

# VERIFIED TRANSCRIPT

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into 2006–07 budget estimates

Melbourne — 7 June 2006

#### Members

Mr W. R. Baxter

Ms C. M. Campbell

Mr R. W. Clark

Mr B. Forwood

Ms D. L. Green

Mr J. Merlino

Mr G. K. Rich-Phillips

Ms G. D. Romanes

Mr A. Somyurek

Chair: Ms C. M. Campbell

Deputy Chair: Mr B. Forwood

#### Staff

Executive Officer: Ms M. Cornwell

#### Witnesses

Ms L. Kosky, MP, Minister for Education and Training;

Ms J. Allan, MP, Minister for Education Services;

Mr G. Hehir, secretary;

Mr J. Rosewarne, deputy secretary, Office of Resources, Management and Strategy; and

Ms K. Henderson, deputy secretary, Office of Strategy and Review, Department of Education and Training.

**The CHAIR**—I declare open the Public Accounts and Estimates Committee hearing on the budget estimates for the Education and Training and Education Services portfolios. I welcome the Hon. Lynne Kosky MP, Minister for Education and Training, and Ms Jacinta Allan MP, Minister for Education Services. I also welcome from the Department of Education and Training Mr Grant Hehir, Secretary; Mr Jeff Rosewarne, deputy secretary, Office of Resources, Management and Strategy; and Ms Katherine Henderson, deputy secretary, Office of Strategy and Review. Departmental officers, members of the public and media are also welcome.

In accordance with the guidelines for public hearings, I remind members of the public they cannot participate in the committee's proceedings. Only officers of the PAEC secretariat are to approach PAEC members. Departmental officers, as requested by the ministers or their chiefs of staff, can approach the table during the hearing. Members of the media are also requested to observe the guidelines for filming or recording proceedings.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act and is protected from judicial review. However, any comments made outside the precincts of the hearing are not protected by parliamentary privilege. All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript. Ministers, could you please give a brief presentation on the more complex financial and performance information that relates to the budget estimates for the Education And Training and Education Services portfolios, thank you.

#### **Overheads shown.**

**Ms KOSKY**—Thank you, Chair and members of PAEC. What we want to do with our presentation today is focus on two main areas. The first is the government's approach to education and training, including some of the key strategic directions and achievements, and then to also provide an overview of the 2006-07 budget.

In relation to strategic directions, we have focused on providing high-quality education and training for all students and we have set strategic directions which we believe are yielding results. Many in PAEC will be familiar with quite a bit of what we have been doing over the last couple of years. The first strategic direction is encouraging excellence right across the system, and we are doing that by raising the expectations that we have of all learners within our communities, improving the performance of all of our schools and developing the leadership capacity and skills of our school leaders and our teaching staff.

The second area is responding to the demand for higher skills and qualifications, and Maintaining the Advantage, which was a \$241 million package focused on an investment in skills, is really the highlight in this area in how we are responding to those issues. The third area is providing high-quality facilities to meet future needs through major capital investments in schools and TAFEs.

In relation to some of the results that we are starting to see and the investment we have made over the last seven years, the areas that I wanted to report to you on were literacy and numeracy results, prep to year 2 classes sizes, completion of year 12 and its educational equivalent and apprenticeship and traineeship completion.

In relation to literacy and numeracy, we have very strong results in this area, and literacy and numeracy skills are a key foundation for young people. Against the national benchmark standards for years 3, 5 and 7 in literacy and numeracy, Victoria was at or above the national average in 2004. I am happy to go into further detail if the committee wishes to ask questions at a later stage. Prep to year 2 class sizes: we made a commitment when we came to office to have an average of 21 students or less in our prep to year 2 classes. We have achieved that and our average class sizes also are at a 33-year low. Since 2003 our prep to year 2 class sizes have been at an unprecedented low of under 21. The real benefit of this initiative can be seen in this graph, which shows the reduction in the larger sized classes that have come down enormously. The proportion of prep to year 2 classes in government schools with over 25 students has decreased dramatically since 1999. In 1999, 48.8 per cent of year 2 classes had more than 25 students and in 2006 only 5.1 per cent of classes had more than 25 students.

In relation to year 12 completion or an equivalent qualification—many of you have heard me talk about this—Victoria leads the nation. We are higher than any other state around the country in relation to our year 12 or equivalent qualification completion rate and it is at 85 per cent in 2005. That is, as I have said, higher than any other state. The ACT, as a territory, is slightly higher than us but obviously a much smaller population and, in a sense, it does not have the same breadth of issues in education for the students.

The next area is apprenticeship and traineeship completion rates and this graph shows how we are responding in relation to the completions. Victoria's completions for apprenticeships and traineeships have grown to 45,000 in 2005 from around 13,000 in 1999, so it has been a huge shift, and the number of completions in Victoria is also more than 5,000 above the number in New South Wales in 2005. We have made major investments but there have been major reforms and major advances in that area.

I just want to touch upon some of the other major initiatives. You are all aware of the Education and Training Reform Act. One of the key features of that is guaranteeing a place at a TAFE institute or other public education or training provider for students under 20 years of age to complete year 12 or the equivalent, and raising the school leaving age to 16. There are the new Victorian Essential Learning Standards which we have put in place and which is in the curriculum standards framework, the new student report cards, revised funding models for both government and non-government schools, and the post-compulsory reforms that we have put in place for students above the age of 15.

In relation to the budget overview, the budget really reaffirms that education is our No. 1 priority and there has been an additional \$1.22 billion provided for education and training this year through the budget, bringing our total investment to \$6.3 billion. I will not go through all of the different areas, but obviously capital works was a major feature of the budget, and also some of the other service areas.

You can see the seven priority areas on this slide, which pick up the overview of the budget. I will speak to just four of them and then Minister Allan will speak to the other three. We have provided extra money for VCAL, so that will be extended beyond the initial four years for which we provided funding. We have continued funding for the Schools for Innovation and Excellence initiative, \$24.1 million. That will have a particular focus in this next round, over the next two years, on science and maths. There is \$11.6 million for Building Leadership Capacity in our schools, which is really professional development for principals. There is the introduction of the academic number, \$5.1 million.

There is extra money for literacy improvement teams so that we can have 45 full-time or equivalent literacy specialists working with those students that need that extra assistance, and they will have a particular emphasis, as well, on Koori students. There is extra money there for ASHE, which is a Koori initiative; English as a second language; and providing support for healthy and active Victorian students. We have made a major investment through Maintaining the Advantage, Skilled Victorians, \$241 million, and also there was the additional funding for the trades bonus and the apprentice and trainee accommodation allowance.

We have made record investment in education assets: \$448 million. That includes nine new and replacement schools and three modernisation projects, purchasing and acquiring land, and there is also money there to fund the acceleration of capital works. We have also put money into four new TECs that will be established, and there is funding there for TAFE facilities. Now I would like to hand over to Minister Allan.

**Ms ALLAN**—Thank you, Minister Kosky; thank you, Chair. In addition to the range of impressive initiatives that you have just heard Minister Kosky outline, I want to touch briefly on the final three areas that you can see on the slides. I will start by addressing disadvantage. In this budget, consistent with the framework that has been provided through A Fairer Victoria, we are providing support to disadvantaged students and young people through a couple of key initiatives, the first being the Youth Transition Support program, which is providing \$10 million over four years to help young people between the ages of 15 and 19 who are not in education training or full-time employment. As I said, this is part of the second A Fairer Victoria package, which was \$818 million worth of new initiatives to support all Victorians.

The second area that you can see there on the slide is more support for students with special needs, and this budget details \$215.8 million that is provided over five years to help the students. These are the students most in need in our education system. It is for help in meeting the increased demand in these services and it

certainly brings funding for this group of students in the education system to record levels. Finally, there is \$400,000 in this budget over two years to assist schools and students who have been affected by the drought, which is still a significant issue in many parts of northern and western Victoria in particular. There is additional support to those schools which need to provide support to students whose families have been affected and found that farming incomes have been affected by the drought.

The other area in this budget which strongly featured was the \$181 million for the school start bonus. As many of the members of the committee would already be aware, this is in addition to the education maintenance allowance that is provided to around 200,000 children in low-income families. This school start bonus is in addition to that and will provide a one-off \$300 payment to parents of all students commencing in prep and in year 7 across government and non-government schools.

The final area I want to mention in my presentation, Chair, is the \$50 million that has been allocated in the budget for maintenance in our schools, as members of the lower house in this committee would have just heard. This funding brings the total investment in maintenance over the last 6½ years to over \$400 million.

There is additional funding in this year's budget for computers in schools—\$9 million in this year's budget plus a further \$3.5 million from internal department funding. When you match that to the \$7 million that is provided annually, we will be rolling out funding to schools of \$19.5 million to help them to purchase the latest computer equipment and, of course, it complements the VicSmart roll-out, which is the high-speed broadband roll-out that is going into schools right across the state.

To finish, before we go into questions, I think you can see that there has been an enormous investment in education. It brings to \$6.3 billion the total of education investment by this government over the 6½ years to create a strong and dynamic education and training system.

**The CHAIR**—Thank you very much, Minister Allan. This morning I phoned the eight schools in my area that got extra money and they were very happy to learn about it. Minister Kosky, if you go to Budget Paper No. 3, page 5, there is reference to the government's investment in high-quality education and training and specifically to unlocking the potential of students. I would like you, please, to advise the committee what is being done to support high-achieving students and gifted students.

**Ms KOSKY**—Thanks, Chair. We have obviously been doing a lot right across schools in trying to get the best outcomes for all of our students, and that includes those students who have been needing extra attention as well as those students who are doing particularly well and need to be pushed further. Some of you will be aware that we had a review in relation to the SEAL program, which is the Select Entry Accelerated Learning program. Twenty-six government schools currently provide that program. In most of the schools, it means that they do a combination of acceleration of the work, so often students are doing work that would be done by students who are a year ahead at school, and they do a lot of work in much more depth. It is really about those students who learn very quickly and need to be continually engaged.

We looked at whether we should be providing more, what the benefits were for the students who were in the SEAL programs and also the impact on the rest of the student population. The results were very positive in relation to the students, obviously, who were in the SEAL programs but also for those students in other parts of the schools. It pushed different views about education and really focused on what can be provided for every student.

I am pleased to announce that six additional secondary schools will be providing SEAL programs from 2007, with an additional one commencing in 2008, which will bring the total number up to 33. We have tried to get a spread across Victoria. There is no point in having three or four SEAL programs in the same neighbourhood, so it is necessary to provide that depth and opportunity for students across Victoria. The six new schools that will be offering—

**The CHAIR**—Seven?

**Ms KOSKY**—Six from next year and then an additional one from 2008: Wangaratta High School; Eumemmerring Secondary College — the Gleneagles campus; Fairhills High School; Mill Park Secondary

College; Reservoir Secondary College; Staughton College; and, from 2008, Bellarine Secondary College. These are schools that have replied to us, that are keen to run the SEAL programs, and we are obviously providing support to them now so that they can be up and running next year. They are looking to their enrolments at the moment.

**The CHAIR**—Thank you very much. Do you have any information in relation to whether that costs more per student, given they have less number of years at school? I know, obviously, it is educationally advantageous and interesting for the students, but does it make much of a difference financially?

**Ms KOSKY**—It costs the same amount. We provide the same amount per student for the SEAL program as for the mainstream. The SEAL program runs to the end of year 10. What happens in year 10 is that students will be doing some VCE year 11 subjects and then when they get to VCE year 11 they might be doing a combination of year 11 and one or two units—

**The CHAIR**—So we are not talking about six years in five?

**Ms KOSKY**—It does not reduce the number of years. It may for a very few students who are doing extraordinarily well but, no, they are generally there for the same amount of time. Whilst they have some subjects in the SEAL program, they have other subjects usually combined with other students.

**The CHAIR**—Thank you. Mr Clark?

**Mr CLARK**—In relation to the school projects that were to be funded from the proceeds of the sale of Snowy Hydro, could you clarify for the committee what the government's intention had been, both in relation to the \$150 million that was referred to in the budget and also in relation to the remainder of the sale proceeds prior to the sale not proceeding, and what the government's intentions are now as to which projects will proceed as previously scheduled and what will be done in respect of the remaining projects.

**Ms KOSKY**—There are obviously two sets of commitments. The government had made a commitment around the \$600 million should the Snowy Hydro sale proceed, and that is now history. I know that the Premier and the Treasurer have made public comments about what is proposed. Through this budget, we made a commitment of \$150 million, which went to book immediately. It was to be allocated against the Snowy proceeds when they came through but it actually is from existing funds. Obviously the revenue is not included within those budget figures. We are clearly proceeding with the \$150 million that was committed:—\$100 million for capital and \$50 million for maintenance—and those projects are proceeding as part of the normal budget process.

In relation to the additional \$450 million, both the Premier and the Treasurer—and now myself—are on record as saying that those projects were always going to take four to five years, and it just means that they will take a little longer, five to six years. We have a number of regeneration projects, which is where we have school communities where the population demographics have changed. They are wanting to completely reconfigure the number of schools. There was \$20 million of funding for the detailed planning work to go ahead, and that will proceed, and we are looking at the scheduling for those projects at the moment. We are accelerating the modernisation project. That will go into the normal budgetary processes that we have in the future, and that is how that will be funded. There have been no commitments made against that \$450 million.

**Mr CLARK**—In relation to the \$100 million—and I think the items are listed on page 9 of Budget Paper No. 3—the categories are \$11 million for replacement schools, \$6.6 million for permanent facilities for relocatable buildings, \$63 million for modernisation of 23 schools and \$20 million to initiate new transformation projects.

**Ms KOSKY**—Yes.

**Mr CLARK**—Are you saying that all of those items are going to go ahead on the previous schedule notwithstanding the fact that the Snowy money is no longer available?

**Ms KOSKY**—That is right, because they are funded within this budget. The potential money from

the potential sale of Snowy Hydro has not come to book. Because we have a very healthy budget situation, they are able to be funded from within existing revenue.

**Mr CLARK**—The Premier told us on Monday that only the \$63 million for the 23 schools plus the \$50 for maintenance would go ahead. You seem to be saying that the whole lot is going to go ahead as previously planned.

**Ms KOSKY**—No, he has referred to the \$63 million, which would be for certain projects. It is the \$100 million for the capital, which would include \$63 million for the modernisation of existing facilities. There is \$10.5 million to begin the design and construction of four replacement schools, \$6.6 million for permanent school facilities in schools that predominantly consist of relocatable buildings, \$20 million to initiate major regeneration projects and then there is the \$50 million to accelerate maintenance. That is already within the existing budget.

**Mr BAXTER**—I find this totally confusing. I had a lot of difficulty getting my mind around this, and I am now even further confused. Are you saying, Minister, that this \$150 million was going to go ahead out of the education budget regardless of the Snowy money? In a sense, if the Snowy money had come to hand, \$150 million would have been hypothecated to those works? They were going to proceed in any event regardless of Snowy? If Snowy had not come on the horizon, those works still would have been done in this budget?

**Ms KOSKY**—The way the budget is constructed, you cannot count revenue until it actually comes in. In constructing the budget, we were certainly aware that the commitment that was made of \$150 million would have to go to book immediately, and then revenues at a later stage would apply to future budgets. It was actually to be held against the \$600 million—we would make a commitment—but it is fully funded within the existing budget.

**Mr BAXTER**—Does that mean that the answer to my question is yes?

**Ms KOSKY**—It was a long question.

**Mr BAXTER**—What I am trying to come to grips with is: what was going to be spent on schools anyway even if Snowy Hydro had not been on the horizon? This \$150 million, it seems to me, was all part of the education budget come what may. It just so happened that \$600 million was there on the horizon, so a decision was made to hypothecate \$150 million of that into these projects which you were going to undertake in any event.

**The CHAIR**—Before the minister comments on your question, we are not in the business of putting hypotheticals. The reality is that Snowy Hydro was for sale, and that was what was clear in people's minds. To frame a question in terms of: 'What might it be if Snowy Hydro wasn't likely to go ahead?' is hypothetical, so would you like to slightly rephrase it.

**Mr BAXTER**—With respect, I do not think it is hypothetical. This committee is surely charged with going through the budget estimates. The government itself has gone out and said at one stage, 'The Snowy is going to be sold. We're going to spend \$600 million on schools.' That is one side of the equation. Then we were told in a confusing answer by the Premier on Monday that \$150 million had been hived off from that \$600 million to spend on the projects that Mr Clark has just enumerated. We seem to be being told, because the \$600 million has not come to hand and is not going to come to hand, those projects are going to proceed in any event, so I am trying to establish whether they would have proceeded regardless of Snowy funds.

**Ms KOSKY**—It is a hypothetical question that you are asking. I would say, isn't it wonderful to be having this discussion about how much we are spending on educational capital, which is a discussion that we have within our government. The commitment was made on the basis that the Snowy Hydro was going to be sold. The commitment was made through the budget in advance of the sale, but because the surplus is very healthy, it was able to come to book now and those projects will continue despite the sale of the Snowy Hydro not proceeding.

**Mr BAXTER**—So the answer to my question is yes.

**The CHAIR**—That is your interpretation.

**Ms KOSKY**—You can answer your own question; but I think all the schools are very happy. Can I just say, in response to that little aside there, that as a government we have made major investments into capital. In the last three years, we have spent three times as much as the previous government in their last three budgets. That is something of which I am very proud and I am happy to be having a debate about how much capital we are putting into schools because the capital investment that we are putting in—whether the Snowy Hydro proceeds—even if those projects are funded a little slower than before, I can tell you they will be funded a lot quicker under a Bracks government than an opposition government; if you are able to have an opposition government. That is a tautology, I know.

**Ms ROMANES**—The additional \$50 million for maintenance has indeed been welcomed by schools. Minister Allan, could you please advise the committee how the allocation of that additional \$50 million will assist schools in addressing immediate maintenance needs as audited?

**Ms ALLAN**—Certainly. Thanks for the question. With apologies to my colleagues in the lower house who heard a bit about this about an hour ago, today we released the details of how we are going to allocate the \$50 million that was put down in last week's budget to go out to schools by the end of this financial year. We have taken that decision to get this funding immediately out to schools because, as you indicated through your question, the most recent audit process is coming to a conclusion and we want to help schools in straight away addressing those high-priority maintenance needs that I think all of us know are in our schools. The detail of how this funding is going to be allocated is that every school in Victoria will receive a share of this funding. They will receive a minimum of \$1,000. In addition to that, schools with the highest priorities of maintenance items that have been identified through the audit will receive the bulk of the money for things like asphaltting, roofing, paving and electrical works and the like, some of those bigger items. That will enable schools to get on with that straight away.

This follows the previous question. This brings to over \$400 million this government's allocation to maintenance over the last 6½ years and maintenance really does need to be seen in the context of our overall capital works spend. With the Chair's indulgence, if I can hand out a table that highlights the impact: if you put maintenance and capital works together, you can see the enormous impact it is having on schools. We have spent over \$2 billion on both maintenance and capital over the last 6½ years and the more money you put into capital, the more money you spend on building new schools and upgrading schools, the more it reduces your future maintenance needs. That is where in talking about maintenance as part of the broader capital works picture, as we have just been doing, we said the maintenance allocation of \$50 million that was announced today is in addition to the \$34 million that is in schools budgets that is provided annually.

In anticipation of something that might come up shortly, the previous audit that was concluded in 2001 and the Auditor-General reported on this in 2003: we have allocated sufficient money to address the items identified in the 2001 audit. Now with the latest audit data and this \$50 million, we are able to get on with the highest priorities straight away, as well as giving schools the capacity to plan over the coming few years for their maintenance needs.

**Mr RICH-PHILLIPS**—Minister, I would like to ask you about the \$300 school start bonus. Can you outline please for the committee exactly what mechanism will be employed to distribute that to parents? My understanding is that it is for assisting with transition costs into prep and into high school. Why is some of it being paid this year, effectively retrospectively, to parents who have already incurred these costs?

**Ms ALLAN**—The \$300 school start bonus, as you have correctly identified, is a payment for parents directly to parents in prep and year 7. In terms of how we get this payment directly to parents, if I can start with talking about the payment that is going to parents for the 2006 calendar year, it is a pretty simple process for government schools. Through our CASES/21 system, we have all the details and the data we need to be able to directly send the cheque to parents. We have a window open at the moment where we are asking parents who have changed address or schools recently, or come into Victoria, to make sure their details are up to date with schools as at 9 June. It will then be a simple process of sending the cheques directly to parents

later in June.

With regard to Catholic and independent schools, we have been having some discussions with their peak organisations, the Catholic Education Commission and the Association of Independent Schools of Victoria. I should say we are still in discussions, but at this stage they have both agreed to provide parent contact details again to assist with the distribution of this payment directly to parents and particularly I think for the Catholics where they have a system that broadly mirrors what we have in terms of data collection for our government system. That has made it very simple. For everyone else, we have set up a hotline and a website, so anyone else, who thinks that they might have missed out or has any queries, can ring that hotline number and provide their details and can be processed that way.

You asked about the \$150 that is going out to schools.

**Mr RICH-PHILLIPS**—The payment this year for costs already incurred.

**Ms ALLAN**—That decision was taken considering a couple of things. Parents have costs. The bulk of the costs are clearly at the start of the school year, particularly for preps and year 7, but there are obviously costs throughout the year as well. But it also reflects that our budget year and our school calendar year do not always line up. So for parents of students in prep and year 7 of this year, I can see why they would have been a bit miffed that they missed out. There was an interesting letter to the editor, which I would like to read to you, because it captures quite well why it is important that this allocation was made this financial year. It is a letter from a lady in Darley who says:

We bought our house just before any first-home buyers' grant. We had our children just before the \$3000 baby bonus.

My daughter is already in prep, so we only get half of the new school-start bonus. But I'm taking it, and thank you very much, Mr Bracks.

I think that shows, and it does recognise, that parents have a critical role in their children's education. We put extra teachers into schools, lower class sizes, better year 12 retention rates. This is recognising the role that parents play and giving some support to parents at this time.

**Mr RICH-PHILLIPS**—Presumably, Minister, if you decide to make payments retrospective, those parents who had students last year—2005—in prep or year 7 would be equally miffed that it is only retrospective for six months and not for the previous years. It is interesting that you have made a decision to have some retrospectivity, which will obviously result in payment—

**Ms ALLAN**—No, you are misrepresenting. It is not retrospective. It is a part-payment. We are half-way through the school year, so this \$150 is the half-payment of the \$300. You can ask Peter Costello: it might be a bit hard to retrospectively pay parents the \$3,000 baby bonus.

**Mr RICH-PHILLIPS**—He is not doing that.

**Ms ALLAN**—No, but neither are we. We are giving this payment and recognising that there are still six months of the school year to go. There is the capacity, both through the budget and recognising that parents have an important role in their children's education, to support parents at this time.

**Mr RICH-PHILLIPS**—Your view, though, is that this is for transition costs, isn't it, for parents with children starting primary school and starting—

**Ms ALLAN**—Yes, for 2007.

**Mr RICH-PHILLIPS**—When they are paid next year will it be the full amount?

**Ms ALLAN**—Yes.

**Mr RICH-PHILLIPS**—As a single payment?

**Ms ALLAN**—Yes. There will be \$300 at the start of the school year in 2007.

**The CHAIR**—Good. Now we can get to Mr Merlino. Thank you.

**Mr MERLINO**—Thanks, Chair. My question is to Minister Kosky. Minister, I refer you to Budget Paper No. 3, page 6, which outlines the commitment to driving excellence and continued improvements in education. Could you please advise the committee of the changes in Victorian student report cards and, in particular, whether they will provide more comprehensive and clear information to parents about their child's progress.

**Ms KOSKY**—Thank you for the question. We have done a lot of work around the student report cards. It is interesting that in Victoria we have had major support for what we are doing with the student report cards here, whereas it has been anxious in some of the other states with some of the changes that they have put through. What we were concerned about in Victoria was that until now there had been no clear minimum standard in schools for school reports and parents, when we did a lot of research, told us that they wanted much clearer information, not only about how their child was progressing but about what happened next. The report cards that will commence from this year, and will be compulsory next year in our government schools, are providing a clear picture of where a child is up to against expected statewide standards; so it means that it does not matter which school a child is in. You do not get that incredible variation that has occurred in the past, when a child changes schools, between teacher judgments rather than those standards being very clear. They are set against the Victorian Essential Learning Standards.

I have some hand-outs. This is the information we provided to all parents through the schools and it does provide very clear visual information about what the reports will look like. They provide information about where a child is up to at the moment against the statewide standard expected at that time of the year for that particular year level. They also provide information about where a child has come from in the last 12 months, so giving a sense of progress over the last 12 months. Thirdly, and I think most importantly, they will provide information about what happens next, so the teacher, the school, is really making a commitment about what the learning program will be in relation to where that child is up to at the moment. Then the parents are also being asked to respond to let the school know that they have both read the report, but also it provides information on what a parent can do at home.

We are introducing the A to E report standard. The C—which is probably a little bit different than what most people would understand—indicates that a child is at the expected standard for that year level. An A or B means that they are ahead of the expected standard, and D and E mean that they are slightly behind that expected standard. In all the discussions that we have had with parents, whilst initially they would expect the A to mean that they are at the standard, they have said that, once it is explained to them, they are very comfortable with the system because it does, for the first time, allow that information to go to parents about children who are doing very well and they are ahead of the expected standard. More importantly, it will mean that teachers do have to teach to that broader range, so if students are ahead, they will have to teach to the standard that the student is at.

We have been rolling out the report cards. We have many schools around the state—approximately 750 government schools; that is about 50 per cent primary schools and 20 per cent of secondary schools—that have elected to use the new report card system this year. In 2007 all government schools will be required to use the report card. The Catholic schools are also introducing these new report cards. We are providing the software which will make it easier for the teachers to provide the information and to match it against the standard. We also have an agreement with the Commonwealth about reporting to parents and they wanted the A to E system introduced this year. I have given a commitment to Julie Bishop that it will either be the new system or an equivalent approach. Most schools do have another approach which is the equivalent, even though it is the old approach, so we are meeting the requirements of the Commonwealth. But having this in place will really provide very detailed information to parents so that their child continues to have a great learning program.

**Mr MERLINO**—When I was in school we had B-plus, A-plus. In those days, if you got an A-plus in a subject, was that meant to reflect that you were above that year level or ahead of expectations?

**Ms KOSKY**—I think the real problem with the way that A to E used to be applied is that it was different between teachers. For some teachers A meant that they were at the required standard; for other teachers it meant that they were doing much better than the required standard; the A-plus often meant that they were doing much better. Sometimes teachers would give an A because they thought a student had really worked hard at something but may not be at the standard. It was a real mish-mash. The constant complaint that we get from parents is that their child has gone to another school and they say, 'All of a sudden we're getting different information and we were never told that there was an issue,' or, 'They used to get an A at this school and now they're getting a C,' and a lot of it has been because teacher judgments are a bit all over the place and not standardised. Having the standards really will lock that in and make it clearer.

**The CHAIR**—Thank you. Mr Baxter.

**Mr BAXTER**—Chair, is it possible to have the literacy and numeracy slide put up again, please.

**Ms KOSKY**—I am going to hand out some more information, if you think you would like that.

**Mr BAXTER**—Minister, I am a bit concerned about the inconsistency of the language in this slide. To give an example, if you take reading and numeracy as a case in point, the difference between Victoria and the national average is about the same in both, except it is the opposite way around. So I ask, why is numeracy not labelled similar to reading or, conversely, why is reading not labelled below to match the word above for numeracy? The slide seems to me to be designed to send a message which is also designed to confuse and obfuscate.

**Ms KOSKY**—This is the methodology that has been adopted by all states in the country through MCEETYA—Ministerial Council for Education, Employment, Training and Youth Affairs. The council has established this benchmark and the methodology that is used. You have to look at the error bands. So those lines that are sometimes longer, sometimes shorter, can predict the results with 95 per cent confidence intervals, but because each state has different tests, and some states to date have actually conducted the tests at different stages of the year than other states, there has to be a process called equating which brings all of those into line. It is not dissimilar to the way that the ENTER score is determined right across the country for the results from all of the year 12 tests, but there is a 95 per cent confidence interval and so those black lines, which are really important, demonstrate that error band which has to be taken into account.

I will give an example. Recently Tasmania decided to use another state's test; not the Victorian test. Their score went up by five percentage points. If you did not do the equating that would not be taken into account, so it takes into account the level at which the test is set. Some tests, say, in year 3 reading for instance, might be slightly easier in Victoria than in New South Wales. The equating brings that into line. It matches all of that out so that you can do the comparisons nationally.

I have raised concerns about the whole equating process because it means that you do have those error intervals. What we are doing is looking at a national test to be put in place, and I think next year we are going to be running that test alongside the test that we are using at the moment because we want to make sure that the data is correct. But I think if we can go to a national test then you do eliminate some of that error; not all of it because some of the states still do have the test at a slightly different stage, but we are getting agreement around that as well. We are trying to eliminate those issues of error, but that is what those lines are about. Essentially the block goes up to, I suppose, a fuzzy area where the line is.

**Mr BAXTER**—That might be all very interesting, but it does not address the question I was asking about the inconsistent language. If numeracy is labelled 'above', for consistency, why would you not label reading 'below'? Conversely, if you are happy with using the word 'similar' for reading, why is the word 'similar' not used on numeracy? Because in terms of juxtaposition it is about the same. I just think it is misleading language to use 'above' and 'similar' instead of 'above' and 'below'.

**Ms KOSKY**—You have not listened to what I have just said. You have to take into account the error bands.

**Mr BAXTER**—Surely that works both ways?

**Ms KOSKY**—It does. Have a look at the lines. I am sure Robert understands statistical error and variations. There are bands and you have to take those into account. You look at the lines. They are different on different graphs, according to where the error intervals are. This is not something that I pulled together as minister.

**Mr BAXTER**—May I ask then, when would the word 'below' be used?

**Ms KOSKY**—If you look at the last graph the Australian performance is below the Victorian performance. So you look at the error band, the line. It is clearly below. You are wanting me to say where Victoria is below. On none of those is Victoria below Australia with those errors bands taken into account. You have to take the error bands into account otherwise you are not reading the material properly. I know you want a very simple position on this. It is not simple. Whenever you do statistical work there are error bands. There are margins of error that have to be taken into account.

**Mr BAXTER**—I just put it on record that using the words 'above' and 'similar' instead of 'above' and 'below' is not satisfactory to me. As far as I am concerned, if it is satisfactory to use the word 'similar' in the reading one, it should also be said in the numeracy one.

**Ms KOSKY**—You can say that but I am happy to get ACER to give you first-year stats that are offered at university so you can understand that table, because that is statistically correct. I think it would be disappointing if that were taken away—

**Mr BAXTER**—The statistics might be correct. The point I am making is the language used is inconsistent.

**Ms KOSKY**—No, it is not.

**Mr CLARK**—I wanted to follow on, taking your error band explanation on board.

**Ms KOSKY**—It is not mine. Sorry. It is PMRT's and it always goes with the material when it is released.

**Mr CLARK**—While the error bands for the Australian figures are relatively similar across the different categories, there is a remarkable discrepancy in the width of the error bands for Victoria. They seem to be particularly stretched in those instances where otherwise you would end up labelling Victoria as performing below the national level. So for example, they are stretched on year 3 and year 5 reading, whereas they are much more compressed on year 7 reading. Conversely, they are very compressed on year 3 writing and numeracy, but stretched on reading. So are you telling the committee that is purely coincidental, or is it possible that there might have been a bit of latitude exercised in setting the error bands?

**Ms KOSKY**—I sincerely hope you are not suggesting, Mr Clark, that as a jurisdiction we have interfered with this. The Victorian government and the department do not produce these figures. They are produced by PMRT. Those error bands are worked out statistically. We do have someone who can give an explanation, but I hope you are not suggesting that we are interfering.

**Mr HEHIR**—I cannot give an explanation for every one because I was not involved in the creation of them. My understanding is that with the national ones the error bands tend to be smaller because it is the combination of all of the data from all of the jurisdictions together. So once you get the larger dataset you can get narrower error bands. When you put one jurisdiction's test up against a pile of other tests, which you are effectively doing with the Victorian one, you expand the error bands because of the nature of the data. I do not know the specific answer to why they are different between different tests.

**Mr CLARK**—I think it is a critical issue and maybe you can take it on board and give us an explanation as to why some bands are stretched and some are very narrow across different items and different year levels?

**Mr HEHIR**—The methodology is one that has been in operation for probably over a decade, and it has been validated numerous times. As the minister said before, one of the reasons we are moving to a national test is because of this approach where you cannot get statistically—

**Mr CLARK**—It just seems a remarkable coincidence, so I look forward to the explanation.

**The CHAIR**—It is understandable. I might take up your offer, if the committee wishes, to have someone brief us in relation to these error bands because it was extremely helpful when Mr Hehir explained that the number of those sitting the various tests obviously affects the error bands. That is quite understandable, I would think. But we will take you up, if you do not mind, because this is a particularly important issue. So, Minister, thank you for that offer. I will put it to the committee and I would think that would be accepted. If you have somebody here in Victoria to do it, well and good. Thank you.

**Ms KOSKY**—I think it is better that it is not someone from Victoria, given that there is some question as to whether we are mucking around with their figures, which we are not. But I am very happy to get someone from PMRT who does this work nationally to provide the information so that the committee can better understand what those confidence intervals are about.

**The CHAIR**—Thank you. We will do that before the estimates report is written up, so that if there is any doubt in anybody's mind they will have that information from an impartial source.

**Mr BAXTER**—Can I ask one further question?

**The CHAIR**—If it helps you, yes.

**Mr BAXTER**—Was the wording 'similar' and 'above' inserted by your department, or is that the way the statistics come from whoever prepares them?

**Ms KOSKY**—We have put that on those figures but—

**Mr BAXTER**—My case rests, Minister.

**Ms KOSKY**—on the basis that the information that we get in relation to all of this indicates whether we are at the national average or we are above the national average. Whilst we have inserted 'similar' and 'above', it is on the basis of that written material that accompanies the data. So my case stands, I think.

**Mr BAXTER**—My case rests.

**The CHAIR**—That was an extensive explanation. Thank you for that.

**Ms KOSKY**—I understand that this is complicated and, for people that do not have a statistical background, I understand that it is difficult to read. I think that is why it is important that that extra information is provided.

**The CHAIR**—That is true, but there is also the other point with Mr Baxter made. You have had clarified now what was the worry in your mind of who—

**Mr BAXTER**—Exactly.

**The CHAIR**—actually labelled these, and—

**Mr BAXTER**—And I take offence at the minister suggesting that some of us around this table are not as competent as others or are not as well educated as others. I do not profess for one minute to understand statistics to the degree that someone who might have studied it at university, but I am a citizen and I am a member of this committee looking at a table that is presented to this committee, and I say that table is misleading to the average reader. That is the point I am making. I think it is as simple as that, and I have proved my case because you acknowledge that it was your department that inserted the wording in the table.

**Ms KOSKY**—I do not want to be misrepresented here. Those words are inserted there on the basis of the written material that comes with these graphs, which indicates whether we are below, at, or above the national average. I have not made up 'similar' or 'above'.

**The CHAIR**—You have not made up the words.

**Ms KOSKY**—I have not made up the words. I have represented the accompanying written material overlaying that on the graphs.

**The CHAIR**—Thank you. Mr Somyurek?

**Mr SOMYUREK**—My question is to Minister Allan. I refer you to Budget Paper No. 3, page 74, 'Services to students with disabilities'. How are the changes to this program contributing to improved outcomes for students with disabilities and additional learning needs?

**Ms ALLAN**—I think last year I spoke to the committee about some of the changes to the program that we made last year and also some of the plans we have for the future. We are very committed to supporting the diverse range of student needs within our schools, and certainly the program for students with disabilities is a very important part of that commitment. Members will have seen from the presentation slides that this year's budget details \$215.8 million that is being provided over five years in additional support to these students. To give you an idea of what that means, in 2006 we are providing over \$340 million to the program, which provides a range of supports, plus the level funding for around 16,000 students, whether they have a disability or an additional learning need. \$216 million is clearly a significant additional investment.

The reason we have done this is twofold. The numbers of students coming onto the program has increased enormously in recent years, and I think I have spoken about that previously. That is for a number of reasons, including changes in medical practice, advances in medical technology, improved diagnosis and also improved community and parental awareness, both in terms of parents identifying in their own children, at a very early age, a disability or a learning need and also understanding that, within the government system, we provide excellent supports to these children, depending on the category that they may fall within or the level of support that they need.

Recognising that we have had significantly increased numbers of students coming into the program in recent years and also recognising that a number of components of the program have not really been changed since they were introduced in the mid-1990s—things like the educational needs questionnaires and some of the eligibility criteria—we have embarked on a reform program to look at both what is happening today, where the key growth areas are in different levels of disability, and some of the things that we need to do to improve the situation.

I think it is well recognised—and I am not just saying this, this is the feedback I get from schools and parents consistently—that we have a program for students with a disability that we can be very proud of. We provide excellent supports for students in our schools. I want to make sure it remains excellent, which is why last year I called together a working group to look at a range of issues, both in terms of the increased numbers of students coming onto the program and some of those other changes that I spoke about. That working group outlined a way forward across a range of areas, looking at the educational needs questionnaire, looking at the eligibility criteria and the assessment process, but also—and this was a very strong focus of the report that they handed to me—looking at some quite detailed research on what goes on both nationally and internationally.

This is work that is under way and, to help guide this process, I have established a ministerial advisory committee that is chaired by our colleague the member for Oakleigh. It consists of a range of different people from quite a broad cross-section. We have school principals — who you would normally expect to be on a committee like this; we have a parent representative; we have representatives from the Disability Advisory Council; and we have a representative from the University of Melbourne who is an expert in this area. They will also be able to call on the expertise of other professionals as required, because I think it is recognised that, in continuing to provide this program, we have to make sure that we have access to the latest data, the latest

information and the latest research.

On that issue of getting of access to the latest data, one of the changes and enhancements to the program that we have made since I last reported to PAEC is a new management system. We have invested a lot of work in improving our management systems in this program. When a parent goes to a school—and the application process is really centred at the school level—we have to make sure that our systems are right, that they are talking to each other and that the data that is put in at the school level is consistent with what is coming through at the central statewide level. That is a significant behind-the-scenes piece of work that has been done, and certainly needed to be done.

We are undertaking a trial at the moment in outsourcing our assessments, really to look at getting some statewide consistency. As some of the members around this table may have had experience with some of their local schools, from time to time we hear people asking the question, 'Why is this one funded and why is this one not?' So part of this is getting some consistency with the assessments. That trial will conclude later this year.

**The CHAIR**—We have been going over five minutes, so final sentence, please.

**Ms ALLAN**—One of the big changes we made was the introduction of the Language Support Program, which has been very well received. We have seen terrific practice going on in schools where we have put the resources into schools. We have put a lot of effort into providing professional learning and capacity building with the teachers and the staff in schools. This was something that we talked about a fair bit at PAEC last year. We are seeing some changed practice and some really improved practice. I know there was some concern when it was first introduced, but the feedback I have had since then is that this has been a very important shift in providing support to a group of students—when I say a lower level, I mean a lower level of funding—and making sure they are getting classroom support every minute of every school day rather than what they were getting previously, which was not necessarily even a full day a week.

**The CHAIR**—The committee has accepted that that is a full answer, but I have been given the indulgence to explore it a little more in relation to the trial in outsourcing of assessments. Why would that be better than having departmental people do those assessments? I ask this question because I have not heard any complaints about how the assessments have been done, particularly the willingness of DET to reconsider where parents have objected and have documentation to prove it. Why are we going down the path of a trial in outsourcing?

**Ms ALLAN**—This has to be seen running alongside looking at the ENQ—the educational needs questionnaire—and the eligibility criteria. They all come together to inform the level of funding that a student receives. We do need to make sure that we are getting consistency across the state so that parents can be satisfied that we are not seeing different results in different—

**The CHAIR**—I have no question on that, but why are we outsourcing it? Why can't that be done with consistency within the staff within DET? It seems they have been doing a reasonable job.

**Ms ALLAN**—I think what you find at the moment is that a large part of the work would be outsourced anyway, probably. We already provide, though the school support officers, speech pathologists and the like. Where we do not have that capacity at a school level, they have to buy in those sorts of assessment processes anyway.

**The CHAIR**—So that I am clear: you are looking at consistency, absolute consistency, between them all?

**Ms ALLAN**—Yes.

**The CHAIR**—That makes sense. Thanks. Mr Clark.

**Mr CLARK**—Minister Allan, if I heard your answer correctly earlier, you said that the latest maintenance audit had been completed. Could you tell the committee what the assessed total value of the

maintenance work required to be done is as a result of that audit?

**Ms ALLAN**—Certainly. The maintenance audit, as we know, is very much point-in-time data and we are still in the process of finalising the audit information that is going out to schools. When you consider that the audit process takes in 1,600 schools, 26,600 school buildings and 6.8 million square metres of floor space, it is a very big job to do.

**The CHAIR**—We can sleep easy knowing that now!

**Ms ALLAN**—That is right. Can I make some points before I talk about it in a bit more detail. The purpose of the audit data is to give us that snapshot at this point of time to help schools plan over the coming few years. This is not audit data that means that everything has to be done straight away. As you are aware, we have a prioritisation process, which is why the \$50 million that was announced today goes towards meeting all the high-priority needs that schools have, and when you consider that that \$50 million comes on top of the \$34 million that schools will be getting this year as well, that \$84 million goes a long way towards addressing the audit figure—and again I qualify this, because we are still in the process of finalising it with schools once they get their data today—of around \$250 million that has been identified in the audit.

If you consider the previous audit in 2001 and the Auditor-General's report on that that found that there were \$320 million in maintenance needs at that point of time, you can see how the maintenance needs are coming down, largely attributable to the fact that our capital spend has gone up enormously. Again—I have said this before—the more you put into capital the less you need to put into maintenance, because you are putting in a longer term solution rather than doing a patch-up job. That total figure of the audit is what is identified over the coming few years. It is not everything that has to be done today or tomorrow, or even next year; it is something that needs to be done over the coming few years. We have now given schools the funding to address the high priorities but also the information to help them plan for their needs going forward. I think it is a significant boost for today's needs and in helping them plan for tomorrow.

**Mr CLARK**—Therefore, how many years do you expect it will take to complete the \$250 million worth of maintenance?

**Ms ALLAN**—\$34 million is in schools' budgets annually, but this year's capital expenditure that is in this year's budget has to be factored into that, and next year and the year after. Our capital spend has been averaging around \$300 million over the last three or four years. Hypothesise that that might continue forward and you can see that that will knock a lot of the work off, particularly with the regeneration projects that Minister Kosky talked about. A lot of those projects are in our oldest buildings, particularly the 1960s buildings that need to be significantly remodelled. That will take a significant amount out of our maintenance audit. That data would still sit on the audit until we do another audit in a few years time, which is why I emphasise that this is audit data at this point of time; plus we are putting out new relocatable buildings—the \$50 million classroom replacement program that is providing 600 new relocatable classrooms. That is also going to come down on the figure. I really caution the use of that figure, because there are a lot of factors—the capital spend, the regeneration projects, the relocatable buildings—that are seeing those maintenance needs in the future come down significantly.

**The CHAIR**—What would be helpful for PAEC would be if the department happens to have a graph showing the schools that have been rebuilt that once upon a time were on a maintenance list; if you have any indication of those that were so old and run-down that maintenance was at such a significant level of expenditure that it ended up being far more cost effective to knock them down and rebuild. Have you done a graph of that kind of work? It would be useful, I think, for us to understand graphically what Minister Allan has just been explaining.

**Ms ALLAN**—I think we talked about this at PAEC last year.

**The CHAIR**—A little bit, yes.

**Ms ALLAN**—And I think the figure we used was—give me two seconds; I can check the transcript. But just while I am doing that, the secretary reminded me too: we have a total asset base in Education of

around \$10 billion worth of assets, so it is unsurprising to find that in an asset base of that size you would have those sorts of maintenance needs. Here it is. The replacement was at 75 per cent, when 75 per cent of the school needs to be replaced. That is what we said at PAEC last year. That is when you get to the point where the rebuild becomes more of a priority than the maintenance.

**The CHAIR**—In relation to the maintenance, I take it from what you are saying that you do not have priority ratings any more, or you do?

**Ms ALLAN**—There is a ranking. What we have given to schools today are their highest priorities. In the coming weeks they will be getting all of their data. We wanted to get the information out to them today so that they can start getting to work immediately on those priorities.

**Mr CLARK**—Sorry, Chair, could I just clarify?

**The CHAIR**—Yes.

**Mr CLARK**—Is the \$10 billion the value of schools or is that the total assets in the department? You are talking about \$250 million of maintenance.

**Ms ALLAN**—It is total, but 85 per cent of that would be schools.

**Mr CLARK**—Maybe you could let us know what the value of schools is so that then we are comparing like with like.

**Ms ALLAN**—Roughly 85 per cent would be schools.

**Mr CLARK**—\$8.5 billion.

**Ms ALLAN**—And land is in that. It is a very large system of many billions of dollars worth of assets.

**The CHAIR**—Is there any other figure you want on record? No?

**Ms ALLAN**—We have got all the figures we want on record.

**The CHAIR**—Okay. Thank you very much. Mr Somyurek to follow up on maintenance.

**Mr SOMYUREK**—How many of the 1,600 schools have got to that 75 per cent threshold?

**Ms ALLAN**—The ones that will be funded in this year's budget. The modernisation projects mostly cover replacements, yes.

**Mr SOMYUREK**—As soon as they get to that 75 per cent, they get funding, they are sort of redone?

**Ms KOSKY**—Once they get to a very high level of maintenance, the region advises them to wait until they can get the modernisation work done, and they go into the priority listing for modernisation. They shift, really, from a focus on maintenance to refurbishing or rebuilding.

**Mr SOMYUREK**—That is the 75 per cent, or does it start earlier than that?

**Ms KOSKY**—Not all schools that have modernisation would require 75 per cent worth of maintenance. It is for a whole range of reasons that we would do modernisation. It is to do with school population. It is to do with the additional needs. Obviously the prep to 2 class sizes is a policy commitment we have made, so we need the extra facilities there. Some of it is just because the facilities are just not the sorts of facilities that work well for current teaching. There is a whole range of reasons, but at a certain point it is silly throwing a really large amount of maintenance at a school when the rebuild or refurbishment would be much better and much more cost effective, both in terms of the length of time that the works will last for and the ongoing need to keep putting in maintenance to a certain level.

**The CHAIR**—Good. Now, Ms Green.

**Ms GREEN**—My question is to Minister Kosky. Before I ask it, I want to place on the record the gratitude of my communities for the \$27.1 million in new schools and upgrades in my electorate, but I refer you to Budget Paper No.3 page 7 which refers to high-quality learning and teaching. Could you please advise what progress has been made on building the capacity of the workforce to improve student outcomes in schools as outlined in the Blueprint for Government Schools?

**Ms KOSKY**—I should let other members know, Danielle is in a growth corridor! With professional development, we have been putting an enormous amount of work into both teachers and principals. It has been a major commitment because we know that the single most important influence on a student's learning is actually the teaching-learning relationship. All the research tells us that is the most critical issue: even though capital is very important, that teaching-learning relationship is the most important. The second most important issue is leadership and leadership quality within schools, so we have been putting a major effort into both teacher professional development and principal or leadership development.

Some time ago through the blueprint we acknowledged that we needed to change the way that professional development funding was provided for teachers. Previously, teachers would apply and there was obviously money within their budget; but in terms of the departmental amounts, they would apply and get a day here and a day there and they would go off and listen to an expert, then they would go back to school and forget about the day that they had had off from teaching. We have changed that whole system so that teachers can apply for professional leave and they can have between four and 10 weeks professional leave. In applying for it, they have to indicate how that professional leave will impact on the work they are doing in the classroom, so it is not about just building knowledge that they might be interested in, it is about the impact it will have in the classroom.

There has been a whole range of different approaches to that. We have had teams of teachers from some schools that have banded together and have either gone to other schools to look at particular programs and to be able to spend time at another school over a period of time to look at particular teaching approaches and/or linking that with access to university, to research and courses. We have individual teachers who have wanted to go and shadow another teacher of a particular program they have been particularly interested in; a whole range of different approaches. We have 733 teachers who are participating in that program over the 2005-06 financial year. It has been incredibly successful. I get very good feedback. Even though not every teacher gets access to it, it has actually been much more valuable in terms of what is happening at a school.

There is a whole range of different examples I could give, but it really has allowed—we have the instance of Lynall Hall where a teacher took professional leave and wanted to be placed at another school to look at how they were working with difficult kids and to bring back strategies, looking at someone who had already developed those strategies. So that is professional development for teachers. As well, we have the induction and mentoring program for beginning teachers, which means that every new teacher when they start at school is linked up with another teacher who mentors them for the first year, really providing that support for them. There are also refresher courses for returning teachers.

The principal class professional development is probably the area where we have made the greatest investment. We are putting an extra \$12 million over four years—and that was identified in the budget—to build leadership capacity within our schools. It focuses on both existing leaders and future leaders. We have a range of different leadership programs, but they will link with approximately 380 current and future leaders. They include programs around existing principals. We have high-performing principals and there is a different approach for them than there is for principals who have been in the service for some time but are not what we would nominate as high-performing principals. There is a program for new principals.

There is also a program for aspiring school leaders, for those who might be interested in leadership positions. We have a masters program, which has been incredibly successful, for the aspiring leaders that we are funding. It is held in conjunction with Monash University and Melbourne University for those aspiring leaders and we have 80 participants in that masters program. Twenty of these are also in the young leaders program, so they are younger teachers and we are trying to encourage them to take on leadership positions.

59.7 per cent, or 77, of the recently surveyed participants in this program have applied for promotion and 67.5 per cent, or 52, of those who have applied have been successful. That has been really important where there has been a bit of an issue about teachers wanting to take up principals' positions. This has worked because it is about providing them with the necessary educational background.

We also have programs for assistant principals and for leading teachers, so it is a program that is really focused on supporting leadership within schools. It is focused on school improvement, so it is not just about being a good manager or being a good leader. It is linked directly back to how you get school improvement and positive performance for students, so there is that very strong link. It is a program that is very strongly supported by principals, which is demonstrated by their participation in it and willingness to give up some of their time as well as us funding some of their time.

**Ms GREEN**—Minister, do you have figures either with you or could you provide them to the committee so we could write up this area in relation to the costs? You have given us a large number of figures there that would be helpful in terms of people doing leadership courses and masters programs. In which output group do we find it? Is it referred to in one of these slides? For example, you have mentioned leadership capacity in schools, \$11.6 million. Is this program in the \$11.6 million? Where do we find it?

**Ms KOSKY**—There is 'new', which is the \$11.6 million, which comes on top of what we are already doing, so we have additional funding which means that more principals and more aspiring leaders can be part of the program. It comes on top of what we are already doing. But we can provide the figures because there is a lot that we are doing. We have 107 high-performing principals who participated in the program in 2005. Sixty are participating in 2006. That is really about keeping them in schools and in those positions but they are also linked with other principals because they have a responsibility to share some of their knowledge and be mentors for others, so we are trying to use their capacity to assist others. I can provide that to you.

**The CHAIR**—That is good, because we have made recommendations in this area in the past. It is good to have the numbers doing it plus the figures in relation to the costs. Mr Rich-Phillips.

**Mr RICH-PHILLIPS**—Ministers, I would like to ask for more information about the maintenance audit, just how the process actually works. Is it a case of the department sending inspectors, auditors, whatever you choose to call them, to individual schools or are the schools asked to submit their bids to the department? Once that process is over, does the school have access to a list of particular items for their school and the priorities and obviously the opportunity to negotiate or discuss that with the department? What is the actual process?

**Ms ALLAN**—Throughout 2005—and considering what I was saying before about the size of the assets that we are auditing, it is a lengthy process—we engaged a series of auditors; five firms who undertook the audit right across the state. Again, it was really with a focus to getting a consistent standard, a consistent audit, right across the state.

**Mr CLARK**—What types of firms?

**Mr ROSEWARNE**—They would be quantity surveyors and people that specialise in asset management.

**Ms ALLAN**—They undertook the audit and fed that data back in. Schools were then given the opportunity to view the audit for their schools—the high-priority items that were identified for their school—and there was a web-based system where it was uploaded onto the web and schools could access their particular items. You mentioned feedback and negotiation. That was the point at which schools could say, 'Look, this isn't on the list. Why not?' They did not say too many times, 'This is in better condition than what the audit said,' but they were provided with that opportunity to give feedback on the items that were listed. That has then come back in for verification. We announced today, as I said before, the highest priority of that process, and in coming weeks schools will get the total package for all the audited items at their schools and the ones that need to be addressed over the coming years.

**Mr CLARK**—Will that be web based?

**Ms ALLAN**—Yes, it is a web-based system.

**Mr CLARK**—So a school principal will be able to look at the list and see his school has five items in categories 1, 2, 3 et cetera, know the value or the cost of that work?

**Ms ALLAN**—Sorry. I missed what you said.

**Mr CLARK**—To know the cost of those remedial works.

**Ms ALLAN**—Yes. They will get the cost today of the works for—

**Mr CLARK**—The high priority.

**Ms ALLAN**—the highest priority ones. Then they will get the costs for the future ones as well, when they get the whole package together. The other point is that the web-based system means that it is not just a tool by which they can get the data; it also means that once the item is fixed or maintained and the job is done, they can tick it off and that way we know. There is a central verification process so that we know the job has been done. It is very important to make sure that the money that we are allocating in these areas does go to the highest priorities that have been identified through the audits.

**Mr CLARK**—Is the process one of negotiation with the school? You said after the initial survey the schools then fed in their views.

**Ms ALLAN**—That is right.

**Mr CLARK**—Is there further consultation, or is it then that the department decrees, 'These are the lists for a particular school.'

**Ms ALLAN**—I think you will find with the maintenance process that it is constant negotiation between principals and the department. As I said before, the audit data is the point in time at which the auditors went out into schools. Obviously things can change quickly. Issues can come up if there are accidents or OH&S issues that might arise; storms or natural disasters. That obviously has an impact on the data and changes that. But I think you will find that principals talk regularly to our regional facilities managers and raise changed circumstances in their facilities. That is pretty standard.

**Mr SOMYUREK**—Do I take it that you are saying that the \$50 million that has been allocated to those, is going to meet all of the top priority category needs of schools, and it is going to go therefore presumably to schools in accordance with their priorities? Does that mean that the \$50 million figure was identified because it would equal the amount you knew was going to be in the highest priorities, or is it purely coincidental that the highest priorities have come up to equal \$50 million, which was the amount you set aside from the Snowy funding?

**Ms ALLAN**—No. The highest priority funding is a little bit less than \$50 million, once you take into account the funding that goes to every school. If you remember what I was saying before, the funding is broken down. I think it is \$6.5 million, and every school will get a minimum of \$1,000.

**Mr SOMYUREK**—Across the board, yes.

**Ms ALLAN**—Across the board. Then the remaining \$43.5 million goes to the highest priority items. The secretary was just making a comment that the web-based system is a management tool. Grant, do you want to make a comment about that?

**Mr HEHIR**—The process is not just about having the audit and putting data on the web system to assist schools manage their maintenance. It is a database which allows them to keep their knowledge up to date on what their maintenance needs are and allow them to manage the resources they have to meet those needs. It is not simply a process of them sitting back and waiting for a dollar to be put in or for us to tell them

what to do. They have an ongoing responsibility to keep the management and maintenance of their school in place and keep the data fresh for that purpose.

**The CHAIR**—Thank you very much. We will take a break now.

**Hearing suspended.**

**The CHAIR**—Minister Allan, could I take you, please, to budget paper 3, page 74. We have reference there to student welfare and support. Please would you take the committee through the initiatives and strategies put in place to address bullying in schools. If you have any figures in relation to the cost of that project, key performance indicators or performance measures, take us to those too. Thank you.

**Ms ALLAN**—This is a new campaign that we launched a month or so ago at Gilmore College for Girls in Footscray. Really it comes about from a range of things. I initiated in late 2004 a review of the bullying programs in our schools. As both you and members of the committee would be aware, every government school in Victoria is required to have an anti-bullying plan in place. That has been in place for a little while now. But having travelled around a few schools, it was recognised that there were some schools who do a terrific job in this area and have some great programs, and there are others that needed a little bit more extra support and guidance. So I commissioned a review, and that was undertaken by Deakin University and the Allanah and Madeline Foundation, to look at what was going on in our schools, at what was the best practice, the best programs, the best support to students, and then put together a resource for schools to assist them in putting this in place.

What we launched as part of this bullying campaign was this *Safe Schools are Effective Schools* guide. I have got a couple of copies here for the benefit of the committee. This is a guide that has gone out to every government and non-government school in the state. It is really sending a very clear message to schools and to the community that bullying will not be tolerated in our schools. We do not tolerate it in the workplace. We do not tolerate it in the community. It is also backed up by the fact that we know students do their best when they feel safe and supported at school. If a student is going to school and they are anxious and concerned about what might happen at school, clearly that impacts on their ability to learn and their education outcomes which is why we have put in place these new guidelines.

These guidelines are backed up by a website. They are backed up by information and additional resources that are distributed to schools. In addition to getting this sort of material into the hands of teachers, it provides tips and information for parents and students. You will see in the guidelines on page 3 that it details some definitions—'What is bullying?' This is to assist parents who might be concerned for their child, who might be concerned about what is going on. Also, on page 15, it provides parents with some strategies to help them to assist their child. When I was at Gilmore College for Girls, I was talking to some of the students. They were looking at the website and there was a part of the website dedicated to information for students. They were talking to me about that and how they found it really useful and really informative.

As I said, it has just started. We launched it, as I think I have mentioned already, at Gilmore College for Girls. Ryan Moloney, who is otherwise known as Toadie from *Neighbours*, came along. He spoke from a very personal perspective about some friends of his who had been through some bullying circumstances, so he gave to the students at that school a very personal account of how something like this can really support students. But, as I said, we want to see this in the context of something that we have to address as a community. Students are only at school between the hours of roughly nine to 3.30. What goes on at school is influenced by what goes on outside of school, which is why we focused on getting material in the hands of parents. This is on the back of a lot of the extra work we have done with the primary welfare officers, the secondary welfare officers and the school support officers that we provide. You wanted to know about costing.

**The CHAIR**—You may like to take that on notice.

**Ms ALLAN**—Yes.

**The CHAIR**—Are there key performance indicators for this? I imagine it would be quite difficult to measure.

**Ms ALLAN**—I think, Chair, we did have a measurement that every school had to have an anti-bullying strategy in place.

**The CHAIR**—It is a start.

**Ms ALLAN**—That has been a measurement that we have used. But, yes, you are right, particularly because it is difficult for a child to put up their hand and say, 'Yes, I've been bullied.' It is very difficult for a student to self-identify bullying.

**The CHAIR**—And the level of bullying.

**Ms ALLAN**—And the level.

**The CHAIR**—It is very difficult. So you have a KPI for the policy. Is this just part of the department's normal work or have you set up staff to be dedicated particularly to this, and what is the cost, if so?

**Ms ALLAN**—We have staff within the student wellbeing branch. It is important that we do see it as part of our normal work, that this is part of the range of programs that go out, whether it is a disabilities program or the It's Not OK to Be Away program that looks at truancy et cetera. We also get feedback from student surveys. That helps guide us. You asked before how we measure some of these things—student surveys. I know Minister Kosky had a survey for the blueprint when we were developing the blueprint a couple of years ago. In a lot of the feedback from students, bullying came up as something that they were very concerned about in terms of what was going on at their school and that helped bring about the impetus for this campaign and for this research to be done.

**Ms KOSKY**—In relation to the student surveys, it is worth mentioning that we have surveys on student morale in schools, as we do for teacher morale. That gives feedback to the schools as part of the review process that we have in schools. It provides them with data not necessarily on bullying, but it is about how students feel about school. These are some of the statements that are put to the students that they respond to: 'I feel good about being a student at this school', 'I like school this year', 'I'm happy to be at this school', 'I feel I belong at this school', 'I look forward to going to school'. Then there is a measurement against that. It is really about students' morale within the school and that is used as a really strong feedback tool within the school in terms of their reviews.

**The CHAIR**—Thank you. Mr Baxter.

**Mr BAXTER**—Thanks, Chair. In his budget speech, the Treasurer referred to schools closed by the previous government. In my budget reply last week, I was able to list about 30 schools that have closed in the life of this government, which is the last information I had since I last asked a question on notice in 2003. Can you tell the committee how many schools have been closed since this government came into office up to date, please.

**Ms ALLAN**—Nowhere near as many as the 300-odd that were closed by the previous government.

**Ms KOSKY**—I only have the information for last year. Can I make a distinction between the policies of the previous government and ourselves. The only schools that are closed are those that write to me seeking closure. The school council makes the decision and they write to me seeking closure of the school. There are a variety of reasons. Usually it is to do with the number of students. You may have only one family at a school and the school has for some time been trying to build the numbers at the school, usually in very remote communities. We had one school that had no students and we allowed them a 12-month grace period to see if they could build the numbers at school. They had spoken to us and we said, 'Well, let's look at waiting for 12 months.' They were provided with the resources to do that. Obviously you have to have someone who can answer phones and suchlike, and so that was provided. It is a very much different policy position.

We have also had a series of amalgamations and I would not mind talking about that if I can, but the schools

during 2005-06 that have closed have been—and I am pointing out the closures rather than the mergers at this stage—Ballendella Primary School, closed on 31 December 2005; Bessiebelle Primary School, 31 December 2005; Katamatite East, 31 December 2005; and Monash Primary School, 31 July 2005. Most of those were because the enrolments were so low and the parents, and obviously the school council, have made a decision that it is probably in the best interests of the students. In some instances it was just very difficult for the school council to say, 'Well, we'll keep going,' if they had only a handful of students. I think at Monash Primary School, because there were other surrounding schools, parents were in fact accessing the other schools for the students.

We have had a number of amalgamations: Maryborough Community Education Precinct, which we are very proud of, where a number of schools came together. They have gone to one site, but Maryborough Primary School, Maryborough East Primary School, Maryborough Specialist School and Maryborough Regional College have all formed the Maryborough Education Centre. They have moved to another site and we have built brand-new facilities for them—over \$20 million worth, from memory. Echuca Secondary College and Echuca High School have put a proposal to me to form a campus together called Echuca College. That is a project that has been going on for a very long period of time. Again, they are looking at, I think, one site and refurbishment. Mitchell Secondary College and Wodonga West College have written to me. On 1 January they came together and developed a middle years college. Princess Elizabeth Junior School and Carronbank School merged to form Aurora School. They have closed the Carronbank site and they are continuing on the Princess Elizabeth site. And there is the Ferntree Gully Primary School, which merged with Wattle View Primary School, and they are continuing on the Wattle View site. Some are to do with mergers, where the school communities have come together, and others have been where the numbers have been low, and parents obviously are very concerned about the breadth of what can be offered at a school when the numbers are so small.

**Mr BAXTER**—Thanks. That reinforces my opinion that schools close; it is just a matter of course. But could you take on notice to provide the committee with the total number that have closed in the life of this government, please.

**Ms ALLAN**—It will not be anywhere near 300.

**Ms KOSKY**—One of the approaches is that we are working with quite a number of schools around the state at the moment where the demographics have changed and the facilities are in significant need of fixing up. It was very difficult to do a major redevelopment in some of these schools over previous governments, as well as earlier for us, when the numbers had dropped. They had more physical capacity than they needed. So we have worked with those schools and school communities to look at how we can reconfigure some of the schooling options for the students. What happens too when they get to a certain level in terms of the drop-off of students, particularly at secondary schools and also when the facilities are in great need of extra work, is the numbers continue to decline and the educational offerings are not as broad. It has a very negative effect on the morale of staff and of students. So in quite a number of communities around the state we have put in extra resources in terms of staff to work with those school communities; to develop an educational plan first and then we have looked at the capital facilities that have followed.

Echuca in a sense started that much earlier. Wodonga put a proposal to me to reconfigure their schools. Wangaratta and Kyabram have done the same. In fact, they wanted to delay some of their capital spending. They decided they could provide better than they thought they were providing. We also have schools in Broadmeadows and down in Dandenong. So quite a number of those schools have come to me, and I have said they have to have the educational plan right because it has to be about school improvement and improvement for the students. So we have looked at quite a different response than, I suppose, what previously happened where those schools continued to drop in numbers and it became quite negative for the students particularly, but also difficult for the staff. I think that has been a very positive approach around the state that we are getting a very good response from schools about.

**Mr BAXTER**—May I take that as an affirmative answer to my request?

**The CHAIR**—No, I would not at all, Mr Baxter. Not at all. It was a detailed explanation of how many schools have written to the minister and asked for—

**Mr BAXTER**—But my question was: will the Minister provide the committee with how many schools have closed? That is what I am asking. Was that an affirmative to that question?

**Ms KOSKY**—We can provide that.

**The CHAIR**—Can you provide, please, Minister, an explanation of whether the school councils have written to you and the basis upon which they wrote prior to those schools closing?

**Ms KOSKY**—Every school council has written to me because we have not closed a school without a request from a school council indicating why they are seeking the closure of that school. I was at a school the other day, and this just signifies the difference in policy. It was a school that now has over 400 students. They got the letter. They were told they were being closed by the department. That is a very different approach. They fought and they stayed open. In fact, it was another school down the road that was closed at that time under the previous government. Their numbers are now up around 450. It is a completely different approach that we are using. It is only where schools have come to us and have made that request.

In the work we are now doing with schools it is looking at how we are reconfiguring: in some instances to P-9 and senior colleges; in others it is early years, middle years, senior. So it is actually reconfiguring what is offered in terms of the educational opportunities. But we do not determine which schools are going to be closed. It is only in response to a request from the school council.

**The CHAIR**—Minister, I would like to ask you a question in relation to a project that you have just outlined to Mr Baxter's question. That is, the basis upon which schools reassess their programs and their future. I am very familiar with what is being done in the Broadmeadows precinct. You have mentioned a number of others. Given this is budget estimates I would like you to tie your answer into the budget papers. But could you outline the work that is done, the costing and the key performance indicators that enable you as minister, and Minister Allan, to work out what is the appropriate way forward for areas that may have lower numbers of students than previously existed, a lower range of choices of subjects in the schools because of the lower numbers and how the education department is ensuring that money is being wisely expended for the students' educational outcomes?

**Ms KOSKY**—I mentioned earlier the regeneration projects, and I have just touched on them. In this budget we have provided \$20 million for the detailed planning work for those projects, so it is a budget initiative. As part of the blueprint when that was developed we were clearly focused on school improvement and how we continue to get school improvement. At that time I had discussions with the regional directors. I asked them to identify a number of schools they would like to work with where they thought the educational outcomes would be improved for a whole variety of reasons. So for some it was about the breadth of offerings. In others it was because the results were not as good as we would have hoped.

So the regional directors have worked very closely with a group of schools, often where the demographics have changed as well. There has been a whole range of responses. Obviously in the budget we identified as part of that regeneration two new specialist schools; the John Monash Science School and also the Maribyrnong Sports School. A number of the other projects have been where the numbers have dropped in quite a range of schools. They have come together as school communities and said, 'We think we can actually reconfigure and provide much better educational opportunities than is currently being provided.' In a sense they have looked at what has been happening at Maryborough Educational Precinct and also down at Gippsland and Latrobe Valley where the educational precinct has been established as well, and we have put in funding. What I have said to them is that I wanted them to develop a very clear educational plan on how they could improve the educational provisions. Then we would look at the capital in response to that. But it was not just about rebuilding or reconfiguring some of those schools. It had to be about a new educational offer for the students.

So in a whole variety of communities they have done a lot of work. We have provided extra resources in those schools to develop an educational plan. In some of the schools we have provided mentors or coaches for teachers who have wanted to learn some different techniques and approaches for teaching students. Most of these projects have probably been in poorer communities. Broadmeadows is a poor community and the school

believed they could teach differently to that cohort of students, across from primary to secondary. We also have Dandenong which is where we have had three schools wanting to come together. They are still working through what they are doing, so they are actually trying to reconfigure what is on offer.

It is exciting. I have seen in the time they have been working that they have developed different responses. We have got the situation in Wangaratta where the two secondary schools, Ovens and Wangaratta Secondary College, decided they wanted a strong academic program. They also wanted a very strong vocational program, and that program linked with TAFE. One of the new technical education centres will be located there in order to provide that offering. So they have looked at what is needed within the community and then developed the educational response. A number have been given the go-ahead through the budget to then look at the more detailed plans, which means reconfiguring. They are looking, as part of that, at quite different classroom configurations so they can provide different spaces for learning—some larger spaces, some smaller.

**The CHAIR**—If you have any facts and figures in relation to the staff, for example, allocated to the Broadmeadows project and others, it would be helpful for the budget estimates report. If we had some figures, that would be of assistance in the compilation of our report. If you do not have that kind of detail, I understand.

**Ms KOSKY**—I am trying to work out the facts and figures that you are after.

**The CHAIR**—You mentioned mentoring. I know there are two staff allocated in the northern region for the project. I am familiar with Broadmeadows, and there is investment from the Department of Education and Training to help facilitate what the parents and the students in the school really need.

**Ms KOSKY**—We can supply the detail on the funding that we have provided. Not necessarily the programs that schools are putting in place—

**The CHAIR**—Whatever you can.

**Ms KOSKY**—but the funding that is available to a range of the schools to develop up the plan, because it has been different across the board. We can provide that.

**The CHAIR**—Thank you.

**Mr CLARK**—In relation to the chart you handed out before about the investment in school maintenance and capital works, there are a couple of points you might be able to answer now and others you might take on notice. Do I assume that this chart includes only the money for maintenance and school works that are still intended to go ahead post the Snowy Hydro sale not proceeding?

**Ms ALLAN**—That is right.

**Mr CLARK**—Secondly, could you tell us, either now or on notice, what the data sources are for the chart and, thirdly—and I expect this will be on notice—can you provide us with a breakdown for each year of which amount is maintenance and which amount is capital.

**Ms ALLAN**—The source for this data is the budget papers over the period that is indicated on the table. To break it down, for 1997-98 capital works was \$58 million and maintenance was \$53 million, for 1998-99 capital works was \$90 million and maintenance was \$117 million and for 1999-2000 capital works was \$111.9 million and maintenance was \$62 million. Do you want me to go through all of them?

**Mr CLARK**—Either now or on notice, yes.

**Ms ALLAN**—For 2000-01 school capital works was \$216.1 million and maintenance was \$73 million, 2001-02 was \$265 million for capital and \$44 million for maintenance, 2002-03 was \$200 million for capital and \$44 million for maintenance, 2003-04 was \$125 million for capital and \$44 million for maintenance, 2004-05 was \$307 million for capital and \$84 million for maintenance, 2005-06 was \$287 million for capital and \$100 million for maintenance—that \$100 million includes \$50 million from

today—and 2006-07 is \$379 million for capital and \$34 million for maintenance. They are all budget figures.

**Mr CLARK**—Thank you.

**The CHAIR**—Ms Romanes?

**Ms ROMANES**—My question is for Minister Allan. I refer to Budget Paper No. 3, page 54, which highlights the delivery of broadband to all Victorian government schools as a key strategy for addressing lifelong learning needs. Can you advise what progress has been made in the implementation of the VicSmart program and how this benefits students.

**Ms ALLAN**—We are having great implementation on this initiative, which was a new program that we announced as part of last year's budget. \$89.3 million was allocated in last year's budget over four years. Members of the committee will remember that our key partner in this project is Telstra, who are responsible for an enormous job in upgrading all of those 700 exchanges and laying thousands of kilometres of fibre-optic cabling to schools. The commitment was to upgrade every single government school in the state to four-megabit fibre-optic broadband. For around a third of the schools, that means they are going to have a 64 times greater capacity than they have at present.

A number of those schools were operating off the dial-up system. The member for North Eastern Province might have dial-up at home—I know many country members do—and that is what some of our schools were using. Having high-speed broadband means that there is less time waiting for the internet to connect and for materials to download, which means more time for the teachers to teach and more time for the students to learn. I was at a school in Deer Park a couple of weeks ago, and the grade 1 students told me that they were really pleased with their upgrade because it meant they do not have to sit there getting bored waiting for the material to download. In terms of your question about what this means for students, students as young as those in grade 1 can explain and understand the difference that this has made.

We have been able to come to an agreement with Telstra to accelerate the roll-out to schools so that by the end of 2006 every school will have a minimum of two-megabit fibre-optic broadband. In this initial phase, it is expected that around 40 per cent of schools will have the four-megabit capacity and that a full lift up to four megabits for all schools will be completed by 2008. In terms of your question about what this means for students and teachers, I have mentioned how the increased capacity saves time but it also opens up an enormous wealth of resources and opportunities that I think we are only just starting to see the potential of.

Through some of the school visits I have been making, I have seen the way that students are accessing a vast array of software now on the computer, because it is quicker and easier to use it in the classroom. I witnessed some great examples where students are using various programs—a program like PhotoStory, where they can put pictures, music and words together to create their own presentations. When you consider that our world is now PowerPoint presentations, it is really preparing them for the workforce that is ahead of them. For teachers, it again opens up a whole range of access to teaching materials that they did not necessarily have before.

I will give you an example of where the innovation is coming in. I was at another school—I think it was in Boronia—a few weeks ago. They have set up a connection with a school in South Africa, and over the internet—through emails and through the sharing of information online—they have made a real connection with that school. It is not just opening up the technology world for these students, it is opening up the world of the internet, it is opening up the global world that is available online. For these students, it is going to be really exciting.

I was at a school where they have a system now where a student takes the IT class. They do their computer work in the library—in the IT room there. A different student is nominated as the class leader for each period. If another student has a problem with what they are doing on the computer, they go to that student first. The opportunity for peer to peer teaching is also quite interesting in terms of a child's development and a child's education. The AEU might get a bit upset if we see too much of that happening, but it is another really exciting example of what is yet to be realised and what is available through this high-speed broadband.

**The CHAIR—**Mr Rich-Phillips?

**Mr RICH-PHILLIPS—**One of the issues often raised by industry is the lack of availability of qualified and competent people in trades. During the presentation, you put up a slide showing the number of people completing apprenticeships and traineeships, showing it going from roughly 13,500 to 45,000 over the life of this government. But there is often criticism made that a traineeship is not an apprenticeship, so can you split out the difference over the life of this chart so we can actually see what the trend has been with apprenticeships, and provide some commentary on apprenticeship numbers.

**Ms KOSKY—**Yes, I can. Both apprenticeships and traineeships have increased. In the period between 2002 and 2005, apprentice completions have grown by 17 per cent, so they have grown from 5,924 in 2002 to 6,948 in 2005, and traineeship completions have risen by 44 per cent from 15,876 in 2002 to 22,842 in 2005. Both have increased over that period of time.

**Mr RICH-PHILLIPS—**Are you able to take on notice the figures going back to the 1999 period to match this chart, as to the split between the two?

**Ms KOSKY—**I can take that on notice. I am assuming I will be able to provide that in that breakdown.

**Mr RICH-PHILLIPS—**Thank you. The growth rate for the period you have commented on—17 per cent for apprenticeships and 44 per cent for traineeships—does that reflect an emphasis the department is putting on traineeships in preference to apprenticeships? Is there any particular reason—

**Ms KOSKY—**This is a system that was introduced under the previous government. It is demand driven, basically, and we have a significant amount of funding that is provided through Youth Choice as well as through the TAFE institutes. It is on the basis of the requests for places. Having said that, when we have our delivery agreements with the TAFE institutes, we do require that they provide a certain percentage of apprenticeships. Traineeships are cheaper than apprenticeships. I had a concern that there might be a bit of a skewing. If we only responded to the demand by students who came in the door, then we were not necessarily responding to some of those issues around skill shortages. In the profile funding in the agreements we have with TAFEs, with every one of them there is a requirement that they have a certain number of apprenticeships and traineeships so it does not all go into the vocational area. We have that as part of the funding agreement. We also have a number of priorities and we require them to meet certain skill areas. That is also part of the agreement that we have with TAFE.

**Mr RICH-PHILLIPS—**Skill areas being particular trades, do you mean?

**Ms KOSKY—**Yes, and regions, because you will get some skill shortages in some regions but not in others. There is a difference between rural, regional and metro, so we have those requirements in with those particular TAFEs in terms of delivery.

**Mr RICH-PHILLIPS—**Would you be able to provide that information to the committee, so that we have an idea where and what particular skills you see as the priorities?

**Ms KOSKY—**Yes, we can do that. In the skills statement in Maintaining the Advantage, we did identify the skill shortage areas where the priorities were. In the provincial statement that the Treasurer put out, there is additional funding there for apprenticeships in regional and rural Victoria, so I am happy to provide that.

**Ms ALLAN—**When I come as employment minister, I can talk to you about our regional skill surveys that we have done right across regional Victoria. They provide that detailed region by region analysis you are looking for, so we can talk about that then, if you like.

**Ms KOSKY—**It is an interesting question because we have had a particular push over a period of time which has moved to being demand driven and the government was not to interfere in determining which places were going to be provided. One of the concerns that I have had is that there are two sets of demands:

one from students who come in the door, the other from industry. We have to make sure that that balance is right. We have to have students who are prepared to take up the courses but also we need to be responding to some of those skill shortage areas and emerging industry areas. We need to develop those. It has to be a combination.

**The CHAIR**—By way of clarification, in terms of the successful completion of apprenticeships and the breakdown in each category, is it appropriate that this be covered now or that it be covered in employment?

**Ms KOSKY**—Now.

**The CHAIR**—Okay. Could you outline to the committee the apprenticeships that were completed last year and the categories that were covered?

**Ms KOSKY**—By particular categories? I do not have that at the moment but we will provide what we can, what is available in terms of completions.

**The CHAIR**—There was a question in last year's estimates that we had a bit of a joke about: bricklayers. Apprenticeships in bricklaying completion last year was one or two. I wondered where we were up to this year?

**Mr MERLINO**—Too hard.

**The CHAIR**—Very hard, especially if you want a bricklayer.

**Ms KOSKY**—As I understand, and I will provide the information to the committee, the number of bricklaying apprenticeships has increased. Maintaining the Advantage had a focus on apprenticeships with young people. We put a lot of extra money into pre-apprenticeships to ensure that young people are trying apprenticeships. They can try out an apprenticeship, do a course for it—it is a 16-week course—and that can count towards up to nine months off their apprenticeship. They can do that whilst they are at school or they can go to a TAFE and do that work; so giving young people that opportunity. They generally do it before they have finished year 12, so it is either an equivalent qualification or not, but you are keeping young people engaged in it.

One of the problems is that we have waited until they get to the end of year 12. They then go to do an apprenticeship and it can be another three or four years. The trades bonus that is in this budget is a critical factor. We have about two-thirds of young people who drop out in the first year of their apprenticeship. Of those who do drop out, I think 70 per cent—I will clarify these figures—drop out in the first six months. So to have that bonus encourages them to stay there. The salary in the first year of an apprenticeship is very low. That has contributed to a lot of young people not wanting to move into apprenticeships. There is a combination of factors. We are trying to address that across the board.

There is also a program with Holmesglen Institute around bricklaying and with the bricklaying industry, where the bricklaying industry is actually providing extra financial support for young people doing a bricklaying apprenticeship, so there is a range of different strategies for dealing with that.

**Mr MERLINO**—My question is to Minister Kosky. Page 6 of Budget Paper No. 3 refers to the government's drive for excellence in education. Could you please advise the committee what progress has been made in the establishment of the Maribyrnong Sport School?

**Ms KOSKY**—The Maribyrnong Sport School, for those of you who are not aware, is going to be located where the Maribyrnong Secondary College is. It will be linked in with Maribyrnong Secondary College. In March 2005, I announced the establishment of the sports school to be built on the Maribyrnong Secondary College site. It is one of the regeneration projects, so it is a centre for excellence. It will cater for two cohorts of students: firstly, for those students who are absolutely passionate about sport, some who will be elite sportspeople and other who have a real passion and that is a large part of where they want to do their learning; and will also cater for local students.

It is a joint venture with the government and the Victoria University which has a very strong health sciences and physical education program, so we are wanting to develop strong pathways with them, as well as have obviously the expertise that they have to offer. The joint venture also includes the Victorian Institute of Sport and, at this stage, the Western Bulldogs Football Club, and I am keen for other sporting clubs to come on board. Essendon, when they address some of their on-field performances, might be approached. We are keen for Essendon to be involved.

We chose Maribyrnong because of its location. It is, firstly, very close to Victoria University where they have that very strong program and, in terms of recreation facilities around the area, there is a new swimming centre that is being built next door. There is significant space at Maribyrnong and there is also the VRC—Flemington down the road—and there are a number of football clubs in that area and other sporting groups that are located close by. There was a real opportunity to capitalise on what already exists in the community around that area. We were very conscious that in the government school system, apart from Box Hill Senior Secondary and a number of other schools that have expert programs within their normal school structure for sporting excellence, this program, this school will very much fit around timetables for those who are elite sportspeople and obviously develop a curriculum that is based on sport. We are hoping to have a lot of cross-discipline areas, so in terms of teaching maths, using a sporting development curriculum that has a sporting emphasis but where students can still learn maths, science and those sorts of areas.

They are taking their first cohort of students next year, without the facilities being rebuilt, because they had so much interest that they decided that they wanted to do that. We have appointed a sports program development director and \$220,000 has been provided annually for three years so that they can employ teacher coaches within the program to develop the curriculum.

**The CHAIR**—Any clarification?

**Mr MERLINO**—Will you be analysing and evaluating the success of this project? It is a great idea, but there are obviously elite sportspeople, students in different regions, and this could possibly be extended to maybe one per region.

**Ms KOSKY**—We will be analysing the results. New South Wales has, I think, two sports schools. One of the issues is that when you establish a fairly elite program, if you have them scattered you lose the expertise. I am certainly hopeful—and early signs are very encouraging—that we will have some very high-performing teachers and also coaches who are very strong in their own field. The Victorian Institute of Sport is very closed linked and they want it to link in with their program. I am not sure that this sort of school will be replicated in other areas, but we are developing specialist facilities in other areas such as the John Monash Science School. I am also keen to have teachers who come in and work for a period of time so that they can develop through the professional development program. They can work alongside some of the experts and then take that knowledge back to their own regions. The results in New South Wales for their sports schools have been very good.

**The CHAIR**—Thank you. Mr Baxter.

**Mr BAXTER**—Minister, I would like to explore for a moment the rationale for what I understand are cutbacks in the Adult, Community and Further Education allocations of 3 per cent this year and a further 3 per cent next year. To use Tongala as an example, a very small town which has been hard hit both by the drought and by the virtual closure of the Nestle factory there—a significant and almost the only industry in the town—Tongala provided training last year in 2005 for 185 adults, which was very helpful in view of both those circumstances. Its problem is, of course, being so small, a cutback of any size undermines its critical mass and it may not survive at all. Can you outline to the committee why these cutbacks are occurring or why they are across the board and not being better targeted towards those who need them to survive?

**Ms KOSKY**—It is not a cutback in funding across the state. When we had a lot of consultation which led to the ministerial statement that I put out a couple of years ago on adult and community education, one of the issues that the ACE providers raised with us was having to apply for funding every 12 months. They really wanted to have more certainty. You mentioned Tongala. A lot of the smaller facilities then spent quite a lot of

time working up a submission for the following year. As part of that ministerial statement, I gave a commitment for three-year funding to the ACE providers, but I indicated at the time that we would withhold 3 per cent of the funding which would allow us to respond to statewide needs or particular issues. It may be, for instance, issues around settlers in particular areas and the English language; if they had shifted from where the money had normally gone, we needed to shift the focus to where the people who needed that extra support were. We withheld the 3 per cent and that is reallocated each year. It is not a cut across the board; in fact, the 2005-06 budget was \$36 million, and the target for this next financial year is \$36.8 million, so it is growing.

The difficulty in giving the three-year funding is that you need some flexibility to respond to particular issues, so that was part of the agreement that I had with the ACE sector—that we would withhold 3 per cent and apply it back across the sector. What you will find is that some ACE facilities have more funding than they had last year because they have a specific program that they are working on which is in response to particular regional needs or statewide needs. Then there are some that are a little lower. That was the best way, I believe, of giving certainty of funding over the three-year period, rather than every year when it could change every year; withholding that 3 per cent and then reapplying it. So it has gone back to the ACE sector, giving flexibility on some of those priorities.

**Mr BAXTER**—Does that mean that people in towns like Tongala have an opportunity to put another bid in?

**Ms KOSKY**—In fact, the 3 per cent of total statewide delivery funding in 2006, which is only \$0.7 million, so it is not a large amount of funding in the broader—

**Mr BAXTER**—But it is life and death for people like Tonny.

**Ms KOSKY**—It has been reallocated to address imbalances in funding for remote communities and urban growth corridors, so I would suggest in relation to Tongala, they would stand up very strongly on that. The other area in the skills statement is additional funding for skills which will include the ACE sector. Another area that we are providing funding for from the beginning of next year—I am not sure of Tongala's student profile, but it will certainly assist the ACE sector—is the commitment we have given for the funded place for students up to the age of 20 in both TAFE institutes and adult education facilities, if they are doing a year 12 or equivalent qualification. That addresses the issue of funding in that age cohort, rather than taking some adult funding. I am happy to follow up with you on Tongala.

**Mr BAXTER**—A clarification on the \$700,000—you say it has been reallocated to remote and growth areas?

**Ms KOSKY**—Yes.

**Mr BAXTER**—Do you mean in-globo you have not actually divvied the \$700,000 up yet?

**Ms KOSKY**—I think it has been, and it was in response to submissions that were put in, but I am happy to get back to you in relation to Tongala. I do not know the absolute specifics.

**Mr BAXTER**—Thank you.

**Ms KOSKY**—There is also the opportunity for all adult community education organisations to submit for the community learning partnership funding, which is up to \$30,000 per proposal. We readjusted that because smaller organisations were not tending to apply for that and it was going to the larger ACE providers, but I am happy to provide you with the detail on that.

**Mr BAXTER**—Thank you.

**The CHAIR**—Mr Somyurek?

**Mr SOMYUREK**—Minister Allan, on page 7 of Budget Paper No. 3, under the heading 'Addressing disadvantage', it states that an additional \$10 million over four years will be provided for the youth transition

support initiative. Can you advise the committee how this initiative will benefit young people in Victoria?

**Ms ALLAN**—This new initiative is part of the \$818 million A Fairer Victoria package that I mentioned during the presentation, which was released last week. It is focusing on giving support to a group of young people in our community, between the ages of 15 and 19, who are not at school and are not in a training environment, whether it is TAFE or a registered training authority or any other training environment, are unemployed or are employed for 15 hours or less per week. This is an important initiative and it links into the global work that we have been doing across education and across government to, by the year 2010, increase the number of young people who will complete year 12.

In Minister Kosky's presentation earlier, she gave some information on how Victoria has the highest year 12 completion rate of any state in Australia, but we want to continue to lift that. To do that, we need to have a particular program that provides support to this specific group of young people in our community who, for a whole range of reasons, are not connected with their school, have left school early—again, for a whole range of different reasons—and who need an individual response. Under this allocation of \$10 million over four years, we will be providing youth transition workers in targeted areas of the state. I say 'targeted areas' because we want to focus on where there are larger numbers of these young people than the statewide average or in other parts of the state, because we want to make sure that we are focusing on the ones who need the support the most.

How this will work—and more detail will roll out over the coming months—is that organisations will be invited to apply for the funding and they will then employ these youth transition workers. They will not be working in isolation; they will be connected into our schools and they will be connected into the programs in schools that we already have in place, like the Managed Individual Pathways and the On Track information collection systems. The highest priority will be to get them back into some sort of education or training. For others—if they, for whatever reason, do not see that school or training is right for them—it might be helping them to find a job.

We are doing this and targeting this quite carefully, because in different parts of the state—and probably in particular parts of your community and particular parts of my community—we know that there are larger groups of these young people who need some very individual support. They need that one-to-one support, and this really meets that need. Our schools do a terrific job in supporting young people, and the evidence is there that the completion rates have increased over the last five or six years, but there is still a group of young people who are not in schools and who are not in training that we want to get in there.

There is evidence around that shows that the higher the level of skill or qualification a person achieves the longer their period of time in the workforce over their lifetime. They have better health outcomes, interestingly, over their life as well. There are a lot of good reasons for the individuals to keep them connected to school or training and lots of good reasons for the economy as well, particularly picking up the question on skill shortages. If we can help more people in employment, with more people trained to a level to meet the skill and labour needs of the economy, that is very important for a state like Victoria, where we need to do a number of things to increase workforce participation.

**Mr SOMYUREK**—Thank you.

**The CHAIR**—Do you have any key performance indicators on that?

**Ms ALLAN**—Not as yet. We will be developing those, and I am happy to come back with that information if PAEC wants some further advice.

**The CHAIR**—Would juvenile justice links be part of your work?

**Ms ALLAN**—Yes.

**The CHAIR**—Will you be linking in with the Children's Court on that?

**Ms ALLAN**—We will be linking. We will be very careful, though, not to duplicate existing supports

that are in both juvenile justice and DHS, because they provide particular programs for some of the more complex young people with complex needs. They provide particular packages of support to that group of people. We want to link in with that, not duplicate it.

**The CHAIR**—The juvenile justice system would, but the Children's Court would not necessarily have the strong links with DHS juvenile justice when children are put on lower order diversion programs. Anyway, that can be something that you think about. Mr Clark?

**Mr CLARK**—Can I raise the issue of services available for students with disabilities in government schools. At page 74 of Budget Paper No. 3, you have a performance measure of what is referred to as 'investment in services to students with disabilities', which gives dollar figures which I gather relate both to students attending special schools and students being assisted to attend other government schools. Can you provide the committee, either now or on notice, with information about the numbers of students who are receiving assistance, particularly those attending non-specialist government schools, and how those numbers have changed over recent years. The context in which I ask that is that the contact I receive at my office—and I suspect a lot of other members as well—is from parents concerned that it is becoming increasingly difficult for children to get access to disability services. Can you explain what has been happening to the numbers of students that are being supported with the funding being provided.

**Ms ALLAN**—As I mentioned before, the numbers have been going up significantly. It is not just the funding that has gone up but the number of people supported on the program has gone up significantly. I am happy to provide some further detail, but I will give you a bit of a snapshot. I have a slide that breaks up for 2006 the numbers of students by category, so intellectual disability, autism and the like, and the level at which they are funded. When this chart comes around, you will see that the biggest proportion of students within the program are students with an intellectual disability. They represent over 72 per cent of all students. Within that, the biggest proportion of students are at levels 1 and 2.

We have had a significant increase in applicants and students coming into this program over the last five years. If my memory serves me correctly, we have had about a 257 per cent increase in the number of autism students over the last five or six years. More than that! I think it is over 70 per cent for intellectual disability. We are seeing some significant increases in those two categories alone. I spoke before about the reform program that we need to do. We need to drill down on why this is happening, where it is happening and what mechanisms we can use to best support those students, because some children at the lower level—and, again, when I say 'lower level', I mean the level of funding—are not at a level where they will get a full-time aide and, frankly, a full-time aide is not necessarily the best outcome for them. They need classroom support, additional support with curriculum materials and the like, and that is where training the teacher and training staff in the classroom becomes very important. This is a very tricky area, because a lot of people like to see funding go towards integration aids. But I think we are seeing a shift in this area as people understand, particularly through what we have done in the language support program, how that is best for the young person's outcome. I think in your question you mentioned numbers of students in non-government schools?

**Mr CLARK**—No, non-specialist schools—that is, in ordinary school settings.

**Ms ALLAN**—The break-up of our student population is roughly one-third in specialist settings and two-thirds in mainstream schools.

**The CHAIR**—That is of students with a disability?

**Ms ALLAN**—Students with a disability. By way of passing comment, what is quite interesting is that we have had the policy of parent choice for over 15 or 20 years now, and we are seeing more parents choosing to have their children in a special school, whereas previously a lot of parents chose to have them in a mainstream school. I think that is really a reflection that our special schools are resourced at a very different level. I am sure all of us have been into special schools in our communities. They have a lot of resources, a lot of additional support staff and a lot of specialised equipment and materials. I think parents recognise that, for some children, it is better to put those students into specialist settings. But I am happy to provide that two-third/one-third break-up in terms of the student population.

**Mr CLARK**—Thank you. That is very useful, and this slide is very useful as well. If you are able to provide us with some time series numbers, drilling back through prior years in the same format as this, I think that would be very useful for us to be able to assess what is happening.

**Ms ALLAN**—We have it in a table format; four categories. Certainly, we have for the last five or six years. As I have said, we have undertaken this data analysis in the last 12 months to really understand why the growth is coming in such high levels in particular categories and also in particular parts of the state. It varies a little bit from region to region. It is really about understanding what responses we need in particular communities. The growth figures for autism were just enormous. That has only come about in the last five years. There is a whole host of reasons. Partly it is because of changed diagnosis and a better understanding of the autism spectra; the expansion of autism to now include a spectrum of disorders, not where five years or so ago it was just an autism category.

So there are a whole lot of reasons around why that has changed; a 500 per cent increase in students on the program with autism in the last six years. As I was saying, definitional change is part of that. Also the increase in the number of specialist autistic schools. We had a new school open this year: the Northern Autistic School. That is recognising that there is a demand in services, but also if you build it people will come. We are seeing parents choosing to put their children into those specialist autism settings which do provide a terrific range of supports to those students.

**The CHAIR**—So we are clear on what is to be followed up and what you have agreed to. Can you get that clear? You understand what Mr Clark wants?

**Mr CLARK**—I think the minister undertook to provide prior-year information as close as possible.

**The CHAIR**—As close as possible, because she did say she could not do it in that format. That is all right. That is understood?

**Ms ALLAN**—But just on this—I said two-thirds, one-third. It is actually 60 to 40 in terms of students in regular schools and students in special schools out of that total of 16,000 students. As I said, that is recognising a whole range of reasons, but certainly parents are choosing to have their children in those specialised settings.

**The CHAIR**—Ms Green?

**Ms GREEN**—My question is to Ms Kosky. I refer you to Budget Paper No. 3, page 6, which refers to ongoing excellence and continued improvements within the education and training system. Could you outline for the committee what the government is doing to ensure all schools are accountable for their performance and that all schools are improving?

**Ms KOSKY**—I released the blueprint two years ago. We have developed a different approach to accountability, modelled somewhat on what had happened before but strengthening, I think, what had been there in terms of accountability. This new framework was introduced in 2005. It very much sharpens the focus on student outcomes. So it is accountability which is linked with student outcomes, not necessarily in terms of inputs but in terms of the outcomes of students and making it clear that schools are accountable for improving student learning, engagement and wellbeing and also ensuring successful transitions and pathways for students.

Part of the work we did at the time in the new accountability model recognises that you cannot just have a one-size-fits-all approach. Schools have different communities, but also they are really at different stages in terms of the development, the work they are doing and really the value-add that they are getting for their students. So the new arrangements support schools to use the best data that they can collect to make judgments about their current performance, and then to plan strategies to take the school to its next level of success.

There are a number of elements to the framework. One is a quadrennial review process where the schools undergo a review and then they develop an annual implementation plan in agreement with the regional

director. There is an evaluation process which is internal, so there is a school self-evaluation process. I mentioned before about the student wellbeing indicator. That is often used as part of that internal self evaluation as well as looking at a whole range of other data that they have. There is also an external school review.

There are three different approaches to the external school review. There is a negotiated review for those schools we would say are high-performing schools that are doing very well in terms of not only the outcomes for the students, but the value-add that is provided for the students. So they negotiate and they may have particular views about who they want to come in and do the work with them. They are off and running really. Continuous improvement really for the large middle band of schools where they are travelling well, but they could have more improvement and so they have an external reviewer. There is a process for that, but they are on their way when that is provided. Then we have a diagnostic review which is for those schools where we believe the performance is below what it is for like type schools.

The diagnostic review is a very intensive review where the region and the reviewer are very closely involved, looking at all of the data and working with the school. It is a much more intensive approach and they collect the data and then they identify the issues and develop a whole set of detailed strategies. There is support. There is resourcing that is available for those schools that undergo diagnostic school reviews to actually put in place some of their implementation or their plans. So acknowledging that they might need some extra assistance, whether it is PD, whether it is development of other curriculum, or it might be development of skills to analyse the data, but some extra resources to assist. It might be establishing a range of different programs for kids with different learning needs and different learning interests.

Then we also have reporting on progress in the core school performance indicators and other achievements via an annual report to the school community. You might remember in the new education legislation we put through we now require all schools to report to their school communities on a whole set of data, with the government schools including that data, so they are reporting to their own school community on a range of different performance measures. Within that framework there is strong support also for the principals, to give them the necessary capacity that they need so they can undergo that accountability process, but really how you then develop the strategies that are needed to put that plan in place. So it is very much a focused approach around accountability; student improvement, collecting the data, working out strategies, having that annual implementation plan and then analysing whether it has actually made a difference, and where there are positive differences, making sure that all groups of students are supported within the school.

I have to say, in conclusion, I thought that schools that were going to take the diagnostic review process would be very negative about it. The feedback I have had has been fantastic. I want to leave you with one example. I went to a primary school the other day. I was there for other reasons, not to talk about the review. They said, 'Can we share something with you,' and they were really excited. They had undergone a diagnostic review. Their literacy performance was not as good as they and we thought it should be and some of the other measures in terms of absenteeism were also of concern. They underwent the diagnostic review. They put in place a whole lot of strategies. They used expertise from other schools. I think from memory their literacy results—they had just got their own data back—improved by five percentage points. They were just delighted. So they were using it to link back to the analysis of their data and the results of the students.

**The CHAIR**—Thank you. Mr Rich-Phillips.

**Mr RICH-PHILLIPS**—Thank you, Chair. I think this is for Minister Kosky. One of the issues that has been of interest to this committee is the collection of voluntary fees, levies, by schools directly from parents. Obviously with the supplement from next year, the \$300, it will be an ongoing issue of interest to this committee. Does the department collect data on the level of fees in aggregate collected by schools directly from parents, and can you provide this committee with say the last four years data on the level of fees collected directly from parents and also an indication of the average fee for a primary school and a secondary school trendwise over the last four years across those two groups?

**Ms KOSKY**—We do not direct schools on what they put forward as their voluntary contributions. However, we do direct them in terms of what they can ask for as part of the voluntary contributions. We are very clear that free instruction is provided in the eight key learning areas, so the voluntary contributions are to

exclude those eight key learning areas. Under the act, it is very clear that parents cannot be harassed or coerced to make voluntary contribution. I did set up a hotline at the beginning of the year because I was concerned with some of the stories that were coming through about a range of issues. Interestingly, we had a total of 172 calls for that received across Victoria. The major issue that was raised was really the confusion about what was voluntary and what was not. In most of the instances, if the caller requested support, then the region actually followed up with the individual school and followed up on that issue.

In terms of the revenues, I do not think we can break it down in terms of the voluntary contributions. The proportion of school fees revenue within the receivables balance is less than 5 per cent and in 2005-06. Schools other receivables' balance, which includes fees revenue, was \$28 million and is expected to increase to \$33 million in 2006-07. But that will not only be voluntary contributions. It is also where there have been payments for class materials and those sorts of issues. We are not able to break down what the voluntary contributions are per school. Part of the dilemma for me as minister is that we have moved much more towards schools that are self-managing. We are giving schools that responsibility. That occurred under the previous government as well. In doing that, you have to work out the balance for what information you can require.

We certainly do not set the voluntary contributions but, clearly, where there are complaints and concerns raised by parents, we do follow up on that and from time to time the regional staff have conversations with schools if they believe that the voluntary contributions are higher than they need to be or to set the process for those families that cannot afford to make them and are feeling uncomfortable about it and how all of that is managed in a way that they still feel very much part of the school community. But I am not able to provide the details that you have requested. We do provide details of school bank balances. That has been provided before, but that is the whole gamut.

**Mr RICH-PHILLIPS**—Would you be able to provide perhaps a longer time series of those figures you gave before, say back to 2000-01, with the trend of collections?

**Ms KOSKY**—Yes, we can do that, but I will just put a caution in: we can put some of the footnotes down but some of it will be where a school is undergoing capital works and they will have more money in their budget at a particular point of time until they have spent it; so sometimes it looks very high and then it shifts. But we can provide that time series for that revenue. It has been increasing. We have made changes to the way we fund schools, so that schools now, if they have staff who are less experienced, actually keep that extra money. We fund to an average, so if they have some less-experienced teachers and younger on lower salaries, they have been able to keep that extra money. That stays in their bank balance until it is spent on particular items, so there will be some changes that you will see, but we can put the footnotes down to explain that.

**Mr RICH-PHILLIPS**—Just to clarify, the figures you gave earlier were the collections of voluntary fees?

**Ms KOSKY**—It is not just voluntary contributions. It is fees collected.

**Mr RICH-PHILLIPS**—Sorry, that was the bank—

**Ms KOSKY**—There are both bank balances and fees collected. The fees collected would include if books were purchased, if the school in fact bought bulk school clothing and then charged parents.

**Mr RICH-PHILLIPS**—The figures you gave before were fees et cetera collected directly from parents.

**Ms KOSKY**—That broader figure, yes.

**Mr RICH-PHILLIPS**—That is the time series the committee is looking for. You mentioned the payments involving less experienced teachers. I am not quite sure how that is in there.

**Ms KOSKY**—That is bank balances. You are after the fees. I am just explaining that that is more

than just the voluntary contributions.

**Mr RICH-PHILLIPS**—But we can get the fees on a time series, understanding what you say about—

**Ms KOSKY**—Yes. It will be in previous budget papers. We will pull that together for you.

**Mr RICH-PHILLIPS**—Thank you.

**The CHAIR**—Right. That concludes the consideration of budget estimates for the portfolios of Education and Training and Education Services. Thank you to the ministers, to the witnesses, to departmental officers, those here present and those who prepared those copious briefing notes that I am sure are of benefit not only to the minister but also to the PAEC staff. The committee gave you a number of questions that you have taken on notice. They will be sent to you, as will be some questions that we had that we have not asked as a result of a briefing paper we have received from the PAEC secretariat. Thank you very much.

**Committee adjourned.**