



# MEDIA RELEASE

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## VICTORIA'S SHOCK SCHOOLS TAX WILL HURT INDEPENDENT SCHOOLS, PARENTS AND TEACHERS

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The national peak body for Independent schools says that non-government schools around the country are alarmed by the Victorian Government's shock Budget measure to remove payroll tax exemptions on some non-government schools.

Independent Schools Australia (ISA) Chief Executive Officer, Mr Graham Catt said today, "The Victorian Government's announcement has come as a shock and shows a lack of understanding about the impacts imposing payroll tax will have on many schools, families, and teachers.

"This Victorian Budget measure has raised concern of non-government school leaders across the country.

"Independent schools are almost exclusively not-for-profit organisations and payroll tax exemptions have been in place for decades, in recognition of their long-standing contribution to the community," he said

Nationally, Independent school families and communities contribute an estimated \$8 billion to the cost of educating young Australians.

Under the Victorian Government's Budget, the payroll tax exemption will be removed from non-government schools that charge parents fees over \$7,500 per annum for their child's education.

"This arbitrary threshold wrongfully categorises many Independent schools as high-fee schools. It is inconsistent with our funding model, which applies means tests to school funding based on the income of families, and has no relationship to a school's capacity to take on this tax burden.

"At a time when families and schools are doing their best to manage cost of living pressures and teacher workforce challenges, the reality of this proposed tax impost for many schools will be a heartbreaking choice between reducing services or increasing fees," Mr Catt said.

ISA is the national peak body representing 1,209 Independent schools with 688,638 enrolled students (full time equivalent), accounting for approximately 17 per cent of Australian school enrolments. Independent schools employ 115,000 staff and 19 per cent of all teachers in Australian schools.

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