

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2006-2007 BUDGET ESTIMATES HEARING

Outcome: 1

Output Group: 1.1 – Funding for Schools

DEST Question No. E307_07

Senator Wong provided in writing.

Question:

Schools Education – specific funding

1. Please provide details of the particular programs and expenditures that comprise the line for School education – specific funding in Table 7 of Budget Paper No. 1, page 6-9.
2. Please provide this information for each of the years from 2005-06 to 2009-10, so that the totals reconcile with the figures in the table (e.g. \$114 million in 2005-06).
3. Do these figures include assumed indexation? If so, is AGSRC used to index these programs? Please provide details.
4. Explain the projected reductions in funding for 2008-09 and 2009-10.

Answer:

2006-07 Budget Paper No. 1 -Schools Education – specific funding

The summary of expenses outlined in Table 7 of the 2006-07 Budget Paper No. 1 relates to the Education Functions of the whole of the Australian Government. An analysis of the administered expenses outlined in table 7 for non-government and government schools relate to this portfolio, and has identified the programmes included are from Outcome Group 1: Individuals achieve high quality foundation skills and learning outcomes from schools and other providers. These programmes are outlined in the 2006-07 Portfolio Budget Statements (PBS) and the 2006-07 Budget Paper No. 3.

An analysis of the administered expenses outlined in table 7 for school education – specific funding relating to this portfolio, has identified the majority of programmes included are from Outcome Group 1: Individuals achieve high quality foundation skills and learning outcomes from schools and other providers, as well as the inclusion of programmes from Outcome Group 2: Individuals achieve relevant skills and learning outcomes from post school education and training. These programmes are outlined in the 2006-07 Portfolio Budget Statements (PBS) and detailed in the table below.

Statement 6 of Budget Paper No. 1 provides an overview of trends across the budget and forward estimates in Government Finance Statistics (GFS) expenses and net capital investment. The statement includes information on the allocation of Australian Government funds to the various functions of government.

Functions are broad categorisations of areas of government activity based on an international standard classification of government functions incorporated into the GFS framework. The functions are intended to allow financial information from different countries and jurisdictions to be presented on a consistent basis for comparison and analysis. Some of the high level published functions are made up of a number of sub-functions. The functional data series is reported:

- o At the functional level in the Final Budget Outcome, and in the Mid-Year Economic and Fiscal Outlook (MYEFO);
- o At the sub-function level in the Final Budget Outcome and at the sub-function level with commentary in Statement 6 of Budget Paper No. 1.

The functional classification system is based on the International Monetary Fund (IMF) classification system, also used by the Australian Bureau of Statistics (ABS) in their data collections. Finance reports to the ABS using the IMF classification system, who in turn reports to the IMF. The ABS also collects data from the State Governments and forwards the data to the IMF.

School Education - Specific Funding

Source	2005-06 \$'000	2006-07 \$'000	2007-08 \$'000	2008-09 \$'000	2009-10 \$'000
Projects to Enhance Literacy and Numeracy Outcomes (Output 1.2) 2006-07 PBS Appendix 1 page 115 (a)	645	658	671	683	696
Reading Assistance Vouchers (Output 1.2) 2006-07 PBS Appendix 1 page 115	0	8,776	8,776	0	0
Quality Outcomes (Output 1.3) 2006-07 PBS Appendix 1 page 115	59,239	77,124	71,468	71,066	69,634
Grants and Awards (Output 1.3) 2006-07 PBS Appendix 1 page 115	3,706	3,762	3,816	3,868	3,925
Schools Online Curriculum Content (Output 1.3) 2006-07 PBS Appendix 1 page 115	7,113	7,600	7,600	7,700	0
Total School Education - Specific Funding Administered Expenses	70,703	97,920	92,331	83,317	74,255

(a) 2006-07 and 2007-08 estimates published in 2006-07 PBS Appendix 1 are incorrect. The correct estimates have been included in this table.

3 Indexation in the estimates is based on indices agreed with the Department of Finance and Administration for each programme. Forward estimates for these indices are not publicly released. A list of the indices applied to each programme is provided in the table below.

Indices applied to Schools Group Programs as at 2006-07 Budget

Programme	Index
Grants and Awards	WCI4 (one component not indexed)
Quality Outcomes	WCI4
Projects to Enhance Literacy & Numeracy Outcomes	WCI4
Framework for Open Learning	Non-farm GDP
Online Curriculum Content for Australian Schools Initiative	Non-farm GDP/Not indexed from 2006-07

4 The projected reductions in funding for 2008-09 and 2009-10, as outlined in the table in questions 1&2 above, are the result of terminating programmes.

Programme	Terminating	Reference
Reading Assistance Vouchers (Output Group 1.2)	30 June 2008	2006-07 Budget Paper No.2 page 165
Online Curriculum Content Initiative (Output Group 1.3)	30 June 2009	2006-07 Budget Paper No.2 page 159
Quality Outcomes- Boosting Innovation, Science, Technology & Mathematics Teaching (Output Group 1.3)	30 June 2011	2004-05 Budget Paper No.2 page 137