

Prue Car

Deputy Premier of New South Wales
Minister for Education and Early Learning
Minister for Western Sydney

**Media Release****Greater clarity on public funding for non-government schools with appointment of eminent educator**

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The Minns Labor Government will review NSW laws governing non-government schools to give the sector greater clarity on the use of public funds to prevent unnecessary investigations and litigation and ensuring public money is spent appropriately.

Deputy Premier and Minister for Education Prue Car has appointed leading educational advisor Tom Alegounarias to conduct the review of Section 83C of the *Education Act 1990* (NSW), which requires all non-government schools receiving taxpayer funds are not-for-profit.

Section 83C stipulates, among other things, that a school will operate for profit if any part of its assets or income is used for a purpose other than the operation of the school, or it pays above a reasonable market value or uses funds for property, goods or services in an unreasonable way.

Five non-government schools have been found to be operating for-profit over the past 10 years and some have been forced to pay the money back or stop receiving any public funds. Ensuring public funds are spent appropriately is important, but investigations are costly to both the government and schools and may have been averted had the rules governing schools' expenditure been more clear.

The NSW Government is delivering on an election commitment to review the laws – the first in almost a decade – with Mr Alegounarias to provide a report by mid next year.

Mr Alegounarias will examine the effectiveness of s83C and its associated sections and assess the role of the Non-Government Schools Not-for-Profit Advisory Committee. The committee makes recommendations to the Minister for Education and Early Learning regarding for-profit activity.

He will also consult the non-government schools' sector on the laws and any challenges with compliance.

The NSW Educational Standards Authority (NESA) will provide secretariat support to the review.

The announcement of the review coincides with the publication of draft guidelines and a draft regulatory framework to help non-government schools comply with s83C.

Mr Alegounarias has had a distinguished career in education, serving as Chair of the NSW Educational Standards Authority (NESA) and President of the former NSW Board of Studies.

He is currently Adjunct Professor in the Sydney School of Education and Social Work at Sydney University and is Chair of the university's Centre for Educational Measurement and Assessment.

Section 83C of the *Education Act 1990* (NSW) can be found [here](#):

Deputy Premier and Minister for Education and Early Learning Prue Car said:

“This review will help provide greater clarity for both schools and the community when it comes to the use of taxpayer funds.

“The review will build public confidence that non-government school funds are being used appropriately for the education of students.

“Educators want to spend their time in the classroom not the courtroom.”

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