

The Treasury

Budget 2012 Information Release

Release Document

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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

Vote Education: Budget 2012 Proposals

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Purpose

1. The purpose of the paper is to seek Cabinet's agreement to the policy decisions needed to implement the Vote Education Budget 2012 package; if agreed, the financial recommendations will be signed off through the Budget Cabinet paper (to go to Cabinet on the 23rd of April 2012).

Comment

2. The paper is the same as the package agreed by you and Minister Parata on 4 April 2012, apart from a technical revision to the March Baseline Update that has revised the 2011/12 figure from (\$138.118 million) to (\$145.236 million).

2011/12	2012/13	2013/14	2014/15	2015/16 and Outyears
(145.236)	[10]			

3. Note that the paper is asking Ministers to agree to ratio changes to 'smooth' ratios across year levels (i.e. some ratios will increase, others will decrease):

Year of schooling	Current english medium teacher: student ratios	Proposed consistent teacher: student ratios
Year 1	1:15	1:18
Years 2-3	1:23	1:26.5
Years 4-6	1:29	
Years 7-8	1:29	
Years 9-10	1:23.5	
Year 11	1:23	1:17.6
Year 12	1:18	
Year 13	1:17	

- For primary schooling, the suggested ratio changes (outlined in the table above) broadly offset forecast roll growth, i.e. by 2016 a **larger number of learners will be taught by broadly the same number of current primary school teachers (a net increase of 69 FTTEs)**.
- The associated changes to ratios in secondary school (outlined in the table above) results in a loss of 7 FTTEs. The Ministry is pursuing these changes as it suggests that there are benefits for schools in having more consistent ratios across year levels (e.g. greater certainty by maintaining their staffing resources across year levels). **The ratio changes, combined with roll decline in secondary schooling, result in 329 fewer current FTTEs by 2016.**
- [6]

4. [10]

5. [6]

Treasury Recommendation

6. We recommend that you **support** the recommendations in this paper.

The following table goes into the Executive Summary of the paper

Title	Pg	Recommend	Fiscal Implications (\$m GST excl.)					Treasury Comment
			11/12	12/13	13/14	14/15	Out years	
Vote Education: Budget 2012 Proposals		Support	<i>Operating</i>					Support the recommendations [6]
			N/A	N/A	N/A	N/A	N/A	
			<i>Capital</i>					
			N/A	N/A	N/A	N/A	N/A	