

THE NEW ZEALAND CATHOLIC SCHOOL SYSTEM THE COMMON GOOD IMPERATIVE

1.0 INTRODUCTION

- 1.1 The Private Schools Conditional Education Act passed by Parliament in 1975 rescued the New Zealand Catholic school system from imminent collapse. Despite the massive injection of operational funding which the Act provided, proprietors of the nation's Catholic schools still had to face huge property development costs, as their Integration Agreements committed them to upgrading their schools to comparable State school standards.
- 1.2 Owing to very significant regional variations around the country, and within dioceses, it became clear once schools began to integrate that there was a need to share resources based on a hierarchy of need. It was out of this situation that the application of the common good, which is a fundamental Catholic social justice principle, was born.
- 1.3 As a result of the Scheme tens of millions of dollars have been spent which has enabled fifteen new schools to be established in areas of population growth; numerous schools have received additional classroom and curriculum facility upgrades; and most primary schools have received new administrative and staffroom facilities. Without a common good approach to these capital works challenges on our 240 school sites a lot of this work simply would not have been done.

2.0 ADMINISTERING FOR THE COMMON GOOD

- 2.1 Following the integration of most schools by the mid 1980's, proprietors of Catholic schools in New Zealand established groups of integrated schools with the objective of acting in a collaborative and cooperative way to manage the capital requirements of the schools, along with historical and ongoing debts of the proprietors. Each diocesan cooperative was founded on the principle that those with greater resources would support those with fewer – the common good.
- 2.2 The limited capacity of regional groups of proprietors to obtain loan money and service new debt for upgrading, extending and constructing new schools led to the establishment in 2004 of NZCEO Finance Limited. The body is charged with administering what is known as the National Attendance Dues and Capital Indebtedness Sharing Scheme (the Scheme).

- 2.3 By signing up to the Scheme participating proprietors commit to contributing to the Scheme an agreed percentage of their attendance dues, which is a portion of the gross attendance dues charged to parents. These payments are supported by an underwrite agreement with each of the participating proprietors, which in turn has given the Scheme credibility with various lenders.
- 2.4 In return for the receipt of the attendance dues the Scheme undertook to debt service all loans it accepted. The Scheme, in servicing all proprietor school debt, spreads the risk amongst all proprietors who belong to the Scheme.

3.0 SUPPORT FOR THE SCHEME

- 3.1 Before setting up the Scheme the Board of NZCEO sought guidance from credible legal professionals, property consultants and financial/accounting consultants. Support for the Scheme was also obtained from the Government and the Minister of Education of the day.
- 3.2 The Scheme in many ways reflects the broad property administrative structure which the Ministry of Education uses to allocate capital resources on the basis of prioritised national need for its schools.

4.0 BENEFITS TO CATHOLIC PARENTS AND PROPRIETORS

- 4.1 Today, the major benefits of the Scheme are as follows:
- Attendance dues are able to be kept at more affordable levels for parents and caregivers, irrespective of where their children go to school, and are more equitable even though they are not the same owing to regional cost factors.
 - Less well off school communities are able to be supported by more well off school communities based on their Catholic common good ethos.
 - The collaboration enables Catholic school negotiators to speak with one voice on behalf of Catholic schools when interacting with Government Ministers. Greater credibility is attached to collaborative systems compared with when an individual proprietor seeks something particular from Government.
 - Our schools have earned a public reputation as places of quality learning and up to date facilities.

5.0 THE SELF HELP DIMENSION

- 5.1 To the credit of many school communities and their proprietors, various capital projects have been initiated by

individual schools over and above the capital support provided by the Scheme, which only delivers funding to meet Ministry of Education Property Management Guidelines. This approach is strongly supported by the New Zealand Catholic Bishops and other proprietors who are part of the Scheme. Our system of schools will never have enough money to do all that needs to be done, given the evolving curriculum and other capital requirements schools constantly face. The same situation applies to schools in the wider State school system.

- 5.2 One of the strengths of New Zealand's Catholic schools is that it has a spectrum of schools in the various decile levels, 1 to 10. Therefore, some communities are in a better position than others to help themselves. However, each of our 240 schools is still able to help itself in some way or other, and most, to their credit, do so.

6.0 LOOKING FORWARD

- 6.1 The New Zealand Catholic Bishops, other proprietors, and the Board of NZCEO are currently in discussions with Government with a view to strengthening the level of Government's capital support for our schools, in order to meet the changing curriculum requirements.
- 6.2 Our public credibility as a school system is high and this will help in eventually delivering to us a greater level of Government financial support for our schools. In the meantime, working collaboratively, transparently and constructively will in the medium to long term deliver many benefits to Catholic schools throughout the nation.
- 6.3 A powerful adage reminds us that one of us is never as strong as all of us.

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