

# Report on the Implementation of Investments for School Facilities and Equipment pursuant to The Act on Procurement of Funds for Certain Urgent Educational Development Programmes in the Republic of Slovenia for period 1994-1999 (Act on »school tolar«)

Ljubljana, June 2000

## 1. INTRODUCTION

In the beginning of nineties in the Republic of Slovenia the interest of youth for education was increasing across the entire system vertically (secondary schools, first cycle higher education schools and universities) which, among other, caused increased percentages of entries of those having completed primary school into secondary education (Table 1) and an increase in numbers of students both in four and six semester higher schools and university courses as well (Table 2). Mobility between courses was also increasing.

*Table 1: Percentage of entries of those having completed primary school into secondary education :*

School year	1991/92	1992/93	1993/94
% of entries	88,37	88,56	92,13

*Table 2: Number of students in four and six semester courses and at both universities:*

School year	1991/92	1992/93	1993/94
Number of students	36.504	37.362	40.239

An increasing tendency could be expected in future years which is being confirmed today by empirical data whereas approximately 99% of those having completed primary school enter secondary education and the percent of students in four and six semester courses and at both universities amounts to approximately 50% of a generation.

## 2. SITUATION IN REGARD TO SCHOOL FACILITIES AND EQUIPMENT

During the period prior to the adoption of the Act on "school tolar" the school facilities were rather inadequate. The reasons for this (besides the aforementioned increase of the interest of youth for education) were:

- former 1981 federal act prohibited investments into public facilities which caused a 10 year cancellation of investments in this area;
- obsolescence of facilities and insufficient quality of constructions during 1960-s;
- many schools were constructed without sport infrastructure;
- in the past facilities were insufficiently maintained since different founders inadequately maintained school facilities;
- teaching technologies become ever more demanding and sophisticated; mainly in the area of information technologies and even other educational equipment.

Prior to adoption of the Act on “school tolar” the Ministry of Science and Sport did have certain investment funds at its disposal but these were insufficient to improve all problems in foreseeable future.

### **3. GOALS AND AMOUNT OF PROJECTED FUNDS PURSUANT TO THE ACT ON “SCHOOL TOLAR”**

The Act on Procurement of Funds for Certain Urgent Educational Development Programmes in the Republic of Slovenia was passed in 1994 with a developmental orientation. It provided additional funds which could reverse a long-term depression of investments into school facilities.

Among the goals of the Act the following were identified:

- To cease two-shift timetables in secondary schools (morning-afternoon);
- To provide adequate facilities for sport activities;
- To improve working conditions at universities and higher schools;
- To provide adequate working conditions in institutions for children requiring special care;
- To solve spatial problems of schools in demographically endangered areas;
- To solve spatial problems of education for ethnic minorities.

Time and investment plans were presented in the Official Gazette. They were not published as a constitutive part of the Act but served as foundation for decision-making in the Slovene Parliament. The investment funding, which was stated in the Commentary to the Act in the Official Gazette, amounted to 17.716.000.000 Slovene tolar in accordance with prices dated 1<sup>st</sup> of January, 1994.

The Act defined required funding for implementation of all programmes projected by the Act (investments into school facilities, literacy, provision of accessibility of learning books and materials, and provision of funding for school nourishment of children and youth) as amounting to 27.548.000.000 Slovene tolar according to prices dated 1<sup>st</sup> of January, 1994 (or approximately 360.626.422 German marks according to the exchange rates of the Bank of Slovenia at that time: 100 DM = 7.638,93 SIT). The Act also defined minimal and maximal yearly amounts for implementation of the entire programme of “school tolar” which would not exceed 5 billion SIT nor amount to less than 4 billion SIT according to 1<sup>st</sup> of January, 1994, prices. The Act defined that “yearly financial plan for implementation of programmes...and time plan for procurement of funds...are defined by the Slovene Government”.

### **4. IMPLEMENTATION OF INVESTMENTS INTO SCHOOL FACILITIES FOR PERIOD 1994-1999 (from budget items belonging to the Ministry of Education)**

In 1994-1999 the Government was passing yearly financial plans for implementation of investment project into school facilities. The foundation for financial plans was the “Programme of investments into school facilities” which was published in the Official Gazette, besides that the Government included certain other necessary investments in the area of education into the financial plan, which were unpredictable in 1994, and procured also additional funding which are presented in Table 3.

Table 3: Time plan for implementation of investments for period 1994-1999 (in millions SIT)

	1994	1995	1996	1997	1998	1999	TOTAL
Plan – school tolar	2.985	2.985	2.975	3.009	2.793	2.969	17.716
Revalorization of the school-tolar plan*	2.985	3.835	4.159	4.600	4.608	5.196	25.383
Accomplishment of the school-tolar plan	2.820	2.401	3.483	3.175	4.165	5.106	21.150
Funding for investments out of school-tolar frame	311	845	1.011	3.042	1.856	2.698	9.763
Total accomplishments	3.131	3.246	4.494	6.217	6.021	7.804	30.913

\* revalorization to current prices in regard to prices of “School tolar” being defined as of prices dated 1<sup>st</sup> of January, 1994.

Furthermore we present accomplishments of “school-tolar” investments and projects which were additionally included into investment financial plans from budget items belonging to the Ministry of Education.

#### **4.1. Accomplishment of investments within the frame of “school-tolar” project**

Criteria for selection and inclusion of investments into the plan were, as follows:

- obligations pursuant to the Act
- raised loans;
- constructional condition of a facility (safety);
- number of student and pupil entries (assurance of student quota);
- willingness of local municipality, school, university or association for investment (location + one’s own funding);
- professional preparation of investment (accepted programming foundation, idea, project);
- other.

From 157 planned facilities the completion was 113 facilities or 72%.

The remaining facilities were not accomplished due to:

- alterations of school investment plans in municipalities where other constructions were given priority;
- denationalisation claims and procedures;
- problems with acquisition of proper documentation and construction sites;
- unwillingness of local communities to co-operate, primarily during acquisition of proper construction sites, due to extreme spatial planning demands and municipal taxation;
- changes in the interest of youth concerning education (primarily an increase of entries into social-sciences courses and a decrease of interest for technical ones (both in secondary and tertiary education));
- somewhat altered priorities which were designated when passing the Act with regard to raising a loan from the Council of Europe’s Fund for Social Development and

“Implementation of Project of Investments into School Facilities and Equipment in the Republic of Slovenia” which was passed in the Parliament in 1998.

Each yearly financial plan for implementation of investment programme pursuant to this Act was determined by new spatial circumstances in regard to increasing entries in secondary and tertiary education, in regard to changes in certain institutions and conditions during preparations for certain investments. A number of investments were fundamentally complemented and altered, while none of valid spatial regulations and standards were ever violated.

#### **4.2. Investments in education which were additionally included into the yearly financial investment plans by the Government**

The Government of the RS additionally included certain investments in the area of education. These totally amount to 47, due to the following reasons:

- alterations in school investments plans in municipalities which designated different priorities;
- poor physical state of certain facilities;
- unpredictable increase of entries in certain schools.

Between the years 1994 to 1996 no investments were additionally required which would demand increased financial funding, although this was the case in the years 1997 and 1998, due to:

- decision of the Government to purchase a printing facility “Ljudske Pravice” in Ljubljana, with regard to needs of the School of Law of the University in Ljubljana, which was paid by funds from the 1997 budget, and
- passing of the Act on raising a loan from the Council of Europe’s Fund for Social Development and “Implementation of Project of Investments into School Facilities and Equipment in the Republic of Slovenia” in 1998 which designated an altered list of priorities of investments in education for period 1998-2002.

### **5. CONCLUSION**

Implementation of investment project pursuant to the Act on “school-tolar” can be assessed as very successful. Many schools (along the entire system vertically) pursuant to this Act acquired adequate facilities. It was an obvious success after more than a decade of depression in this area. Mayors in municipalities and leading figures in education now consider investments as real and accessible. Although many facilities were up-dated, the pressure upon the Government increased in order to provide ever more funding for this type of investments. Therefore the Government proposed raising a loan from the Council of Europe’s Fund for Social Development and “Implementation of Project of Investments into School Facilities and Equipment in the Republic of Slovenia” which provided additional funding for school investments. Due to limited proportions of yearly Slovene budgets, the dynamics for funding, which were anticipated by the aforementioned Project, were absent in subsequent budgets. This caused the investment programme pursuant to this Act to be postponed for at least 3-4 years, while new needs keep arising.

It is obvious that funding for school investments must be provided for years beyond 2002 when the aforementioned project closes, namely at least at the level of preceding years. Needs

for school investments, in regard to facilities where schools operate at present, will be topical for quite some time in the future. We can expose some of the most urgent problems:

- procurement of adequate school and pre-school facilities (introduction of 9-year primary school); 159 municipalities with more than 600 facilities applied to the first investment tender;
- seismic and static improvements of certain secondary education, boarding and university facilities (mostly in Ljubljana);
- provision of additional student "beds" (quota); Slovenia has a deficit of approximately 5.000 student positions;
- solution of spatial problems of certain faculties which still at the moment operate in completely inadequate facilities;
- solution of secondary school network distribution in certain larger towns (Maribor, Kranj, Nova Gorica).

First of all, parallel to this, investment maintenance funds should be increased gradually. The requirements for investments will gradually increase even for those facilities which are at the moment in a relatively good condition.

Translated by Dušan Flere.

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