

## 2024-25 Federal Budget Immediate Summary

### Schools

#### **There are no increases to Commonwealth public school funding in this budget**

Despite years of promises there is still no provision to lift the Commonwealth's contribution to public school funding fix the entrenched funding gap. The Commonwealth needs to lift its share of the SRS from 20% to 25% which requires \$2.9 billion a year investment.

Beyond a reference to negotiating with the state and territories in the portfolio budget statements, there is no provision in the forward estimates for increased funding to public schools. Public schools funding actually goes backwards as a % of total expenditure over the forward estimates from 1.56% to 1.54% over four years.

The only mention of new bilateral funding agreements comes in the portfolio budget statements which refer to the Department's priority of:

*“negotiating the Better and Fairer Schools Agreement (BFSA) with state and territory governments to close the funding gap for our public schools and reduce the education gap for disadvantaged students, to commence on 1 January 2025”*

and state that”

*“The Government has signed Statements of Intent worth an estimated \$785.4 million over the next five years or Western Australia to fully fund all public schools by 2026 and and estimated \$736.7 million over the next five years for the Northern Territory to fully fund all public schools by 2029. This additional funding will see schools in Western Australia and the Northern Territory reach 100 per cent of the Schooling Resource Standard, with the most disadvantaged schools fully funded first.”*

Separate from the lack of increases to the SRS, the Budget includes the following changes to funding due to changing student enrolment projections for private schools and increased numbers of students with disability in public schools:

- Funding to Non Government Schools is expected to increase by \$136.7 million in 2024–25 and \$1.7 billion over five years from 2023–24 to 2027–28, “primarily due to revisions to enrolment projections.”
- Funding to Government Schools is expected to increase by \$209.0 million in 2024–25 and \$1.1 billion over five years from 2023–24 to 2027–28, “largely reflecting an increase in the number of students eligible to attract a ‘student with a disability’ loading
- Public school funding declines slightly as a % of total government expenditure - 1.56% in 2024-25 and 1.54% in 2027-28

### **School measures included in the Budget**

#### **‘Commonwealth Prac Payment’**

- \$427.4 million over four years from July 1 2025 (and an additional \$1.2 billion from 2028–29 to 2034–35) to establish a new Commonwealth Prac Payment of \$319.5 per week

(benchmarked to the single Austudy rate) for tertiary students undertaking supervised mandatory placements as part of their nursing (including midwifery), teaching or social work studies.

- Expected to cover 73,000 students although there is no breakdown provided of how the number of students or funding will be split across sectors.

### **School Education Support**

\$70.3 million redirected from defunct education department NSRA measures from 2018-19 over five years from for a range of small programs to support teachers and school students, including:

- \$34.6 million over four years from 2024–25 to support a National Teacher Resource Hub which will include a Digital Technologies Hub, a Mathematics Hub, a Literacy Hub, a Civics and Citizenship Hub, a Student Wellbeing Hub, Massive Open Online Courses and Number Check, and Early Learning Languages Australia initiative to make evidence-based curriculum support and professional development materials available to all teachers and school leaders
- \$12.7 million over three years from 2024–25 to support the Australian Curriculum, Assessment and Reporting Authority to manage the collection, quality assurance and reporting of school information
- \$7.9 million over two years from 2024–25 to support the Online National Assessment Platform to continue national testing of NAPLAN, Civics and Citizenship, Information and Communication Technology Literacy and Science Literacy
- \$5.3 million over two years from 2024–25 to support the Good to Great Schools Australia English, Maths and Science pilot program to deliver targeted supports to students
- \$4.2 million over four years from 2024–25 to support the Australian Schools Anti-Bullying Collective to deliver national bullying prevention initiatives
- \$4.0 million over two years from 2024–25 to support Together for Humanity to deliver initiatives aimed at strengthening intercultural and interfaith understanding and building culturally safe schools
- \$1.7 million over four years from 2023–24 to deliver initiatives announced in the Government’s youth engagement strategy, Engage! A strategy to include young people in the decisions we make.
- The National Student Wellbeing Program (previously the school chaplaincy program) continues to be funded at \$61.4 million per year ongoing

### **First Nations Schooling**

#### **Closing the Gap – Education**

\$110.0 million over four years from 2024–25 (and \$11.0 million per year ongoing) towards Closing the Gap Priority Reforms in the Education portfolio and extend programs supporting education outcomes.

Part of this is extended existing funding and part redeployed from other parts of the education portfolio:

- \$32.8 million over two years from 2024–25 for the Clontarf Foundation to extend its existing program for the 2025 school year to support school engagement for at-risk First Nations young men
- \$29.1 million over four years from 2024–25 (and \$8.7 million per year ongoing) to support national First Nations peak organisations National Aboriginal and Torres Strait Islander Education Corporation and SNAICC to partner with Government on matters affecting First Nations children
- \$27.5 million over three years from 2024–25 to extend existing programs such as Australian Indigenous Education Foundation Scholarship Program, Australian Institute for Teaching and School Leadership’s Indigenous Cultural Responsiveness Initiative and English Language Learning for Indigenous Children which aim to improve educational outcomes of First Nations students
- \$18.2 million over four years from 2024–25 (and \$2.2 million per year ongoing) to develop a new First Nations education policy and engage with First Nations stakeholders
- \$2.4 million over three years from 2024–25 to finalise and implement the First Nations Teacher Strategy to improve the attraction and retention of First Nations teachers.

## **TAFE**

### **Future Made in Australia – VET specific measures**

- \$218.4 million over eight years from 2023–24 (and \$1.3 million per year ongoing) for skills as part of the Future Made in Australia plan through the development of a skilled and diverse workforce and trade partnerships. Funding includes:
- \$91.0 million over five years from 2023–24 (and an additional \$0.6 million over three years from 2028–29) to support the development of the clean energy workforce, including through addressing vocational education and training sector trainer workforce shortages, and funding new and existing training facility upgrades across a range of clean energy occupations
- \$55.6 million over four years from 2024–25 to establish the Building Women’s Careers program to drive structural and systemic change in work and training environments. The program will fund partnerships between training providers, community organisations, employers, and unions to improve women’s access to flexible, safe and inclusive work and training opportunities in traditionally male-dominated industries of national priority, including clean energy sectors
- \$88.8 million over three years from 2024–25 to support 20,000 new fee-free training places, including increased access to pre-apprenticeship programs, in courses relevant to the construction sector and delivered through TAFEs and industry registered training organisations

### **Further Support for the Vocational Education and Training System**

- \$26.1 million over four years from 2024–25 for continued structural reform of the Training and Skills sector including:

- \$10.6 million over four years from 2024–25 (and \$1.0 million per year ongoing) for the implementation of a reporting solution for the Australian Skills Guarantee
- \$9.5 million in 2024–25 in additional funding for Jobs and Skills Australia’s continued provision of advice on Australia’s labour market, skills and training needs
- \$6.1 million in 2024–25 in additional funding for the National Careers Institute to continue its role in supporting Australians to access targeted careers information
- \$2.9 million in 2024–25 in reallocated funding for continued implementation work with the states and territories on the 5-year National Skills Agreement that commenced on 1 January 2024.
- \$4.4 million in 2024–25 to support delivering the VET workforce required to meet Australia’s future skills needs. This will include delivering strategic communications to increase the appeal of VET for students, parents and teachers, and extending community awareness of Fee-Free TAFE courses in areas of high skills needs which has ensured strong uptake of Fee-Free TAFE places to date.
- \$27.7 million over four years from 2024–25 (and an additional \$32.8 million from 2028–29 to 2034–35) to develop initiatives that break down artificial barriers and harmonise regulatory, governance and qualification arrangements between the higher education and vocational education and training sectors

#### **Australian Apprenticeships Incentive System – further support**

- The Government will provide \$265.1 million over four years from 2024–25 to adjust previously scheduled Phase Two Incentive System payments to provide further support for apprentices, trainees and their employers in priority occupations, while the Government undertakes the Strategic Review of the Australian Apprenticeships Incentive System.
- This will increase Phase Two Incentive System payments for apprentices in priority occupations from \$3,000 to \$5,000 and hiring incentives for priority occupation employers from \$4,000 to \$5,000 for 12 months from 1 July 2024.

#### **Other Skills and VET Measures**

- \$10.6 million over four years from 2024–25 (and \$1.0 million per year ongoing) for the implementation of a reporting solution for the Australian Skills Guarantee
- \$9.5 million in 2024–25 in additional funding for Jobs and Skills Australia
- \$6.1 million in 2024–25 in additional funding for the National Careers Institute
- \$101.8 million over seven years for skills to build nuclear submarine capacity, is \$3.9 million over four years from 2024–25 to train TAFE teachers to deliver courses relevant to key professions within the nuclear-powered submarine enterprise

#### **ECEC**

The ECEC worker wage increase is confirmed to be federally funded, but no funding has been attached to this commitment yet. Instead, the Government will invest \$30.0 million over two years from 2024–25 in IT and payment services to deliver on its commitment to provide funding

towards a wage increase for the Early Childhood Education and Care sector. This will support a response to Fair Work Commission processes as they relate to this sector.

*“The Albanese Government has committed to provide funding towards a wage increase for the early childhood education and care workforce. Details will be finalised following consideration of relevant Fair Work Commission processes. The Government will invest \$30 million over two years from 2024-25 in IT and payment services to deliver on this commitment.”*

The Government has also stated that they will consider the recommendations of the ACCC’s report into the costs of early childhood education and care alongside the Productivity Commission’s inquiry which is due by 30 June 2024.

### **Funding provided to strengthen fraud and non-compliance activities includes:**

There is additional funding for fraud childcare subsidy fraud detection which the Government says will achieve net savings of \$410.7 million over four years from 2024–25 through additional activities to strengthen the payment and accuracy of the Child Care Subsidy program.

- \$84.2 million over four years from 2024–25 (and \$18.4 million per year ongoing) to the Department of Education to increase audits of providers in the child care sector and manage the centralised collection of child care gap fees in the Family Day Care and In Home Care sectors
- \$8.3 million over four years from 2024–25 (and \$1.2 million per year ongoing) to Services Australia to upgrade the Child Care Subsidy system to support new compliance measures
- \$4.8 million over four years from 2024–25 to the Australian Taxation Office to ensure satisfactory engagement with the Australian tax system regarding fitness and propriety requirements of existing and new child care providers
- \$1.3 million over four years from 2024–25 (and \$0.3 million per year ongoing) to the Australian Transaction Reports and Analysis Centre to assist the Department of Education in identifying individuals of high, unexplained wealth with connections to the child care sector.

### **Increased ECEC Inclusion Support**

And the plan is to divert the money saved to inclusion support:

- A further \$98.4 million for the Inclusion Support Program (ISP) to help child care services increase their capacity to support inclusion of children with additional needs.