

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2023–24 Budget Estimates

Melbourne – Tuesday 13 June 2023

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Michael Galea

Paul Hamer

Mathew Hilakari

Lauren Kathage

Bev McArthur

Danny O’Brien

Ellen Sandell

WITNESSES

Ms Natalie Hutchins MP, Minister for Education,

Ms Jenny Atta, Secretary,

Mr Anthony Bates, Deputy Secretary, Financial Policy and Information Services,

Dr David Howes, Deputy Secretary, Schools and Regional Services,

Mr Tom Kirkland, Chief Executive Officer, Victorian School Building Authority,

Mr Stephen Fraser, Deputy Secretary, School Education Programs and Support,

Ms Natalie Garcia de Heer, Acting Assistant Deputy Secretary, Senior Secondary Pathways Reform,

Ms Kylie White, Deputy Secretary, Policy, Strategy and Performance,

Ms Andrea Del Monaco, Deputy Secretary, Schools Workforce, and

Ms Susan Bell, Acting Executive Director, Senior Secondary Certificate Reform, Victorian Curriculum and Assessment Authority, Department of Education.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2023–24 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside this hearing may not be protected by this privilege.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream this afternoon and other committee members.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Minister for Education the Honourable Natalie Hutchins and officers from the Department of Education. Minister, I am going to invite you to make a statement or presentation of no more than 10 minutes. This will be followed by questions from the committee. Your time starts now.

Visual presentation.

Natalie HUTCHINS: Thank you, Chair. Can I begin by acknowledging the Wurundjeri people as the traditional owners of the land on which we are gathered and thank all of the committee here today for the opportunity to present to PAEC.

The budget invests a total of \$3.1 billion to continue the transformation of schools education and ensure excellence and equality for all students. Indeed we have increased the total output funding by almost \$1 billion, or 7.6 per cent, since the 2022–23 budget, and our investments continue to focus on giving all students an equal opportunity to make the most of a first-class education, wherever they live, and making sure that they have got teachers in excellent classrooms and schools.

We have had some huge growth in funding. Thanks to the record investment, we have significantly increased the amount of funding per student – a bigger increase than any other state or territory. Whether it is through the lowest student-to-teacher ratios in the country or consistently high NAPLAN results, this is already paying dividends for Victorians.

Our school infrastructure investment delivers some of the best facilities for our kids. We have invested \$14.9 billion in building and upgrading schools in every corner of the state, giving local families access to the best school facilities close to home. As you can see on the slide, we have done upgrades at 1108 schools and have school upgrades underway with 1940 projects. This work has supported the establishment of 21,000 jobs in construction alone.

Two billion dollars for new schools and capital upgrades is continuing our big investment in schools and is helping us meet the enrolment growth demands, particularly in our growing outer suburbs. To meet enrolment growth, this budget invests \$741.4 million, including for six new schools to open in 2025 and three to open in 2026.

We are also ensuring that our existing schools get the upgrades and modernisation that they need. This includes \$355.8 million for upgrades at 47 schools, and a further 54 schools will share in \$24 million to begin planning upgrades. In addition to this there is \$331 million over four years to go towards essential maintenance and a further \$10 million to improve learning conditions through the Minor Capital Works Fund. There is also good news for low fee paying independent schools and Catholic schools, with \$450 million for grants programs relating to better facilities at those schools that are eligible.

Engaging students in high-quality education is a real focus for us, and the substantial and ongoing investment that we are making is seeing a real difference in our classrooms. In 2022 Victorian students again achieved some of the highest NAPLAN results in the country. They ranked first or second in 12 out of 20 assessments, including in all five domains at the important foundation year of grade 3, which you can see in the centre there. These results show that we can achieve when we invest in our education system.

We know that there is obviously still more work to be done. That is why we are supporting the health and wellbeing of our students going forward, with this budget investing critical anti-bullying program funding, including Safe Schools and the I Can project as well. And we will continue to provide, of course, a myriad of additional projects and supports across our schools, including the \$14.1 million for the critical health and wellbeing and inclusion programs, including the nursing program that is available across schools, and \$2.8 million to continue the support of the rollout of the mental health fund in our schools as well.

Of course ensuring children reach their potential and easing the cost of living – something that I was out at a school talking about just this morning – this budget provides for \$105.4 million to continue the successful work that we have been putting in place in our school breakfast club programs, which are running now at 1000 schools, and also to provide affordable uniforms and free glasses for kids who need them and qualify. There is also additional funding of \$168.7 million to continue the Camps, Sports and Excursions Fund so that students from low socio-economic and vulnerable families can take part in these important activities that we know grow their opportunity for learning. We are also increasing the payment that families get that fall into that category by \$25 per student to offset the high costs of camps and excursions.

We are also continuing to provide reading materials to families via the popular books that are provided through the prep bags. We are also providing \$4.7 million to support excellence and equality for rural and regional students and of course our \$16.5 million for the student excellence program that will continue on.

So the budget includes major investment in supporting students with disabilities and their families. This was a key pillar of our election commitments at the last election, and we are following through with the commitment to pass on that \$244.8 million to those families that need it most in our specialist school system. I am really pleased that this money goes to employing new NDIS navigators and also 1000 scholarships for disability workers, speech pathologists and occupational therapists to work in hard-to-staff schools in rural and regional Victoria. These are really important extra supports that are desperately needed in our school system for those kids that need that extra help. And we will develop extracurricular activities for kids in specialist schools, install new therapy pools and help pay for assistance animal training, which gives kids exposure to being able to deal with animals in their school environments and in their immediate environments.

A further \$121.7 million will give students with a disability greater access to outside school hours care. This was really one of the key pillars that was in this announcement, which I have already heard from so many parents is a real game changer for them being able to work. Also, there is \$31.9 million for the students with disabilities transport program. Also, we are backing multicultural and multifaith communities, and this is a

critical part of making sure that our schools are accessible to all, and the budget includes funds to create three beacon schools that will offer Hindi and Punjabi languages as VCE subjects. It also funds a scholarship program to support the training of teachers in Hindi and Punjabi languages, and of course our community language schools, which play a really important role in our community, will continue to be supported by this government, and I thank them for their work.

Supporting the most vulnerable young people: this is about targeting support to young people who are looking to move away from education to keep them engaged with their learning and reconnecting them with school and increasing the supports for early school leavers and to try and get them back on track. It also extends to helping young people at risk to get back on track with their education and training. And also there is support there for refugee communities.

Finally, I just want to touch on our support for teachers. To give our children the very best education it is important we recruit more teachers and support the hardworking workforce that we have in place now. To support teachers and education support staff who are required to attend our camps, we will be providing new funding to support on-call payments. We will offer placement support for preservice teachers and flexible working arrangements for school leaders. We will also be investing in efforts to attract First Nations people into teaching, and of course we have already reached out to inactive teachers to get them back into the profession. We will reduce the workload of government schoolteachers with lesson planning and curriculum implementation support and resources and give teachers more time to focus on students.

The CHAIR: Thank you, Minister. The first 10 minutes is going to go to Mrs McArthur.

Bev McARTHUR: Thank you, Chair. Minister, I refer you to budget paper 3, page 115, regarding the removal of the payroll tax exemption for non-government schools. When will you release the list and the names of the schools impacted to give them certainty?

Natalie HUTCHINS: Thank you for the question, but as the legislation is before the upper house of the Parliament, I am not going to go into any detail about the implementation of that legislation until it has passed our Parliament. Once that has occurred I will be sitting down with the independent schools sector to work through how that legislation is applied.

Bev McARTHUR: Well, Minister, given there was no consultation with schools prior to the budget, how many schools have you consulted with since?

Natalie HUTCHINS: Just last week I spoke at the Independent Schools Victoria AGM dinner, so I would estimate that there was quite a broad representation of –

Bev McARTHUR: But you have not actually spoken to any individual schools?

Natalie HUTCHINS: I did actually speak to a lot of individuals at that –

Bev McARTHUR: At the dinner.

Natalie HUTCHINS: Yes, at the dinner, whilst Parliament was –

Bev McARTHUR: But you have not actually gone out to any schools to check on their needs or their concerns?

The CHAIR: Mrs McArthur, one question at a time, please.

Nicholas McGOWAN: What was the extent of your consultation post budget, Minister?

Bev McARTHUR: A dinner.

The CHAIR: One question at a time.

Natalie HUTCHINS: I have made it pretty clear that I will be consulting with the sector once the legislation passes the Parliament.

Nicholas McGOWAN: So, Minister, you have introduced the budget line item here – \$421 million – you have done no consultation prior to the budget and you are now telling this committee you have done no consultation since. Is that correct?

Bev McARTHUR: But you have attended a dinner.

Natalie HUTCHINS: I attended a dinner that I was committed to going to from months ago, yes, and I thought it was important to keep to my commitments on that. I am not going to speculate on the implementation of legislation that has not passed the Parliament yet.

Danny O'BRIEN: The budget that has not passed Parliament yet. What are we here for?

Bev McARTHUR: We have asked you about what level of consultation you have had.

Natalie HUTCHINS: I will be having further consultation with independent schools.

Bev McARTHUR: No, no, you have not had any, then.

Natalie HUTCHINS: Can I just remind you that Victorian government schools currently pay payroll tax, and what this budget is doing is implementing a new application that I think is fair and reasonable.

Nicholas McGOWAN: Minister, how did you arrive at the \$421 million figure?

Natalie HUTCHINS: That is a question best asked of the Treasurer.

Nicholas McGOWAN: No, the Treasurer said to ask you, and so did the Premier. They both said to ask you.

Bev McARTHUR: They have passed the buck. You are it.

Nicholas McGOWAN: Minister, you can check the transcript.

Bev McARTHUR: You are in charge.

Mathew HILAKARI: That is a misinterpretation of the words of the Treasurer –

Nicholas McGOWAN: No, it is clear. Check the transcript.

The CHAIR: Excuse me, Mr McGowan. You will be respectful towards the minister and the witnesses at the table. Do you have a question?

Nicholas McGOWAN: I asked the question. Minister, how did you arrive at the \$421 million figure?

Natalie HUTCHINS: I did not know I could take two questions at once. That is new to me at this committee.

Nicholas McGOWAN:

Well, I will give you one question once, Minister. How did you arrive at the \$421 million price tag for non-government schools?

Natalie HUTCHINS: Well, that was certainly a figure that was put in the budget. How that is collected over the next few years will be dependent on how the legislation passes through the Parliament.

Nicholas McGOWAN: Not how it is collected, Minister; how did you arrive at that figure? This is a half-billion-dollar part of your budget. You are responsible for it, and you cannot tell me how you arrived at it.

Natalie HUTCHINS: I am not the Treasurer of this state. You should have asked the Treasurer.

Nicholas McGOWAN: You are the Minister for Education. You are sitting here.

Natalie HUTCHINS: You should have asked the Treasurer that question.

Nicholas McGOWAN: You want to take half a billion dollars out of the non-government sector, and you cannot tell me how you arrived at that figure. Are you serious?

Natalie HUTCHINS: I want to tell you that we put a billion dollars every year into investment in non-government schools –

Nicholas McGOWAN: Well, you are about to rip out half a billion, Minister.

Natalie HUTCHINS: in conjunction with the federal government, and we are putting in \$450 million in capital into the non-government sector and the Catholic schools sector, so I think this government is very much recognising the good work that our independent and Catholic schools do.

Nicholas McGOWAN: Minister, isn't it true that since 1971 all schools have been exempt from payroll tax in this state, and you will be the first education minister to ever tax schools? That is taxing teaching. How proud are you of that result?

Natalie HUTCHINS: Public schools currently pay that payroll tax.

Nicholas McGOWAN: Minister, you and I both know, and you and the Premier keep propagating this lie. You give the schools, the government schools, that money, and you take it with the other hand. You cannot say, in all honesty, sitting with a straight face, that government schools pay payroll tax. It is a blatant lie, and you know it.

The CHAIR: Mr McGowan. I have spoken to you already today about being disrespectful towards witnesses and members here at the table. I will again ask you to afford the minister and officials here at the table the courtesy that they expect and deserve. I would ask you to control your temper. If you have a question, please ask the minister.

Bev McARTHUR: Well, Minister, if you consulted with any schools, name them.

Natalie HUTCHINS: I spoke to a number of schools –

Bev McARTHUR: Which ones?

Natalie HUTCHINS: at the dinner that I attended, and I will be talking with the ISV –

Nicholas McGowan interjected.

The CHAIR: Excuse me. The minister is responding.

Natalie HUTCHINS: I will be talking with the ISV and their nominated representatives that they want to bring to the table once the legislation has passed the Parliament.

Bev McARTHUR: So you introduced this new proposal without consulting with any schools prior to it being introduced, and you are telling us you will not be doing anything more until it passes the Parliament.

Natalie HUTCHINS: Can I remind you that this proposal will not affect around 85 per cent of the non-government sector, and the removal of the payroll tax exemption will have quite a small impact on the high fee paying schools, the wealthiest schools in the state.

Nicholas McGOWAN: Minister, you cannot even tell me how you arrived at \$421 million, and you sit here and reel off those figures. Based on what, Minister?

Natalie HUTCHINS: The way that Treasury nominates the figures in the budget is a projection. The way it falls out post a piece of legislation passing – that may be what the government introduced, or it may not be, because of, as you know, upper house representation.

Bev McARTHUR: It may or may not be. Minister, noting the remarks of the Premier during PAEC on 2 June, the threshold will go up from \$7500. What new thresholds have you asked Treasury to model?

Natalie HUTCHINS: Look, I will finalise the exact methodology –

Bev McARTHUR: No –

Natalie HUTCHINS: I will finalise the exact methodology in conjunction with the Treasurer once we have the legislation passed through the Parliament.

Bev McARTHUR: So how do you expect any school, any parent or any teacher to have confidence in this government and your proposal if you are saying that any or all of them could be subject to this new tax? You have not discussed anything with them. You do not intend to discuss anything further with them –

Natalie HUTCHINS: That is not true. You are putting words out there.

Bev McARTHUR: until it passes through the Parliament.

Natalie HUTCHINS: That is absolutely not true. I have just sat here and said that I will consult –

Bev McARTHUR: When the legislation goes through the Parliament.

Natalie HUTCHINS: when the legislation goes through, so we know what we are dealing with. I am not going to make up hypotheticals about how the legislation will land.

Bev McARTHUR: But you have made up hypotheticals, Minister, by proposing that schools –

The CHAIR: Mrs McArthur, the minister is trying to answer your question. You may not like the answer that the minister is giving, but you will still afford her the courtesy of answering your question. Please stop talking over the top of the minister as she attempts to answer your question.

Bev McARTHUR: Okay. Well, Minister, let us go. What will be the new criteria on which the adjusted threshold will be determined? What will be the new criteria? Are you going to tell me after it goes through the Parliament?

Natalie HUTCHINS: I am going to sit down with the sector and work that through. Let us not forget that the non-government sector still enjoys the support of this government in rolling out tutor learning initiatives –

Nicholas McGowan interjected.

The CHAIR: Mr McGowan.

Natalie HUTCHINS: in new capital, in support within our school programs for mental health.

Nicholas McGowan interjected.

The CHAIR: Mr McGowan.

Natalie HUTCHINS: They are all still programs that continue to flow from our department across to the non-government low fee paying sector

Bev McARTHUR: What are the criteria for a school to receive an exemption, Minister?

Natalie HUTCHINS: There will be a dollar figure that will be drawn once the legislation passes the Parliament where we look at determining what is a high fee paying school. We know that has changed post COVID from when we originally set some benchmarks around the money that was allocated to non-government schools from the government sector. That will be revised. We will do that in consultation. I will be sitting down with the sector and talking through the methodology and giving consideration and then giving advice publicly. This program is not looking to begin until 1 July 2024.

Bev McARTHUR: Now, the Premier and the Treasurer, Minister, told us to ask you about the details of this proposal, but you cannot give them to us.

Natalie HUTCHINS: Because the legislation has not passed the Parliament, and I am not going to give you a hypothetical about what that legislation could look like.

Danny O'BRIEN: And yet we have got a figure in the budget paper.

Nicholas McGOWAN: You have got a half a billion figure you are basing on nothing.

Bev McARTHUR: But you have told people they are going to be taxed. And teachers are going to be taxed. Teachers will be taxed out of existence. They will lose their jobs.

Natalie HUTCHINS: I think you are making things up. Teachers are not going to be taxed.

Bev McARTHUR: Yes, they will be taxed out of existence because you are taxing them.

The CHAIR: Mrs McArthur, please control yourself. Have you got a question to ask the minister?

Bev McARTHUR: Yes. Minister, how will you compensate low-fee schools for the impact on their resources, programs and staffing levels, which principals have warned are at risk?

The CHAIR: Apologies, your time is up. We will go straight to Mr Galea.

Michael GALEA: Thank you, Chair. Good afternoon, Minister and officials. Minister, I refer to your presentation where you refer to supports being provided for students and also in reference to budget paper 3, page 11, table 1.7, line item 'Providing Victorian students with the essentials to support their engagement in learning'. Minister, could you please outline what some of these essentials are?

Natalie HUTCHINS: Thank you, I think my presentation did touch on the fact that there is a combination of increase through this budget around really tackling the cost of living and promoting student support and family support where it is most needed at some of the low socio-economic and vulnerable schools. What that once looked like is slowly starting to change because of the really significant effects of interest rate hikes and downward pressure that is on our families and the costs that they are struggling with. But certainly this budget provides \$105 million to students around essentials like the school breakfast clubs, which have now delivered around 31 million breakfasts – and I was pleased to be at Footscray this morning being a part of another one and celebrating there – but also the State Schools' Relief fund, which has also been a recipient out of this year's budget with additional funding to deliver the school uniforms, school shoes and even down to socks that kids may need to make sure that they are fully engaged in school, as well as testing of eyesight and the provision of glasses for vulnerable families. That is a package that is certainly something that this government is extremely proud of.

I should just mention with the school breakfast programs as well that part of the extension of that work is also making sure that there are take-home packs available in the lead-up to school holidays to be utilised in school holidays by really needy families, and to date we have distributed 61,000 of those. Unfortunately, we have seen an increase in need of around 40 per cent since this time last year, and of course breakfast club and Foodbank will be working together to get some more packages out the door ahead of these school holidays in about 10 days time.

Michael GALEA: That is good to hear. Thank you, Minister. How has the government brought in initiatives to support young women with their periods and to destigmatise their periods as well?

Natalie HUTCHINS: This is a big challenge not only in the school system but in the general public, and I may get an opportunity later to talk a little bit more about our initiatives in the general public, but certainly we are following up from the fantastic commitment we have made in schools to roll out free sanitary products across our government schools. Those products have received \$15.5 million over four years out of this budget, but there is an additional \$3.9 million for ongoing provision of education in our schools around destigmatisation, menstruation health but also pelvic pain management for those girls that are going through that, which quite often can be a first port of call for young women dropping out of school or not going to school. By providing these products in schools it is really supporting girls' engagement, offering certainly on-the-ground support. I have got to say, I have heard directly from principals that this program is making a real difference in their schools, around particularly grade 5 and 6 girls staying very engaged in school by feeling like they are supported.

Michael GALEA: That is really good to hear, thank you, Minister. We know that in terms of financially disadvantaged students, one of the times where that becomes most difficult for them and perhaps most

prominent is when it comes to things like camps and excursions. Does the government have any policies to support those students?

Natalie HUTCHINS: We certainly do, and it was definitely touched on in the slides. That is the increase to the – we call it the CSE fund, but that stands for Camps, Sports and Excursions Fund, and that is for eligible families both in the government sector and the non-government sector. We anticipate that this fund will provide support for nearly 200,000 students across the state whose families cannot afford for them to be able to participate in camps or excursions or try various sports. We know that the running costs of participating in these are pretty substantial for some families to be able to cope with. It is determined on the family having a healthcare card, but in recognition of the increased cost of these activities the subsidy will be going up by \$25 through this budget and will be passed on to those families that need it. We know that regardless of socio-economic background and circumstances we need to make sure that all kids have access to these wonderful opportunities that we know build confidence and life engagement.

Michael GALEA: Thank you, Minister. I believe you may have also referred to earlier glasses for primary school-age children and initiatives to support optical health of students. Can you please elaborate on them?

Natalie HUTCHINS: Yes, sure. With this program, I have managed to meet with a number of schools where they have had the assessments done and actually meet with some of the kids who have been provided with glasses, and I can tell you this program is an absolute game changer for some students who did not recognise the signs of being long- or short-sighted and were struggling and becoming disengaged in their class solely because of issues to do with their sight. Then once they had been assessed and provided with glasses where it was needed, seeing a turnaround in that child's performance is something that has been raised with me on numerous occasions on school visits.

There are two components to this program in terms of an onsite initial visit and screening by an optometrist. Then if there is need for glasses, there is a revisit and those glasses are fitted and organised. They are suitable for kids to be able to wear in the playground and whilst they are doing sport – they have often got a flexible side. This is a program where it really, really does make a huge difference. There was a small primary school in Gippsland where 30 students were tested and required to have glasses at the one school. Some of the feedback that I have got from some of the students is about making them happy and making them feel engaged. We have had testing now across the Brimbank Melton region, where over 100 students were tested over a few days recently. We know that this contributes to confidence and to outcomes in reading and engagement in the classroom, and I think for the price of \$2.9 million, the investment in this program is absolutely well worth it.

Michael GALEA: Very much so. Minister, same budget paper reference: budget paper 3, page 11. Table 1.7 refers to 'Books in prep bags'. Could you please describe what this program is and why it so important for our preppies and their families?

Natalie HUTCHINS: Certainly. I think many of the committee members would have been privileged to see the prep bags that are available through our schools. These are phenomenal opportunities for families that again cannot afford to have books in their place. Many years ago I did the principal for a day program here in Victoria at one of the schools in my electorate and was shocked to see some of the new preps there – it was probably 13 years ago – not know how to open a book and not have had the experience of having books. They had not been to kinder and had not had books at home, so it goes to show how important this program is – that is, being able to provide four to five books in a safe environment at school in a lovely bag that they can keep those books in, take them home and continue to learn with their reading and get familiar with books and learn to love books. I know there are many children out there that would already have access to books, and that is fantastic. This is about making sure we treat everyone equally, we do not stigmatise, so every prep gets access to one of these bags.

Michael GALEA: Thank you, Minister. Thank you, Chair.

The CHAIR: Thank you, Mr Galea. I am going to go to the Deputy Chair.

Nicholas McGOWAN: Minister, whose idea was it to remove the parallel tax exemption for non-government schools?

Natalie HUTCHINS: This is tax legislation. Those sorts of things are usually done by the Treasury.

Nicholas McGOWAN: So it was the Treasurer's idea to remove the exemption for non-government schools; is that correct?

Natalie HUTCHINS: The department of treasury would have put these proposals forward through the government, and they would have been accepted as a whole-of-government decision.

Nicholas McGOWAN: Okay. Just so I am clear: this is not your decision? It was not your suggestion; it was the Treasurer's through his department?

Natalie HUTCHINS: The ways we go through budget processes are through bids, through a committee and through decisions that are made by the Treasurer, and that is the way the process goes.

Nicholas McGOWAN: Did you have any advice in respect to this policy?

Natalie HUTCHINS: I have a myriad of folders full of advice on all aspects of the budget.

Nicholas McGOWAN: That is cute, Minister, but I am asking specifically with regard to –

The CHAIR: Mr McGowan!

Nicholas McGOWAN: the \$421 million whether you gave any advice to the Treasurer with respect to –

Natalie HUTCHINS: I have advice around expenditure; I have advice around income –

Nicholas McGOWAN: No, did you give him any advice in respect to this proposal?

Natalie HUTCHINS: It is not my job to give the Treasurer advice –

Nicholas McGOWAN: As Minister for Education –

Natalie HUTCHINS: on how he passes down his budget –

Nicholas McGOWAN: No, you are conflating the question, Minister, and you know you are.

The CHAIR: Mr McGowan, you are not providing an opportunity for the minister to answer your question, rather. Thank you. Minister.

Natalie HUTCHINS: The budget is presented to the Parliament, as you know, and there are lots of conversations that happen between ministers and the Treasurer's office beforehand. I am not going to divulge what was said and what was not said in regard to that. I can tell you there were lots of proposals put forward, lots of discussions, and I am pretty pleased with where the budget has ended up with our increased commitment to education.

Nicholas McGOWAN: Does that include the removal of the exemption on non-government schools? You are pleased with that; is that correct?

Natalie HUTCHINS: I am pleased with the overall budget and what it is providing to Victorians in our school system.

Nicholas McGOWAN: Okay. So I am clear, you are pleased with the fact that you are about to rip out half a billion dollars – half a billion – from 110 schools. That is in the order of \$3.9 million over the forward estimates from those 110 schools. Let us also be clear about this: that is at a threshold of \$7500, and that includes fees and charges, not just the fees.

Natalie HUTCHINS: I am very pleased that we are putting \$170 million into camps, sports and excursions.

Nicholas McGOWAN: Well, then let us –

Natalie HUTCHINS: I am pleased that we are putting \$450 million into –

Nicholas McGOWAN: You should be ashamed of yourself, Minister. You should be ashamed of yourself.

The CHAIR: Mr McGowan!

Natalie HUTCHINS: \$450 million into capital –

Nicholas McGOWAN: You should be ashamed of yourself, Minister – the first ever education minister to tax non-government schools, faith-based schools, independent schools in this state.

The CHAIR: Mr McGowan, those kinds of comments are childish and unnecessary. Mr McGowan, please, if you have a question for the minister, ask it.

Nicholas McGOWAN: I am glad you also raised camps, Minister, because up until recently you did an absolute disservice to the entire schooling system, something I have never witnessed in my life, ever. Right across the schooling system you ripped out the funding, and now, belatedly, months and months later, you have come back with this \$131 million package. How do you explain leaving teachers high and dry and the schools and principals being unable to fund camps and having to cancel camps all year this year right across the state school system, as you well know, cancelling camps all year –

Natalie HUTCHINS: Is there a question, or are you just going to make political statements?

Nicholas McGOWAN: and then giving them a measly \$20,000 a year. How many camps do you think each school would afford on the funding you have given them?

Natalie HUTCHINS: I reject the first part of your question that we ripped money out of schools. That is absolutely incorrect.

Nicholas McGOWAN: You have, because through your EBA you actually imposed the cost on the school. You know you did.

The CHAIR: Mr McGowan, the minister is answering the first part of your question.

Natalie HUTCHINS: This budget does two things in this space: it uplifts our contribution to camps by \$299 million, and what it also does is add \$130 million over four years, because we appreciate our teachers. We are giving them –

Nicholas McGOWAN: Teachers see right through your rhetoric, Minister.

The CHAIR: Mr McGowan.

Natalie HUTCHINS: We are giving them the recognition that our hardworking and dedicated teachers deserve. They are getting an additional average of \$200 up to 4 hours for an overnight stay on a camp. I think this is great recognition, because in previous years –

Nicholas McGOWAN: What about funding for the rest of it? So you are not funding the rest of it. Four hours – do you know how long a night is? A night is not 4 hours.

The CHAIR: Mr McGowan.

Natalie HUTCHINS: In previous years, and when your party was in government, there was no payment for this – no payment at all.

Nicholas McGOWAN: You have just negotiated an EBA where you and I both know now you are only funding 4 hours of that overnight stay.

The CHAIR: Mr McGowan, do you have a question?

Nicholas McGOWAN: Is that correct, Minister?

The CHAIR: Please ask your question.

Nicholas McGOWAN: Why don't you fund the entire 8 hours, or the 16 hours in fact – you and I both know that.

The CHAIR: Please ask the minister a question.

Nicholas McGOWAN: I just did, three times. I will put it a different way: the time in lieu that teachers are now required to be given by the principals, will you fund that?

Natalie HUTCHINS: Let us be clear, time in lieu was not paid at all when your party was in government, okay? So let us be clear about that. It was an ad hoc arrangement for so many years, where teachers would have to volunteer their time. They would sometimes get time in lieu, they would other times not –

Nicholas McGOWAN: You have a brand new EBA, you have failed to fund school camps, and you know it.

Natalie HUTCHINS: We have put additional funding into school camps.

Nicholas McGOWAN: You had to – kicking and screaming, Minister, you had to.

Natalie HUTCHINS: There was no kicking and screaming.

Nicholas McGOWAN: The schools around this state were cancelling camps or charging parents \$600 to \$700 for a school camp. Do you know who can afford that? Do you honestly have your eyes open when it comes to your portfolio, because I do not think so.

The CHAIR: Mr McGowan, you are out of order talking to the minister like that. If you have a question, you will ask it with courtesy and respect. Thank you.

Natalie HUTCHINS: Could I just restate, Chair, that out of this budget, teachers are getting \$130 million across the government school system to be paid an additional amount for staying overnight on camps. That is \$299 million that is coming out of our government budget to support the ongoing wraparound services for camps. This will make sure that kids have an opportunity, going forward, to be engaged in the fantastic life opportunities that camps bring. Whether it is in primary school or secondary school, we know there are so many students out there that do not have an opportunity to spend a night away from home due to a whole range of circumstances. This gives them that independence and that opportunity going forward, and certainly we are very proud that we will be supporting another 200,000 students who may not be able to afford to go on camp to go on camp through this program.

Nicholas McGOWAN: Minister, we have a chronic teacher shortage in this state, and you have just scrapped the targeted financial incentives program. How do you propose to actually start recruiting more teachers?

Natalie HUTCHINS: Is there a point in the budget that you wanted to go to on that?

Nicholas McGOWAN: You can go to any part of the budget. You can go to the questionnaire if you want, pages 41 and 42. It is not a complex question, Minister. We have a chronic teacher shortage.

The CHAIR: Mr McGowan.

Nicholas McGOWAN: How do you propose to address it?

Natalie HUTCHINS: We totally understand that for every child to get equal access to a quality education, we need to support our teacher workforce, there is no doubt about it. We are not the only state to have had challenges around recruitment and retention of our workforce, but I would say this: we are the state that has had the most success in this area – that is, we have been able to continue to run our schools with the lowest teacher ratio around the country. We have also continued to invest quite significantly since 2019 over \$1.2 billion in school workforce initiatives, including more than \$360 million in teacher attraction and retention programs.

Now, I can run through some of those programs, but I think at the top of that is to bear in mind that the EBA that was negotiated with the teacher's union last year does deliver a commitment of reducing the hours that teachers need to be in the classroom by one hour this year and an hour and a half next year, which allows them to participate in collaboration with their peers in order to do more class planning and to have time out to deal with their workloads. That has come at a cost of \$779 million to this government. It is something that we are

proud to invest in. It also has required the recruitment of 1900 teachers, and we have successfully, over the last two years, recruited 5000 new teachers into our sector. Now, we know there is more work to do. We know there are workforce challenges. That is not just a problem that Victoria faces; it is every single state, it is around the world and it is other sectors. We are not immune from that, but we are focused on what we are doing in terms of planning for the future. That includes working with the federal government on the *National Teacher Workforce Action Plan* and also funding initiatives like the \$32 million that I announced just the other day to support preservice teachers to get them to do their placements in rural and regional Victoria and hard-to-staff locations by giving them support in the form of allowances to be able to go to those areas and be subsidised for accommodation and travel. We are also putting \$50 million into supporting teachers –

The CHAIR: Apologies. I have to interrupt you, Minister. We will go to Ms Kathage for the next 10 minutes.

Lauren KATHAGE: Thank you, Chair, Minister and officials. I also want to talk about teachers. I would love to talk about teachers all day. My four sisters teach, which I always thought gave me a special insight. But now that I have got a preppy and she is coming towards the end of term 2 and she can read, I feel like I now understand the importance of teachers more deeply. I am just absolutely amazed. I want to talk about teachers and the money that is allocated in the budget for attracting teachers as well as for the lesson planning support. It is budget paper 3, page 12. It talks about the \$204.8 million over four years for attracting teachers as well as the funding – I think it is \$36.9 million – for supporting detailed lesson planning. Are you able to expand on how the high-quality curriculum planning and assessment support will benefit teachers across Victoria?

Natalie HUTCHINS: Yes. Thanks. I think in the context of the question you have asked it is important to acknowledge that there is a new national curriculum that is on foot. That is being implemented and tested out in our school system this year. Really the investment that you mentioned, the \$36.9 million, is about supporting two avenues, and they are making sure that we have got the implementation supports in place for that new curriculum that is going ahead but also making sure that we have high-quality sequential lesson planning that is going on, which will substantially help with teacher workloads going forward. I think that commitment in the budget of \$36.9 million is broken down into two areas. The first is \$17.3 million over three years to support the implementation of the revised curriculum, F to 10, and giving greater clarity and support to teachers while they implement that. The other one is the \$19.6 million over four years for high-quality sequential lesson planning, and that lesson planning both contributes to lessening workload tensions on teachers and particularly makes sure that there are shared materials, no re-creating of the wheel and making sure that certainly there is a bit of whole-of-school planning that is backed up with this. It is about making sure that our network within the school is supported but also that the school in conjunction with other schools is supported for both clustering lesson planning and whole-of-school planning and implementation of the curriculum as well.

Lauren KATHAGE: Thank you, Minister. You touched briefly on workload then. I know from talking to teachers in my electorate that workload is something that often comes up. I just want to ask what other initiatives the government has to support teachers with their workloads, so they have got the opportunity to maybe grow in the profession or to –

Nicholas McGOWAN: Ask about professional practice days. They are going down.

The CHAIR: Mr McGowan!

Nicholas McGOWAN: They are going down under the EBA – three, two, one.

The CHAIR: Mr McGowan!

Natalie HUTCHINS: Sorry, I did not catch the end of your question.

Lauren KATHAGE: It was on initiatives to support teachers with workload so that they stay in the profession and have the opportunity to grow professionally, and they are not running on a –

Nicholas McGOWAN: Professional practice days – let us talk about that.

The CHAIR: Please, Mr McGowan, keep your sideline commentary to the sidelines.

Nicholas McGOWAN: I am assisting the minister.

Lauren KATHAGE: You are interrupting me as I attempt to fulfil my role.

The CHAIR: It is rude and disrespectful.

Natalie HUTCHINS: Thank you for asking this question, because it shows me how much you do care about teachers – an appreciation of what they are facing with the workload and some of the challenges that are on foot at the moment. I think it is worth mentioning that our teacher retention is one of the key focuses that we have as a government and in partnership with the federal government around our national workforce plans that we have in place. It means making sure that we are appropriately resourcing our schools and our teachers to be able to deal with the workload.

Unfortunately workload has increased post COVID as children have come back into the classroom with sometimes challenging behaviours – not all the time but sometimes there have been challenging behaviours – and we are rolling out a myriad of services to assist with that, whether it be Respectful Relationships, whether it be assistance in mental health supports for our students, our teachers and our principals. But I think one of the biggest investments that we have made is what I touched on before, and that is reducing the face-to-face time for teachers in our classrooms. That is a major investment – \$779 million – but also a massive investment in recruiting new teachers to backfill those hours, and that is a pretty important element of our budget investment that we have got.

Also, making sure that we are developing our teacher workforce as a profession is a pretty key part of our retention plan, and having the Victorian Academy of Teaching and Leadership – not just a Melbourne-based academy, which was opened a couple of years ago now, but now we are in the processes of either having in train with the building of or opened our new regional centres which allow teachers in regional areas to be able to come together and collaborate, share lesson plans, share ideas and continue to learn and grow their profession, which we know is really important in giving teachers a proper pathway and career and engagement.

Lauren KATHAGE: Thank you, Minister. The role of preservice teacher is increasingly important. I was speaking to a girlfriend on the weekend who is retraining from being a radiographer to becoming a teacher, so I was encouraging her to go for preservice in the areas to the north of my electorate. But for schools in more regional or rural areas that want to attract preservice teachers, I see there is \$32.2 million in the budget. How is that going to strengthen the regional schools and workforce there?

Natalie HUTCHINS: Most preservice teachers are not only studying but are usually holding down one or two jobs in order to get themselves through university. In the case of a couple of women that I met the other day when I was at La Trobe Bendigo – preservice teachers – there was a woman there who had a 10-week old baby and a toddler and was working and was studying part time and needing to do placement, so you can imagine what the challenges would be for that individual, and that would be the case for many people who are undertaking training to be a teacher.

The three-week placement that they need to do as part of their course requires possibly stepping away from part-time employment, not in every case but in some cases. Certainly, if you are going to do placement that is some distance from your home in a rural or regional setting, if you are not financially supported to do that, the likelihood of you actually taking up that placement in those locations is very low, and that is what this program is about. It is about providing payments to support student teachers to consider going to schools in rural and regional settings. We know that experience of three weeks in that setting can actually start to cement the idea of permanently teaching in that region, especially with how special and how fantastic some of our small regional and rural schools are, and making sure that we have those students having the experience is really important.

The other program we are running is the Teach Rural pilot program. That is a fully subsidised and organised placement. In places where it is rolled out and being targeted we have seen everything from a welcome dinner put on by the local community for that teacher doing the placement there, we have seen accommodation organised, we have seen welcome packs being put in place and we have seen dedicated mentors allocated as well to partner with the person doing the placement. So we are hearing already that these are really important programs to make sure that we are building the pipeline and workforce for the future for these schools that are hard to staff because of location.

Lauren KATHAGE: Thank you, Minister. And in the example you gave of the woman you met in Bendigo, I guess the work arrangements might be important for her like they are for a lot of caregivers and people generally. So what initiatives is the government –

The CHAIR: Apologies, Ms Kathage. We are going to go to Mr O'Brien.

Danny O'BRIEN: Thank you, Chair. Good afternoon, Minister.

Natalie HUTCHINS: Good afternoon.

Danny O'BRIEN: Could I ask about page 43 of the department's questionnaire, which indicates that the tutor learning initiative – \$214.4 million – is lapsing and being cut. Was it your decision to cut that program this year?

Natalie HUTCHINS: I thank the member for his question, but at this stage of the budget cycle, this program is not being cut; it is continuing to be funded through to the end of this year. In fact last year in September we announced a further \$258.4 million to extend this program. So it has not been cut. It is still in place. This is something that we really do value. The tutor learning initiative has provided a wealth of support for students that are needing either additional foundation skills of literacy or numeracy or to be brought up in terms of support, and often tutor learning can also extend to improving student engagement as well once they are involved.

Danny O'BRIEN: Minister, you can say it is not being cut, but it is literally mentioned there in the lapsing programs. It will run to the end of this year, but there is no money for it in 2024.

Natalie HUTCHINS: Well, currently it is running until the end of the year, but there are a number of initiatives that are still yet to be determined whether they will be funded. We know, and you know, that the school year actually begins in 2024, and what we have done is ensure that the money is there for that program to continue until the end of the year.

Danny O'BRIEN: Yes, but that is the question. It is not funded to continue beyond 2023. There is no budget between now and then. The questionnaire literally says the tutor learning initiative is:

funded until the end of the 2023 school year ...

Students who have fallen behind will not receive the targeted support provided under the program.

That is the impact of ceasing the program. Are you saying that COVID is over – all the kids have caught up?

Natalie HUTCHINS: No. What I am saying is this is no different to last year's budget. This is exactly the position we were in last year where we have to wait for the end of the school year to finish. We do the planning for next year's school budgets, and we advise schools in September this year. That is the way it works every year. There is contingency funding for further programs to be considered, and I reckon tutor learning initiative will be one of those that gets a lot of attention.

Danny O'BRIEN: So how much will it be funded for for next year?

Natalie HUTCHINS: I am not going to pre-empt any outcomes in the contingencies.

Danny O'BRIEN: This is the budget estimates hearings. We are entirely about pre-empting what is going in the budget in the future. There is no money left.

The CHAIR: Mr O'Brien, the minister has just answered your question.

Danny O'BRIEN: There is no money in this budget to continue this program. Not only that, your department questionnaire specifically says that it is a lapsing program.

Natalie HUTCHINS: There will be further announcements to be made when the budgets for schools are set later this year.

Danny O'BRIEN: You said in your press release last year that nearly 100,000 students had been supported through the tutor learning initiative. How many are still needing catch-up support?

Natalie HUTCHINS: Look, this program –

Danny O'BRIEN: Maybe Mr Howes might be able to answer that if he has the data.

Natalie HUTCHINS: Look, there are 114,000 students that have been assisted through this program, and by the end of the year I would say that would have substantially increased as well. David, did you want to supplement?

David HOWES: I am happy to. Thanks for your question, Mr O'Brien. The tutor learning program does assess students at the commencement of the year and then at the end of the year to determine the learning progress that they have made, so we will not be able to determine the answer to that question until that full program has been completed, but the assessments will be done of the students and we would expect that for the vast majority of those students they will show the positive learning gain that has occurred in the past.

Danny O'BRIEN: Indeed – but no security over the funding in the future. Minister, can I ask what happens to the 5000 tutors that have been employed in this program?

Natalie HUTCHINS: They will be employed by the department for the remainder of the program, and if there is more money allocated to continue the program next year, then they will be engaged.

Danny O'BRIEN: Okay. Minister, budget paper 4, pages 37 to 43, which is the capital spending on schools, new projects for school education under the general government –

Natalie HUTCHINS: Sorry, sorry, can I ask you to repeat the page?

Danny O'BRIEN: BP4, pages 37 to 43. There is not a specific – this is a list: 39 new projects with a funding total of \$241 million-plus for schools in Labor-held electorates, and just four new projects with funding of \$14 million to schools in Liberal and Nationals-held electorates. You said you were delivering the school infrastructure for educational opportunities Victorians voted for, no matter where they live. Is that only, though, if they live in a Labor electorate?

Natalie HUTCHINS: I do not think the budget papers actually say Labor electorates versus other state –

Danny O'BRIEN: No, you need to work it out yourself, because that is how the budget papers work, but we have done those numbers: literally 39 new projects versus four. Is it just that you are only focused on political outcomes?

Natalie HUTCHINS: No. We are absolutely focused on need, and they were the needs that were identified, but also I am not going to make apologies for the fact that Labor has 56 seats out of 88 and that there are more Labor seats that exist.

Danny O'BRIEN: Well, I am glad you walked into that: 93 per cent of funding has gone to Labor-held seats. You do not hold 93 per cent of the seats in the Parliament. Is this just not a Labor rort?

Natalie HUTCHINS: Well, I can tell you there have been plenty of schools that have been in receipt. In fact it is more than – is it 1800 or 1900 schools, Tom, that have been upgraded since we have come to government?

Tom KIRKLAND: 1940 projects.

Natalie HUTCHINS: 1940 projects that have happened, some of those numerous projects at the one school and others are standalone projects. They go from upgrades through to new builds through to new schools, and we are really, really proud of the investment that we have made in upgrading our schools and delivering new schools. Can I just say, this year Victoria was the lead in building new schools across the country.

Danny O'BRIEN: Apparently only in Labor electorates. So the existing projects – the figures I gave you before were for the new projects in this budget, but for the existing projects in government schools 70 per cent of funds were for schools in Labor-held electorates, 26 to coalition-held seats and only three to the poor old Greens – only 3 per cent of funds are going to Melbourne, Brunswick, Prahran and Richmond. Why are your existing projects also slanted towards the Labor Party?

Natalie HUTCHINS: It would be important to actually put your question into context, and that is to look at where upgrades have happened in previous years and in previous budgets geographically as well.

Danny O'BRIEN: That is what the question was, Minister. It is the existing projects I am talking about.

Natalie HUTCHINS: Since we came to government?

Danny O'BRIEN: In the budget papers.

Natalie HUTCHINS: Since we came to government I am talking about the humongous investment that has been made, the 1940 capital projects in our schools that have supported amazing new developments at our schools – great outcomes, but also 21,000-plus new jobs in this state. I find it hard to believe that you would be critical of investment in upgrading –

Danny O'BRIEN: No, I am critical of where the investment is targeted, Minister.

Natalie HUTCHINS: building and maintaining our schools –

Danny O'BRIEN: I am not critical of the investment. Please do not verbal me. I am critical of where the investment is being made, and the figures I have just given you demonstrate that it is being highly focused towards the government's own seats. Can I ask you: two years ago the previous minister funded \$3 million for a master plan for Sale College. That got as far as the schools building authority actually talking to the council about who was going to pay for the kiss-and-go area, and then it does not get funded in the budget this year. The project is ready to go, there is master planning there for it, and yet it is not funded. Is that simply because it is not in a Labor seat?

Natalie HUTCHINS: Well, my understanding is that the school was in receipt of \$3 million just a few years ago and that progress is being made. Is that not correct?

Danny O'BRIEN: That is exactly what I just said. But progress was made up to the point where literally the council and the schools building authority were negotiating over things like the kiss-and-go area and who is paying for road upgrades, and yet it does not get funded in this year's budget. So all that work now sits there on hold for another 12 months because there is no funding for this project. When is that going to be funded?

Natalie HUTCHINS: So you want a specific answer around that school?

Danny O'BRIEN: Well, I am giving it to you as an example. It would be great if you could give me a specific answer on Sale College, but I am giving it to you as an example of a school that is in desperate need of a new build that the government has already identified, and yet in the first budget back from an election it misses out because it is not in a Labor seat.

Natalie HUTCHINS: Look, we have committed to around about the \$835 million mark for upgrades of government and non-government schools across Victoria. That is only going to stretch so far.

The CHAIR: Thank you, Minister. We will go to Mr Hilakari.

Mathew HILAKARI: Thank you very much, Minister, and thank you, officials, for your time this afternoon. I will get back to investments on builds in a moment, but I might just start on mental health investments and take you to budget paper 3, page 12. I want to go to specifically the line item 'Schools Mental Health Fund', and I just would like to hear about the outcomes for children and young people supported by these programs.

Natalie HUTCHINS: So the funding that was allocated for this program was a direct result of the royal commission into mental health and the recommendations that specifically acknowledge the need for wellbeing and mental support for our kids. But also a really important element is the prevention of poor mental health and promoting wellbeing. So we know that good health, good mental health, actually contributes to better outcomes for our students, and to support schools with that important role we have invested \$200 million in the new Schools Mental Health Fund and menu, which allows our primary schools in particular to be able to select programs from a menu that suit the needs of their school and the availability of the resources in their area as

well. And it has really given schools not only new programs but an investment in new staff as well to support that and of course the additional resources they might need.

So there is additional funding in this year's budget to continue to be proactive in this space and to continue the rollout of the mental health menu and really build on the recommendations from that royal commission. The fund will be rolled out to all government schools but currently has been rolled out as a priority, which was identified from the royal commission, into regional schools and rural schools, which began last year and is now rolling out across a number of key geographical areas that were identified in the royal commission as areas of need.

The programs also provide professional development for our teachers and help with anti-bullying strategies being rolled out across our schools. Unfortunately, we do hear from time to time of some pretty outrageous behaviours by students when it comes to bullying, whether that is physically, face-to-face or online bullying. That still remains a challenge for us across our school system and for teachers, and certainly making sure that we have those programs in place and then supported by wellbeing programs and also trauma-informed supports as well is a really important part of building the wellbeing and improving the educational outcomes of our kids.

Mathew HILAKARI: Does the mental health menu include access to psychologists and other allied health professionals? Is that part of that program?

Natalie HUTCHINS: Look, the range of supports goes from counsellors through to professionals but also program coordinators as well for the specific programs, whether that is things like Smiling Mind as a program in itself. But we have also invested \$14.1 million to build critical health and wellbeing programs that can be delivered in place and to support 50 full-time equivalent student support service positions across the sector, in addition to the over 600 full-time equivalent professionals in teams of allied health professionals employed in the department to work directly with schools. All Victorian government schools will be able to access the student support service as a part of this, and this will help respond to complex behaviours that we see in some schools with some kids who have experienced trauma or family violence in their lives and help extend the supports for teachers and improve student wellbeing and mental and physical health as well.

Mathew HILAKARI: And if I think about the wellbeing of all students, particularly in specialist schools, one of which is located in the electorate I represent, how are we dealing with supporting the emotional wellbeing of autistic children in particular through these programs? Is there some set aside money or programs in this space?

Natalie HUTCHINS: Yes, there is. There is some specific funding flow to an organisation called I Can. I Can builds engagement, wellbeing and I guess resilience amongst kids that are on the spectrum. They do an amazing job. Most of the facilitators that are involved in that program are on the spectrum themselves, and they go out into schools and work on creating safe spaces for children that are on the spectrum. This program has received \$10.6 million for an anti-bullying program, including the I Can School program. \$5.6 million over four years is going to be expanding that program into other schools from the original pilot schools that it was at. The programs are providing an Australian first and an international first in the sort of work that they are delivering, having school based and led mentoring opportunities for kids that are on the spectrum at 100 schools, and this means that for kids who are on the spectrum – and some of those students do struggle with attendance and fitting in – this is a whole new program for them designed to keep them engaged. I am really glad to see this program has been given a boost out of this budget, because it absolutely deserves it. Its outcomes are phenomenal.

Mathew HILAKARI: Yes, I think that is spot on. Thank you for that. I might just take us to a different area, which is new schools, which follows a little bit on from my colleague. Budget paper 4, pages 39 and 40, go to the 100 new schools that the government has committed to opening in Victoria by 2026. Can you just provide an update on how the budget goes to deliver upon that commitment?

Natalie HUTCHINS: Yes. Just one second.

Mathew HILAKARI: And you can predict where I am going – I am going to talk about Point Cook in a moment and some commitments there and the Wyndham City Council area in particular.

Natalie HUTCHINS: I think it is important to acknowledge that many of our new schools are focused on the growth areas, where Melbourne and regional centres, I should add, are experiencing the biggest amount of growth, whether that be new estates, whether that be city-based locations that are just booming. The demands are there, and we are working hard to meet those demands. So the state budget includes \$594.2 million to support the delivery of new schools, and this includes an investment of \$21 million to support the land acquisition for future new schools, part of the commitment that we have made in building 100 new schools. This funding for the construction will deliver the construction of nine new schools by 2026, meaning 84 out of 100 new schools are now fully funded and underway. Fourteen of the schools that are looking to open up next year range from everywhere from Aintree to Brookfield to Lockerbie across Wyndham – many of the schools are across Wyndham. More schools are planned in 2025 in Clyde, Pakenham, Riverdale, Thompsons West and Wollert. The three new schools that have been funded to open in 2026 include Fishermans Bend, Lockerbie secondary and Point Cook P-9. These are all interim names, I should say. Planning and early works will begin for three additional schools in 2026, including Casey central, Lockerbie specialist and Point Cook South specialist school. It is quite amazing when you visit some of these sites to see the barren or rock-filled land that these future schools will sit on being bulldozed and cleared and ready for build. To visit six months later and see the progress is just phenomenal. I thank the VSBA for their work in powering ahead with their partnerships with contractors to continue to deliver these fantastic new facilities. I have got to say, you know, one of the happiest weeks of my entire life was this year opening up the new schools that we have, particularly those across the north-west.

The CHAIR: Thank you, Minister. The next 10 minutes will go to Ms Sandell.

Ellen SANDELL: Thank you, Chair. Good afternoon, Minister and officials. I would also like to ask about school funding. There was a recent report that showed Victoria still has the second-lowest funding for our schools in the country and also that funding for non-government schools is rising faster than government schools. We do not have a commitment to fully fund public schools in Victoria to 100 per cent of the Gonski standard, so when will our public schools reach 100 per cent of that SRS, that funding – that Gonski standard?

Natalie HUTCHINS: Thank you for the question. I am really pleased that we have been able to prioritise in this budget our investment in education. \$3.1 billion is certainly fantastic.

Ellen SANDELL: I appreciate that. I know that there is funding and I know that your government has a proud history of school funding compared to previous governments, but I guess the question is: when can Victorian students expect to receive 100 per cent of their SRS funding?

Natalie HUTCHINS: Well, we are still committed as a government to meeting our target of 75 per cent of SRS by 2028, and that is detailed in the national school reform agreement that is in place. There is a new agreement that begins negotiation at the end of this year. We will certainly be keeping up all pressure points that we possibly can on the federal government to come to the party.

Ellen SANDELL: So the remaining 5 per cent, I guess – are you expecting that to come from the federal government rather than the state government?

Natalie HUTCHINS: Well, we have certainly put it on the federal government's agenda, before they were elected and since they have been elected, to work with us in finding a way to make sure that that 5 per cent is met, because we are so committed to seeing this 100 per cent met for all government schools.

Ellen SANDELL: Okay. We, as you would know, in Victoria have a policy that came into effect in 2018 that every time public schools get a dollar, non-government schools need to get 25 cents, yet we have seen reports that actually a lot of non-government schools are over 100 per cent of their SRS. They are receiving more than their share of funding, more than 100 per cent, yet our public schools are receiving less than 100 per cent. In light of that, and given that we cannot seem to find the money for schools to be 100 per cent funded, will you revisit that policy that gives non-government schools that amount of money?

Natalie HUTCHINS: I just want to emphasise that the growth in Victoria's recurrent expenditure per student for government schools has dramatically increased –

Ellen SANDELL: I know, but it has been less than for non-government schools.

Natalie HUTCHINS: more than any other state.

Ellen SANDELL: But we are still the second lowest funded, so –

Natalie HUTCHINS: Between 2014 and 2021 the growth was 23.8 per cent, and there is no other state or territory that is anywhere close to that.

Ellen SANDELL: In growth, but other states and territories – other than South Australia – all surpass us in terms of actual funding. We are the second lowest. I appreciate that there has been growth compared to previous governments, but I guess the question is: why is non-government funding increasing more? Why do we have this policy to fund non-government schools at the expense of public schools?

Natalie HUTCHINS: I think there are a lot of programs that I have already been through in this session where we are committing to making sure that the low fee paying non-government schools have access to some of the programs that we are running in our government system, but I do not think we can ignore the fact that there has been a \$14.9 billion investment just in school capital and new schools. There is no other state or territory that has committed to 100 new schools and the building of 100 new schools, and that is in addition to our commitments to the national school reform agenda. I think this government has done a phenomenal job with its investment in our school system. Do I think there is more investment to come into the future and more need? Yes, I do.

Ellen SANDELL: Okay. Thank you. You mentioned school funding again. We have had some reports from some public schools that they are now no longer providing the minimum number of school instruction hours – according to the department’s policy, it is 25 hours per student per week – and that they are having to reduce period times just by a minute or a few minutes or so to give teachers enough time to have periods to prepare. I guess, what is your response to that? Is that due to underfunding, schools not being able to provide the requisite 25 hours per student?

Natalie HUTCHINS: That is not what I am hearing, but I might ask David to supplement. Have you got any more information on that, David?

David HOWES: We would absolutely expect every government school to be providing the mandated hours of instruction, so we would be wanting to follow up if that was not the case. Schools do have flexibility in how they structure their timetables to meet their particular community needs, and there are some innovative practices that schools do take up, but we would obviously want to know if there was any school that was not meeting that minimum hours of instruction requirement.

Ellen SANDELL: Okay. Thank you. I just want to take you back to capital, Minister. You mentioned that capital works are focused on need, in a previous contribution. I guess from where I sit, having done this job for a while and worked a lot with my local schools, it is hard for schools often to know the rhyme or reason why one school receives an upgrade and another one does not. Has there been a consideration of having an independent school building authority, something that actually ensures that there are some criteria where schools know that capital works are being funded on need and not based on any other criteria, such as political criteria?

Natalie HUTCHINS: I might ask Tom to talk through the methodology of how we do our assessments on schools’ facilities.

Tom KIRKLAND: Thank you, Minister. Thank you for your question. The department has a very detailed program of looking at all of our asset portfolio. We have over 1570 schools, with 36,000 buildings across the portfolio. We have got the rolling facilities evaluation program that looks at every school over a five-year period, and every year we consider which schools might need some improvement in terms of a capital upgrade. Those conversations are presented to government to make their investment decisions and where they are made. It is a quantifiable database on the stock of the asset, and funding is provided through maintenance and capital depending on the needs that we have identified through the evaluation program. As the minister said earlier, in terms of growth, that is just really where people are living, and the 100 new schools commitment responds to that, where people are.

Ellen SANDELL: Have you considered – I do not know if this is for you, Mr Kirkland, or for the minister – increasing the maintenance funding? One of the biggest concerns that we have from schools is that, particularly for, say, heritage schools, which are a lot more expensive to upgrade, they are just finding that the maintenance budget that they are being given just does not go anywhere near meeting those costs and then they have to go in and bid through a process or run a campaign with parents putting in their time to try and get basic maintenance needs met.

Natalie HUTCHINS: And there are some of those schools where we have made investments and we are putting whether it be lift shafts in or conjoining buildings where possible, but I acknowledge there is a lot more work to be done, particularly on those schools that are 120-plus years old. I might ask Tom to supplement how we prioritise that.

Ellen SANDELL: I guess it is just more with the maintenance funding. Would you consider increasing it, particularly where you have got these schools that are very old?

Tom KIRKLAND: Absolutely. In the budget papers there is an additional \$331 million for essential services and maintenance, comprised of four main components: \$10 million for the accessible building program for individual schools and individual students; there is \$103.5 million for PMP, our planned maintenance program, which deals with conditions of schools – it is a function of the number of buildings and type of buildings, whether heritage or light timber construction, and the number of students on those school sites; and there is also an additional \$165 million over four years through the SRP and the maintenance program, so the student resource package. It does talk about some of the unique factors of schools. For example, in vertical schools – four or more storeys – they would have more complicated fire and life safety programs. This deal with it. Facade cleaning and the replacement of windows is more expensive on a multistorey building than a single-storey building. In a heritage building, yes, there are certain constraints on what we can and cannot do, so that tries to make up for that annual boost in school maintenance funding.

Ellen SANDELL: I appreciate that. So they can bid into that. Just one final question in my remaining seconds: for example, in my electorate we have got Kensington Primary. They were given some money a couple of years ago, which is obviously very appreciated. But it took many years and a very big campaign by parents to get that funding. They have got this master plan. Stage 1 has got some funding. How long do they have to wait for something for stage 2? This would be the same at many schools. Are they going to have to wait another five, six, seven or eight years to get the second stage funded?

Natalie HUTCHINS: Again, it all comes down to how much overall capital investment we get out of the budget, and I am really pleased that this budget we have had a significant investment which takes us to \$14.9 billion.

The CHAIR: Thank you, Minister. We will go to Mr Hamer for the last 10 minutes.

Paul HAMER: Thanks, Minister. Thank you, department officials. I would also like to focus my question on the school infrastructure build, particularly the upgrades. You mentioned in your presentation the \$2 billion for new schools and capital upgrades and bringing that up to \$14.9 billion over the life of the government. I was wondering if you could perhaps unpack that investment just in a little bit more detail.

Natalie HUTCHINS: Yes, thanks. We started to touch on it with the previous question, and that is that obviously a huge part of that investment goes into maintenance, some of it goes to capital upgrades and some of it goes to allocating essential maintenance work as well. I will just break it down. As you can see, there is a further \$2 billion in capital investment, as you mentioned. This includes \$355.8 million for capital upgrades at 47 schools, which was in my presentation in detail, and \$89 million to add capacity for schools to meet enrolment demands – we have seen a number of schools bursting at the seams and needing that additional money to either convert portables into actual buildings and open up some free space or to add standalone buildings to those schools. We have also invested \$24 million into the School Upgrades Delivery Fund for planning for capital upgrades at an additional 54 schools. The budget also invests \$10 million into both the Minor Capital Works Fund and the Inclusive Schools Fund. Inclusive schools, which many members would be aware of, is around making schools disability accessible for our students but also making them welcome spaces with both disability-accessible playgrounds, pathways and gardens as well. There are some pretty significant

investments going on there, and of course that brings us to a total of \$14.9 billion of investment since we came to government, which I am extremely proud of.

Paul HAMER: Yes, it is certainly an enormous figure – I think Mr Kirkland was saying 1940 schools in total in the last nine years, which is a huge investment. If I could just get a bit more detail on the capital upgrades – you mentioned \$355.8 million for upgrades and a further \$24 million to begin planning for upgrades. I was just wondering if you could just expand on that capital program. I know particularly in my local area we are fortunate enough to have two schools, Koonung Secondary College and Orchard Grove Primary, which both had funding, one from a capital upgrade and one as a planning upgrade.

Natalie HUTCHINS: Yes.

Paul HAMER: If you perhaps could just talk a bit more about what those upgrades are going to mean more broadly and also for my community.

Natalie HUTCHINS: I love to make the point when I go to schools that it is our teaching staff that make all the difference to our outcomes, but I do know that decent buildings also make a difference – and they make a difference also to our staff and how they are delivering. Having had the opportunity to visit countless schools now and to see some of the fantastic new upgrades and new buildings that we have got in place, I think the most stark thing that I see at our new school upgrades or builds is the fact that we have so much more natural light in our classrooms. It is a game changer in terms of kids staying engaged – having an environment that allows more airflow and natural light.

I think everything that we are investing in, whether it be that change of environment in our classrooms or gyms or multipurpose rooms or even new libraries – really important in some of our new schools are the new breakout spaces that are available for teachers to be able to do some one-on-one reading with kids or for support staff to be able to do that or to in fact have a tutor learning program running in a classroom right beside that is still visible between students or to in fact use some of those facilities as breakout spaces for kids with special needs, particularly kids on the spectrum, to have a quiet and safe place out of the classroom but still in sight of the teacher or the classroom, to be able to feel part of the class but get that breakaway. It all comes down to some really amazing design, and I think that that probably the undervalued consequence of some of the fantastic upgrades and rebuilds that we are doing is the support and the inclusiveness that they are providing to so many students.

Paul HAMER: Thanks, Minister, and I 100 per cent agree with your comment about the learning space and what a difference that makes to the students and the learning environment. I have certainly seen that in the schools that have been upgraded in Box Hill. Can I also ask a question about the \$450 million which is for better facilities at low-fee Catholic and independent schools. I am just wondering if you could outline its importance and what that investment entails.

Natalie HUTCHINS: Yes. In the budget papers there is actually a list of funding that has been provided to either construct or expand or renovate low-fee Catholic and independent schools. It is in budget paper 3 on page 19, which goes to some of the details there. But really, in terms of making sure that every corner of our state has availability for parents to be able to make a choice around the location that their children go to school, it is really important that the government continues to fund schools such as these to be able to upgrade and grow their capacity in terms of being able to take students on, whether that be Holy Trinity Primary School in Sunbury, which I have been very lucky to visit – a very amazing, beautiful school with a great outlook – or whether it is St Lawrence of Brindisi primary school in Weir Views. They are all being delivered new facilities – new upgrades – and that is a fantastic thing, I think, for so many suburbs.

Paul HAMER: Absolutely. If I could just turn to a couple of other capital programs, you mentioned the minor capital works program. I think there is \$10 million in the budget towards that, and there is also \$10 million towards the Inclusive Schools Fund. I was hoping you could just outline the types of projects that these funds will support.

Natalie HUTCHINS: Thank you. Certainly these are fantastic projects for us to make sure that we have small-scale projects in place that improve either environment or condition or character of the school. This budget will basically build upon the \$131.8 million worth of projects that we have already supported so far with an extra \$10 million and will help support as well schools becoming more inclusive with that fund, so making

sure that we get some of the basic capital needs upgraded where appropriate and also making sure that we are seeing innovative programs, whether it is the inclusive sensory engagement activity areas or playgrounds or whether it is making sure that there are adequate safe access points for kids with all abilities to be able to really engage in their schools, is quite an important one. A lot of these projects do not get the attention that they always do with a major upgrade, but quite frankly I have come across a lot of schools that welcome the opportunity to have a minor project like this funded, whether that be to upgrade facilities or amenities that really make a difference to the school community.

The CHAIR: Thank you, Minister. Minister and department officials, thank you very much for appearing before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request. The committee is now going to take a very short break before beginning the consideration of the final portfolio for today, and that is the portfolio of women, at 3:45 pm. I declare this hearing adjourned.

Witnesses withdrew.