IMPORTANT ISSUES

• Federal Budget

This briefing represents the initial analysis of the 2003/2004 Federal budget. This budget follows the pattern of the previous budget; i.e. there are no new significant initiatives announced for the non-government school sector. There are no changes to the Commonwealth’s recurrent funding arrangements.

General trends

Commonwealth expenditure on schools (government and non-government) and school students is projected to be $6.904 billion in 2003/04, rising to $8.851 billion in 2006/07. In 2003/04 some $6.636 billion of this expenditure is on schools, with non-government schools accounting for $4.373 billion or 65.9 per cent of Commonwealth expenditure on schools.

Commonwealth expenditure on non-government schools is projected to increase to $5.425 billion in 2006/07, an increase of $1.450 billion from 2002/03.

This year there has not been a major upward revision to the budget projections for the non-government school sector. In the last couple of years this had been the focus of much media comment and confusion. The Budget papers show the Commonwealth spending on schools in the current financial year (2002/03) is now expected to be some $51 million lower than projected on Budget night 2002, some $46 million of this accounted for by lower than expected expenditure on non-government schools. The budget projections put Commonwealth expenditure on non-government schools at $5.062 billion in 2005/06 compared to the $5.091 billion projected for this period last year.

The projections provide for an increase in Commonwealth expenditure on non-government schools over the 4 years from 2002/03 to 2006/07 of 36.5 per cent, with expenditure projected to increase by $1.450 billion. During the same period Commonwealth expenditure on government schools increases by $507 million or some 24.7 per cent. As a result the non-government sector is projected to account for an increasing share of Commonwealth expenditure up from 65 per cent in 2002/03 to 67.2 per cent in 2006/07.

In the non-government school sector the nearly $400 million increase in expenditure in 2003/04 over 2002/03 is primarily driven by indexation (79.6% of the increase). Subsidiary, but still significant factors, are enrolment growth (approximately $50 million) and the SES phase-in (approximately $53 million). Over the out-years, the increase is again a function of indexation and enrolment growth, with the SES phase-in no longer contributing to growth after 2004/05. The phase in of the SES in the 2003/04 budget period accounts for 11% of the increase and enrolment growth 12.6%.

Specific school initiatives

The Strategic Assistance for Improving Student Outcomes (Special Needs and Literacy and Numeracy) will be extended to 2006-7. $172.3m has been allocated to this program.

An additional $1.8 million has been allocated in 2003/04 for the National Schools Drug Education Strategy taking the total amount to $5.3 million Further funding beyond this period will be subject to review of the strategy. There is also an additional $4 million dollars over four years for a new language in-country teaching fellowships programme (120-140 fellowships each year). Teachers in all major languages taught in schools will be eligible for these new scholarships. More information
about this new programme is available at www.dest.gov.au. Funding for the Languages programme has been confirmed for the next four years. The Commonwealth will conduct consultation over the next 18 months to help shape the Languages programme.

$48.2m has been allocated over the next four years to 2006-07 to the Non-Government schools Capital Grants Program. Further funding will be subject to a review in 2006.

- **Dare to Lead : State Forum**

  This forum took place on **20th May**. It provided an opportunity for school leaders to exchange ideas on improving educational outcomes of Indigenous students. The contact for the project is Andrea Harms. She can be contacted at tel. 8245 9804 or E-mail andrea@apapdc.edu.au

  Member schools are also encouraged to register their commitment to the project.

- **Discrimination and Vilification on the Grounds of Religion**

  The South Australian Government has decided not to proceed with any legislation on discrimination and vilification on the grounds of religion, following a failure to reach consensus on the proposal to prohibit such discrimination.

  AISSA made a substantial contribution to the debate. The proposal could have had a substantial adverse impact on many member schools and inhibit their ability to operate according to their ethos.

- **Insurance Legislation**

  The South Australian Government has introduced a Bill into Parliament to assist in addressing the insurance crisis. The purpose of the Bill is to reform some aspects of the law of negligence with the expectation of moderating the cost of damages claims and, thus, the cost of insurance.

  The Bill was developed following a national review of insurance issues (the IPP Review) and State Government consultation.

  The Treasurer, Kevin Foley, invited AISSA to provide comments on the IPP Review, comments on a subsequent discussion paper and comments on the Bill. AISSA’s significant concerns with some of the State Government's original proposed changes have been satisfactorily addressed through this process.

  AISSA commended the Government for its consultative approach in developing changes to legislation to address the crisis in the cost and availability of insurance.

- **Electricity Savings**

  AISSA has been involved in significant discussions with Church Resources, a national body that provides buying power for many churches and organizations, in order to explore links with that body in tendering for lower power costs.

  Independent schools were asked to express interest in this exploration and a small number of schools, that have not signed a contract to any supplier, have registered an interest. Their details have been included in the first round of tender and when details are finalized, they will be given the option of signing a contract.

  Schools which have not signed a contract are at present being charged the tariff rate, but they are encouraged to consider the advantages of joining with the Church Resources tendering process because the deal being struck by Church Resources on our behalf will provide savings; details of these savings will shortly be made available to schools. Information will be sent to schools which have not yet indicated an interest in this issue.

  Large schools presently under contract will be offered the opportunity to be part of another tendering process with Church Resources. There is no doubt that suppliers will want to gain a group of larger consumers, with consequent savings to be made.

  AISSA has also discussed power savings with other tenders, but the deal described above is the best at this stage. For example, the fee to Church Resources will be less than $25 per year per
school, compared to about $500 per school from another tender group. For more details, contact Peter Lang 81791406.

- **Enrolling students under 5 years of age**

  AISSA has sought advice, on the request of member schools, on Commonwealth funding for the enrolment of children under 5 years of age. The Commonwealth Recurrent Grants section has stated that non-government schools may only report these students in the annual school census where under normal circumstances they would be expected to progress to Year 1 within the first two terms of the following year. Students may be under 5 years of age at census day and still meet this condition for inclusion in the census.

  It is considered to be inappropriate for Recurrent Grant funding to be used as a substitute for childcare arrangements. A copy of the letter containing these details and appropriate extracts from census definitions are available from Peter Lang.

**FUNDING AND GRANTS**

- **School Computer Upgrade**

  The State Education Minister recently announced the allocation of $5.4 million in subsidies to Government schools over the next two years. A further $1 million will be spent this year on a new teacher training strategy.

  The distribution of the subsidies will be based on individual school audits, taking into account the age profile of the computers, the number of computers per student and the level of disadvantage of the school population.

- **Risk Management Strategies and Insurance Premiums**

  With the insurance market continuing to harden premiums are continuing to rise. Australian corporations are adapting to this environment by doing without insurance cover for anything but a major disaster. This is coupled with the creation of enhanced risk management policies. A risk management leader and a team evaluate all corporate risks step-by-step to work out how they can be minimised by such measures as improved management, tightening of OHS&W and renovation of important facilities. Any major problems are brought to the attention of the Board.

  An auditing committee also evaluates the implementation of policy to minimize risk.

  AISSA will be providing workshops on risk management in term 2003.

- **Insurance for School Buildings**

  Notwithstanding the increases in insurance premiums, the Block Grant Authority has been asked by the Commonwealth Capital Grants section to remind schools to maintain an accurate level of insurance cover for school facilities. This has been brought to the attention of BGA’s largely because of the recent bushfires.

  In fact, the Commonwealth will require adequate insurance cover as a pre-requisite for future capital funding. Link that with the recent requirement for schools to have an asset management plan and one can see an increased level of expectation of accountability and responsibility on the part of schools.

- **Survey of Member Schools on Insurance Premium Rises**

  The Assistant Federal Treasurer indicated recently that she was hopeful that all States would have professional standards legislation in place with appropriate caps on liability by the end of the year. However she is also reported (The Australian Financial Review 7 April) to have stated that it would be unrealistic to expect premiums to come down in the near future following the reforms, but the changes would still have a positive short-term effect.

  Professionals such as engineers and accountants should benefit from the development of a national system of professional standards legislation made possible after the Commonwealth agreed to
amend the Trade Practices Act to support State based reforms. This may ease the crisis facing companies in relation to professional indemnity insurance.

A recent survey of AISSA member schools indicated that public liability insurance premiums had risen by over 100% among 16% of respondents; 58% of respondents faced increases of between 80-100%. Other insurance premiums had also risen sharply.

- **Primary School Design for an Australian Legal Tender Coin**

The Royal Australian Mint is inviting all primary school students to enter a coin competition for a 50c coin. The theme of the design ‘Australia’ is deliberately wide to allow the maximum amount of artistic expression to the young students. The competition closes on **15 August** with the winner being announced on 7 November 2003.

The winning design will be awarded a prize of $10,000.

More details will be circulated to member schools.

- **Capital Works Funding**

The Block Grant Authority Committee has short-listed 20 projects for further consideration for capital grant support. Those projects have a total value in excess of $8,650,000 and will be supported by a Commonwealth allocation of $2,500,000.

The BGA Committee had the unenviable task of assessing the minimum viable project for each application and to determine which projects would most benefit the educational outcomes for students. As a result, the BGA will be supporting only part of most projects submitted. The Commonwealth has made it clear that the BGA funds are to be considered as supplementary funding only and not the main source of capital funding. Nevertheless, the grants will be of significant help to schools.

- **Limited Interest Subsidy Scheme**

The School Group Representatives Committee has discussed the claims for interest subsidy submitted by schools and will make recommendations to the Minister for the full allocation of the $250,000 available. Those recommendations have to wait for that approval process before details may be released.

- **Asset Management Planning**

Details of a suggested process for schools to use to develop an asset management plan have been sent to all independent schools which have been short-listed for Commonwealth funding in 2004 through the BGA. The development of such a plan is a prerequisite for funding approval. Schools have been encouraged to contact Peter Lang for further discussion.

**CURRICULUM**

- **Goi Peace Foundation**

The Goi Peace Foundation (Japan) has invited young people of Australia to participate in the 2003 International Essay Contest for Young People. It is registered as a UNESCO Culture of Peace Project promoting the *International Decade of a Culture of Peace and Non-Violence for Children of the World* The theme of this year’s essay contest is *My Vision for the Future - What are your hopes and dreams for your future and the future of the world?*

Entries must be received by 30 June 2003. Entry forms and further information can be found at [www.goipeace.or.jp](http://www.goipeace.or.jp)

Further details will also be circulated in the AISSA weekly mail-out.

- **Commonwealth Bank E-Learning Grants**

The Commonwealth Bank is again inviting all primary schools across Australia to apply for one of 70 grants of $5,000 to help in the development of literacy and numeracy skills through an on-line project. The grants are available in conjunction with National Literacy and Numeracy Week 2003.
Applications are being sent to all primary schools for lodgement between 28 April and the closing date of 6 June 2003.

Further details can be obtained from Paul Rea (tel.) 02 9378 5965 or (mobile) 0416 073 730 or Email reapn@cba.com.au

- **Student Virtual Parliament**

  This is an initiative from the Sydney based BigPulse.com It can be seen at www.studentparliament.net

  Students can voice opinions on various topics and enables them to vote on these issues.

  Schools are invited to register for the program via the above website. A nominal administration fee of $50 plus GST per school per year applies.

**TAXATION**

- **Charities Definition**

  The Treasurer has announced in the Budget that there will be a new definition of Charities but there are as yet no further details of the implications of that for independent schools. AISSA will seek advice on this topic and inform schools.

- **Fringe Benefits Tax Exemption**

  Details have been sent to schools about a fringe benefits tax exemption for certain payments to prescribed employee entitlement funds to take effect from 1st April 2003. The Commissioner of Taxation is responsible for advising the government on which funds will be prescribed and the process of determining which funds meet the appropriate criteria will allow for differences between bona fide funds and funds with the object of tax minimisation to be determined.

**INDUSTRIAL NEWS**

- **Letters of Appointment**

  The contents of letters of offer of appointment are important. They are part of the employment conditions and may be relevant in any dispute.

  AISSA has recently prepared draft letters of offer of employment to permanent full-time or part-time teachers, temporary teachers and permanent full-time or part-time school assistants. They can be adapted by member schools to meet their requirements or member schools may wish to use the draft letters to review existing practices.

  AISSA is preparing a draft letter of offer of employment for Principals.

  Member schools can obtain the draft letters by contacting Margaret Martin (Email martinm@ais.sa.edu.au).

- **Building Activities**

  The recent report of the Cole Royal Commission into the Building Industry may have implications for member schools.

  In response to the report, Tony Abbott, the Minister for Workplace Relations, has announced that the Government will insist on the application of the National Construction Code and implementation guidelines to all significant new projects that are fully or partly federally funded.

  The National Construction Code stipulates that construction projects must take place in conformity with the Workplace Relations Act. In particular, it will not consider tenders whose workplace agreements and practices ensure a closed shop on site.
A Federal Government Task Force (and any replacement body) will have full access to federally funded sites to ensure that the policy is being observed and workplace agreements complied with.

The Commonwealth Capital Grants section has informed AISSA that this will apply to projects whose value exceeds $5 million and where the government funds for the project exceed 50% of the total value.

- **Superannuation Choice**

The Commonwealth government’s campaign to allow members to choose their superannuation fund has been defeated by Labor and the Democrats. The Federal Government is now calling for reform to the way superannuation funds are directed and controlled and for members to have a clear understanding of the responsibility of the trustees and how they are appointed. This would involve improved communication between members and the board.

- **Wages – Safety Net Increase**

The Australian Industrial Relations Commission has announced increases in Federal award rates of pay. The Commission granted a $17 per week increase in award rates up to and including $731.80 per week and a $15 per week in award rates above $731.80.

This is likely to “flow on” in August to the State Awards for teachers and school assistants.

The increases will not result in a pay increase for any employee covered by an enterprise bargain.

**OCCUPATIONAL HEALTH, SAFETY & WELFARE**

- **Machine Guarding**

AISSA recently held an interesting information session on machine guarding. Inappropriate guarding can be a major hazard for students and employees. There have recently been a significant number of serious incidents involving machines in DECS schools.

Useful information on machine guarding is available from: [www.eric.sa.gov.au](http://www.eric.sa.gov.au) - then hold the mouse over the major hazards button. The information includes the PowerPoint presentation that was used at the AISSA information session.

- **OHS&W Training**

AISSA has obtained access for member schools to DECS OHS&W training. DECS OHS&W training is usually provided by external providers.


Courses available for member schools include:

- Machine Guarding & Compliance Issues
- Agricultural Education Training For Teachers
- Electrical Portable Appliance Testing
- Operating and Maintaining Woodworking Machinery
- Fire Safety Officer Training
- Managing Violence In Schools
- OHS&W - General Training for Grounds-persons and Grounds staff
- Tractor Driver Training
- Chainsaw Training
- Voice Care for Teachers
- Psychological Health

AISSA will continue to organize other relevant OHS&W information sessions.
• OHS&W – DECS Guidelines

DECS has released revised OHS&W guidelines for Home Economics, Performing Arts and Physical Education.

Although the guidelines are for DECS schools, they are a useful resource for member schools.

They can be accessed at http://www.dete.sa.gov.au/ohsw/ - then click on resources and then click on OHS&W Manual.

GOVERNOR’S CORNER

• Board Member Shortage : Where to Find the Next Generation

The February edition of Board Member published by Board Source contains an article entitled The Board Member Shortage. This article recommends that boards establish an organized recruitment process. And provides the following steps as a framework for such a plan.

- Prepare a board profile which outlines the present board composition and identify areas where the Board may need help
- Establish a governance committee
- Establish a search strategy for new board members
- Include the chief executive in the process
- Cultivate a relationship with potential members
- Value orientation of new members.

• Risk Management

A straightforward practical guide to risk management is contained at www.riskmanagement.qld.gov.au

INTERNATIONAL EDUCATION

• AEI School Sector Meeting

In March AISSA attended the AEI School Sector Meeting. The meeting reported that the Study in Australia branding has been well received and identified study tourism as the growth industry. Highlighted throughout was the continued importance of issues of pastoral care. Markets performing well included Korea, Japan and China. Marketing opportunities for the school sector were identified in Malaysia, Brazil, Thailand, Indonesia, India and the United Arab Emirates. However, the meeting noted the potential negative impact of outside world events, such as the Iraq conflict, for the industry.

• Australian Education : Passport to a Global Career

The Minister for Education, Science and Training (Dr Brendan Nelson) recently launched a new publication which outlines the profile of Australia’s education opportunities in international markets. The publication details the strengths of Australia’s education opportunities and gives prospective students a compelling case to select Australia as their preferred destination for study.

• AEI Consultancy Services

AEI provides a wide range offshore services including advice on student recruitment and assessment, student briefings, facilities hire, market research, evaluation of local institutions and help on dealing with agents. The standard rate for consultancy services provided offshore is $190 per hour.

The national office in Canberra also offers some services such as commissioned research and customised statistics.

• AEI Market Information Package

This package provides the latest intelligence on established and emerging markets. The cost of the package can be obtained on the AEI website at www. aei.dest.gov.au.studyinaustralia.gov.au
OTHER NEWS

• SA Science and Mathematics School

The Australian Science and Mathematics School at Flinders University opened this year. 170 students are currently enrolled—85 in Year 10 and 85 in Year 11. According to a recent press statement the students enrolled at the school are from 50 different schools around the State; 58% of the students are male and 10% of total enrolments come from rural areas.

The school is open between 8am and 8pm each day.

• AISSA Advice and Policy Index

We have recently completed the review of all of our advice and policy statements. Where necessary, legal opinion has been sought to ensure that the advice is current.

We have supporting documents for much of the advice and many of these have been placed on the AISSA web site. They will be updated frequently and schools are encouraged to use the web site for information. Links with other organizations and associated documents have also been placed on the AISSA web site.

Contact staff members have been named for each area of advice and schools are encouraged to discuss issues with them.

Some issues in schools may be resolved easily by gaining access to a document which has all of the available information within it, but schools face situations which are often more complex, such as Duty of Care issues, where a range of pieces of advice need to brought to bear on an incident or concern. In all situations, but in these situations especially, contact with AISSA staff is strongly encouraged. We have more information than may be placed on the web site on particular topics and discussion may provide a wide range of information needed by a Principal in order to make the balanced judgment necessary in a particular circumstance.

SEMINARS, WORKSHOPS AND CONFERENCES

• Curriculum Corporation 10th Annual Conference

This conference will be held in Perth at the Hyatt Regency on 17 & 18 June 2003. More details can be found on the website at www.curriculum.edu.au

• Pre School Conference

AISSA has organised a conference for pre school staff on 5 June 2003 at Nunyara and details have been sent to each school with a pre school on site. The speaker will be John Joseph, a skilled and lively presenter with a sound reputation for his work with educators. More details are obtainable from Peter Lang or from Jill Bosanquet, Head of St John’s Grammar Junior School.

• Seminar on Professional Development Visa

You are invited to attend a presentation by the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) on the sponsored Professional Development Visa that will come into effect from 1 July 2003.

The presentation will be held in Adelaide on 4 June 2003 between : 0900 - 1200

It will deliver a comprehensive description of the visa and the sponsorship and visa application criteria and processes.

Please contact Deborah Marshall by email deborah.marshall@immi.gov.au to register for the workshop. The session is free of charge. Attendance will be confirmed by email. Venue details will be contained in the confirmation email.
STATISTICS

• Population Growth

An examination of the latest edition of Regional Population Growth from the Australian Bureau of Statistics, coupled with the ABS information on population in new suburbs and in related state electorates clearly demonstrates where the population growth is in SA, which has grown by 0.6%, ahead of only Tasmania and the NT.

The outer suburban areas, with new housing being built at more affordable prices for many young families, are showing strong increases in population. Onkaparinga, Salisbury, Port Adelaide Enfield and Playford are the Local Government Areas with the largest total increases; however the Gawler LGA is the fastest growing of all.

Coastal areas are growing, but the increases are made up more of people of older age groups seeking lifestyle changes. Some inner suburban areas are also showing increases of families with young children.

Contact Peter Lang if more information, (such as the actual increases for each LGA), is required.

• Enrolment Growth

Enrolments in the non-government sector continue to increase. From 2000 to 2002, government school numbers dropped by over 4,300 (source: DECS) and non-government school enrolments increased by over 3,500 (source: Non – Govt Schools Secretariat). A comparison for 2003 is not yet possible because DECS has not released its current figures.

Contact us
Email office@ais.sa.edu.au  Website  www.ais.sa.edu.au