

Council of Australian Governments' Meeting, 30 April 2009**AGENDA PAPER: REPORT FROM THE COORDINATORS-GENERAL ON THE NATION BUILDING AND JOBS PLAN****Recommendation**

That the Council of Australian Governments (COAG) note the report of the Coordinators-General on the Nation Building and Jobs Plan.

Background

On 5 February 2009, COAG agreed to new oversight and coordination arrangements to ensure that the stimulus from the Nation Building and Jobs Plan is delivered on time and its impact maximised.

Governance

In accordance with the National Partnership Agreement (NP), Commonwealth and State Coordinators-General have all been appointed. In addition, the agency Coordinators for social housing, education, energy efficient homes and transport infrastructure are in place in all jurisdictions. Effective working arrangements have been put in place by the Coordinators-General, including weekly national telephone hook-ups to exchange information and address key issues and problems.

The Coordinators-General have settled the program reporting requirements for the elements of the package and will provide First Ministers with regular reports on the status of the implementation of the programs and details of the expenditure and progress on projects (Attachment A).

An initial “traffic light” status report on measures in the first and second Nation Building packages, as overseen by the Coordinators-General is attached.

All COAG milestone dates have thus far been met, except the requirement to sign the Building the Education Revolution Funding Agreements by 13 February 2009 (they were all signed by 3 April 2009).

Progress has been good to date, with the package now largely in a transition process from planning and project approvals to commencement of contracting and building. By the end of April 2009, all Stage One project approvals for Social Housing and Building the Education Revolution will be in place, and States and Territories will commence construction work on these elements.

In accordance with the NP, the Heads of Treasuries have commenced the analysis of the underpinning financial commitments by jurisdictions to ensure that existing effort by all jurisdictions is maintained. This work will be reported to COAG through the Ministerial Council for Federal Financial Relations.

Building the Education Revolution (BER)

States and Territories and Block Grant Authorities have all signed the BER funding agreements. While this was not in accordance with the COAG agreed timeframes, work had been progressing in the States and Territories in regard to consultation with school communities to identify appropriate projects with no resulting delays in the roll out of the program.

National School Pride Round One was announced on 5 April 2009 with 5,965 schools to receive \$828 million in funding for minor infrastructure and refurbishment projects. The first round of payments to jurisdictions will be made on 7 May 2009. Applications for the remaining 40 per cent of schools close on 8 May 2009.

Applications for Round 1 of Primary Schools of the 21st Century Program have now been lodged by all Education Authorities and are currently being assessed by the Commonwealth with the intention of approvals occurring before the end of April 2009.

Applications for the \$1 billion Science and Language Centres for 21st Century Secondary Schools close on 31 May 2009.

Key Issues

The Coordinators-General continue to work through the risks around industry capability and deliverability of the programs. It is too early to tell whether there will be sufficient industry capacity, particularly for the later stages of the Primary School for the 21st Century (P21) program across Australia, to deliver the scale and geographic spread of projects in the packages within the tight timelines required. However, the Coordinators-General have at this time a good level of confidence in the arrangements being put in place in States and Territories to deliver the program and manage

procurement. As contracts are entered into, and as we track progress against individual projects, more information will be available to assess any capacity and capability constraints.

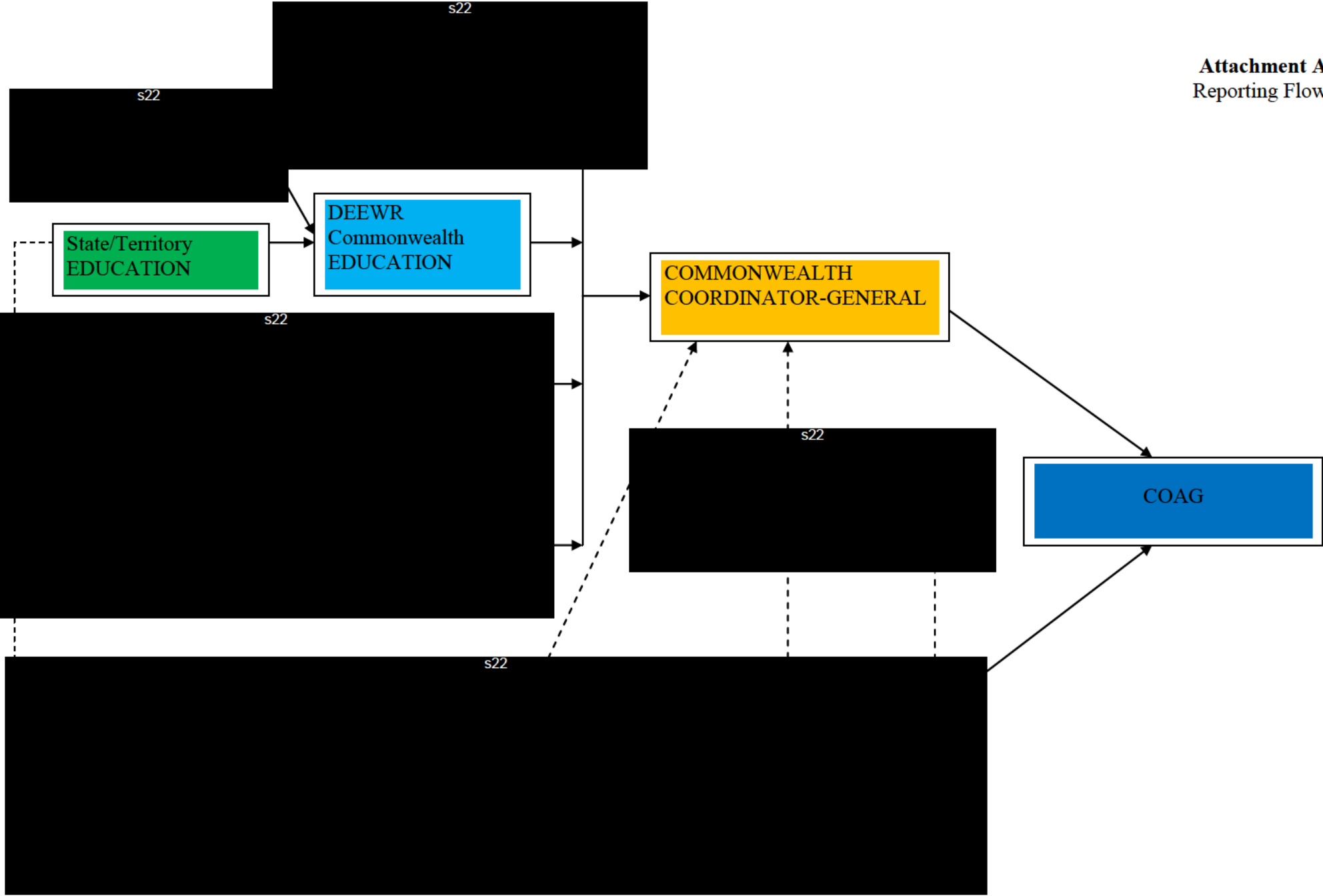
An emerging issue which is being addressed by the Coordinators-General is the need for greater flexibility for States and Territories to be able to lodge applications for project approvals for the schools programs and for some flexibility in relation to the required start dates on school rounds. This is being addressed with education agencies. Consideration is being given to the impact of the three funding rounds and start time requirements under the Primary Schools for the 21st Century program in the NP. The staging requirements currently set out in the NP limit the flexibility available to Coordinators to best match their program roll-out to industry capability. The concern is that the staging requirements for approvals and construction starts will result in less competitive tender prices and quality assurance outcomes as the capacity and capability of the building industry and trades availability is taken up. The emerging risk is that tender prices will increase and deliverability to the completion timetable will not be met without some greater flexibility in the program staging. To address these concerns, the Department of Education, Employment and Workplace Relations (DEEWR) is working on arrangements within IT capabilities to keep application portals open between funding rounds and investigating other arrangements to streamline approvals. Co-ordinators will continue to work through the staging of projects issues.

Higher s22 school construction costs in regional and remote areas will impact on the ability to deliver the buildings envisaged under the program. Jurisdictions are seeking to manage this within their funding allocations. s22

[REDACTED] This will also be an issue for school building in regional areas where the high buildings costs will likely restrict the size and functionality of school buildings to be provided under the program. s22

States and Territories have raised significant concerns with the application of the Australian Government's statutory OH&S accreditation scheme to projects funded under the National Building Economic Stimulus Plan. Under the *Building and Construction Industry Improvement Act 2005*, the Commonwealth must not fund building work which falls within certain financial thresholds unless contracts are with builders who meet the Commonwealth accreditation requirements. Jurisdictions are concerned that the number of head building contractors who have Commonwealth accreditation under the Scheme is currently very limited, s22 and will certainly not be large enough to provide the number of medium to small building firms required to deliver the some 35,000 school and social housing units in the Plan. The Scheme applies to building contracts where the Commonwealth contribution is at least \$5 million. Coordinators-General have been working with the Federal Safety Commissioner to identify the requirements of the Commonwealth legislation and the options for maximising the pool of local builders, particularly small to medium size builders, who are able to be contracted by jurisdictions. s22

Attachment A
Reporting Flow



Building the Education Revolution

Program	Funding	Comments	Status
s22			
National Building and Jobs Plan – Building the Education Revolution – 4 February 2009			
BER (Consisting of the first 3 elements below)	\$14.7b	On track.	
Primary Schools for the 21st Century	\$12.4b	Round 1 expected to be announced late April.	
Science and Language Centres for 21st Century Secondary Schools	\$1b	Applications close 31 May.	
National School Pride program	\$1.3b	Round 1 announced - 5,965 schools to receive \$828m in funding for 8,663 projects	
s22			

State/Territory Delivery - Breakdown

	Program	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Comments
BER	Primary Schools for the 21st Century									
	Science and Language Centres for 21st Century Secondary Schools									
	National School Pride program									

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COAG (July 2009) 8

Council of Australian Governments' Meeting, 2 July 2009

AGENDA PAPER: REPORT FROM THE COORDINATORS-GENERAL ON THE NATION BUILDING AND JOBS PLAN**Recommendation**

That the Council of Australian Governments (COAG) note the summary report of the Coordinators-General on the Nation Building and Jobs Plan which details that construction activity is now underway across all of the infrastructure elements of the Stimulus Plan, with a significant surge in new construction commencing in June-July in the schools, social housing and community infrastructure programs. Key milestone achievements to date include:

1. the planning, assessment and approvals processes for the National School Pride (NSP) program, ^{s22} and the Primary Schools for the 21st Century (P21) Round One and Two have been completed in accordance with the COAG-agreed timeframes;
2. ^{s22}
3. initial reports received from States and Territories and Block Grant Authority (BGAs) for activity up to 31 May 2009 show 285 projects have actually commenced construction work under the P21 program – Round One;
4. initial reports from States, Territories and BGAs for activity up to 31 May 2009 for National School Pride Round One projects (8,200 projects), show some 4,755 projects have actually commenced construction. For NSP Round Two, 365 projects are recorded as actually commenced;
5. ^{s22}
- 6.

That COAG note that the key issues being addressed in the next month include:

1. applications for the \$1 billion Science and Language Centres have closed and assessment is underway by the National Assessment Panel. Successful projects will be announced in late June/early July;
2. the States are due to commence all of the Round One P21 school projects by 30 June. We expect that, while contracts will be in place for the bulk of the schools by this date, not all will have moved to site works;
3. round Three of the P21 element is likely to involve a number of challenges as States and Territories have deferred finalising their proposals for more difficult school locations to Round Three. This will include schools which have to deal with lack of suitable sites on school grounds, heritage and design issues which will impact on project costs and timing or where the school already has high standard new facilities. This will require settling the working arrangements for handling of project variations and any cost underrun reallocation, preferably prior to the applications being submitted by jurisdictions;

6. maximising opportunities for local employment and supply of trades and materials by local firms.

Status of Key Program Elements

Building the Education Revolution

- The total \$1.3 billion for the NSP program has been allocated to 13,176 projects at 9,490 schools across the two funding rounds. All projects under both rounds are anticipated to be underway by July and must be completed by 1 February 2010. Initial reports provided by the States, Territories and BGAs for activity up to 31 May 2009, provides some 5,120 project construction commencements for NSP.
- Round One of the \$12.4 billion P21 element has been announced, comprising 2,010 projects at 1,499 schools totalling \$2.8 billion dollars. All 2,010 projects in the first round should be contracted by 30 June although not all will have moved to site works. Projects under all P21 rounds must be completed by 31 March 2011. Initial reports provided by the States, Territories and BGAs for activity up to 31 May 2009 indicate that 285 projects have actually commenced construction.
- Round Two of P21 was announced in early June with a further 3,716 primary schools to receive funding of \$6.3 billion to fund 4,973 projects.
- Applications for the \$1 billion Science and Language Centres for 21st Century Secondary Schools closed on 31 May 2008 and 1,347 applications were received. The National Assessment Panel convened on 15 June and successful projects will be announced in late June/early July 2009. Projects must be completed by 30 June 2010.

A continuing issue relates to school community consultation and school agreement to projects put up for approval on their behalf. To meet the concerns raised, the Commonwealth is seeking additional evidence of agreement from school communities where there are variations from a school's notional available funding. Specifically, for P21 projects the Commonwealth requires education authorities to provide a signed letter from the school principal where projects at a school are 10 per cent or more below their indicative allocation.

Round Three of the P21 program is likely to involve a number of challenges as many States and Territories have largely deferred finalising their proposals for more difficult school locations to Round Three. This will include schools which have to deal with higher building costs, lack of suitable sites on school grounds, heritage and design issues which will impact on project costs and timing, or where the school already has high standard new facilities. This Round will therefore likely require some greater flexibility in the interpretation of the program guidelines to balance what can practically be delivered for a school site and the expectations of the school community. It will also require clarity on the scope for any cost underruns to be re-allocated by jurisdictions within a State funding envelope and not necessarily be retained by an individual school. Jurisdictions are concerned that at a number of Round Three locations the cost estimates for the facilities requested by schools will be close to the school "allocation" which runs the risk of cost overruns. Without the flexibility to re-allocate funding across schools jurisdictions are concerned that higher cost projects in Round Three will have to be reduced in scope compared with those approved in earlier rounds or additional funding provided. This may raise equity issues and concerns in some school communities.

Maximising Local Employment and Business Opportunities

The Nation Building program provides significant opportunity for the supply of trades and materials by local firms. The majority of inputs to the construction industry is from locally sourced goods and services. Coordinators are working to ensure that consistent with the program timelines and value for money considerations, local contractors and suppliers inputs are being maximised. This will need to continue to be a focus in procurement processes.

Coordinators-General

Measure	Total program funds	Total approved funds	PAID	COMMITTED States, Territories and BGAs	SPENT (by States, etc.)	COMMITTED and expended (by States, etc.)	Proportion of program funds committed and expended
BUILDING THE EDUCATION REVOLUTION							
<i>P21</i>	\$12. 4 billion	\$9. 2 billion	\$618 million	\$2. 326 billion	\$22. 7 million	\$2. 349 billion	20 per cent
<i>NSP</i>	\$1. 3 billion	\$1. 3 billion	\$379. 3 million	\$608. 6 million	\$27. 8 million	\$636. 4 million	50 per cent
<i>Science and Language Centres</i>	\$1 billion	n/a (under assessment)	n/a	n/a	n/a	n/a	0 per cent

BUILDING THE EDUCATION REVOLUTION

PROGRAM

Primary Schools for the 21st Century
(\$12.4 billion)
3 rounds

PROJECTS APPROVED

Round 1 –
2010 projects at 1499
schools (\$2.8 billion)

Round 2 –
4973 projects at 3716
schools (\$6.4 billion)

\$ COMMITTED (by Education Authorities)

\$2.3 billion

TARGET

Round 1 –
commencement by end
of June. Completion by
20 December 2010

All rounds to be
completed by 31 March
2011

CURRENTLY UNDER CONSTRUCTION

States, Territories and BGAs have
reported that 285 projects are under
construction as at 31 May 2009.

PROGRAM

National School Pride Program
(\$1.3 billion)
2 rounds

PROJECTS APPROVED

Both rounds approved
13176 projects at 9490
schools (\$1.3 billion)

\$ COMMITTED (by Education Authorities)

\$608.6 million

TARGET

Round 1 – completion
by 20 December 2009

Round 2- completion by
1 February 2010

CURRENTLY UNDER CONSTRUCTION

States, Territories and BGAs
reported 5,120 projects have
commenced as at 31 May 2009

PROGRAM

Science and Language Centres
(\$1 billion)

PROJECTS APPROVED

Applications closed 30
May 2009.

Assessment underway
by independent
committee

\$ COMMITTED (by Education Authorities)

N/A

TARGET

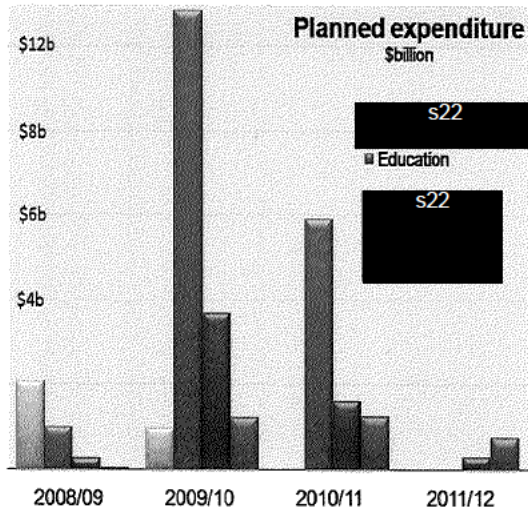
Projects to be
underway July 2009
and completed by 30
June 2010

CURRENTLY UNDER CONSTRUCTION

N/A

Performance Overview

As at 31 October 2009



Coordinators-General Report Economic Stimulus Plan Overview

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- The Commonwealth recalibrated the Plan to provide extra funding to meet demand for Primary Schools for the 21st Century Program (P21).

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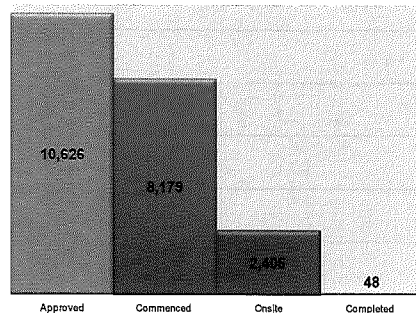
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Performance Overview¹

As at 31 October 2009

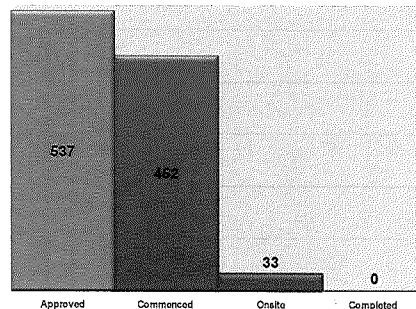
Building the Education Revolution

Primary Schools for 21st Century



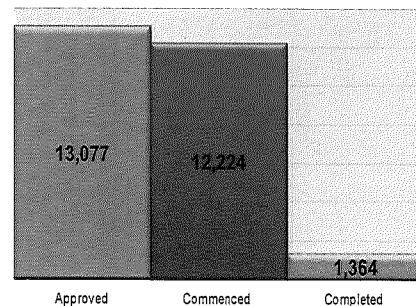
- Almost 77% of the approved projects in the \$14.1 billion program have commenced, 23% are onsite and 48 projects are completed.
- The majority of projects will be completed by 31 March 2011 (COAG milestone).
- Some jurisdictions will struggle to complete projects at smaller schools within 7 months. DEEWR is working to manage this flexibly within the 31 March 2011 timeframe on a case by case basis.
- \$500 million has been re-phased from 2010-11 to 2011-12 to allow flexibility for projects to be completed beyond 31 March 2011. Education Authorities will submit implementation strategies to DEEWR for approval.

Science and Language Centres



- 84% of the projects in the \$822 million program have commenced.
- Of the 537 projects, there are 280 science centres, 179 language centres, and 78 joint facilities.
- The majority of projects are expected to be completed by 30 June 2010 (COAG milestone) although anticipated project variations will result in a small number of completions being delayed until 31 December 2010 due to value for money requirements.

National School Pride



- Over 93% of the approved projects in the \$1.3 billion program have commenced and 10% completed.
- Some Round 1 projects, due for completion by 20 December 2009 (COAG milestone), will need to be undertaken during the 2009 Christmas holidays, and will not be completed until 1 February 2010.
- The remainder are on track for completion within the COAG timeframes identified for each Round.

Primary Schools for 21st Century profile¹

As at 31 October 2009

New South Wales

- 98% of the 3,482 approved projects have commenced, 13% are onsite and 8 completed.
- Generally on track with the Government sector aiming for 100 commencements per week.
- Some requests for project variations for smaller school projects in P21 have been advised.

South Australia

- 62% of the 870 approved projects have commenced, 22% are onsite and 8 completed.
- SA advise that the monthly data provided to DEEWR was at the school level, but if measured on a project basis, 93% have commenced and 49% are onsite.

Victoria

- 78% of the 2,035 approved projects have commenced, and 34% are onsite.
- To ensure best value for money, 50% of Round 2 P21 projects have been retendered.
- Retendering will also bundle together Round 3 and SLC projects.
- Despite this, project commencements are generally on track.

Tasmania

- 68% of the 295 approved projects have commenced, and 7% are onsite and one completed.
- Record rainfall levels have been experienced in regions over the winter period causing delays in some projects.
- Most projects have capacity to make up the time.

Queensland

- 72% of the 2,233 approved projects have commenced, 36% are onsite and 29 completed.
- The program is well on track and anticipated that all projects will be completed by March 2011.
- Working closely with DEEWR in relation to funding for some schools announced for 'mothballing' by the QLD Education Minister.

Australian Capital Territory

- 79% of the 130 approved projects have commenced, 25% are onsite and 1 completed.
- All projects remain on track for completion within the required timeframe.

Western Australia

- 45% of the 1,394 approved projects have commenced and 13% are onsite
- Majority of tendering completed and on track for completion within timeframes.
- Some requests for project variations for smaller school projects in P21 have been advised.
- The Independent school sector will be investing \$4.6m for teacher housing in remote communities; this was the key priority for the schools and communities.

Northern Territory

- 57% of the 187 approved projects have commenced and 18% are onsite.
- Wet season may delay some projects.
- NTER prescribed community schools new classroom target of \$7 million has been exceeded - \$28.8 million will be invested under P21 and SLC.
- Some requests for project variations for smaller school projects in P21 have been advised.

Note 1: Includes funds paid to Block Grant Authorities and other agencies within jurisdictions.

Program of work: By State and Territory

As at 31 October 2009

Major Projects	New South Wales			Victoria			Queensland		
	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Approved funds (\$m)	Approved projects	Amount paid (\$m)
BER - National School Pride	\$421.3	3,611	\$173.5	\$306.3	2,323	\$200.3	\$241.0	3,720	\$104.6
BER - Primary Schools for 21st Century	\$4,415.8	3,482	\$652.9	\$3,323.8	2,035	\$311.1	\$2,658.9	2,233	\$526.6
BER - Science & Language Centres	\$216.6	159	\$88.5	\$199.4	109	\$81.5	\$202.8	127	\$82.9

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Program of work: By State and Territory

As at 31 October 2009

Major Projects	Western Australia			South Australia			Tasmania		
	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Approved funds (\$m)	Approved projects	Amount paid (\$m)
BER - National School Pride	\$139.9	1,657	\$91.8	\$104.2	1,172	\$42.6	\$36.0	273	\$23.7
BER - Primary Schools for 21st Century	\$1,633.8	1,394	\$136.3	\$1,209.0	870	\$127.0	\$365.8	295	\$67.9
BER - Science & Language Centres	\$54.4	37	\$22.2	\$79.2	61	\$32.4	\$44.1	30	\$18.0

\$22

Program of work: By State and Territory

As at 31 October 2009

Major Projects	ACT			NT		
	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Approved funds (\$m)	Approved projects	Amount paid (\$m)
BER - National School Pride	\$19.6	128	\$8.7	\$20.6	193	\$13.4
BER - Primary Schools for 21st Century	\$226.7	130	\$31.4	\$226.5	187	\$24.4
BER - Science & Language Centres	\$0.0	0	\$0.0	\$25.4	14	\$10.4

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Summary of Plan and program funding and projects
Approved projects by element and program

As at 31 October 2009

		Total stimulus program funds (\$m)	Approved funds (\$m)	Approved projects	Amount paid (\$m)
Building the Education Revolution	National School Pride Rounds One & Two	\$1,288	\$1,289	13,077	\$659
	Primary Schools for the 21st Century Rounds One, Two & Three	\$14,122	\$14,060	10,626	\$1,878
	Science and Language Centres	\$822	\$822	537	\$336

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COORDINATORS-GENERAL REPORT : Economic Stimulus Plan Overview

HIGHLIGHTS AND KEY ACHIEVEMENTS

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- Primary School for 21st Century project commencements are nearly 98% (10,343), with 566 (5%) projects completed.

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KEY ISSUES

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- Project variations are being requested, in some cases after the agreed milestone or target has not been achieved, particularly within Building the Education Revolution

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- Building the Education Revolution program is facing:
 - slippages against COAG agreed targets and Guidelines completion targets:
 - National School Pride program was required to be completed by February 2010. As at end February only 66% of projects were reported as completed.
 - All Primary Schools for 21st Century projects were due to be underway by December 2009, but at the end February 2010 commencements were at 97% but onsite activity only 60%.
 - Science and Language Centres will not meet 30 June 2010 target for all completions, with a significant number of projects likely to seek variations to 31 December 2010.
 - significant media criticism around perceived value-for-money issues, on a small percentage of projects, particularly in New South Wales where project estimates have been published for each school

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Australian Government

Nation Building

ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

OVERVIEW OF PERFORMANCE

Performance – comparative status of progress (programs by project status)



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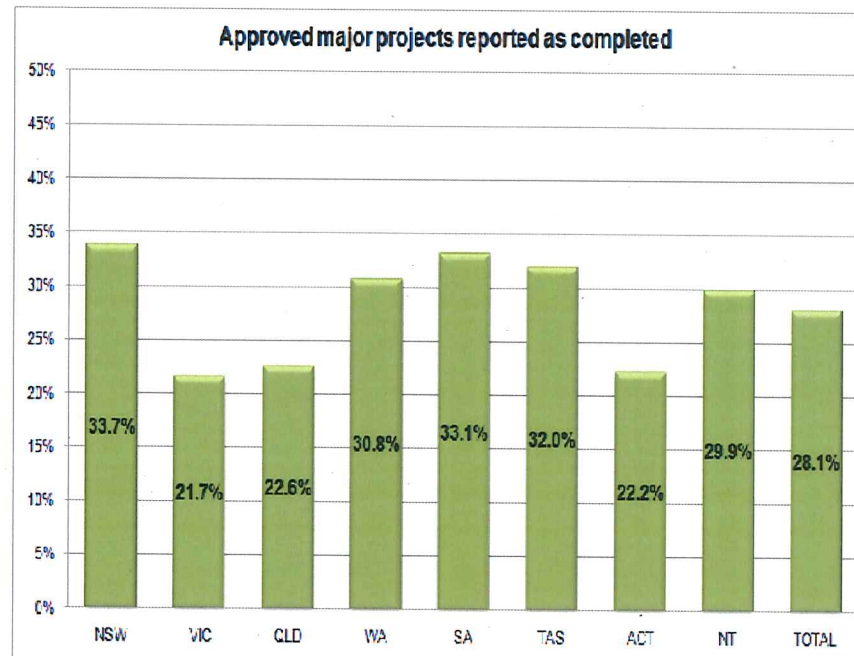
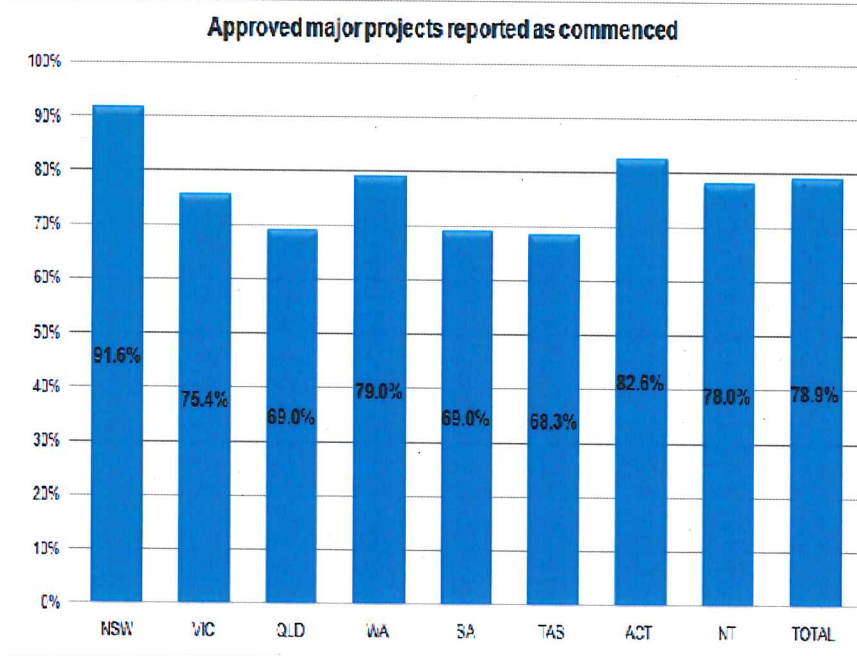
Australian Government

Nation Building

ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Performance – comparative status of progress (major projects¹ by geographical location²)



1. Major projects are projects undertaken by the jurisdictions, Commonwealth directly, Block Grant Authorities and other agencies within jurisdictions. It excludes Energy Efficient Homes Package and Social Housing: Repairs and Maintenance.
2. All comparison graphs are based on the geographical location of major projects. Therefore major projects being implemented by Block Grant Authorities, the Commonwealth directly, and other agencies within jurisdictions are included as well as those projects being undertaken directly by the States and Territories' governments. This means that some of the graphs do not exclusively reflect the performance of the States and Territories' governments – in particular Building the Education Revolution.



Australian Government

Nation Building

ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Expenditure – comparative spending profile (by program)



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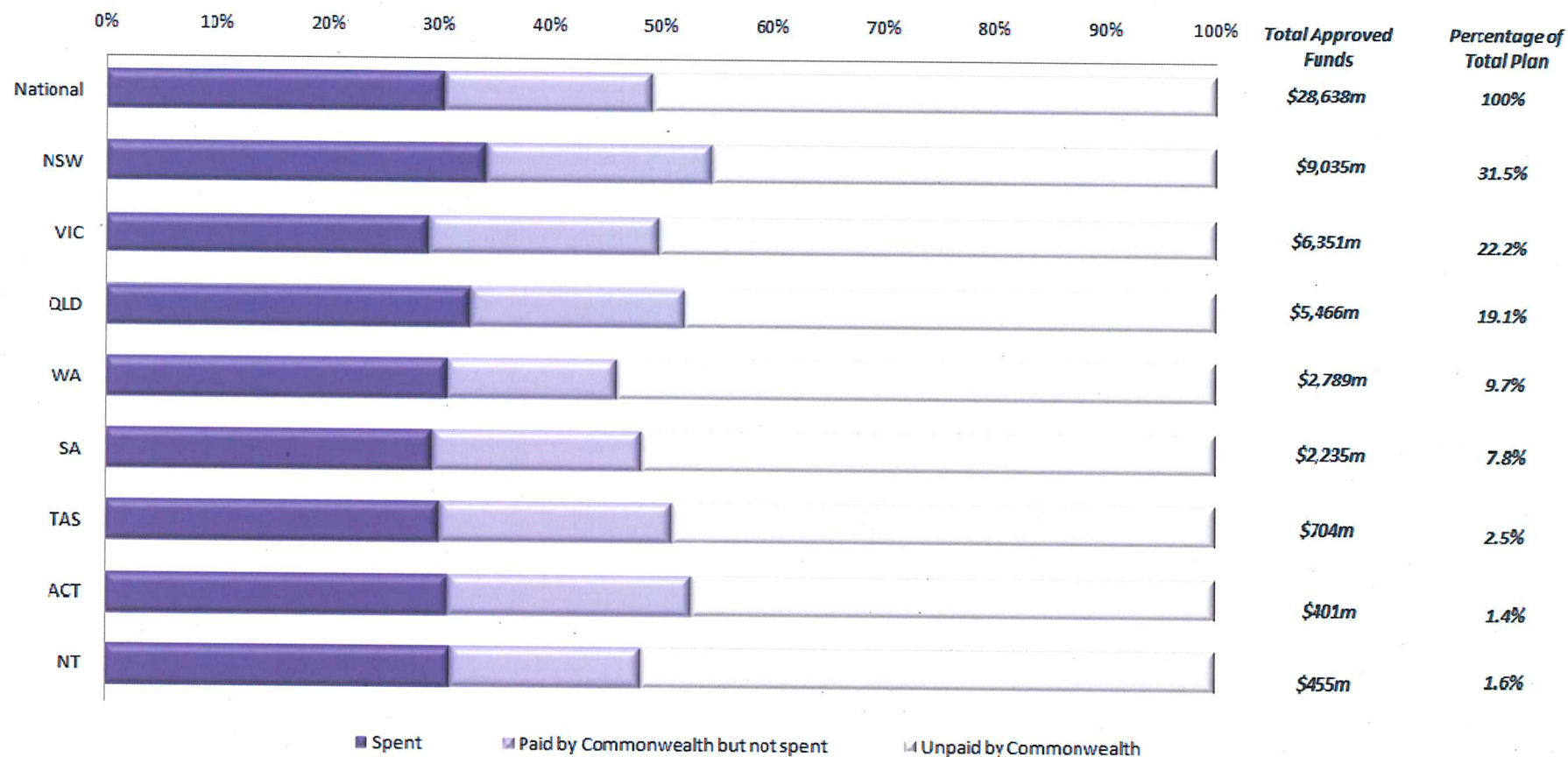
Australian Government

Nation Building

ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Expenditure – comparative spending profile (by State and Territory)



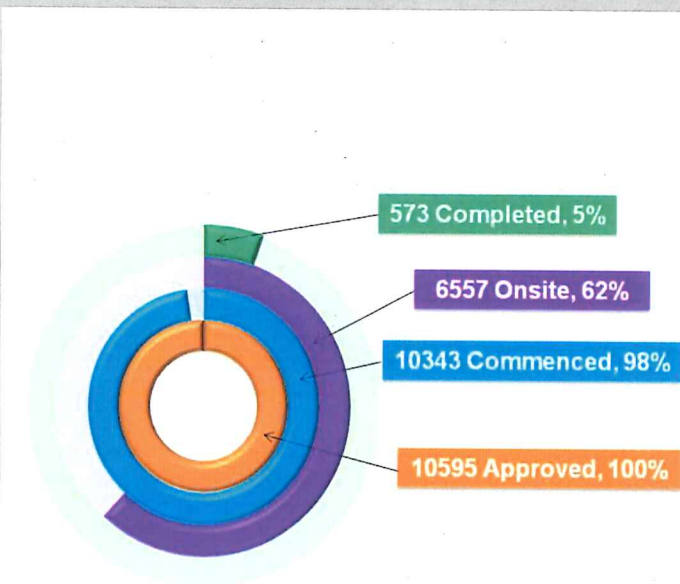
1. The total allocated funds announced for the Nation Building – Economic Stimulus Plan is \$30.1 billion. To 28 February 2010, \$28.64 billion of this has been approved. The remaining funds, \$1.46 billion, are allocated to the Energy Efficient Homes Package and East Kimberley Development Package. The nature of these projects and their associated requirements for approval of funds means that these funds are currently unapproved.
2. All comparison graphs are based on the geographical location of major projects. Therefore major projects being implemented by Block Grant Authorities, the Commonwealth directly, and other agencies within jurisdictions are included as well as those projects being undertaken directly by the States and Territories' governments. This means that some of the graphs do not exclusively reflect the performance of the States and Territories' governments – in particular Building the Education Revolution. The Total Approved Funds in this comparison reflects the inclusion of funds paid out under the Energy Efficient Homes Package.

PERFORMANCE PROFILE BY PROGRAM AND ELEMENT

PRIMARY SCHOOLS FOR THE 21ST CENTURY

\$14.1 billion

Performance overview



All data in this Program is currently aggregated across the three Rounds – ie. It is not split by Rounds at this time.

COAG agreed targets

Status

Round 1 constructions must start no later than June 2009.
(20% of schools, 2,010 projects as announced)

Over 3,100
(19%)
commenced by
30 June 2009

Projects commenced by June 2009.

Guidelines:

Projects completed by 20 December 2010 at latest.

On track

Round 2 constructions must start no later than August 2009.
(40% of schools, 4,973 projects as announced)

Nearly 790 (7%)
onsite by
31 Aug 2009

Projects commenced by July 2009.

Guidelines:

Projects completed by 31 January 2011 at latest.

Over 3,150
(29%)
commenced by
1 July 2009

On track

Round 3 constructions must start by 1 December 2009.
(40% of schools, 3,718 projects as announced)

Over 4,500
(42%) onsite at
1 Dec 2009

All projects:

- commence by October 2009, or

Guidelines:

- construction starts by 1 December 2009.

Over 7,200
(67%)
commenced by
1 Oct 2009

Over 4,500
(42%) onsite by
1 Dec 2009

All projects completed by 31 March 2011 at latest.

Majority will
meet target

Guidelines:

For each round, smaller schools completed within seven months of commencement.

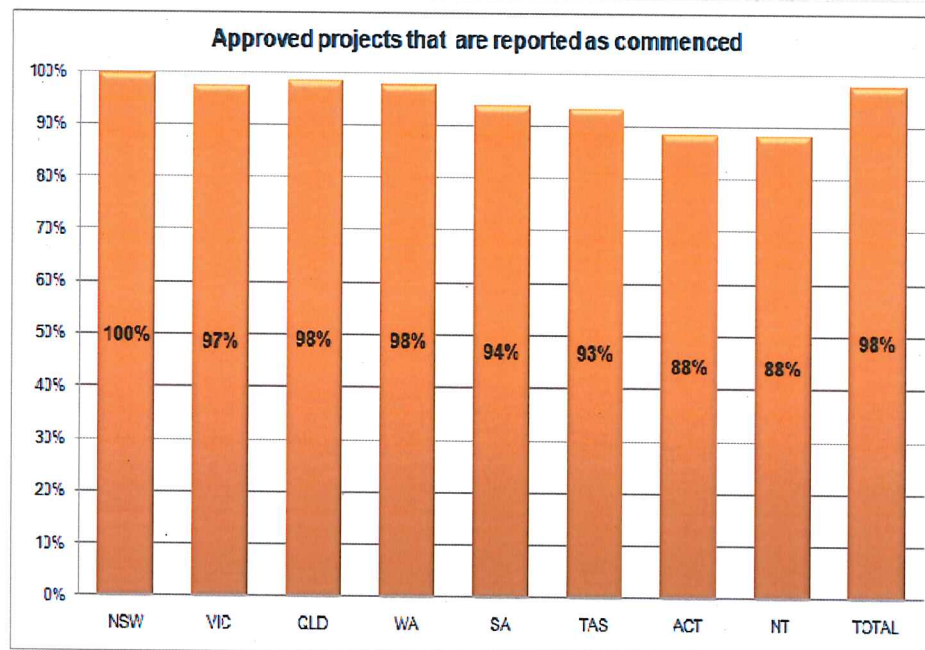
Up to 14 months
for not complete
projects



Coordinators-General comments

- The COAG agreed milestones detailed in the National Partnership Agreement (NPA) refer to 'construction' whereas the Department of Education, Employment and Workplace Relations' Building the Education Revolution Guidelines generally refer to 'commencement', which has a much broader definition.
- DEEWR has approved extensions of commencement or completion dates on a case-by-case basis. These amendments are not reflected in the above performance measurements.
- As reported to July COAG meeting the States and Territories are flexibly managing on-site commencements to maximise value for money, smooth impacts of excessive labour and skills demands and enable contractors with multiple contracts to programs works to optimal benefit.
- The Australian National Audit Office performance audit on the administration of Primary School for 21st Century is ongoing.
- Jurisdictions have indicated smaller schools will struggle to meet the 7 months completion timeframe as they face the same planning and procurement timeframes as larger projects, and may additionally require more design and consultation to achieve value for money. Average completion time for small school projects is seven months for completed projects to date, however those projects which are not complete are projecting completion dates up to 14 months after commencement. Department of Education, Employment and Workplace Relations are managing flexibly with Education Authorities and most will meet the 31 March 2011 target.
- Department of Education, Employment and Workplace Relations are also working through the \$500m re-phasing from 2010-11 to 2011-12 and finalising implementation plans with Education Authorities. \$385m has been rephased with the remainder anticipated to be rephased through natural slippage by September 2010.

Comparative performance



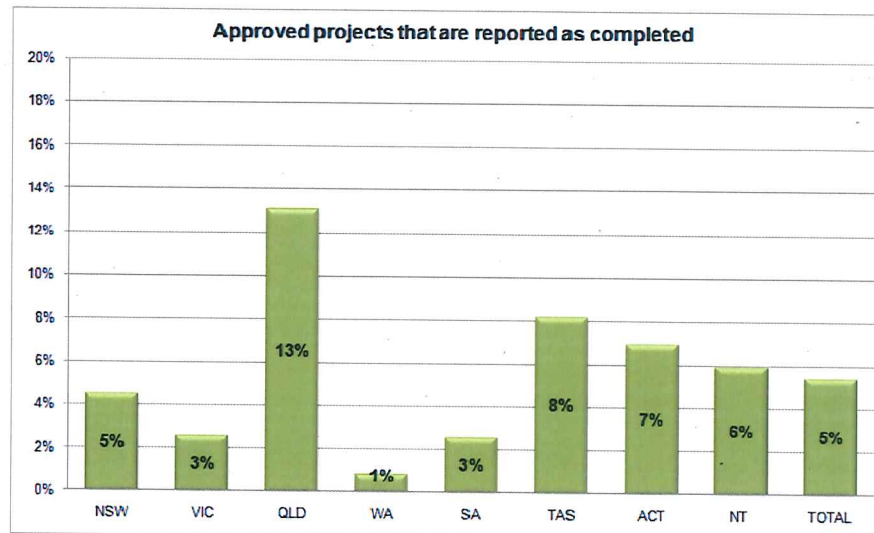
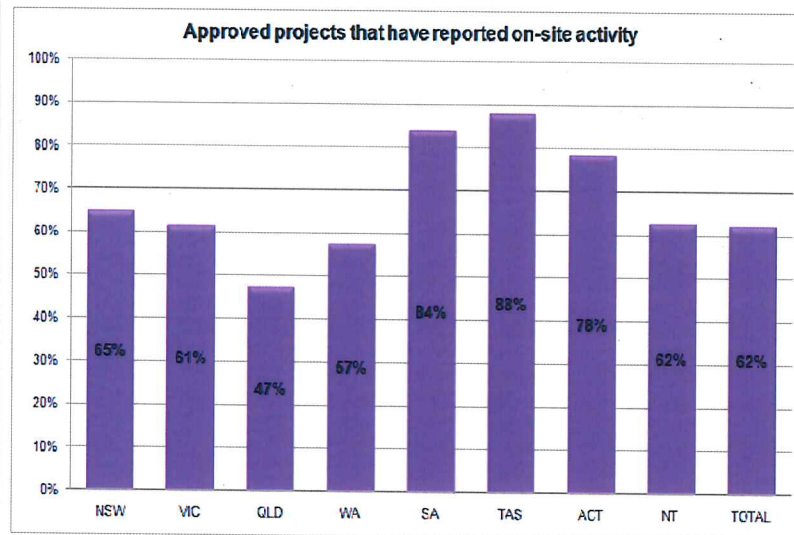


Australian Government

Nation Building

ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010



New South Wales

- More than 1600 projects on site in less than twelve months.
- On track to complete projects by March 2011 with more than 95% of projects due to complete by December 2010.

South Australia

- Differences between the SA and Commonwealth reporting protocols has caused reporting discrepancies.
- Commencements: At the end of March 2010, there are approximately 10 projects which will be re-phased due to amalgamations, closures etc.
- Completions: Single contracts involving often two projects have been awarded at schools, so a low percentage appear to be completed. Individual completions will be reflected in the March report.

Victoria

- On track to complete projects within the overall program envelope of March 2011.
- Rising construction prices have required re-tendering of many of its projects, which has slowed momentum and will move some projects beyond interim completion targets.
- Strategies to address rising costs are now proving effective with 78% of projects now successfully under contract.

Tasmania

- Progress is on track with projects progressively being completed as the agreed target dates approach.
- Variations have been approved for some projects (commencement and completion dates) based on exceptional circumstances.

Queensland

- On track to complete projects within Commonwealth completion targets.
- The program is managing the letting of contracts to ensure that commitments do not exceed available funding.
- The impact of recent extreme weather across much of the State is still yet to be quantified.

Australian Capital Territory

- All public school projects have commenced.
- Construction work had commenced on 62 out of 68 public school projects (90%).
- Construction work on two further projects will commence in April 2010 with the final four to commence by the end of May 2010.
- With the exception of one project destroyed by fire, all public school projects are on target to be completed by December 2010.

Western Australia

Government schools:

- Contracts awarded for 97% (1008 projects) with value for money being achieved.
- 202 schools forecast to commence continuous on-site activity during February to April 2010. Forecast completion of 35% (238 projects) by 30 June 2010.
- Expenditure in 2009/10 forecast to exceed allocation by \$86million.

Northern Territory

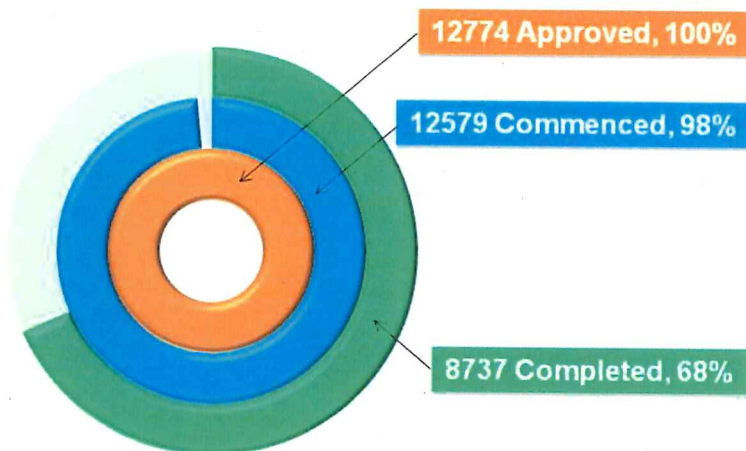
- On track to complete all projects by March 2011.
- Variations have been approved for some projects, primarily to address the effect of the cyclone season.



NATIONAL SCHOOL PRIDE

\$1.3 billion

Performance overview



COAG agreed targets

Status

- Round 1 (60% of projects) commenced by May 2009. (7,678 projects)

Only 98% commenced at 28 Feb 2010

Round 1 projects completed by 31 December 2009.

Only 66% completed at 28 Feb 2010

- Round 2 (40% of projects) commenced by July 2009. (5,118 projects) (Note: This means 100% commenced by July 2009)

Only 98% commenced at 28 Feb 2010

Round 2 projects completed by February 2010.

Only 66% completed at 28 Feb 2010

Coordinators-General comments

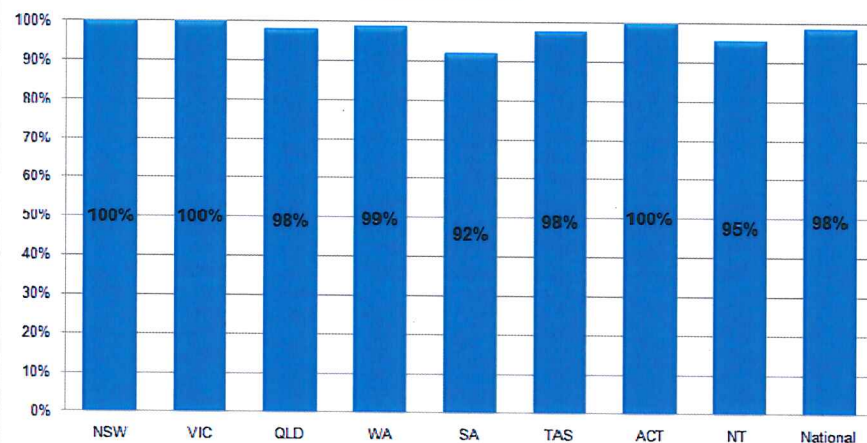
- Whilst commencements are reported at 98%, completions are significantly lagging against milestones with only 66% completed at end of February 2010.
- This program is now significantly incomplete against the milestones:
 - Round 1 (60% of projects) was to be complete by 31 December 2009.
 - Round 2 must be complete by February 2010.
- The Department of Education, Employment and Workplace Relations has worked with the states and territories to revise these milestones.
- To meet the milestones, commencements should have been 100% by July 2009. Some delays are being reported due to the seeking of value-for-money by:
 - Combining the site works for Primary School for 21st Century projects and National School Pride projects
 - National School Pride projects awaiting the completion of major construction work for Primary School for 21st Century projects (eg. to allow access, avoid re-work, allow refurbishment of replaced buildings, etc).

- A contributing factor may be delays in the reporting processes rather than the actual completion rate. States and Territories are advising that the lag in progress data is understating completions. This is likely to be a significant factor in the reported slippage. Steps are being taken to remedy this issue for future reporting.
- Department of Education, Employment and Workplace Relations has advised states and territories that requests for variations to extend completions dates to 30 June 2010 would be considered favourably as States are seeking to maximise economic impact, value for money and benefits to schools.

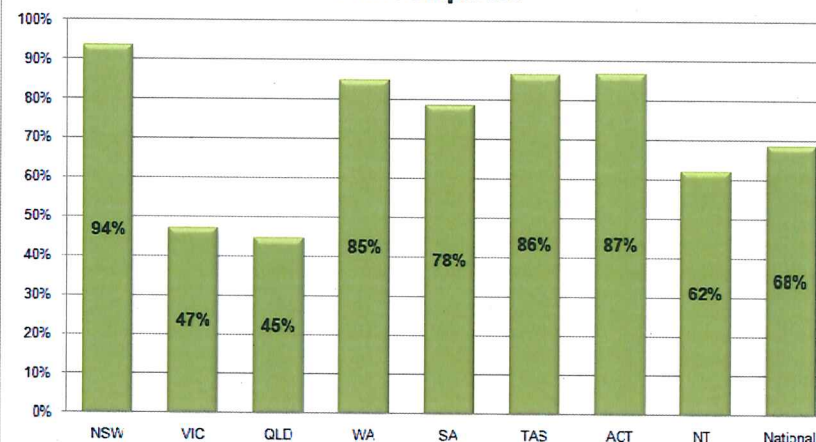


Comparative performance

Approved National School Pride projects that have commenced



Approved National School Pride projects that have been completed



New South Wales

- Only 26 projects yet to complete with 2,153 projects (99%) complete.

Victoria

- Over 70% of projects completed with more than 90% of funds spent. The low completion result reported arises from a data entry lag. Individual schools must formally certify the completion of work and delays in his reporting are leading to an understatement of actual performance. This is also affecting the reporting of overall performance.

Queensland

- Completion of projects has been effected by a reclassification of low density fibre board to friable asbestos containing material.
- Some projects have been extended to co-ordinate with other works in remote areas. Variations were approved by Department of Education, Employment and Workplace Relations in early April 2010.

Western Australia

- Government schools: Escalation in activity over last quarter. 100% projects now commenced – 1319 projects at 770 schools. 1071 (81%) projects completed at 692 (9%) schools. Approximately 10% of projects require extension to completion timelines to maximise use of funds and enable P21 work to be completed prior to refurbishments.

South Australia

- All schools are being contacted regarding completion of projects. A tendency to contract with very small local contractors has resulted in over-commitment.
- All schools are being urged to complete works urgently however applications for variations for some 200 projects have been submitted to Department of Education, Employment and Workplace Relations.

Tasmania

- All Catholic school projects are complete.
- Variations have been approved for 25 Government and 10 Independent school projects with a range of revised completion dates.

Australian Capital Territory

- 96% of public school projects have been completed.
- The three remaining projects will be completed in March 2010.

Northern Territory

- Majority of public school projects complete.
- In some very remote schools, work has been delayed to coincide with Primary School for 21st Century work to achieve value for money.



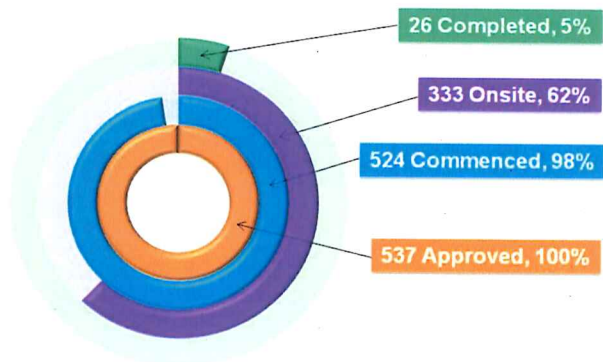
SCIENCE AND LANGUAGE CENTRES

\$822 million

Performance overview

COAG agreed targets

Status



All approved projects commenced by 30 September 2009. (537 projects)

All projects completed by 30 June 2010.

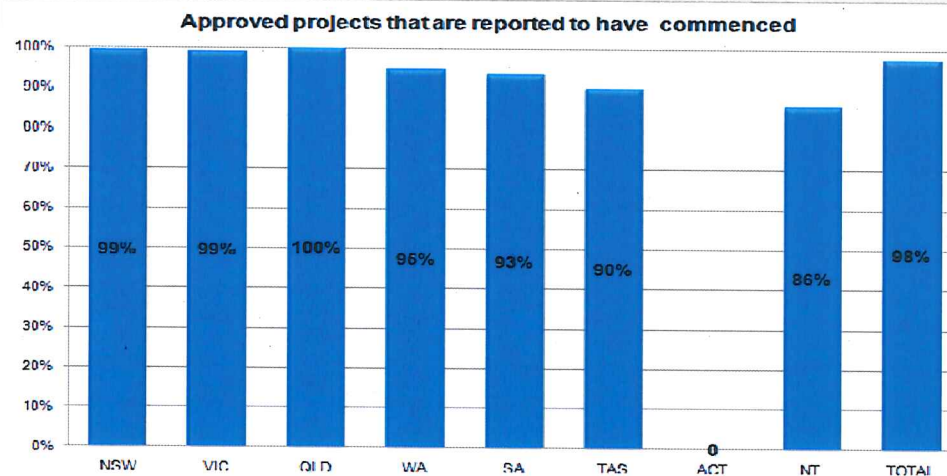
Only 98% commenced at 28 Feb 2010

Only 4% completed at 28 Feb 2010

Coordinators-General comments

- It is now likely that there will be slippage against the original completion milestones. The majority of projects are expected to be completed by 30 June 2010 with the balance to follow by 31 December 2010.
- The delays are due to variations and value for money requirements that have held up completion of contracts and commencements.

Comparative performance



ACT was not funded for Science and Language Centres.



Australian Government

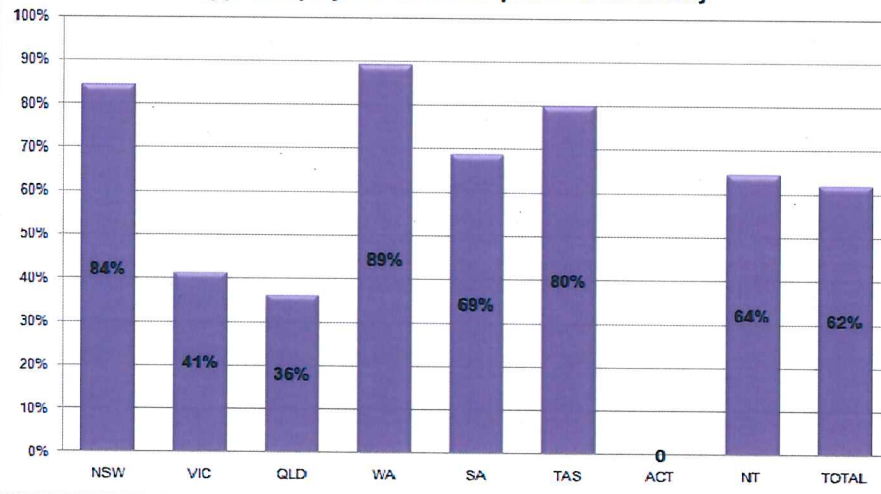
Nation Building

ECONOMIC STIMULUS PLAN

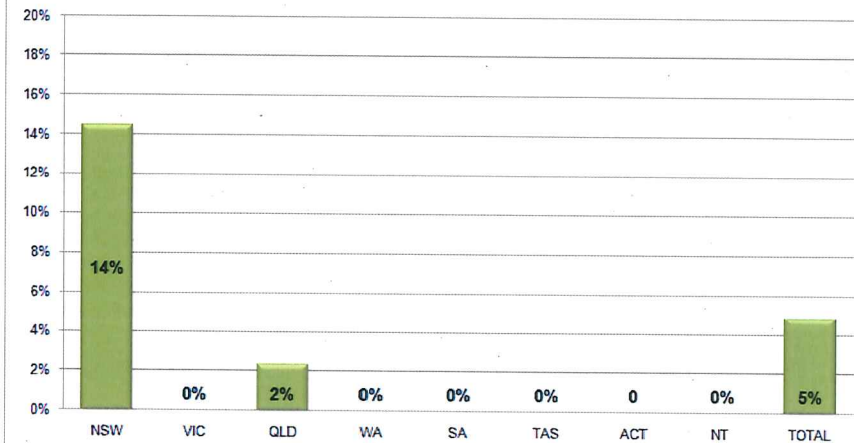
Data is reported at 28 February 2010

States and Territories

Approved projects that have reported onsite activity



Approved projects that are reported as completed



New South Wales

- All projects anticipated to complete by 30 June 2010.

Victoria

- At the start of April 2010, onsite activity was reported for over 80% of projects.
- This program has been subject to rising construction costs, but contracts are now being awarded progressively.

Queensland

- Project progress has been affected by the process of working through design and value-for-money issues, including re-tendering. Acceleration strategies are being investigated and implemented where possible.
- Variations are being submitted to Department of Education, Employment and Workplace Relations.

Western Australia

- Government schools:
 - Value for money achieved in tendering has enabled additional works to be undertaken in most schools.
 - 24 of 25 contracts awarded. On-site activity commenced at 24 schools in January – February 2010.

South Australia

- At the start of April 2010, on site activity was actually reported for 88% of projects.

Tasmania

- Approval of projects received from Department of Education, Employment and Workplace Relations on 30 June 2009 with an aggressive completion date of 30 June 2010.
- Variations have been approved for some Government projects and it is expected that the Catholic Block Grant Authority will also seek variations for some projects.

Australian Capital Territory

Not applicable as no funding provided.

Northern Territory

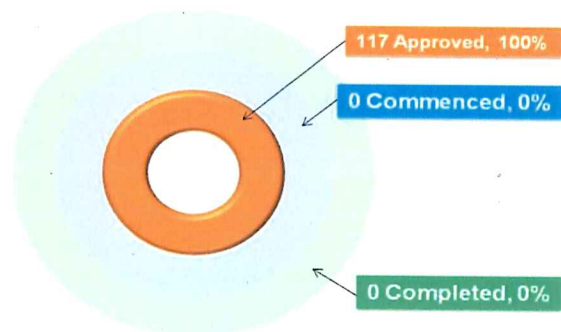
- 3 of the 8 projects will be completed by June 2010.
- Extensions of time requests submitted for 5 projects.

OTHER EDUCATION PROGRAMS

\$1.69 billion

Teaching and Learning Capital Fund – Higher Education (TLCF – HE)

\$500 million



All funds to be fully expended by 30 June 2012.

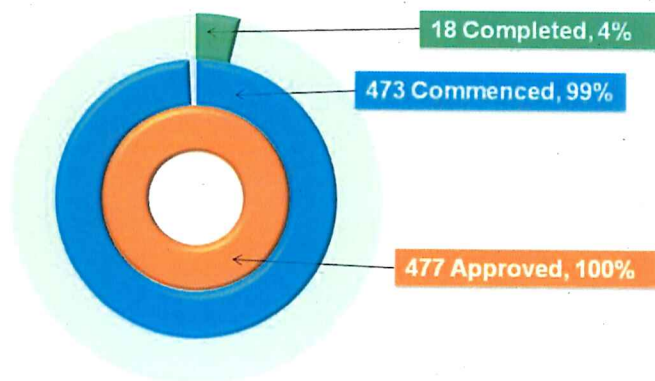
On track

Coordinators-General comments

- Funding has been allocated to 41 universities with 39 signing Funding Agreements by end February 2010.
- The Department of Education, Employment and Workplace Relations is finalising the remaining Funding Agreements including milestone payments. Currently 97% of funds are paid.
- First progress reports are due on 15 April 2010 which is the reason that there are no reported commencements at 28 February 2010.

Teaching and Learning Capital Fund – Vocational Education and Training (TLCF – VET)

\$500 million



Projects completed by 30 June 2010. Implemented in 2009-10.
(477 projects)

18 (4%)
completed
at 28 Feb
2010

Funding paid by 30 June 2010.

On track

Coordinators-General comments

- While commencements are tracking well, concerns remain that not all projects will meet the 30 June 2010 timeline for completion. High risk projects have been identified and Department of Education, Employment and Workplace Relations are working with states and territories and Coordinators-General to actively manage this.
- The Deputy Prime Minister sent letters to state and territory training ministers in January alerting them to high risk projects and emphasising the imperative for projects to be expedited to meet the completion date.



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ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

SUMMARY OF PLAN AND PROGRAM FUNDING AND PROJECTS

National

Major Projects	Total stimulus program funds (\$m)	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Per cent of approved funds paid	Amount reported as spent (\$m)	Per cent of approved funds spent	Commenced projects	Per cent commenced	Completed projects	Per cent completed
BER - National School Pride	\$1,288.9	\$1,288.9	12,774	\$1,269.8	98.5%	\$1,060.3	82.3%	12,579	98.5%	8,737	68.4%
BER - Primary Schools for 21st Century	\$14,122.0	\$14,060.3	10,595	\$6,139.1	43.7%	\$3,492.3	24.8%	10,343	97.6%	573	5.4%
BER - Science & Language Centres	\$821.8	\$821.8	537	\$356.8	43.4%	\$116.1	14.1%	524	97.6%	26	4.8%

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Note 4: For BER, commencement is defined as the undertaking of any action, post design phase, that incurs an expense covered by BER funding for that project. Onsite refers to actual construction activity.

Note 2: All BER data includes Administrative Component and funding to Block Grant Authorities.

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ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Program of work: State and Territory profile

New South Wales

Major Projects	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Commenced projects	Per cent commenced	Completed projects	Per cent complete
BER - National School Pride	\$421.3	3,598	\$415.0	3,597	100.0%	3,368	93.6%
BER - Primary Schools for 21st Century	\$4,415.8	3,439	\$1,973.1	3,422	99.5%	155	4.5%
BER - Science & Language Centres	\$210.0	159	\$85.3	158	99.4%	23	14.5%

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Onsite projects (Actual construction activity)	Number onsite	Per cent onsite
BER - Primary Schools for 21st Century	2,221	64.6%
BER - Science and Language Centres	134	84.3%

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Note 2. All BER data includes Administrative Commitment and funding.

s22

Note 4. For BER, commencement is defined as the undertaking of any action, post design phase, that incurs an expense covered by BER funding for that project. Onsite refers to actual construction activity.

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ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Program of work: State and Territory profile

Victoria

Major Projects	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Commenced projects	Per cent commenced	Completed projects	Per cent complete
BFR - National School Pride	\$306.3	2,323	\$301.8	2,320	99.9%	1,094	47.1%
BFR - Primary Schools for 21st Century	\$3,323.8	2,031	\$1,442.3	1,979	97.4%	52	2.6%
BFR - Science & Language Centres	\$199.4	109	\$78.6	108	99.1%	0	0.0%

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Onsite projects (Actual construction activity)	Number onsite	Per cent onsite
BER - Primary Schools for 21st Century	1,244	61.3%
BER - Science and Language Centres	45	41.0%

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Note 2. All BER data includes Administrative, Commenced and Onsite

s22

Note 4. For BER, commencement is defined as the undertaking of any action, post design phase, that incurs an expense covered by BER funding for that project. Onsite refers to actual construction activity.

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ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Program of work: State and Territory profile

Queensland

Major Projects	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Commenced projects	Per cent commenced	Completed projects	Per cent complete
BER - National School Pride	\$241.0	3,559	\$237.4	3,491	98.1%	1,588	44.6%
DCR - Primary Schools for 21st Century	\$2,650.9	2,100	\$1,106.3	2,152	90.4%	206	13.1%
BER - Science & Language Centres	\$202.8	127	\$97.7	127	100.0%	3	2.4%

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Onsite projects (Actual construction activity)	Number onsite	Per cent onsite
BER Primary Schools for 21st Century	1,034	47.3%
BER Science and Language Centres	46	36.2%

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Note 2: All BER data includes Administrative Component and funding

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Note 4: For BER, commencement is defined as the undertaking of any action, post design phase, that incurs an expense covered by BER funding for that project. Onsite refers to actual construction activity.

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ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Program of work: State and Territory profile

Western Australia

Major Projects	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Commenced projects	Per cent commenced	Completed projects	Per cent completed
BER - National School Pride	\$139.9	1,550	\$137.8	1,542	98.9%	1,325	85.0%
BER - Primary Schools for 21st Century	\$1,833.8	1,394	\$648.9	1,362	97.7%	12	0.9%
BER - Science & Language Centres	\$54.4	37	\$35.1	35	94.6%	0	0.0%

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Onsite projects (Actual construction activity)	Number onsite	Per cent onsite
BER - Primary Schools for 21st Century	801	57.5%
BER - Science and Language Centres	33	89.2%

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Note 2: All DER data includes Administrative Component and funding

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Note 3: For DER, commencement is defined as the undertaking of any action, post design phase, that incurs an expense covered by DER funding for that project. Onsite refers to actual construction activity.

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ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Program of work: State and Territory profile

South Australia

Major Projects	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Commenced projects	Per cent commenced	Completed projects	Per cent completed
BER - National School Pride	\$104.2	1,141	\$102.7	1,050	92.0%	695	78.4%
BER - Primary Schools for 21st Century	\$1,209.0	933	\$522.0	875	93.8%	24	2.6%
BER - Science & Language Centres	\$79.2	61	\$31.2	57	93.4%	0	0.0%

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Onsite projects (Actual construction activity)	Number onsite	Per cent onsite
DCR - Primary Schools for 21st Century	701	83.7%
BER - Science and Language Centres	42	68.9%

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Note 2: All BER data includes Administrative Component and funding

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Note 4: For BER, commencement is defined as the undertaking of any action, first design phase, that incurs an expense covered by BER funding for that project. Onsite refers to actual construction activity.

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ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Program of work: State and Territory profile

Tasmania

Major Projects	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Commenced projects	Per cent commenced	Completed projects	Per cent completed
BER - National School Pride	\$36.0	273	\$35.4	267	97.8%	236	86.4%
BER - Primary Schools for 21st Century	\$365.8	291	\$166.5	271	93.2%	24	8.2%
DCR - Science & Language Centres	\$44.1	30	\$16.0	27	90.0%	0	0.0%

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Onsite projects (Actual construction activity)	Number onsite	Per cent onsite
BER - Primary Schools for 21st Century	258	87.8%
BER - Science and Language Centres	24	80.0%

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Note 2: All BER data includes Administrative Component and function.

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Note 4: For BER, commencement is defined as the undertaking of any action, post design phase, that incurs an expense covered by BER funding for that project. Onsite refers to actual construction activity.

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ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Program of work: State and Territory profile

Australian Capital Territory

Major Projects	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Commenced projects	Per cent commenced	Completed projects	Per cent completed
DCR - National School Pride	\$19.6	120	\$19.4	120	100.0%	111	66.7%
DCR - Primary Schools for 21st Century	\$226.7	130	\$100.2	115	88.5%	9	6.9%
BER - Science & Language Centres							

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Onsite projects (Actual construction activity)	Number onsite	Per cent onsite
BER - Primary Schools for 21st Century	102	78.5%
BER - Science and Language Centres		

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Note 2: All BER data includes Administrative Component and funding

s22

Note 4: For BER, commencement is defined as the undertaking of any action, post design phase, that incurs an expense covered by BER funding for that project. Onsite refers to actual construction activity

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Australian Government

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ECONOMIC STIMULUS PLAN

Data is reported at 28 February 2010

Program of work: State and Territory profile

Northern Territory

Major Projects	Approved funds (\$m)	Approved projects	Amount paid (\$m)	Commenced projects	Per cent commenced	Completed projects	Per cent completed
BER - National School Pride	\$20.0	193	\$20.3	164	95.3%	120	62.2%
DCR - Primary Schools for 21st Century	\$226.5	106	\$99.0	164	80.2%	11	5.9%
DCR - Science & Language Centres	\$25.4	14	\$10.0	12	85.7%	0	0.0%

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Onsite projects (Actual construction activity)	Number onsite	Per cent onsite
DCR - Primary Schools for 21st Century	116	62.4%
DCR - Science and Language Centres	9	64.3%

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Note 2: All BER data includes Administrative Component and funding

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Note 4: For BER, commencement is defined as the undertaking of any action, post design phase, that incurs an expense covered by BER funding for that project. Onsite refers to actual construction activity.

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