basis of their enrolments with a weighting for socio-economic factors, and supplemented by the Government; the fund to be accessed by the schools and colleges. (paragraph 5.20)

Recommendation 14

The committee recommends that the Government prepare a clear policy statement on what essential resources [including equipment] are to be provided to schools, and a commitment to ensure that all schools are funded to provide such resources. (paragraph 6.13)

Recommendation 15

The committee recommends that:

(a) the ownership of all funds raised by schools and their school boards and by school P&C associations through voluntary contributions or other means be vested in the relevant schools and be banked upon collection in school bank accounts; and

(b) the Department of Education and Training develop standard methods for the collection and accountability of voluntary contributions in the ACT school system. (paragraph 6.19)

Recommendation 16

The committee recommends that the Department of Education and Training develop a standard letter appropriate for schools at the three levels to use when they request voluntary contributions from parents; the letter to stress the benefits to both students and parents of the contributions and outlining how and where the funds are to be spent. (paragraph 6.22)

Recommendation 17

The committee recommends that the Department of Education and Training review professional development arrangements for teachers with a view to providing adequate funding for such programs on an equitable basis. (paragraph 7.16)

1. BACKGROUND

1.1. The issue of voluntary parental contributions in the ACT Government schools system has become increasingly contentious in the States and Territories and, in the ACT, schools and parents have been divided on many of the key questions, including the over-riding question of whether the contributions should be payable at all.

1.2. The Australian Council of State School Organisations (ACSSO), the umbrella organisation for State and Territory Parents and Citizens Associations and similar bodies in the March 1995 edition of the *ACSSO news* said that parents are being pressured to pay more and more "voluntary" contributions, that parental contributions are being misrepresented as quasi-compulsory and that students are being discriminated against for not paying their "school fees".

1.3. The ACT Council of Parents and Citizens Associations was reported in the same edition of the journal as saying that parental contributions frequently are couched in terms of "fees", "charges", "levies", and "obligatory" without reference to the fact that they are voluntary contributions, and that misrepresentation of the nature of parent contributions is actionable in law.

1.4. In the light of these concerns and allegations, the Public Accounts Committee decided that an inquiry into voluntary contribution schemes in the ACT Government school system was necessary in order to separate fact from fiction as far as possible.

1.5. All ACT school boards and parents and citizens associations were invited to make submissions to the committee. Peak teachers councils, the ACT Council of Parents and Citizens Associations and community organisations were also invited to make submissions. The inquiry was advertised in the ACT media and submissions were received from individual members of the community and certain bodies.

1.6. 82 submissions were received, the overwhelming majority from schools, school boards and P&C associations. Contrary to expectations, relatively few submissions were received from individual members of the community. Details of submissions received are in attachment 1.

1.7. A public hearing was held on 22 June 1995 where evidence was taken from the Department of Education and Training (DET), the Department of the Treasury, the ACT Council of P&C Associations (ACTPC), the Australian Education Union (AEU), the Primary Principals Association, the Secondary Principals' Council and High School Principals' Association, the ACT Council of Social Service (ACTCOSS), a primary school, three high schools and two colleges. Details of witnesses at the public hearing are in attachment 2.

1.8. Information about interstate practice is given in attachment 3.

2. SOURCES OF FUNDING

2.1. The 1994/95 Budget allocated $200 million (rounded) to the Department of Education and Training. Total funding was $205 million (rounded), the additional amount being made up from Commonwealth special purpose projects, fee paying students, interest and hiring of schools. Of this amount, $188.8 million was spent directly on schools, with school salaries accounting for $152.8 million and $36 million going to school operating costs (utilities, telephones, repairs & maintenance and grants to schools).[1]

2.2. Individual schools are funded through the budget on a per capita basis and a range of allowances is provided in recognition of special circumstances including small schools.

2.3. Per capita grants in 1995 were $117 per college student, $107 per high school student and $90 for each primary school student. Special schools, such as Koomari, received between $286 and $347 per student. Other grants include $21 per student for those with special needs and $318 per class for English as a second language and special education needs.

2.4. Small schools with fewer than 275 students and rural schools are funded on a different formula, small schools having a base loading of $4,033 and rural schools $6,778 with both having per capita rates of $77 per student. Other grants apply in specific cases and in regard to certain schools.[2]

2.5. DET advised that new schools are paid a special grant for three years from establishment to enable the purchase of initial stocks of consumables. For colleges, these grants are $124,000 in the first year, $49,600 in the second year and $31,000 in the third. For high schools the relative sums are $115,000, $46,000 and $28,750 and for primary schools $58,000, $23,200 and $14,500.[3]

Direct Government Funding

2.6. DET advised that 98% of the funding needed to run schools and programs is provided by Government and explained that the level of per capita funding is a matter of Government policy which is set as part of the Government's budgeting process. DET advised that it is the Government's direction to maintain funding levels.[4]

2.7. Nevertheless, in submissions to the committee, many schools claimed that per capita funding has not kept pace with inflation over the last few years, and consequently funding is inadequate. The ACTPC advised that:

> "For the past several years these per capita grants to schools have been decreasing in real terms. The funds being supplied by government have not been keeping up with the rate of price increases on equipment and materials schools need to purchase for classroom supplies."[5]

2.8. On the other hand, the Association of Parents and Friends of ACT Schools (APFACTS) provided the committee with data from the Commonwealth Grants Commission's *Report on General Revenue Relativities, 1995 update* which showed that the actual expenditure on

[1] submission no 74, p2
[2] ibid, attachment 4
[3] ibid
[4] Transcript p19
[5] Submission 63, p3

Government schools by the ACT Government has constantly remained well above the standardised expenditure level for Government schools[6]. APFACTS also drew attention to ACT Auditor-General's Report Number 6 of 1993, *Government Schooling Program*, which noted that the ACT Government Schooling Program has been consistently identified by the Commonwealth Grants Commission as an 'expensive' system in comparison with other States[7].

2.9. The AEU advised that its main concern was that while the Government had offered to maintain education funding at its current rate by allowing for inflation, the Government continued to increase and add programs to the education portfolio without providing adequate additional resourcing to implement them.

Discretionary Funding

2.10. The committee notes that Government funding to schools comes in two main parts. Staff salaries and major maintenance costs are paid centrally by DET. These costs account for 77% of the funding available to schools. Discretionary funding is in the form of per capita grants to schools which, as mentioned earlier, in 1995 amounted to $117 per college student, $107 per high school student and $90 per primary school student, with special provisions for small schools and special schools.

2.11. The Commonwealth Government also provides funds for disadvantaged schools under its National Equity Program in Schools. The ACT is permitted to nominate two schools each year to receive a share of $55 000 in funding. Some funding is also allocated for minor maintenance. Establishment programs are also in operation for new schools.

2.12. The first conclusion reached by the committee is that the levels of per capita grants appear to be out of proportion relative to the needs of students at the various levels of schooling.

2.13. This is evident from later sections of this report. The committee considers that the demands placed upon schools for school texts, information technology and other equipment, and musical instruments at the secondary and college levels indicate that, compared to primary student per capita grants, significantly more than the extra $17 a head provided for secondary students and $27 a head for college students is necessary to ensure that schools at these levels are adequately resourced.

Recommendation 1

2.14. The committee recommends that the Government review per capita grants to schools at all levels to ensure that the grants are sufficient to meet the reasonable needs of the schools for school texts and equipment.

2.15. An implicit concern conveyed to the committee, alongside school claims that funding is insufficient, was that mechanisms are not in place for schools to approach the Department with their funding problems. Views put to the committee as outlined thoughout this report cause the committee to question whether there are adequate mechanisms to enable schools to directly articulate to the Department their budgetary and funding problems, or for the Department to keep schools informed of their budgetary situation and limitations.

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[6] Submission 61, p3
[7] ibid, p5

2.16. It was apparent to the committee that many schools were unaware of procedures available to them to discuss their budgets and funding levels with the Department. It would appear to the committee from evidence received that schools make submissions to the Department on their budget limitations indirectly through other bodies such as a school principal's association[8].

2.17. The committee noted a similar situation for high school principals, a representative of this group stating:

> "Certainly, the high school principals have spoken with the people who control the finances in the department, and they are well aware of the fact that $107 does not anywhere cover our costs. Whether they then go and talk to other people about raising this amount, I cannot answer."[9]

2.18. A high school board representative advised that the question of lack of funding for the maintenance of capital goods has been taken up at the Tuggeranong District Board level and that comments had been passed in that way[10].

2.19. The committee formed the view that schools seemed to be frustrated at the apparent lack of consultative processes with the Department. The committee considers this an area where communication and the flow of information between the Department and the schools needs improvement.

Recommendation 2

2.20. The committee recommends that the Department of Education and Training establish a mechanism for ensuring that schools have adequate opportunity to be fully informed with regard to, and to negotiate with the Department on, overall school budgetary needs and problems.

School Fundraising

2.21. DET advised that schools may undertake such fund raising as they see fit, subject to Departmental policies such as those relating to corporate sponsorship and voluntary parental contributions.[11]

2.22. The Department advised that a number of schools generate funds from Library Trust Funds administered by Parents and Citizens Associations [P&C]. DET advised that it does not maintain records of these Funds. Some schools use the P&C to collect voluntary parental contributions, and where this happens the funds raised do not become public moneys until they are paid by the P&C as a donation to the school.[12]

2.23. The committee is aware that P&Cs also engage in fund raising through activities such as school fetes and raffles. Again these funds become public moneys when they are donated to the school.

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[8] Transcript p55
[9] ibid, p66
[10] ibid, p88
[11] Submission 74, p1
[12] ibid p3

2.24. The other, and major, sources of non-Government funding are voluntary parental contributions, subject fees and transitory payments.

3. VOLUNTARY CONTRIBUTIONS

3.1. The essence of parental contributions is that they are voluntary. DET advised that it has no legal capacity to impose fees but that it has been a long tradition that parents contribute to their school's costs. The Department advised that policy has consistently emphasised the voluntary nature of contributions. The policy provides for schools to seek parental contributions and to encourage the payment but not to insist on it or leave the impression that the payments are compulsory.[13]

3.2. DET advised that in 1994 schools raised $9.4 million comprising $6 million from parental payments for specific "transitory" purposes, a substantial portion of which was for excursions both local and interstate. This sum also included book deposits and a range of school activities for which fees were collected. A further $2.9 million was raised from voluntary parental contributions, material levies and other fund raising and $0.5 million was from bank interest and other miscellaneous sources.[14]

3.3. The committee had been aware that before the hearings DET had estimated that $4 to $6 million in Government funding would be required to replace the sums raised by voluntary parental contributions. Having regard to actual voluntary contributions in 1994 advised by DET, the committee sought from the Department an explanation for the apparent discrepancy.

3.4. DET advice was that the $4 to $6 million figure was based on a number of assumptions, viz, that no school would be worse off than at present; a collection rate equal to the highest rate achieved would be assumed by all schools; the aggregate contribution rate would be converted to a per student rate and then multiplied by the number of students; and a factor was included to compensate for estimated contributions collected on behalf of schools by P&C Associations.[15]

3.5. In the light of evidence obtained by the committee during the inquiry the DET estimate of $4 to $6 million in Government funding to replace voluntary contributions and provide, at an acceptable level, the curriculum and educational servicing needs of schools seems reasonable.

Views of Involved Parties

3.6. The AEU put the view that voluntary contributions were necessary to enable such essential elements of education as practical classes rather than purely theory-based teaching. The Union was adamant that voluntary contributions should continue to be allowed as "many parents see their involvement in their children's education as a very important part of family life...and parents will continue to make donations and voluntary contributions, make personal efforts and so on"[16].

3.7. However the AEU also saw some problems with the current decentralised collection system. The Union advised that parents were feeling pressured to contribute and teachers were becoming stressed and pressured by having to collect the contributions and continually ask parents for money. The Union felt that the Government, through DET, should provide more support for schools and teachers in this area.

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[13] ibid p6
[14] ibid, p3
[15] DET letter dated 2 August 1995 to committee
[16] Transcript p37

3.8. The ACTPC advised that it firmly wanted a fully funded broad and general education up to year 12 level. At the same time, the Council sought to maintain voluntary contributions as an important source of 'top-up' funding and a means whereby parents can become involved in their children's education. The Council stressed that general voluntary contributions could not and should not be separated from all other types of financial and non-financial contributions made by parents to the school, and advised that:

> "The more diverse ways you have for parents to contribute, the more likely you are to get an entire range of parents contributing. There are some parents who cannot pay the fee but can work very effectively on a stall in the school fete...it has to be left to the individual school to sort out whether it is going to put all its efforts into a school fete or whether it regards it as easier to send out a once-a-year letter and seek contributions."[17]

3.9. The Council advised that it welcomed guidelines issued by DET about the management of the contribution schemes and called for DET to continuously monitor the way in which schools are implementing these guidelines[18]. However, the Council also expressed its concern that schools be open and accountable for all moneys received, that payments should be confidential and should not result in any form of discrimination and that correspondence to parents should be consistent and should not exert pressure on parents.

3.10. ACTCOSS advised that it was self-evident that schooling, as a public resource, should be publicly funded. The Council put the view that the Government should increase funding to schools to provide a basic level of education, but that contribution schemes should remain in place to provide additional funding. The Council was also firmly of the view that guidelines for the management of voluntary contribution schemes should be set down by the Government and records kept of receipts and expenditure in order to minimise inequities between schools and that all Government school funding should be open to public scrutiny[19].

3.11. Schools and colleges made similar points to the committee. A major concern was the difficulties that school principals and school boards had in preparing budgets based on such an unpredictable source of funding as voluntary contributions. Many schools advised that response rates for contributions had fallen off dramatically over the last two years and this had affected their ability to plan. It was put to the committee in a number of submissions and in evidence at the public hearing that this shortfall in funding from traditional voluntary sources was producing considerable stress for school principals and staff.

3.12. An overriding concern in virtually all submissions and expressed at the public hearing was that the current voluntary contribution scheme is not fully meeting the needs of schools which have come to rely upon these contributions. Views put by the schools were that the voluntary contribution system, as it now stands, is creating tensions within and between schools and there is a feeling of uncertainty about the roles of both parents and schools in the system. The schools argued that the Government needed to decide whether or not it would fully support voluntary contributions and that the community should be informed of the Government's position.

3.13. Both DET and the former Treasury [now the Office of Financial Management [OFM] acknowledged the important role played by parental contributions in school budgets. DET noted the calls from schools for more funding and the difficulties caused by non payment of contributions

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17 ibid, pp49-50
18 ibid., p44
19 ibid, p71

which cannot be factored in to the schools' budgets, but drew the committee's attention to the rise in transitory payments for camps, excursions and such like.[20]

Recommendation 3

3.14. The committee recommends that, if voluntary contributions are to remain part of the school funding base, the Government:

> **(a) make an unequivocal statement in support of the voluntary nature of such contributions; and**
>
> **(b) that it develop measures to assist those parents who do not have the capacity to make the contributions.**

3.15. The committee noted the figure in DET's submission of $0.5m for interest earned by school bank accounts[21]. The Department advised that this interest resulted from the discrepancy between the Department's budgeting year [the financial year] and the school year [the calendar year] DET advised that:

> "With our form of allocating the funds, one of the per capita grants payments for schools goes out in November...which means that when they close off the books for the end of that calendar year they are already carrying some money - in effect, pre-payments"[22]

3.16. The OFM advised that all Government agencies must adhere to a provision under which no more than 3% of Government funding to the agency may be carried over from one financial year to the next. OFM noted that the 3% roll-over provision only applies to the funds held in the Consolidated Revenue, and there is no strict percentage limit to those funds that are rolled over from one financial year to the next within [the school's] bank account[23].

Contribution Arrangements

3.17. Various voluntary contribution schemes were outlined to the committee in submissions. These included:

- General parental contributions paid yearly, each semester or each term. The money received generally being deposited in the school bank account and used for many different non-discrete purposes.

- A consumables levy for such items as paper, text books, pens, pencils, glue, computer disks, photocopied activity sheets, tissues etc. Such levies are generally collected at the start of the school year, and means that parents do not have to buy such equipment themselves.

- Subject levies [particularly in high schools and colleges] for electives or subjects which carry a high cost, for example, home economics, art, woodwork and technical courses which require students to have "hands on" experience with consumables. The levies tend to be collected at the start of the year or the semester. If parents do not wish to pay levies, there are generally

[20] ibid, pp16-17
[21] Submission 74, p3
[22] Transcript, p3
[23] ibid, p21

alternative courses available which do not attract a levy, or students may attend the course and use materials but not retain ownership of the goods they produce during the course.

- Library Trust Funds. These are mostly tax deductible and administered by the school P&C Associations. The funds raised may only be used for library purposes.

3.18. The committee notes that most schools use at least one of these methods, and some use a combination of schemes. In other words, there is no consistency in the way schools determine how they will seek parental contributions. There are also various ways in which contributions are collected, but this is mainly by schools - in the case of high schools - or by the relevant P&C association in the case of primary schools.

3.19. As mentioned earlier, funds collected by P&C associations remain with them and do not become public funds until such time as they are handed to the school in the form of a donation of cash or goods.

3.20. It appears to the committee that there could be some confusion as to the roles of schools and other school bodies in the collection and use of contributions and that there could also be confusion and misunderstandings as to the purpose of the various forms in which contributions are sought. Accordingly, the committee proposes that the Department examine a basis for achieving consistency between schools in these areas.

Recommendation 4

3.21. The committee recommends that the Department of Education and Training, in full consultation, develop a policy of consistency between schools in identifying the bases upon which voluntary contributions are sought.

3.22. Because of the nature of voluntary contributions, schools described to the committee the difficulty of preparing budgets which relied so heavily on such an unreliable source of income. Many schools called for all voluntary contributions to be made tax deductible in order to encourage parents to pay. However despite the difficulties in administering such schemes, most schools were adamant that the collection and distribution of contributions should not be centralised as it could remove the main incentive to pay, that is, supporting one's *own* child and *their* school. This suggestion was made with the proviso that schools remain open and accountable for all funds received.

Subject Levies

3.23. The committee notes that subject levies are charged by many schools, and particularly by high schools and colleges. Figures provided by ACTPC show that nearly all high schools set levies for particular subjects, generally electives, high cost courses [including courses run by outside groups or consultants, such as first aid] and subjects which use consumables.

3.24. In submissions and evidence taken at the public hearing, schools generally claimed that subject levies are necessary because Government funding is inadequate. A typical comment was that current Government per capita funding does not allow schools to provide sufficient funds to offer viable, educationally sound courses in optional areas where students use materials to produce goods which they subsequently retain.[24]

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[24] Submission 19, p2

3.25. The committee was advised that some schools combine subject levies with the general contribution, while others administer the two amounts separately. Stirling College, for example, advised that the [general] voluntary contribution is handled quite separately from subject levies. The College advised that subject levies are set for such units as photography, drama, hospitality and computing for the purchasing of consumable items used by students. The College advised that funds collected are receipted into discretionary accounts which are directly linked to expenditure accounts for the unit concerned.[25]

3.26. The committee noted, from the many submissions received, that subject levies are generally much better supported by parents than general voluntary contributions. The ACTPC advised that the response rate is over 50% in nearly all primary and high schools and is over 80% in two-thirds of all schools.[26]

3.27. The committee observes that the rate of payment of subject levies is higher in colleges because attendance at college is not compulsory and those who do attend generally do so with purpose and with the intention of equipping themselves for future careers in the workforce.

Need for subject levies

3.28. Hands-on tuition has always been part of school community expectations. It was put to the committee that the alternative, theory-based classes, while cheaper to run, are seen as 'old-fashioned' and even 'boring'. This point was exemplified by one high school board representative who advised: "If you have children sit down in the school classroom and do book work all day long - do not get hands-on experience, do not get to cook, do not get to use computers - it would be a very boring school and non productive."[27]

3.29. However, the AEU advised that it has received representations from an number of schools where they have been looking at theory classes rather than practical because the money is not there to fund programs such as art or technology.[28] The Union advised that because of the high costs of the consumables required for hands-on courses, subject levies are probably set to remain.

3.30. The committee concludes that subject levies are an unarguable necessity in today's school system, but that every effort is needed to ensure that no student should encounter disadvantage as a result of the parent or guardian not being in a position to pay these levies. In this regard, the committee notes that in some schools the subject teacher is not aware of the students who have not paid the subject levies. In cases where the student is unable to pay subject levies the parent or guardian is encouraged to make arrangements with the school principal for the costs to be covered from general school funds.

3.31. However, the committee draws a distinction between those who are unable to pay and those who choose not to pay. With regard to parents who are able to pay subject levies but choose not to, the committee considers that the Government should support schools in persuading these parents that they should pay the levies.

3.32. The committee also draws a distinction between subject levies and the wider voluntary contributions. The committee acknowledges that some parents may have a philosophical

[25] Submission 58, p1
[26] Submission 63, p7
[27] ibid, p82
[28] ibid, pp36-7

opposition to the payment of voluntary contributions but may not fully appreciate that subject levies are specifically focused upon providing students with the materials necessary to ensure that they are exposed to a well-rounded and interesting education.

3.33. The committee considers that parents should not be dissuaded from paying subject levies in the belief that subject costs will be met from general school funds or by other parents who must find the financial resources necessary to maintain subject courses. In the absence of Government funding to specifically cover the costs of materials for hands-on tuition and practical classes, the committee considers that the Department should seek to actively encourage parents to pay subject levies in the interests of ensuring that all students have the opportunity to participate in practical classes.

Recommendation 5

3.34. The committee recommends that the Department of Education and Training take steps to emphasise to parents the distinctions between voluntary contributions for general school funding needs and subject levies which are necessary to ensure that schools can provide and maintain appropriate hands-on subject tuition and practical classes.

Transitory Funding

3.35. Transitory payments are, by definition, payments made for a specific purpose in relation to activities to be undertaken by individual students. The payments are taken in by the schools and transit their accounts as they are remitted for the payment of specific services. These services are normally the provision of excursions, visits to theatres and the acquisition of certain study aids and textbooks.

3.36. As mentioned earlier, transitory payments at $6 million in 1994 are substantial. DET advised that in the 12 years to 1993/94 such payments have increased at twice the rate of voluntary contributions, and noted that on a per student expenditure basis, considerably more is spent on transitory activities than on educational purposes.[29] The Department also advised that the data does not support a general proposition that low voluntary contribution rates are indicative of an inability to pay, although the Department recognised that the capacity to pay is a problem in some cases.[30]

3.37. The Department advised that the growth in transitory payments may reflect either an increase in excursions and/or a trend for schools to separately identify some costs, such as textbooks, which , in the past, had been funded from general voluntary contributions. In primary schools sales of book packs, at a saving to parents, are also recorded as transitory payments.[31]

3.38. DET advised that some excursions can be relatively expensive and that some parents may feel certain pressure to agree to them which, in turn, may influence parents when considering their ability and/or willingness to make voluntary contributions.[32]

3.39. DET also advised that payments for excursions and the like tend to be well-supported by parents, sometimes to the exclusion of the general contributions, and stated that all sectors [primary schools, high schools and colleges] receive more revenue from parents for 'transitory' purposes than from general voluntary contributions. The Department advised that, in aggregate terms,

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[29] Submission 74, p10
[30] ibid.
[31] ibid
[32] ibid

primary schools receive three times more, high schools receive over three and a half times more and colleges twice as much in transitory payments than they do in voluntary contributions.[33]

3.40. It appears to the committee that, in general, excursions are paid for by parents as they arise, although it notes that some schools factor the cost of excursions into their general voluntary contribution. However, the committee was advised that, excursions mostly run on a cost-recovery basis or, where they form part of the curriculum generally, are costed on the basis of supporting a small number of needy students on reduced payments if necessary[34]. In fact, the committee notes that a large proportion of schools offer some kind of support system to allow for participation by needy families at a reduced cost or at no cost. Some schools[35] are supported in this by local service organisations. Often free alternatives are offered to students whose parents are unwilling to pay excursion costs[36].

3.41. A number of submissions highlighted the problems occurring with 'competition' between general voluntary contributions and excursion fees, one high school noting that some parent members of the P&C are concerned when families who chose to pay neither their family contribution nor subject levies are able to pay for their student's attendance at optional and [relatively expensive] excursions during the year.[37]

3.42. DET also brought up this point, noting that some excursions can be relatively expensive and advising that many parents doubtless feel a certain pressure to agree to their children going on excursions. The Department put the view that this may influence parents when considering their ability and/or willingness to make voluntary contributions.[38]

3.43. The committee considers this an important issue. Transitory payments and, as noted earlier, subject levies are well-supported by parents compared to general contributions. This may be because, as one high school noted, parents are prepared to pay where they perceive their children will directly benefit[39]. The committee notes that at least one school has used this theory to determine its contribution scheme, and has decided to request subject levies, excursion payments and 'special purpose' contributions instead of setting a general voluntary contribution rate.[40]

3.44. There is an implicit if not overtly stated view that some parents can find the money for excursions and the like but not for voluntary contributions. While the committee acknowledges that this is a valid criticism of some parents, it stresses the importance of excursions and other extra curricular activities as very important factors in overall development and education of children. Such activities are, in the committee's view, vital to exposing children to wider cultural and community experiences, developing a rounded education, and in fostering maturity and ability to make reasoned judgements. The committee ventures that for some children, excursions and the like may well be the only opportunities for them to experience broader cultural influences.

3.45. Accordingly, the committee supports the continuation of transitory funding arrangements and considers that the Department should develop a funding basis to assist those children who are unable to participate in defined cultural and related excursions because of an inability of parents to

[33] ibid., p5
[34] Submission 9, p2
[35] Submission 18, p2
[36] Submission 42, p3
[37] Submission 52, p2
[38] Submission 74, p10
[39] Submission 21, p1
[40] For example, Submission 7

meet excursion costs. The committee would expect that access to such a fund would be subject to reasonable scrutiny of the financial resources of those parents seeking assistance from the fund.

Recommendation 6

3.46.   The committee recommends that the Department of Education and Training consider the establishment of a fund designed to assist the participation in defined excursions and extra curricular activities of those students whose parents do not have the capacity to fully or partially meet the costs of their children's participation.

4. THE NEED FOR VOLUNTARY CONTRIBUTIONS

4.1. DET acknowledged that schools experience budget pressures and advised that they are likely to continue to face this situation as school communities strive to provide the best possible learning opportunities. The Department advised that a critical factor in a school's decision making is the likely budget it will have available. In this regard, DET advised that school boards, principals and staff are the resource managers who also shape the curriculum and course offerings according to their means.[41]

4.2. Most submissions to the inquiry agreed that voluntary contributions were increasingly being used to supplement inadequate Government funding. Most schools claimed to be relying more and more on parental contributions and in some cases up to half of their budget came from this source. Schools with a low response rate for contributions said they were struggling to survive on Government funding alone.

4.3. A frequent comment in submissions was that the Government was not accepting its responsibility to provide a free basic education for all, up to at least year 10 and preferably through to year 12. It was argued by many that voluntary contributions should only be needed for 'extras' and not for the provision of basic educational equipment, texts and materials.

4.4. A number of schools advised they are being forced to rely on voluntary contributions to fund necessities such as toilet paper and administrative costs. Several noted that DET seemed to be placing more and more responsibility on individual schools for the purchase and maintenance of large capital items such as photocopiers. The overriding concern in almost all cases was that current school budgets could not afford these very expensive items.

Provision of Capital Equipment

4.5. The committee noted that the provision of, and responsibility for, capital items such as photocopiers, computers etc are matters of considerable concern to schools. Almost without exception, schools advised that these items were increasingly becoming the responsibility of the schools themselves, where once they had been supplied and maintained by DET. Schools said that this was placing an extra strain on already stretched budgets.

4.6. Typical of these concerns was comment that voluntary contributions [or any other form of fundraising] should not be necessary to cover resources which are considered essential in any modern office environment, in particular - information technology hardware and software, photocopiers and printing."[42] ACTPC advised that it did not believe that parents should be expected to pay for day-to-day running costs of schools, such as replacing photocopiers, which is now happening[43].

4.7. DET advised that it was doing the best it could with the funds allocated. The Department advised that new schools are equipped with capital goods, and that it has a component [of the establishment program for new schools] for the minor capital items, the whitegoods, stoves, fridges, photocopiers, and so on[44]. The Department advised that it is also implementing plans to assist schools to purchase equipment as cheaply as possible, stating:

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[41] Submission 74, pp8/9
[42] Submission 36, p1
[43] Transcript, p39
[44] ibid, p18

> "Where it can, the Department assists schools to be more efficient and to stretch resources further...The central office is also assisting schools to acquire favourable leasing arrangements for office equipment, particularly computers. A similar endeavour is under way with bulk leasing of photocopiers. A program to acquire quality ex-Government computers, on favourable terms, is being developed so that schools will have cost effective access to appropriate hardware."[45]

4.8. The schools claimed this is not enough, advising that there is an 'erosion by stealth' going on under the guise of devolution of management. One primary school observed that "While we don't oppose school based management in principle, we are very concerned at the apparent trend towards devolving more and more financial responsibility for what we see as essentials [eg photocopiers] to School Board [and therefore to the parent community]."[46] The committee was advised that when this happens, the schools find that very often they are not formally advised by the Department. This point was made by one high school with the comment:

> "Once upon a time they used to replace, where they could, photocopiers, refrigerators, major appliances...You use your networks and you suddenly find out from your colleagues who are principals that this is not being supplied. They say, 'I asked for that and got told, that is not on any more'."[47]

4.9. Apart from the issues as to whether it is appropriate that schools should have to fund the replacement of capital equipment, the committee is concerned that primary schools in particular do not appear to have the same degree of access to DET with regard to advice on the purchase of capital equipment at the most favourable prices. The lack of such access could well be leading to diseconomies in the purchase of capital equipment across primary schools and could be putting pressure indirectly on the schools in relation to fund raising and the level of voluntary contributions.

4.10. This situation probably arises from the fact that fund raising in primary schools, and the ownership of such funds, is vested in the school P&Cs which do not have the day to day contacts with the department which come as a matter of course to the high schools and colleges which raise and control their parental contributions.

4.11. One primary school advocated the setting up of an advisory body that could be contacted re advice on the purchasing of capital equipment. The point was made that, at present, each P&C seemed to be reinventing the wheel each time they wished to purchase something[48].

4.12. The committee considers that, particularly with regard to primary schools, the Department should develop guidelines to schools for coordinating the acquisition of major items of equipment.

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[45] Submission 74, p9
[46] Submission 36, p1
[47] Transcript p88
[48] Submission 48, p2

Recommendation 7

4.13. The committee recommends that the Department of Education and Training develop a basis for ensuring that all schools, and in particular, primary schools, have access to central office advice on the benefits of coordinating the acquisition of major equipment items at the most favourable prices available to Government.

4.14. To the extent that this problem arises from the raising and ownership of contributions by P&Cs, the committee considers that the problems identified in this section of the report may persist unless there are fundamental structural changes to the basis upon which voluntary contributions are collected and accounted for by primary schools. This matter is discussed in section 6 below.

Minor Capital Works and Maintenance

4.15. The committee was advised that schools find it difficult to budget for possible breakdowns of equipment and damage to school property, a typical comment being:

> "...if anything plugs into a power point the schools are now responsible to replace it if it breaks. That means that you have to have a lump of money sitting in your accounts ready in case something goes."[49]

4.16. DET advised that it provides schools with an allocation for minor maintenance. On the basis of figures supplied by the Department[50] this may be estimated as around $22,100 per college, $21,900 per high school and $5,500 per primary school each year.

4.17. A representative comment by a primary school on minor maintenance was that:

> "....money allocated for minor maintenance is insufficient and in a situation where a spate of vandalism occurred a school could exhaust this fund within a few weeks. The Education Department has indicated that all of the money for minor maintenance has been devolved to schools and that no further money remains. In this context it is likely that some schools may need to invest in plywood to repair broken windows pending the next annual allocation of funds or use some of the meagre amount of money provided for educational programs. This is a major concern for school communities."[51]

4.18. Nevertheless some schools felt that minor maintenance funding is sufficient. One high school, for example, noted that the Government allocation will cover administrative costs, minor maintenance and the purchase of major equipment items[52].

4.19. It would appear to the committee that funds for minor maintenance on buildings etc is generally sufficient. However, as noted above, the committee recognises that the costs of repairs to, and replacement of, electrical and other capital items will be difficult to budget for, particularly as this responsibility is devolved to schools.

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[49] Transcript, p88
[50] Submission 74, Attachment 5
[51] Submission 70, p1
[52] Submission 28, p1

Recommendation 8

4.20. The committe recommends that the Government clearly establish as an entitlement for all schools, operational equipment essential to education, for example, photocopiers, and that such equipment be provided and maintained at public expense.

Information Technology

4.21. Information Technology (IT) is part of the Government's Education Plan. ACTPC advised that "we have to set as one of the goals of a Government school system that students will come out IT literate"[53].

4.22. The committee notes that IT is receiving wide coverage as an important part of a well-rounded contemporary education. This was exemplified by comments to the committee by the Primary Principals' Association to the effect that:

> "We are increasingly told by the educators, the researchers and our own communities that the management of information is going to be a vital necessity for the children who will be our leaders into the next century. So it is really important that those children, especially the ones who do not have the opportunity to have computers at home, have the opportunity to have those and gather the skills so that they can use those in the school situation."[54]

4.23. Many schools in their submissions to the committee, claimed that Government funding is insufficient to fund the Government's IT initiatives. Schools advised that the Government's initiatives, as outlined in the DET Information Technology Standards, require the use of computers and software which are not compatible with hardware currently used by schools. One school noted that:

> "An item of some concern is the Department's new Information Technology Standards. Whilst not totally unexpected, these standards effectively render our school's computers obsolete, and will place an additional burden upon our already over-stretched resources to move from Apple-based systems to MS-DOS systems."[55]

4.24. The committee also noted claims that DET had not been providing for computer systems and cabling as part of the establishment of new schools. One of Canberra's newest schools advised that there was no provision in the original funding for the school for any form of technology - cabling or hardware or software[56]. The provision of IT cabling in any school is very expensive and the committee is concerned that schools should be required to fund such cabling.

Recommendation 9

4.25. The committee recommends that the Department of Education and Training develop a program for the IT cabling of all schools to a standard appropriate to curriculum needs.

[53]Transcript, p42
[54] ibid, p53
[55] Submission 38, p2
[56]Transcript, p77

4.26. The committee is aware that the costs of IT requirements can be overwhelming when compared with school budgets. One primary school cited the example that “if the school were to attempt to up-date its student computer equipment to meet the current Information Technology expectations, the purchase of just three or possibly four new computer stations would expend the entire budget”[57].

4.27. The committee noted that many schools subsidise their IT courses with subject and general levies. One college advised that its voluntary contributions covered the “leases of the computer equipment required for the basic info tech course....but the course is over subscribed, and .....we cannot provide enough spaces for students because to do so would mean having another computer lab, at a large expense”[58].

4.28. It is of concern to the committee that schools are required to convert their IT resources from Apple-based to MS-DOS based systems without adequate funding being provided to facilitate the change. As a consequence, the costs are thrown back on the schools and are further reflected in their efforts at fund raising, their voluntary contribution levels and their subject levies.

4.29. As noted earlier in this section of the report, DET is assisting schools as much as possible given the restrictions of its own budget. The Department further advised that it is providing bulk leasing arrangements and arranging for the purchase of ex-Government computers to assist schools to stretch their resources.

4.30. However, the committee considers that the Government needs to give greater material support to schools in preparing them to meet the growth in demand for IT courses.

Recommendation 10

4.31. The committee recommends that the Government review IT resources available in schools to ensure that all schools have appropriate resource access to MS-DOS based systems and that the Government directly assist schools, as necessary, in order to achieve that access.

[57] Submission 39, p2
[58] Transcript, p93

5. ISSUES OF EQUITY

5.1. Many submissions included an expression of concern about parents' rights in relation to voluntary contributions. Most schools advised that it was important that parents be made aware that all contributions were voluntary, and that their children would not be discriminated against or disadvantaged if the parents were unable to, or chose not to, pay the contribution. Indeed, whenever this issue was raised with school bodies in the hearing they were strong in maintaining that no student is discriminated against or suffers disadvantage through the non payment of voluntary contributions. Typical comments were: "There is no discrimination between children from families who do, or do not make a voluntary contribution"[59], and: "Students whose parents choose not to pay fees are not disadvantaged at this school"[60].

5.2. The committee notes that all schools encourage any parent who is unable to make a voluntary contribution to contact the school principal in confidence so as to ensure that parent is not approached regarding the contribution. However it was noted that a large number of schools found that those who are less able to afford the contributions were often those who did contribute and that, for the most part, those who did not contribute were those who for one reason or another chose not to contribute.

5.3. As well as equity within schools, the issue of equity between schools was highlighted. Several submissions drew attention to the disparities between large and small schools, well established and new schools and between 'rich' and 'poor' schools. Most advised that any form of voluntary contribution led to inequities between schools. One primary school expressed the view, which was implicit in many other submissions, that equity can only exist with full Government funding[61].

5.4. DET acknowledged that equity between schools was of concern to the Government. The Department advised that it works with schools to find ways to promote the voluntary contribution scheme to parents and encourage a better response rate.[62] The Department advised that it particularly looks at schemes which seem to be working well and passes on 'good' letters and ideas to schools with a poor response rate. However, the Department cautioned the committee that comparisons between schools were difficult and sometimes misleading due to different contribution schemes being used.[63] The Department claimed that schools know their families and their community and are in the best position to manage voluntary contribution schemes which will maximise returns and benefits to the school and the community.[64]

Discrimination and Disadvantage

5.5. The ACT does not have a clear definition of disadvantaged schools. Although some funds are provided to the ACT by the Commonwealth to assist disadvantaged schools, there is no consistency in the application of those funds. A better definition of disadvantaged school should be

[59] Submission 30, p2
[60] Submission 18, p2
[61] Submission 57, p1
[62] Transcript, p15
[63] ibid, p14
[64] ibid, pp16-17

developed on a more sophisticated basis than simply average household income in the immediate local suburb or suburbs.

Recommendation 11

5.6. The committee recommends that the Department of Education and Training develop an appropriate definition of a disadvantaged school to ensure that maximum benefit is gained from both ACT and Commonwealth funding for such purposes.

5.7. DET advised that it was concerned about issues of discrimination on the basis of payment or non-payment of contributions and asked the committee to note that it had recently issued a reminder about Government policy in relation to discrimination and the voluntary contribution schemes. The Department also advised that it regularly monitored correspondence to parents from schools about voluntary contributions and was quick to take action if schools were found to be exerting undue pressure on parents.

5.8. DET further advised that Departmental policies have consistently emphasised the voluntary nature of the contributions. The Department noted that its latest policy statement places considerable emphasis on the rights of students and parents, in particular that students may not be either discriminated against or embarrassed through the non payment of voluntary contributions."[65]

5.9. However, the committee notes that perceptions of disadvantage and discrimination seem to vary between schools, especially in relation to subject levies. The committee notes that for some schools, students are allowed to participate in courses which attract a subject levy if they choose not to pay, but they may not be allowed to keep the things they make in the course. One high school advised that it is [school] Board policy that students who do not pay elective charges do not get the same hands-on educational experiences as those who do pay[66].

5.10. The committee also notes that at other schools, students whose parents do not pay subject levies are encouraged to choose subjects which do not attract a levy. Another high school advised that where parents cannot pay or choose not to pay materials costs in elective units there are always alternative units available to students which do not carry materials costs[67].

5.11. Other schools advised that the setting of alternative theory work for students whose parents have not paid the relevant levy is discriminatory[68]. ACTPC advised that complaints had been received from parents about discrimination against students in schools whose parents had not paid the contributions requested. ACTPC advised that discrimination most often occurs in respect of subject and materials levies and that in several cases, students had been denied access to parts of the curriculum.[69]

5.12. The committee notes that one high school went against the generally accepted opinion and was decisive in its preferred course of action, advising the committee that schools should have some flexibility to bar students from studying electives if elective contributions are not paid [or inability to pay is not registered with the Principal].[70] However, this school added that in doing

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[65] Submission 74, p6
[66] Submission 21, p2
[67] Submission 19, p4
[68] Submission 53, p3
[69] Submission 63, p9
[70] Submission 12, p2

this, the school would be required to ensure that alternative electives were available to allow a student to undertake a full course of studies.[71]

5.13. The committee notes that it is parents and guardians who are liable for fees, not the students, and believes that no student should suffer disadvantage because of lack of payment even if payment from particular parents would be reasonable and ethical.

5.14. Similarly, the committee is opposed to students being singled out or pressured in an attempt to have their parents or guardians pay fees.

5.15. The committee is totally opposed to discrimination against students whose parents have not paid subject levies, for example, students not being allowed to join classes or keep goods such as cooking and woodwork produced in class.

Recommendation 12

5.16. The committee recommends that the Department of Education and Training make clear to all schools the discriminatory nature of practices such as not allowing students to join classes or keep the work they produce in classes where subject levies have not been paid, and that it strongly discourage such practices.

5.17. However, the committee is satisfied that in cases of financial hardship schools do waive the requirement to pay subject levies, and that schools generally do not seek to discriminate against or disadvantage students who do not pay the levies. The committee notes that some schools use the general [voluntary] contributions to supplement subject levies to ensure maximum possible participation by students.[72] The committee notes too that some schools maintain a welfare fund supported by the P&C and the local Rotary Group.[73]

5.18. The committee considers that subject levies are a particularly vexing problem in that, unlike voluntary fees generally, they relate to specific subjects and areas of tuition. The committee considers that, as a matter of policy, the Department should ensure that no student is disadvantaged in regard to studying elective subjects through either an inability of parents to pay subject levies or an unwillingness to pay.

5.19. In this area, the committee concludes that the Department should develop a funding arrangement to ensure that high schools and colleges are able to finance appropriate elective courses without the need to set subject levies for those students who wish to participate in those courses. Such a fund could be established by deducting from high school and college grants amounts proportional to their enrolments with a general supplementation by the Government. High schools and colleges would then access the fund to finance core practical courses. Other non-core courses would be funded by the high schools and colleges in the normal way through levies on those students taking part in such courses.

[71] ibid., p2
[72] Submission 17, p1
[73] For example, Submission 51, p3 and Submission 39, p2

Recommendation 13

5.20. The committee recommends that the Department of Education and Training consider the development of a fund to finance core high school and college elective subjects, to be financed by schools on the basis of their enrolments with a weighting for socio-economic factors, and supplemented by the Government; the fund to be accessed by the schools and colleges.

Subsidisation

5.21. A number of submissions noted that there was a form of discrimination against those students whose parents make voluntary contributions in that those who choose not to make the contributions prejudiced the opportunity for all students to access the improved facilities and equipment which are funded by contributions.

5.22. One college advised that parents who do not make the voluntary contribution disadvantage all students because new or replacement equipment that could be bought to enhance educational experiences cannot be purchased at all or their purchase would be delayed[74]. Almost without exception, the committee noted that schools made mention of the subsidisation of non-paying parents by parents who do make voluntary contributions.

5.23. The committee notes that the question of disadvantage becomes more complicated in high schools and colleges, where high-cost subjects would be too expensive to run if parents did not pay the subject levies. Disadvantage is also an issue in cases where levies and contribution rates are increased to cover non payment by a proportion of parents rather than all parents. Some schools made the point that the non payment of levies was inequitable and a form of reverse discrimination against those who do pay the levies. One high school noted that those parents who cannot or will not pay and whose children eat the food they cook or take home the object made in another class are subsidised by those parents who do pay[75].

5.24. The committee was somewhat mystified at the high level of support across submissions for the maintenance of voluntary payments, given the range of problems enumerated in regard to the general contributions and all other forms of payment.

[74] Submission 41, p2
[75] Submission 42, p3

6. OWNERSHIP OF AND ACCOUNTABILITY FOR FUNDS

6.1. As mentioned earlier, P&C Associations collect and administer voluntary contributions in primary schools [76] while high schools and colleges generally collect these monies through the school administration. In each of these cases a different mechanism for the management of, and accountability for, funds is in place.

6.2. The committee was advised that P&C Associations are incorporated bodies and, while they may report regularly to their school boards, the funds received by them are not public funds and not subject to Government accountability requirements until those funds are actually turned over to the schools. Like other incorporated bodies, P&C associations are subject to the accounting requirements of the Associations Incorporation Act 1991 and are accountable to the Corporate Affairs Office, to whom they must submit annual reports including financial statements.[77]

6.3. DET advised that all contributions received by schools, including non-cash assets according to accrual accounting practices[78], are recorded in school financial statements. General figures are passed via the ACT Schools Authority and the Department to the Assembly as part of DET's annual report.[79]

6.4. However, the committee notes there is an apparent lack of information available to DET and OFM about the sources and expenditure of voluntary contributions, particularly those funds which are collected and held by P&C associations.

6.5. When funds collected by a P&C association are donated to a school, the funds then become public funds. Some P&C associations provide donations as equipment rather than as cash donations. In these cases, since the ACT Schools Authority has been reporting on an accrual basis, the receipt of non-cash assets would be disclosed in its financial statements. Monies which are received into a tax-deductible library fund monitored by the P&C association are required by Australian Taxation Office rules to be spent only on books for the library.

6.6. The committee notes that many schools which collect voluntary contributions directly, pool these funds with Government discretionary funds paid to the schools. All funds collected and held by the schools are public funds and so must be managed in accordance with procedures laid down in the Schools' Accounting Manual, which is based on the OFM Manual.

6.7. However, the committee was advised that despite the substantial sums granted to or otherwise received by schools, the Department's accounting manual, accounting statements and funds are not scrutinised by Treasury.[80]

6.8. DET advised that schools are required to prepare monthly financial statements of revenue and expenditure, bank account balances and liabilities for school board review, and that school financial records and reports are subject to periodic internal audit and scrutiny by the ACT Auditor-General. In addition, the Department advised that schools are required to submit six monthly detailed financial statements, certified by the principal and the school board chair, to the

[76] ibid., p22 and Transcript, pp6-7
[77] Transcript, pp22-3
[78] ibid., p24
[79] Submission 74, p7
[80] Transcript, p23

Department. This information is aggregated into the Department's annual financial statements which, following audit by the ACT Auditor-General, are presented to the Legislative Assembly as part of the Department's annual management report.[81]

6.9. The committee notes that in addition to this formal accountability, most schools have some mechanism in place for informing parents and the school community about the receipt and expenditure of parental contributions. Often parents are kept informed of the way their contributions are being used by notices in the school newsletter. A typical instance of this was the comment of one school that updates appear in the school newsletter throughout the year outlining the expenditure, to keep parents informed[82].

6.10. The committee also notes that most schools indicated they were generally happy with the level of accountability currently in place for voluntary contributions. Again, a typical comment from one school P&C association being that:

> "Accountability is not an issue as our books are audited each year and expenditure is voted on at P&C meetings. It is important that the P&C have this control otherwise things could get caught up in 'red tape' and the whole process would become ineffective."[83]

6.11. Nevertheless, the committee acknowledges that some schools consider the process should be more open and accountable and that procedures should be standardised. One school advised that:

> "The P&C is unhappy with the current mechanisms in place for collection and accountability of voluntary contributions. [The] Legal and Industrial [Section] within the Education Department cannot advise with any certainty the rules and mechanisms for collection of contributions. Standard procedures are needed."[84]

6.12. This problem arises, in part, from the lack of a clear definition between the responsibility of the school and the responsibility of the P&C. There should be a clear statement of policy from the Government as to what essential resources [including equipment] are to be provided to schools, and a commitment to ensure that all schools are funded to provide these resources. P&Cs would then be certain for what purposes their fundraising activities are required.

Recommendation 14

6.13. The committee recommends that the Government prepare a clear policy statement on what essential resources [including equipment] are to be provided to schools, and a commitment to ensure that all schools are funded to provide such resources.

6.14. Another school advised that the collection of contributions and how they are accounted for varies between schools, and that standardised methods for collection and accounting would seem to be more appropriate"[85]. This school also recommended the upgrading of the current departmentally provided computer-based accounting system, advising that it is not easy to track those parents who have contributed and those who have not. The school advised that the current system requires

[81] Submission 74, p7
[82] Submission 73, p3
[83] Submission 48, p1
[84] Submission 22, p1
[85] Submission 19, p3

overhauling in this area to adequately meet the changing financial nature of the school system in the ACT.[86]

6.15. While it would be argued by some that this comment indicates that the voluntary nature of contributions is compromised by record keeping as to who has and who has not made the contribution, the committee accepts that it is necessary for schools to have adequate means of identifying the sources of payments if only to ensure that those who have paid are not further approached for payments.

6.16. Both DET and OFM were generally satisfied with the current level of school accountability. OFM advised that it saw DET or the ACT Schools Authority as being best placed to manage the funds which are given to them for education-related purposes.[87]

6.17. The committee considers that in the light of evidence received, the current procedures are adequate, although some suggestions, such as the need for standardised accounting mechanisms, should be incorporated in order to increase the efficiency and effectiveness of the system.

6.18. However, the committee is concerned that there is a lack of accountability in regard to voluntary contributions which are raised by P&Cs especially in primary schools. ACTPC itself drew attention to the pressures being exerted on parents to pay the contribution[88], and the committee is firmly of the view that the process should be far more open and accountable than at present. The committee therefore proposes that the role of P&Cs in the collection of voluntary contributions and other fund raising activities be brought within the ambit of the ACT Schools Accounting Manual.

Recommendation 15

6.19. The committee recommends that:

- **(a) the ownership of all funds raised by schools and their school boards and by school P&C associations through voluntary contributions or other means be vested in the relevant schools and be banked upon collection in school bank accounts; and**

- **(b) the Department of Education and Training develop standard methods for the collection and accountability of voluntary contributions in the ACT school system.**

6.20. Another suggestion made several times during the committee's public hearing, was the need for a formal complaints mechanism. The ACTCOSS advised that as a matter of principle, schools should be as accountable as any other public institution which provides services to people[89] and that parents should be made aware of their rights and should be able to have access to a formal complaints mechanism[90].

6.21. The committee also concludes that there is a need for parents to be better informed about the voluntary contribution scheme and what happens to the funds collected.

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[86] ibid., p2
[87] Transcript, p25
[88] ACSSO news March 1995
[89] Transcript, p72
[90] ibid, p71

Recommendation 16

6.22. The committee recommends that the Department of Education and Training develop a standard letter appropriate for schools at the three levels to use when they request voluntary contributions from parents; the letter to stress the benefits to both students and parents of the contributions and outlining how and where the funds are to be spent.

7. SCHOOL-BASED MANAGEMENT

7.1. The move to greater management autonomy for schools is relevant to the issues of funding and the role of voluntary contributions as an essential means of assisting schools to meet their budgetary and curriculum commitments.

7.2. DET advised that it is currently trialing a devolved school-based management system at Palmerston District Primary School. The Palmerston School Board advised the committee that the school is now responsible for all levels of funding except for staffing, and that it is responsible for rates, water, electricity as well as the normal discretionary types of expenditure[91].

7.3. The Department advised that to a certain extent, schools are already operating under a devolved management system in that school boards have considerable autonomy, even more autonomy than any other State or Territory apart from some schools in Victoria at this time[92]. With regard to voluntary contribution rates and subject levies, school boards and P&C associations set the rates and parents, through the P&C in the case of primary schools, take responsibility for the collection of monies.

7.4. The committee found that many schools favour retention of this ability for schools to set, collect and manage these financial contributions. The ACT Primary Principals' Association advised that this autonomy in determining how and when parental contributions to school programs and resources will be made is essential to Board management of schools and is based on the knowledge of the local community and its capacity to pay. The Association advised that it considers this autonomy must be protected.[93]

7.5. Schools also advised that the present method of schools being individually responsible for managing voluntary contributions is important for achieving a high rate of response from parents. Typical of comments made by a number of schools was:

> "Collection and distribution of contributions should not be centralised, as the only incentive parents now have for paying the contribution is the direct connection between it and the well being of the school which their children attend."[94]

7.6. However, other schools expressed concern to the committee about the implications of schools-based management. One high school advised that along with devolved management there were the added concerns of equity and outcomes between schools and the added pressures on schools and their communities for management and financial expertise going way beyond the traditional educational requirements for school staff.[95]

7.7. The point was made to the committee by a primary school that, historically, school principals have been selected on their ability as educators, but they will increasingly need to be selected on their ability to manage the finances, as well as being good educators.[96]

[91] ibid, p78
[92] ibid, p14
[93] Submission 24, p2
[94] Submission 69, p1
[95] Submission 16, p2
[96] Transcript, p79

7.8. On 2 November 1995, DET released a discussion paper on school based management (SBM) in the ACT.[97] The purpose of the paper was to canvas ways of increasing decision making and resources management in ACT schools and outlines operational principles for SBM.

7.9. In essence, the proposal is to devolve resources - including salaries, teachers, utilities and building maintenance to schools - through a staged process over an undefined period.

7.10. It is clear to the committee that the development of school based management will affect the management of the voluntary contribution scheme and necessitate greater autonomy in the setting of any type of fee, levy or contribution. The committee notes, however, that the SBM discussion paper does not appear to have taken into account issues related to voluntary contributions.

Role of Teachers

7.11. School based management is also likely to add to teacher functions. The AEU advised that teachers find it often a particularly stressful situation to be asked to push politely but firmly for parental contributions[98]. It is clear to the committee that with SBM, fund raising is bound to become an essential part of teachers' duties and that schools and teachers may well need to become more entrepreneurial and importunistic in seeking funds from parents through voluntary contributions and other means.

Professional Development

7.12. While professional development for teachers was not an issue highlighted by the committee, it was mentioned several times in submissions and particularly during the public hearing. Professional development has also been proposed as an area for devolution to schools[99]. DET allows $10 per teacher per year for professional development in the form of courses or attendance at conferences and as this sum is unlikely to be sufficient, the funding of professional development is bound to become an issue for school budgetary management.[100]

7.13. One primary school cited the example of a half day Departmental computing course which costs $35 per person[101], and the AEU advised that some teachers were having their professional development costs partially paid by their school P&C Associations.[102]

7.14. However, the committee notes that DET indirectly funds much of the professional development, particularly in the form of wages for relief teachers[103], and the Department also subsidises the costs of the courses it provides to teachers. The ACT Primary Principals' Association advised the committee that some courses are free, that others are provided at a minimal cost of $10 and others are self funding.[104]

7.15. Concerns were put to the committee that funds must be taken from other equally essential areas of education to fund professional development. Similar concerns were also raised during the Public Accounts Committee review of Auditor-General's Report no 6, 1993. In that report, the Auditor-General noted that the Department had at the time established a Review Committee on

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97 School Based Management in the Australian Capital Territory, Discussion Paper, November 1995
98 Transcript, p38
99 Discussion Paper, op cit, p17
100 Submission 24, p4
101 Submission 15, p3
102 Transcript, p32
103 ibid, p60
104 ibid, pp60-61

Professional Development which was due to report at the end of June 1993. It would appear that any changes made as a result of the findings of this Review Committee have not altogether alleviated the problems in this area, and the committee considers that the matter deserves further examination to determine the effectiveness of professional development programs available to ACT teachers and the funding of such programs.

Recommendation 17

7.16. The committee recommends that the Department of Education and Training review professional development arrangements for teachers with a view to providing adequate funding for such programs on an equitable basis.

8. ALTERNATIVES TO VOLUNTARY CONTRIBUTIONS

8.1. In the absence of a voluntary contribution scheme, or if schools are to rely less heavily on voluntary contributions, then the revenue forgone would need to be made up in other ways. There are a number of alternatives, these are:

(a) Increased Government Funding

8.2. As the committee has already noted, most school representatives argued for increased Government funding to at least cover the educational basics and effectively eliminate the need for voluntary contributions. However, the majority of school representatives also supported the retention of voluntary parental contributions. And the committee notes that DET implicitly supported encouraging voluntary contributions by advising that;

> "[Principals and school boards] have the responsibility to remind parents that paying a small amount for a child's education has always been a responsibility of parents and that it is a good idea to make a contribution in that way."[105]

8.3. The committee notes that schools in general accepted that increased Government funding for schools would require the ACT Government to assess its taxation options and its funding priorities, and the Commonwealth Government to increase the level of general revenue grants which would enable the increased funding.[106]

8.4. The committee also notes an apparent degree of community resistance to an expansion of direct funding for education. APFACTS advised that a 1992 ACT Government survey of ACT ratepayers and housing trust tenants found that the majority of households responding were not willing to pay higher rates and charges for a variety of services provided by Government, including education. Only 34% of households were willing to pay higher rates and charges for these services.[107]

8.5. However, this should not, in the committee's view, be regarded as an acceptance by the community that education should not be adequately funded. It is clear to the committee that education is an area which the community expects to be provided by Government, but without additional cost burdens on the wider community. In this regard, the committee notes that ACTCOSS advised that it is appropriate for a major public resource, and major public facilities, to be publicly funded[108].

8.6. DET questioned whether school communities would accept Departmental control - which would follow from a centrally set budget - over the degree of freedom they now have in expending their voluntary contributions and subject levies[109].

8.7. The committee also envisages that should Government funding be increased to replace voluntary contributions this would not prevent parents from contributing to their school funds in

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[105] ibid, p7
[106] Submission 76, p2
[107] ACT Government: ACT Statistical Coordination Committee: *1991 Survey of ratepayers and ACT housing trust tenants*. Prepared by the Economic Policy Section of the ACT Treasury, January 1992. Quoted in Submission 61, p16
[108] Transcript, p70
[109] Submission 74, p9

some form and, over time, this would undoubtedly result in inequalities between the richer and poorer schools.

(b) Per Capita Funding

8.8. The committee notes that additional Government funding could be allocated on the basis of student numbers. One high school expressed its support of this proposition, advising that the distribution of additional Government funding needs to be allocated strictly on the number of students in a school. This school advised that funding should not be allocated on a perceived "needs basis" or in greater proportions based on school position, situation or size.[110]

8.9. Additional per capita funding may result in a recurrence of the current relativities between schools, albeit at a higher funding level. As with the preceding proposal, it is likely that schools would continue to collect voluntary contributions from parents at varying rates, which would entrench those inequities between rich and poor schools which are apparent under the present arrangements.

8.10. The Australian Education Union proposed that the Government could monitor donations received by the schools, stating that:

> "There are also schools that, because of the nature of their infrastructure, are able to access quite substantial private donations and fees...I would want there to be disclosure of those private sources of income."[111]

(c) Government Funding to Supplement Voluntary Contributions

8.11. Additional Government funding could be allocated to schools to supplement voluntary contributions. Supplementary funding for schools with relatively higher contribution rates would, initially, be smaller than for schools with low contribution rates but, over time, supplementary funding would probably remove the incentive for many parents to contribute voluntarily. Supplementation would therefore effectively replace voluntary contributions.

8.12. Voluntary contribution response rates do not necessarily reflect the needs of individual schools, and it is likely that schools most in need are those which, because of socio-economic factors, receive less from voluntary contributions than other schools.

8.13. However, assuming that funding could be equitably allocated to schools, the committee noted concerns that funds may not be used where they are most needed, with some submissions to the committee suggesting a need for measures to ensure that funds are so directed. For example, ACTPC advised that:

> "...there are two ways to deal with that problem. One is...to set [spending areas] down as some sort of departmentally directed priority. The other one is to negotiate that within the school community, which is in general what we would prefer - an interaction between the school board, the P & C Association as the body of parents, and the teachers to set where you would put that money."[112]

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[110] Submission 12, p2
[111] Transcript p36
[112] ibid, p43

8.14. Most school submissions indicated a need, and a preference, for school board/P&C control and discretion in the use of such funds, particularly in view of the trend towards schools-based management.

(d) School Fees

8.15. The committee does not endorse any proposals for compulsory school fees, but addresses the issue here for the sake of completeness in the consideration of all the factors bearing upon the funding of ACT public schooling.

8.16. The possibility of compulsory fees to replace voluntary contributions was raised in a number of submissions, although opinion was divided as to the benefits and the methods by which a compulsory school fee system could be managed.

8.17. Those opposed to compulsory school fees generally took the view that a free universal education to at least age 15 is a fundamental tenet of Australian society[113] and that the introduction of compulsory fees would allow the Government to evade responsibility for funding the basic educational needs of all students to the end of Year 12[114].

8.18. Of those who were prepared to support compulsory fees, the committee noted two schools of thought as to the type of scheme which could be used. One was that in order to satisfy all parents the Government should set up an individual agency to set fees according to family sizes, administer and distribute fees fairly to each school and at the same time establish a means-testing and appeals mechanism in order to provide social justice for parents in financial difficulties. It was also suggested that such an agency would also ensure that confidentiality is maintained.[115]

8.19. The other was that schools be given autonomy to manage the setting and collection of fees, particularly as part of the planned devolution of management. The Primary Principals' Association submitted that "the individual School Board which represents the community and knows the capacity of the majority of parents to financially support the school should continue to determine the level of the contribution that their community is asked to make"[116].

8.20. However, the committee observes that issues of equity would apply, and probably with more effect than with the existing voluntary contribution scheme. This would be especially the case with the ability of families to pay the fees.

8.21. Most of the submissions which supported compulsory fees also advocated some form of means testing, with Government financial assistance where appropriate. Systems in place in South Australia and Tasmania were shown as possible models for a similar system in the ACT, one school noting that Government subsidisation for families in genuine need could possibly follow the system in operation in South Australia. Under this scheme, families holding social security cards are allocated an allowance for education spending, with this money going directly to the school.[117]

[113] Submission 69, p1
[114] Submission 76, p2
[115] Submission 34, p1
[116] Submission 24, p4
[117] Submission 39, p3

8.22. The committee notes that the Tasmanian system is similar, where those families falling below a particular income level having school fees met by the Government. For the others, fees are compulsory[118]

8.23. Nevertheless, the committee noted that at least one school P&C held the view that a system of exemption on the grounds of financial incapacity to pay would be unsatisfactory as it would be cumbersome and bureaucratic to administer, and would inevitably generate inequities[119].

8.24. Clearly, there are many concerns associated with a compulsory fee system which would need to be addressed before any serious consideration of such a system could be contemplated.

8.25. However, the committee considers it important to recognise that financial contributions are only one form of voluntary parental contribution. Various other forms of support are provided to the schools by parents and the community, by fundraising efforts, provision of time and professional or practical skills, help with after-school care programs and reading classes, staffing of school canteens and so on. Having regard to these other forms of assistance by parents, financial contributions are, in many respects, a means by which those parents who are unable to donate their time and skills in this way are able to contribute to the school community.

Rosemary Follett MLA
Chair

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[118] Submission 9, p2
[119] Submission 76, p2

ATTACHMENT 1

SUBMISSIONS RECEIVED

1. Ms J Phillips
2. The Public Policy Assessment Society Inc
3. Mr G Hakes
4. Ms J Routledge
5. Calwell Primary School Board
6. Mr R G McCarthy
7. Palmerston District Primary School
8. Rivett Primary School
9. Lake Tuggeranong College Board
10. Hawker College Board
11. Melrose Primary School Board
12. Stromlo High School Board
13. Mrs R Gibson
14. Monash Primary School Board
15. Arawang Primary School
16. Ginninderra High School Board
17. Farrer School Community Association
18. Kambah High School Board
19. Telopea Park School Board
20. Red Hill Primary School Board and P&C Association
21. Calwell High School Board
22. Urambi Primary School Board
23. Jervis Bay School
24. The ACT Primary Principals' Association
25. Kaleen High School Board
26. Forrest School
27. ACT Secondary Principals Council
    ACT High School Principals Association
28. Caroline Chisholm High School Board
29. Campbell Primary School Board
30. Bonython Primary School Board
31. Turner School Board
32. Chapman Primary School Board
33. North Ainslie Primary School Parents and Citizens Committee
34. Mr Allan Chisholm
35. Richardson Primary School Board
36. Fadden Primary School Board
37. Hughes Primary School Board
38. Torrens Primary School Board
39. Macquarie Primary School Board
40. Weston Primary School Board
41. Copland College Board
42. Canberra High School
43. The Woden School
44. Chisholm Primary School Board
45. Mr D Short

46. Wanniassa Hills Primary School Board
47. Curtin Primary School Board
48. Campbell Primary School P & C Association
49. Gordon Primary School Board
50. Tuggeranong District School Board Chairs
51. Phillip College
52. Alfred Deakin High School Parents & Citizens Association Inc.
53. Charnwood High School Board
54. Narrabundah Primary School Board
55. Narrabundah Primary School P & C Association
56. Turner Pre-School Parents Association
57. Flynn Primary School P&C Association
58. Stirling College Board
59. Hughes Primary School Parents and Citizens Association
60. Flynn Primary School Board
61. Association of Parents and Friends of ACT Schools Inc.
62. Aranda Primary School Board and Parents and Citizens Association
63. A.C.T. Council of Parents & Citizens Associations Inc.
64. Belconnen High School Board and P&C Association
65. Cook Primary School Parents and Citizens Association
66. Canberra Preschool Society Incorporated
67. Lyneham Primary School Board
68. Wanniassa High School Board
69. Yarralumla Primary School Board
70. Charles Conder Primary School Board
71. Scribe Services
72. Melrose High School Board
73. Hawker Primary School
74. Department of Education & Training
75. Turner School Parents and Citizens Association Inc.
76. Ainslie Primary School Parents and Citizens Association
77. Kaleen Primary School Board
78. Hall Primary School
79. ACT Council of Social Service Inc.
80. Australian Education Union
81. Lake Ginninderra College Board
82. Village Creek Primary School

ATTACHMENT 2

WITNESSES AT PUBLIC HEARING

Ms C Vardon	Department of Education and Training
Mr T Wheeler	Department of Education and Training
Mr G Harper	ACT Treasury
Ms M Smithies	ACT Treasury
Mr C Haggar	Australian Education Union ACT Branch
Mr R Scherer	ACT Council of Parents and Citizens Associations Inc
Dr I Morgan	ACT Council of Parenets and Citizens Associations Inc
Ms M Willis	ACT Primary Principal’s Association
Mr O Savage	ACT Primary Principal’s Association
Ms H Burfitt	ACT High School Principal’s Association
Mr R McConchie	Secondary College Principal’s Council
Mr D Evans	ACT Council of Social Service Inc
Ms E Morgan	ACT Council of Social Service Inc
Mr S Elliott	ACT Council of Social Service Inc
Mr M Moore	Palmerston District Primary School Board
Mr D Ellis	Charnwood High School
Mr H Kraft	Charnwood High School Board
Mr A McGucken	Carolyn Chisholm High School Board
Mr A Anderson	Stromlo High School Board
Capt L Cordner	Lake Tuggeranong College Board
Mr D Edmunds	Lake Tuggeranong College
Dr B Donovan	Phillip College
Ms K Mow	Phillip College Parents & Citizens Association

ATTACHMENT 3

INTER STATE COMPARISONS

Western Australia

1. Fees are compulsory. The primary contribution is set as a maximum of $9 per student a year and schools are responsible for collecting the contribution. For secondary schools, the school principal, with the approval of the Department and after consultation with a working party comprising school, parent and Departmental representatives, levies a charge which can not exceed $215 per student. This fee covers a comprehensive, standard curriculum, and most schools show their charges as a series of subject levies.

2. Holders of Health Care Cards may apply through the school for a secondary assistance grant of $170, which is paid to the school to offset school charges, and $ 115 for a clothing allowance.

3. All schools receive a school grant (but not based on per capita), which covers the distribution of central office funds to offset standard school overhead costs.

4. The school fee covers textbook hire, subject resource fees, subject hire fees for essential equipment and photocopying.

5. Schools may charge additional fees for special units covered by coaching/tuition, venue hire, materials and consumables and excursions.

6. Contributions are paid at the beginning of the school year or during the year by arrangement, and time payment and credit facilities are available where there is hardship in meeting payments. Debt collecting agencies are used, but only after all reasonable efforts are made to obtain payment.[120]

South Australia

7. Although there is no policy which requires schools to levy a fee, most schools do levy fees. School Councils set the fees and are responsible for collecting and allocating them as part of their internal budgeting. Schools may also set subject fees.

8. Schools are required to submit annual financial accounts to the Department. Although schools may use debt collection agencies to collect fees where all avenues have been used to extract the fees and where it is considered reasonable that the parent has the capacity to pay, the legality of enforcing the school fee system is unclear and is currently subject to legal opinion. Schools are not permitted to take court action in respect to the payment, or non payment of fees.

9. A School Card scheme by the Department provides funding to schools to make up the fee where the family income is under specified limits.

10. The Department covers the cost of school facilities and their upkeep, salaries and a Support Grant for general school based operating expenses. The Support Grants range from $2,440 for

[120] Letter dated 5 October 1995 from Director-General Department of Education

primary schools through to $12,620 for high schools. In addition, primary schools receive a per capita grant of $48.20 and high schools $117.70.[121]

Queensland

11. Most schools seek a voluntary contribution for additional material and consumables. The level of contribution is usually set by the school P&C and schools are accountable for funds collected.

12. Voluntary contributions do not replace Government funding. Grants for day to day expenses are a combination of base and per capita payments. The grant per semester for a typical primary school of 350 students would be $19666 and for a typical high school (years 8 - 12) of 1512 students $72,211.

13. Schools have hire charges for subjects that require the use of materials not normally supplied by the Department or where there are a number of extra curricular activities involved in the subject. These are voluntary charges and most parents choose to pay them. Where parent cannot afford the charges, the school negotiates for either a lesser amount or waives the costs.

14. The Government provides a textbook and resources allowance to all parents of students in years 8 to 12. In some schools an approved textbook hire scheme is offered in which case the school accepts the allowance on behalf of parents.[122]

Tasmania

15. Schools levy charges for incidental costs and expenses plus a charge for activities which are in addition to the normal education program. Following consultation and agreement with the school council, schools set the levy at the level necessary to cover the direct cost of the items and activities to be funded.

16. Schools are encouraged to consider levy components under compulsory and optional items. Compulsory items may include costs incurred in the use of specific resources such as books and classroom materials. Optional items include activities which are additional to normal educational instruction at the school such as swimming, locker hire, school magazines, performances and excursions. When payment is not received for optional items, the school may choose not to provide the service or may utilise general funds to subsidise participation. Alternative educational activity is provided where optional services such as excursions during school time are withdrawn from a student who is unable to pay.

17. The Department subsidises schools for non-payment of levies where they are eligible for the Students Assistance Scheme (STAS). The STAS is means tested and STAS eligible students are not charged for compulsory levy items. However, STAS students may be asked to pay for optional items.

18. Where parents are unable to pay levies, schools are instructed to ensure that students are spared embarrassment and have access to the full range of activities and experiences in the normal instructional program.

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[121] Letter dated 25 October 1995 from Chief ExecutiveDepartment for Education and Children's Services
[122] Letter dated 21 September 1995 from Director-General Department of Education

19. At the end of the school year, schools are required to substantiate to the school council the amounts collected and spent through levies.

20. Levies and voluntary contributions are not expected to supplement Government funding. Average levies by schools per student in 1994 were $320 at senior secondary, $194 at secondary, $79 at primary and $57 at kindergarten levels.

21. Per capita funding for primary schools in 1993-94 was $4,275.86 and for secondary schools $5,728.15.[123]

New South Wales

22. The current policy is under review, but presently NSW has no compulsory fees, although about 50% of schools request parents to make a voluntary contribution for either general purpose or to assist with costs of specific subjects.

23. Voluntary contributions and subject levies are set by the school principal in conjunction with school councils, P&Cs or finance committees. Parents who experience difficulty in making payments are encouraged to approach the principal for assistance. Schools are accountable for funds raised.

24. Voluntary contributions are not expected to supplement in a formal way Government funding. However, it is common practice for secondary schools to collect voluntary payments related to the cost of some key learning areas, and parents may seek assistance through the Student Assistance Scheme if they have difficulty in meeting such payments.[124]

Victoria

25. Schools are entitled to seek voluntary parental contributions, although they may make user-pays type charges for items such as student materials or excursions and camps where prior payment may be required. Subject levies cannot be compulsorily charged by schools, and while voluntary contributions may be linked to certain subject areas, they cannot be imposed as a condition of instruction.[125]

26. Voluntary contributions are set by school councils. Funds are received and administered locally and are reported in school annual reports. There is no central reporting or monitoring of contributions.

27. The Government funds staffing, facilities and services through the School Global Budget and there is no implicit expectation that schools will raise supplementary funds. The Global Budget is a one-line budget which is intended to give schools much greater flexibility in the use of their recurrent funds.[126]

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[123] Letter dated 26 July 1995 from Director (Finance, Facilities and Planning Services) Department of Education & the Arts
[124] Letter dated 31 July 1995 from Director-General of School Education
[125] Letter dated 25 August 1995 from Director of School Education
[126] Department of Education (Victoria), Annual Report 1993-94