



## Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Amendment Bill 2007

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## Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Amendment Bill 2007

**Date introduced:** 28 February 2007

**House:** House of Representatives

**Portfolio:** Education, Science and Training

**Commencement:** Royal Assent

### Purpose

The purpose of the bill is to amend the *Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Act 2004* (the Act) to provide:

- additional funding for the Investing in Our Schools Programme for government schools for 2007 and for non-government schools for 2007 and 2008
- additional funding under the Capital Grants Programme for non-government schools for 2008 and
- funding for national projects under the Literacy, Numeracy and Special Learning Needs Programme for 2008.

### Background

#### Investing in Our Schools Programme

The current Act provides \$1 billion for the Investing in Our Schools Programme (IOSP). Under the IOSP infrastructure grants are made available for government and non-government schools for the period 2005 to 2008, (\$700 million for government schools and \$300 million for non-government schools). The grants are intended for small scale projects such as library resources, computer facilities, air-conditioning and heating, outdoor areas, sports and play equipment.<sup>1</sup>

To date 6166 government schools (89 per cent of all government schools) have received in the vicinity of \$656 million for 15 100 projects; and \$210 million has been provided for 2031 projects in 1603 non-government schools (59 per cent of all non-government schools).<sup>2</sup> The smaller percentage of non-government schools receiving IOSP grants is presumably the result of the IOSP targeting less well-off Catholic and independent schools.

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The bill provides additional funding of \$181 million for the last round of IOSP grants, \$127 million of which will be provided to government schools and \$54 million to non-government schools. The additional funding is intended to ensure that ‘every school community has an opportunity to benefit’ from the program.<sup>3</sup>

IOSP grants in 2007 will target government schools that have not previously applied for grants; those that have applied and not received funding; and those that have received less than \$100 000. To ensure that the grants reach the targeted schools, the Department of Education Science and Training (DEST) will be providing support to these schools, including case managers for those that have not received grants, to assist them through the application process. The new \$100 000 limit on IOSP grants for individual government schools is less than the previous entitlement of a maximum of \$150 000 over the four years of the program. The announced rationale behind the new limit is ‘to give all state government schools the opportunity to access the new funding’.<sup>4</sup> This change has been reported as a broken promise and disadvantaging government schools that were planning further applications in 2007.<sup>5</sup>

For non-government schools the additional funding will be for grants of up to \$75 000 with priority given to projects from schools that can demonstrate a need; and schools that have received little or no IOSP funding. This means that, unlike IOSP funding for government schools, the original conditions of IOSP funding for non-government schools remain—i.e. of the original funding, \$100 million is for projects of up to and including \$75,000 in value, and \$200 million is for projects of uncapped value. While most non-government schools have received IOSP grants similar in scale to government schools, some non-government schools have received IOSP grants in excess of \$1 million. Capital grant applications by non-government schools, including IOSP grant applications, are managed by Block Grant Authorities which assess them and then recommend projects for funding to the Australian Government.

Part of the change to the amounts in Schedule 3 of the Act reflects a movement of funds between program years. A regulation made under the Act in November 2006 moved \$48.7 million in IOSP funding for government schools from the 2006 to the 2007 program year.<sup>6</sup> This regulation followed an amendment to the Act in 2006 which introduced a new regulation making power allowing funds for certain school programs to be moved between program years. Previously these changes required an amending act before they could be implemented.<sup>7</sup>

### Capital grants for non-government schools

The bill provides an additional \$11.7 million for non-government schools for 2008 under the Capital Grants Programme, thereby maintaining capital grants funding for non-government schools at the 2007 level.

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The additional funding is the continuation of an annual \$10 million augmentation of capital grants funding for non-government schools that has occurred since 1996. This funding has compensated for a number of fixed term targeted program elements for hostels, Indigenous students and technology infrastructure in the non-government schools sector that ended in 1996. An internal review conducted in 2006 recommended that the additional funding be maintained at least at its current level. DEST has advised that the report on the review and the additional capital funding for non-government schools beyond 2008 will be considered further.

Capital grants constitute only a small proportion of total Australian Government funding for schools. According to figures published in the 2005 report on financial assistance provided under the Act to each state and territory, capital grants (including IOSP grants) represent about 6.4 per cent of total Australian Government specific purpose payments for school education.<sup>8</sup>

While the majority of Australian Government capital funding for schools is provided to government schools, overall non-government schools receive the majority of Australian Government funding for schools. In 2006–07 non-government schools will receive an estimated 64 per cent of total funding.<sup>9</sup>

### Literacy, Numeracy and Special Learning Needs Programme—National Projects

The bill provides funding of \$9.4 million for the National Projects element of the Literacy, Numeracy and Special Learning Needs (LNSLN) Programme in 2008. National Projects is one element of the LNSLN Programme which provides assistance to improve the learning outcomes of students who are educationally disadvantaged. The other elements are School Grants and Non-Government Centres Support.<sup>10</sup>

## Financial implications

The Bill provides for an increase in appropriations of \$181 million as follows:

- \$127 million for IOSP grants for government schools in 2007 and
- \$54 million for IOSP grants for non-government schools for each of the program years 2007 and 2008 (\$27 million per year).<sup>11</sup>

The other measures in the bill do not impact on appropriations because as lapsing programs their funding was provisionally included in the forward estimates.

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## Main provisions

**Item 1 of Schedule 1** reduces the amount of IOSP funds for government schools in 2006 from \$478.2 million to \$429.5 million, reflecting a shift in funds of \$48.7 million from 2006 to 2007.

**Item 2 of Schedule 1** increases the amount of IOSP funds for government schools in 2007 from \$186.7 million to \$362.4 million. The new amount includes a shift of \$48.7 million from 2006 to 2007 and new funding of \$127 million.

**Item 3 of Schedule 1** provides new funding of \$27 million for IOSP grants for non-government schools in 2007.

**Item 4 of Schedule 1** provides additional capital grants funding of \$11.7 million and new funding of \$27 million for IOSP grants for non-government schools in 2008.

**Item 5 of Schedule 1** provides \$9.4 million for the National Projects element of the LNSLN Programme in 2008.

## Endnotes

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1. For further information about the IOSP see the Department of Education, Science and Training (DEST) IOSP website, <http://www.investinginourschools.dest.gov.au/>, accessed on 15 March 2007.
2. As advised by DEST.
3. J. Howard (Prime Minister), *Investing in our Schools Program*, media release, Parliament House, Canberra, 19 February 2007, [http://www.pm.gov.au/media/Release/2007/Media\\_Release23908.cfm](http://www.pm.gov.au/media/Release/2007/Media_Release23908.cfm), accessed on 15 March 2007.
4. J. Bishop (Minister for Education, Science and Training), *Investing in Our Schools Programme*, DEST, Canberra, February 2007, <http://www.investinginourschools.dest.gov.au/default.htm>, accessed on 15 March 2007.
5. A. Patty, 'Schools duded of funds as Howard promise broken', *Sydney Morning Herald*, 15 March 2007, [http://parlinfoweb.parl.net/parlinfo/translatewipilink.aspx?folder=pressclp&criteria=citation\\_id:9whm6](http://parlinfoweb.parl.net/parlinfo/translatewipilink.aspx?folder=pressclp&criteria=citation_id:9whm6), accessed on 15 March 2007.
6. Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Amendment Regulations 2006 (No. 3), r. 4.6, <http://www.comlaw.gov.au/ComLaw/Legislation/LegislativeInstrument1.nsf/asmade/bytitle/1F5570374E802943CA257234001E110A?OpenDocument>, accessed 15 March 2007.

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7. For further information see Marilyn Harrington, 'Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Amendment Bill 2006', *Bills Digest*, no. 100, Parliamentary Library, Canberra, 2005–06, <http://www.aph.gov.au/library/pubs/bd/2005-06/06bd100.pdf>, accessed 15 March 2007.
8. Department of Education, Science and Training (DEST), *Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Act 2004: Report on Financial Assistance Granted to each State in Respect of 2005*, DEST, Canberra, 2006, <http://www.dest.gov.au/NR/rdonlyres/0AEBFFE8-0D54-41BA-8B0E-2C9CBD627D06/14821/greenreport2005.pdf>, accessed on 15 March 2007.
9. Australia. 'Budget Strategy and Outlook 2006–07', *Budget Paper No. 1*, p. 6–9, [http://www.budget.gov.au/2006-07/bp1/html/bp1\\_bst6.htm](http://www.budget.gov.au/2006-07/bp1/html/bp1_bst6.htm), accessed on 15 March 2007.
10. For further information see the DEST LNSLN Programme website, [http://www.dest.gov.au/sectors/school\\_education/programmes\\_funding/programme\\_categories/key\\_priorities/literacy\\_numeracy\\_initiatives/default.htm](http://www.dest.gov.au/sectors/school_education/programmes_funding/programme_categories/key_priorities/literacy_numeracy_initiatives/default.htm), accessed on 15 March 2007.
11. Existing s. 133 appropriates the necessary amounts found in the various funding schedules of the Act.

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