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## Split on building funds widens

Rick Wallace, Victorian political reporter | June 12, 2009

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### **STATE mismanagement of school rebuilding funding has led to tensions between the commonwealth and the states over the \$12.4 billion primary school upgrade program.**

Federal government sources have told The Australian the commonwealth has concerns over how the states are handling the roll-out of the primary school upgrades under the education revolution program.

Victoria has emerged as a flashpoint for the tensions, with The Australian revealing yesterday a clumsy tender process in Gippsland that has shut local builders out of the program, prompting them to lay off staff.

This followed revelations that under stage two of the program, some of the nation's wealthiest private schools were receiving millions of dollars to upgrade their facilities.

The main concerns in Victoria centre on the Education Department's lack of flexibility over designs, and lack of disclosure of the costs.

The Victorian Principals Association has made repeated demands for greater transparency.

Federal Labor MPs in Melbourne's outer east and southeast are believed to be furious at how the upgrades are being handled, with claims that state bureaucrats were deliberately shut out of a recent meeting between the principals and federal Education Minister Julia Gillard that was aimed at resolving the problems.

But sources said the difficulties extended into other states, and The Australian has raised examples of problems with the rebuilding program in Western Australia and South Australia.

"The problems aren't any different in NSW or Queensland. You've got problems between trying to implement state-based reforms while having a big stream of cash coming in from the federal government," one source said.

Victorian Principals Association chief Gabrielle Leigh said the schools upgrade was a "wonderful program" but it was being marred by the Victorian Education Department's refusal to provide costings on individual projects. "We have asked them for transparency at every meeting we have attended - at least three meetings in the past month," Ms Leigh said.

"If it's hidden, then I think people jump to conclusions. Their response is that our request has been noted. We are in the age of self-management in schools, and they want the knowledge to manage this and talk to their school communities about it."

Dissident principal Henry Grosseck, who has successfully campaigned to force the state to alter the upgrade at his school, said the state education bureaucracy was failing in its implementation of the program.

Mr Grosseck spoke out after the Berwick Lodge Primary School requested a library and six classrooms under its \$3 million allocation, but was given a gym that he said was worth about \$2.1 million, even though the school already had a gym.

He and other principals have raised claims that the state is diverting the surplus money in cases such as this to use on its own projects - an allegation denied by the government. A former member of the state ALP's education policy committee, Mr Grosseck said he raised the issue at a meeting between Ms Gillard and school principals last month, and she promised schools would get their full allocation, less 1.5 per cent for administrative costs.

Mr Grosseck said local federal MP Anthony Byrne, who is the parliamentary secretary to Kevin Rudd, had earlier banned state bureaucrats from the forum so principals could raise their complaints without fear of censure or interference.

Mr Byrne did not return calls yesterday. A spokeswoman for Ms Gillard did not respond when asked if there were tensions.

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