

VERIFIED TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2008–09

Melbourne — 16 May 2008

Members

Mr G. Barber	Mr G. Rich-Phillips
Mr R. Dalla-Riva	Mr R. Scott
Ms J. Munt	Mr B. Stensholt
Mr W. Noonan	Dr W. Sykes
Mr M. Pakula	Mr K. Wells

Chair: Mr B. Stensholt
Deputy Chair: Mr K. Wells

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Executive Officer: Ms V. Cheong

Witnesses

Ms M. Morand, Minister for Children and Early Childhood Development,
Professor P. Dawkins, Secretary,
Mr M. White, Deputy Secretary, Office for Children and Early Childhood Development, and
Mr T. Cook, Deputy Secretary, Office for Planning, Strategy and Coordination, Department of
Education and Early Childhood Development.

The CHAIR — I declare open the Public Accounts and Estimates Committee hearing on the 2008–09 budget estimates for the portfolio of Children and Early Childhood Development. On behalf of the committee I welcome Ms Maxine Morand, Minister for Children and Early Childhood Development; Professor Peter Dawkins, secretary; Michael White, deputy secretary, office for children and early childhood development; and Mr Tony Cook, deputy secretary, office for planning, strategy and coordination. Departmental officers, members of the public and the 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 minister or her chief of staff can approach the table during the hearing. Members of the media are also requested to observe the guidelines for filming and recording proceedings in this room.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act and is protected from judicial review. There is no need for evidence to be sworn. 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, and the committee requests that verifications be forwarded to the committee within three working days of receiving the proof version. In accordance with past practice, the transcripts and PowerPoint presentations will then be placed on the committee’s website.

Following a presentation by the minister, committee members will ask questions relating to the budget estimates. Generally the procedure followed will be that relating to questions in the Legislative Assembly. I ask that all mobile telephones be turned off. I invite the minister to make a brief presentation of no more than 5 minutes on the more complex financial and performance information that relates to the budget estimates for the portfolio of Children and Early Childhood Development.

Ms MORAND — Thank you, Chair, for the opportunity to give a presentation. I want to briefly remind members of the lead-up to this year’s budget. Many of you will know that the former Premier appointed the first Minister for Children in 2004, and since that time there has been a significant increase in the investment in early years services, and particularly the kindergarten sector; and also a focus on a stronger legislative and regulatory framework.

Overheads shown.

Ms MORAND — In the maternal and child health area we have made significant inroads in terms of the immunisation rate and key age and stage visits. A total of 93 per cent of two-year olds are now immunised, and that is up from 85 per cent; and the key age and stage visits have also improved, including the two-year visit rate, which has gone from 58 per cent to 65 per cent over a three-year period, and also the three-and-a-half year check has gone from 50 per cent to 58 per cent. Also earlier this year we implemented the Young Readers program, which was announced in last year’s budget, which involves each child who visits a maternal and child health nurse at two years of age receiving a book.

This is certainly, as the Premier and Treasurer have said, a baby boom budget. I wanted to show this next slide, which demonstrates the jump in births. It is an interesting slide. The rise is not due to climate change, as some people have been claiming. These are the ABS statistics. The ABS do a series of projections on population, and you can see that even the highest projection was way below where we are now. That growth has resulted in the highest number of babies born for 35 years — since 1971. In fact, we were not expected to get to the rate we are at now until about 2024, so there has been an extremely significant increase in babies born in Victoria.

Just for your interest, where the birth notifications have increased is also very diverse in terms of local government areas. This slide shows you the change in birth notifications over a five-year period. You can see that the darker purple areas are where the most significant growth has been. Just to give you some examples, not surprisingly, I guess, the areas are in the growth corridors like Melton and Wyndham. Melton had a 77 per cent increase in births over that five year period, and Wyndham a 57 per cent increase. Cardinia was 37 per cent. In terms of the largest number of births, that was Casey, which had 3784 births in the 06–07 period, which is an increase of 30 per cent.

The CHAIR — Inner Melbourne is pretty fertile, too.

Ms MORAND — Inner Melbourne is quite fertile too, Chair; that is right. I do not know about your neck of the woods.

The CHAIR — We have done the estimations in Boroondara; it is nearly 9 per 1000 in the area rather than the average of 6.7.

Ms MORAND — This budget really is about responding to the baby boom and also investing in new initiatives that reflect the importance we see in investing in early childhood development. In summary, there is \$54.9 million to expand maternal and child health services and support the number of new families; \$29 million to provide additional early childhood intervention service places and kindergarten inclusion support service (KISS) places, and I will talk more about that in a minute; \$15 million to promote home learning and extended playgroups to more vulnerable families; \$16 million to support the implementation of out-of-school-hours care and family day care under the Children's Services Act; and \$10 million to develop the early learning framework and introduce transition statements for primary schools.

On maternal and child health services, as I said there is \$54.9 million. This will allow the expansion of the services to accommodate the growing birthrate and also allow the services to continue to provide an enhanced service to around 7 per cent of families. These enhanced services are providing an additional 15 hours of support for vulnerable children and families. The \$29 million for early intervention services will provide 1000 additional places. There are 500 in next financial year and an additional 500 after that, resulting in an extra 1000 places in total. In addition \$3.3 million will provide an extra 150 additional kindergarten inclusion support packages, and \$1.8 million will be provided to upgrade the skills of the workforce so they are able to deliver the programs that are being funded. Then there is \$15 million which really recognises the importance of the home environment for learning and development for children, particularly for vulnerable children. This package is providing home-learning programs for up to 2000 disadvantaged children, and will support their parents in providing a positive home-learning environment. That will be through the Best Start and neighbourhood renewal sites.

We also want to promote literacy learning in the home, and also we are going to participate in a multi-state research study on early childhood education and care. In addition, we are going to extend the supported playgroups to an additional 13 government areas. We already have them in some of the Best Start sites, and we are going to expand that to 13 other local government areas. I am happy to provide the committee with those sites if it wishes.

The CHAIR — Okay. I am sure we would appreciate it, thank you. Doing it in writing would be fine.

Ms MORAND — In addition, Chair, there is \$16.5 million for a new focus on out-of-school-hours care and family day care, as they are coming under the Children's Services Act for the first time. This funding will allow for support of the implementation of these services under the regulations — support in terms of staff and support in terms of capital grants to allow the family day care and out-of-school-hours services to come into compliance. There really is a very large number of children in these forms of care. There are over 20 000 children in family day care in Victoria, and around 55 000 in out-of-school-hours care.

Finally, the partnerships with parents and the community. This includes the money we are providing for the development of an early learning framework, which will then be used for the development of transition statements between preschool and school. In recognising the importance of providing additional support for the most vulnerable in our community, we are funding \$5.2 million over the next four years to provide free kindergarten programs up to 5 hours a week for the most vulnerable children in our community — those children who are known to child protection. We estimate this will provide space for 2000 of these children in a three-year-old kindergarten program. That concludes my presentation.

The CHAIR — Thank you very much for that, Minister; we are most appreciative. We have about 55 minutes for questions on early childhood and children. I normally ask about subsidies and concessions and revenue. We did ask the department that the other day, but if you have anything to add in respect of this portfolio in terms of further consideration, could you do that in writing?

Ms MORAND — There is nothing really further to add, apart from the fact that there is a kindergarten fee subsidy of \$730.

The CHAIR — There is also a new three-year fee subsidy.

Ms MORAND — And the new fee subsidy for the children known to child protection, at \$5.3 million.

The CHAIR — Thank you, but just give us the details in writing. This graph that you put up about the extra number of babies fascinated me and Mr Dalla-Riva.

Mr DALLA-RIVA — You have not worked out how it occurs, is that why?

The CHAIR — I have had a bit of practise, I must admit.

Ms MORAND — Too much information, Chair.

The CHAIR — An additional 10 000 births a year — I have had trouble trying to persuade one of my local councils that there is actually an increase in the birthrate; it is finding it hard to understand this but I am sure we will convince it eventually. You are providing extra funding. On page 294 it says the healthier mothers and babies program. Can you tell us a bit more about this increased birthrate and how the extra funding will assist the growing number of young families, and even some of the older families too, because sometimes the mums are in their late 30s and into their 40s?

Ms MORAND — As I was saying, the increase was very unexpected in terms of the proportion of the increase. We did expect the population to grow, but not at the extent that it has. The actual percentage is a 15 per cent increase over that five-year period that I provided information on in that graph. In the last year it has been a 10 per cent increase. The reasons around it — we are doing some further research on it. We have asked Bob Birrell to do some more research to give us some more information, but at first glance it appears that women are waiting longer to have babies, so they are having babies in their mid-30s. It makes sense that it is 35 years since the last peak and the median age has gone from — I had that — —

The CHAIR — The median age for the first or just any?

Ms MORAND — The median age for the first baby.

The CHAIR — What is it now?

Ms MORAND — It has increased very substantially.

The CHAIR — Twenty-nine, or into the 30s now?

Ms MORAND — Thirty-one, I think it is.

The CHAIR — It was 29 before.

Ms MORAND — We can get that for you, Chair. In terms of where the growth is happening, as I said there is a very significant variation between local government areas, and very significant growth in our growth corridors, creating additional pressure on those services. We do have 725 maternal and child health centres across Victoria, providing a universal service — the 10 key age and stage visits. Really this funding is to ensure that that universal service is accessible to everybody. We also want to promote access to the maternal and child health service, because in the first 12 months there is a very high participation rate from families attending maternal and child health services, and then after that time the participation rate does tend to decrease, down to 58 per cent at the three-and-a-half-year mark. Part of this is also encouraging families to participate in the service, particularly the most vulnerable families, and also to make sure that we still have the funds available to deliver an enhanced service of an additional 15 hours a week. In addition this funding will provide for an increase in the price. There have been negotiations with the MAV that have been under way for a period of time now to increase the price. As you know, it is a service delivered with the councils, fifty-fifty.

The CHAIR — That is the price for the basic service? Sometimes councils argue that they actually provide additional services over and above the base service. Does the price relate to the base service, or are you taking into account additional services?

Ms MORAND — It is based on the number of babies born, so there is a unit price provided to council. That price is to allow them to deliver the 10 key age and stage visits. We do know that not all families actually participate in that but councils are funded up to that rate.

The CHAIR — The longer it goes, the more they drop off.

Ms MORAND — Yes. So we are confident that this boost in funding will allow for the provision of meeting the demand for the extra babies being born. The funding is over four years and we do estimate that the number of births will continue at the current rate, although the last projections were not very accurate so we will have to wait and see, but last calendar year there were 73 737 babies born.

The CHAIR — It is all these earth hours, do you think?

Ms MUNT — And the power failures!

Ms MORAND — It could be. I think it is a little bit early to know yet. It is a good question. It is particularly high in Victoria, but there is an increase around Australia in the birthrate.

Mr SCOTT — Just how would that be reflected in a per woman comparative to replacement rate sort of figure because that is often used. I think it was 1.7 and they talk about 2.1 being the replacement rate. What is the sort of figure that these increases represent there?

Ms MORAND — The fertility rate has gone up in the mid age range and it has actually gone down in other categories, in the lower 20s, so it is really just the movement of the fertility rate higher up the age scale.

Mr SCOTT — So there has not been an overall change in the fertility rate?

Ms MORAND — I am not sure. I can take that on notice.

Mr SCOTT — If we can get it on notice. I am just interested.

Ms MORAND — It is not women having more babies so much as more women having babies.

Mr SCOTT — I understand what you mean.

Ms MORAND — But that is exactly the sort of question we want to find out the answer to: if there are a lot more twos and threes rather than a lot more first babies, in addition to knowing that it is women having babies later.

Mr WELLS — There are no other supplementary questions before I go into it?

The CHAIR — No, you can ask some questions about the birthrate if you wish but otherwise go into some other things.

Mr WELLS — Minister, we have had previous ministers come in here and tell us about what a great job the government is doing in regards to cutting red tape, so I am interested to know about the \$49 million early childhood package and your press release titled 'Young families the big winners in early childhood boost'. You have announced \$49 million, but \$16.5 million of that is going to be spent implementing government regulation, and I am just wondering — and your slide also points to that fact — can you please explain this to the committee: the government seems to be keen to cut red tape but probably more than a third of your additional \$49 million is going to be spent implementing regulation as well as administering capital grants to support compliance.

The CHAIR — This is regulation for small business, is it?

Mr WELLS — No, we are just talking in general — you cannot have it both ways.

Ms MORAND — We believe the protection and safety of children is extremely important and we made a decision some time ago that out-of-school hours care and family day care should come under the Children's Services Act, so that no matter where your child is attending a childrens service, they are entitled to be protected by the same high levels and standards, and that families sending their children to services should expect the same levels and standards, and to do that you have to bring these services under regulation. As I was saying, family day care and out-of-school hours care represent a very significant proportion of children and Victoria is actually the last state, or one of the last states — there are many other states that already regulate this sector — to regulate, and more and more children are spending longer periods of time in out-of-school hours care and also in family day care and child care generally. So we believe it is very important to regulate this sector.

One of the things that is part of the legislation that was passed in the Assembly last week to regulate these two services is the reduction of the regulatory burden. There are a number of mechanisms, one of which is to increase the licence period, which is currently from three years, to five years. So that is one way that we are trying to address the impact of further regulation, but in a broad sense we do believe it is very important to regulate this sector and ensure that children are protected at the highest level.

Mr WELLS — How many people will be employed in this unit to administer the act and to support compliance?

Ms MUNT — Is that a supplementary question or a clarification?

The CHAIR — It is probably a supplementary, but yes, Minister.

Ms MORAND — There will be around 23 additional staff employed to implement the act, and they will be involved in things like licensing functions, investigating complaints, and providing education and support to the sector. It is obviously very important to support the sector, particularly in the transition period. The regulations will not come into effect until May 2009 and in the meantime those staff will be helping to prepare the services for the transition to the new regulations.

Ms MUNT — A lot of parents come into my electorate office, parents of children with disabilities and developmental delays, and I have noted in your presentation that you talk about early childhood intervention services, and particularly, I think, budget paper 3 on page 291 refers to additional early childhood intervention service places. I was wondering if you could expand on that program and explain exactly what that is going to be used for. I think that all the research that I have seen has pointed to the fact that if you do intervene early with these children, you get a much better long-term result, so could you expand on that and explain that to me?

Ms MORAND — Like you, as a local member you do come into contact with families who have children with developmental delay or disability, and everybody around this table would have met families who have children with a developmental delay or disability, and this budget initiative is about expanding existing services. It is about providing an additional 1000 places for early childhood intervention services, and that is to allow for the growth in demand both in terms of the population increase but also because we know that there is an increase in the prevalence of developmental delay. Only on Wednesday this week I was in Ballarat visiting a service in Wendouree West which had 20 children in the kindergarten including children on a fee subsidy. One of the children was provided with support through the early intervention and was provided with things like occupational therapy and speech therapy to assist in making that transition to school.

In addition to those 1000 places we also have \$3.3 million for an additional 150 kindergarten inclusion support service packages and that is where the children have particularly severe or gross developmental problems and it is providing them with things like equipment — perhaps specialised equipment in the kindergarten — or making modifications to the kindergarten itself, or providing additional support staff. We think that it is really important to expand that program.

In terms of delivering those services there are around 60 agencies across Victoria that provide early childhood intervention services. They are agencies like Scope, Noah's Ark and Yooralla. In order to deliver those services you need the service staff to do that so part of this package is also providing \$1.8 million to provide for upskilling of qualifications for the staff working in this highly specialised area. We will be doing some work over the next six months to develop the best way to support the workforce, and to try to identify where the most needs are in terms of the shortage of specialists to reduce the waiting list. There is a variation in the waiting lists across Victoria for these services and that is partly dependent on the demand and partly dependent on the professional staff that are available to deliver the service.

Mr RICH-PHILLIPS — Minister, my question actually follows on from Ms Munt's. In relation to the 150 KISS places you mentioned how do you determine the monitored unmet need for those places, and what proportion of existing unmet need will be addressed by those 150 places?

Ms MORAND — We have around 600 places at the moment for kindergarten inclusion support. This is quite a significant increase — in the number of places. It is by a referral process from the service provider, identifying the children who are able to participate in a mainstream program.

Mr RICH-PHILLIPS — You said before there were 68 service providers?

Ms MORAND — About 60, but those places can be at any kindergarten. It actually is providing a kindergarten place in a mainstream service.

The CHAIR — But referred by one of these organisations?

Ms MORAND — Yes, supported by one of those organisations that will provide their specialised supported, whether it is advice to the kindergarten teacher on inclusion, it might be equipment, or it might be actually modifying something in the kindergarten to accommodate some aspect of the disability that the child has.

Mr RICH-PHILLIPS — This will increase to a total of 750 places?

Ms MORAND — That will be the number of places, but sometimes it means more than that in terms of the number of children supported. I do not know if you want to add to that? It is the number of children as well as places, so a place might be used by more than one child.

Mr RICH-PHILLIPS — Do you know what the existing unmet demand for places is?

Mr WHITE — It is difficult to estimate that because it is dependent on definitions of disability and so on, so the work that we are doing at the moment is to build databases and assessment procedures. That is one of the things that is a benefit of the new machinery of government changes in the new department. We are working with our colleagues in the program for students with disabilities to harmonise all of that and to have better data collections into the future in relation to demand. In terms of the numbers that you were talking about — the KISS packages — dealing with 647 packages leading to response for 800 children, but many of the children also receive support through the pre-school field officers which deliver services for another 5500 children.

Mr RICH-PHILLIPS — Can I clarify those numbers, Minister? There are 600 packages now. You referred to 647 then. Is that the same figure, and will that increase by 150 following the budget announcement?

Mr WHITE — I will have to check those.

Ms MORAND — There were around 600 delivered and this 150 will grow over the next four years. It will not be 150 extra in the first year.

Mr RICH-PHILLIPS — Right.

Ms MORAND — It is a growth over the next four years.

Mr RICH-PHILLIPS — To around 750 in four years time?

Ms MORAND — Around that. Just some further information: we are going to be working in the regions to try to identify the priority areas where there is the greatest unmet demand to ensure that we are putting the services where they are needed most. Regional intake staff will provide earlier support such as some information and support for the parents.

Mr RICH-PHILLIPS — At the moment there is no departmental estimate of unmet demand?

Ms MORAND nodded.

Mr RICH-PHILLIPS — Thank you.

The CHAIR — It just depends on when they are assessed and at what age.

Mr SCOTT — Minister, I refer you to budget paper 3, pages 302 and 303. in reference to the heading 'Engaging vulnerable families through the promotion of home learning and supported playgroups', and I noted in your presentation the involvement in neighbourhood renewal projects. As I have one in my electorate it is music to my ears. How will these funds be targeted to vulnerable families, and what is the supported playgroups funding for?

Ms MORAND — I am just finding where the expansions are. There are 13 local government areas that will be now included — Brimbank, Cardinia, Central Goldfields, Darebin, Greater Dandenong, Melton, Mildura, Moorabool, Mornington Peninsula, Nillumbik, Wyndham, Bass Coast and South Gippsland — and that will mean that supported playgroups are actually available in all Best Start partnership areas, including the six Aboriginal Best Start areas. You would be very familiar with some of the successes that have been provided through these programs. Again, the example of Ballarat local kindergarten is that their Best Start coordinator in Ballarat was able to coordinate a whole lot of services and provide additional support for the children attending that kindergarten.

Supported playgroups — you are probably familiar with it — provide a fantastic opportunity at a really critical stage in a child's development up to the age of three. It fosters their language development, it develops motor skills and it exposes them to new sensory experiences. It is also really valuable to allow the families to establish a network; it might be a network with new families. Some of the examples of the playgroups that have already been established include CALD-specific groups, such as Sudanese, Chinese and Vietnamese, and there have been established Aboriginal playgroups, children with additional support needs playgroups, playgroups for parents who had multiple births, singles, young mothers, grandparents even, and also for families living in remote communities. So there is a range of different supported playgroups that have been developed, and it will be the Best Start areas and the coordinators that will develop the best model for that.

Also with the early learning, the initial stage of the program is just to identify how that will best be rolled out in terms of the sorts of information that would be helpful to parents to assist them in the learning and development environment that they are providing at home — the sorts of materials and information that we might provide; also information around supporting parents literacy development as well.

Mr BARBER — Minister, just in relation to the program for students with disabilities, has that budget been increased this year? Has the cap of 3.5 per cent of students been increased? How many complaints have been lodged with the state and federal antidiscrimination bodies? How many confidential settlements have been made? And just on a related issue, does acquired brain injury and autism spectrum disorder qualify a student for assistance automatically, or does there have to be some other behaviour-type problem before they will receive assistance under PSD?

Ms MORAND — Did you say 'autism spectrum disorder'?

Mr BARBER — Yes, and acquired brain injury as well.

The CHAIR — That is a pretty wide spectrum. Okay, insofar as it relates to the estimates — the other one in terms of this year's program is taken on notice.

Ms MORAND — In broad answer to your question, yes, there has been an increase in funding for the program for students with disabilities. It had been announced actually last year, the increase in funding, but you will see it in the budget papers for the first time because it was announced after last year's budget.

Mr BARBER — In relation to this coming year?

Ms MORAND — But broadly, yes, there is an increase; it is an additional \$336 million over four years. That will mean that the expenditure on this program has increased by 86 per cent since this government came in in 1999, and it will mean that more than 17 800 students will be supported through the program. Of those students nearly 8000 of them are supported in the government's 79 different specialist schools, and around 9900 students are supported to attend mainstream primary and secondary schools. This represents around 3.3 per cent of the government school population, and that pretty much reflects the jurisdictions across Australia and internationally in terms of the rate of disability that — —

Mr BARBER — Sorry, what is the number?

Ms MORAND — It is 3.3 per cent. There is a growing proportion of the students in the program that do have autism — a very significant growth. And, again, that is not just in Victoria; that is reflected across Australia and internationally. There is significant growth in the number of children being diagnosed with autism spectrum disorder. It is not known why. It is not known whether that is because of better identification and better diagnosis of the condition, or whether in fact it actually represents an increase in that disability in the community. You will probably find there is a range of different views from the experts on that, but nonetheless in the Victorian program

it does represent a growing proportion of the students who are supported. In Victoria the data we have got here from 2002 for your interest is that it affects around 27 per 10 000 children aged 0 to 6, but that is 2002, and we do know that it has increased significantly over that time.

In terms of the diagnosis, the support for students with a disability is based upon an assessment, and that is based on the education needs questionnaire, which is done by the students support group. The eligibility criteria for that has been developed from internationally recognised World Health Organisation definitions of disabilities. So that is the method that we use in Victoria to identify the students who are put onto the program. The criteria are designed to identify students with severe or profound disabilities, and the questionnaire determines the additional resources that are needed to assist students to meet the eligibility criteria for the program. I cannot tell you the number of complaints received. Do you mean in terms of eligibility for the program?

Mr BARBER — No, complaints to the state or federal antidiscrimination bodies in relation to assistance in this program.

The CHAIR — Take that on notice. It will be in the Hansard transcript.

Mr BARBER — I am happy to receive that on notice, and likewise with the confidential settlements per se.

The CHAIR — Okay, all right.

Mr NOONAN — Minister, early childhood initiatives are now part of the reform agenda at the COAG level. So in terms of this Victorian budget my interest is how the initiatives in this Victorian budget complement those being pursued at the COAG level.

Ms MORAND — Going backwards in time a little bit, in COAG in April last year former Premier Steve Bracks took a paper on the national reform agenda on looking forward for 10 years and recognising the importance of early childhood development. There has been a recognition, not just in Victoria but across Australia and internationally, of the importance of investing in the first early years of life.

When the new Premier, John Brumby came in, one of the first announcements he made, as you know, was about the establishment of the new Department of Education and Early Childhood Development. We are very happy that the federal election has resulted in a government that also sees it as a very high priority. The COAG productivity working group is chaired by the Deputy Prime Minister and our secretary, who is here today, Peter Dawkins, serves as the deputy chair. They are really focused on reforms in the early childhood sector.

Specifically in relation to the budget, one of the things that Victoria has been asked to do by the commonwealth is to develop an early learning framework. What that framework will do is provide clear and commonly agreed developmental milestones. It will include consistent, practical and evidence-based approaches to support a child's social, emotional and cognitive development. We are really pleased to have been provided with the opportunity to be a leader in this field, and work has already begun on the development of that framework. That framework is for 0 to eight. We define early childhood as being from 0 to eight, so it is not about developing a learning framework that is just going to be used in preschool and kindergarten or for four-year-olds in the year before they go to school. It is going to be an understanding of commonly agreed milestones from birth through to eight.

We have \$10 million in the budget to support that framework, but the second part of it is once you have the early development framework, that provides you with the tool to then develop a transition statement. That will be provided to students moving from preschool age into school. Again, we think this is a great initiative because it is going to provide parents and teachers with a uniform, consistent and agreed framework for a child's development. At the moment many kindergartens do a great job at providing a transition statement for the schools, and many of them have terrific programs where the students — and you probably know this already — visit the school in the last term before starting school. There are also all sorts of great programs where the teachers are swapped and so forth, but this is a step further in that it provides funding for the development of this framework. It then provides funding for the implementation across Victoria so that every child has a transition statement and that it is a commonly agreed framework so that a teacher in prep class will not get five different transition statements all measuring different things. There will be one commonly agreed statement. This very much complements what the commonwealth is doing.

In addition the commonwealth is looking at introducing A to E quality assurance for child care. At the moment we are in the process of reviewing the regulations for children's services. There is a huge diversity of children's services in Victoria. We have got 220 000 children in children's services across Victoria. We are very determined to ensure that our regulations which are developed over this year and are due to be implemented in May next year complement how the commonwealth sees quality delivered. The sorts of measures we are talking about are the quality of the staff providing the care, the qualifications they have and also the ratios of the staff. We are talking with the commonwealth. I have met with Maxine McKew and discussed a whole range of issues where there is an overlap. Maxine McKew assists the Prime Minister as the Parliamentary Secretary for Early Childhood Education and Child Care. I have also met with Julia Gillard and had discussions around moving forward on these commonly agreed goals. It is going to be fantastic.

Mr NOONAN — Just to clarify: when will the transition statements you are talking about online. They have got to be developed and all that. What are the projections on that?

Ms MORAND — They are due to be used in the first term of 2010.

Mr DALLA-RIVA — I refer you to page 23 of the service delivery budget paper 3 — it was one of your overheads — about committing an additional \$55 million over four years to fund the additional demand for maternal and child health services as a result of the increased birthrates you indicated earlier. I then refer you to the outputs and deliverables on page 80 of that same budget paper and I note in terms of quality and timeliness that the actuals in 06–07 were 8 per cent in terms of enhanced maternal and child health services and in timeliness they were 98.7 per cent. Yet when we move forward into the expected outcome for this financial year and into the forward estimates for 08–09, the percentage of achievement is actually lower than it was in the last financial year. I am curious as to why, with your commitment to \$55 million extra, you would have an outcome target into the forward estimates lower than what it was in the last financial year. Is it because of some other factors? Is it because, for example, of the ageing maternal and child health nurse workforce; and if so, how do you expect to overcome some of those issues as well?

Ms MORAND — That is correct, the target for the enhanced program is set at 7 per cent. Ideally we would like to see that a little bit higher, but 7% is what we have the funding to provide for. You are right, the maternal and child health work force is an ageing workforce, and the additional 10 000 births through Victoria has put pressure on that workforce. We will be doing some work looking at that workforce moving forward and how we can support that workforce in terms of the numbers that are available.

Mr DALLA-RIVA — Where then is the \$55 million going? We have had other ministers provide evidence where they have stepped up their benchmark when there has been an additional amount of funds provided. They have actually put the benchmarks higher and the targets. Do you think maybe moving forward into the future you might be expecting a higher percentage of quality and timeliness. Is that because of the other issues about the ageing workforce and the birthrate?

Ms MORAND — It is really more due to the birthrate. There has been such a significant increase in birthrates that the \$54.9 million is really going to meet this massive increase in demand. We still think a target of 98 per cent timeliness is an adequate target to have and to continue to make sure that 7 per cent of children get the enhanced program. We would not want to see those targets reduce as a result of the increased number of babies.

Mr DALLA-RIVA — Just as a follow-on — and this is where my ignorance comes into it — the 2 per cent that are not to be enrolled, how do you pick them up; what is the mechanism that you have in your forward estimates? How do you establish that 2 per cent, or are they just lost in the cracks, so to speak?

Ms MORAND — I would ask the deputy secretary to answer that.

Mr WHITE — The process is that by law birth notifications go to local government authorities, and they are followed up with visits from maternal and child health nurses. That process is 98 per cent effective, is what this is saying, and that there are children who are missed through that process. So in any one year we get 98 per cent and we miss 2 per cent. Whether those 2 per cent are picked up throughout the program over the next two or three years is something that we are looking at through tracking. At the moment we are looking at developing a maternal and child health tracking system so that all maternal and child health services will use the same tracking system. Again, that is one of the opportunities we have in the current environment, to build such a system. But overall a

98 per cent success rate in that arena is something that we are pleased to be able to achieve, and we are looking for that other 2 per cent.

Mr DALLA-RIVA — I appreciate that, but it is still 200 babies, so to speak. Two per cent does not sound much, but when you put it into a number it is a lot of children that miss those opportunities.

Mr WHITE — Absolutely, and we certainly take that seriously, but without an individual tracking system, which is what we are looking at, it is impossible to know whether in fact we might miss those 2 per cent in that first year or in that first visit and then pick them up in the second visit or the third visit or the fourth visit, because it is a 10-visit process.

Mr DALLA-RIVA — Is part of that funding for that, that tracking system; is that where part of that will go?

Mr WHITE — No, that is not in this year's budget.

Ms MORAND — When talking about the 7 per cent, remembering although that is the same target, it is actually a lot more children. Even though it is 7 per cent, it is still actually a lot more children.

Mr DALLA-RIVA — Yes, I understand.

The CHAIR — Minister, I notice on page 302 of budget paper 3 there is a line regarding 'Refurbishing and rebuilding early childhood services' obviously in line with having kindergartens and schools co-located. I wonder if you could tell us a bit more about that, and is it available to any kindergartens, including Catholic schools?

Ms MORAND — It is a modest amount, Chair.

The CHAIR — I understand that, but it is a good initiative.

Ms MORAND — The budget is \$2.6 million. Part of it will specifically be used in the Broadmeadows regeneration project, and there are around 60 kindergartens that are located with schools, and we will be doing an audit over the next year to look at the condition of those kindergartens. But it still is our desire to co-locate services as much as possible on school sites. In last year's budget we committed \$20 million for another 40 children's centres, we are about to announce 10 for this year and there will be another 30 over the next three years — an average of \$500 000 grants to support the integration of all early childhood services, as much as possible, together and where possible to co-locate those services adjacent to or near a school.

Also the commonwealth government have committed funds for 260 child-care centres. Sixty five of those will come to Victoria, and we are working with the commonwealth on where they might be located. But part of their commitment is to locate the child-care centres on education or near education facilities, and they have expanded it to include things like TAFEs and so on.

The CHAIR — Are they child-care centres in terms of — you talked about 'integrated'. What does integrated mean — maternal and child health, child care, kindergarten, maybe even other health services?

Ms MORAND — The Victorian model is for child care and kindergarten in addition to other services. It has to have child care and kindergarten, and it could have maternal and child health services, early childhood intervention services; it might have occasional care, playgroups, it could have health services, family services —

The CHAIR — Toy libraries and that sort of thing.

Ms MORAND — Really the model is developed by the community and by the council. The money from the commonwealth government is specifically for child care, but we have been talking to the commonwealth about bringing those funds together so that we can maximise the opportunity of integrating services. We are hoping to make some progress on that in the near future.

Mr WELLS — Minister, I refer you to budget paper 3, page 80, with regard to prep-age students being assessed by school nurses. In this year's paper the actual outcome measure for 06–07 shows 52 667, which is way below the 57 000 and even the expected outcome of 56 500 outlined in a 07–08. Can you explain to the committee

why this output has fallen below the desired targets and what plans you have to ensure that we achieve at least the targets in future years?

Ms MORAND — Yes, I can see what you are saying. Unfortunately that target was not met, and it was partly due to unanticipated staff vacancies and increased student numbers in the growth corridors. On the questionnaire itself we have actually done an audit of and an analysis of its effectiveness and found that it is a very valid instrument to elicit parent concerns. For the first year this year we have conducted that questionnaire in the first term of the year rather than throughout the year, hoping to identify children earlier, and identify those who have the greatest needs and implement some support strategies. Our target now is back up to 57 000.

The CHAIR — And 90 per cent, which is the one further down.

Ms MORAND — Yes.

Mr WELLS — Minister, in regard to vacancies, have they now been filled to be able to implement the full program?

Ms MORAND — I am not able to answer that specifically.

Mr WELLS — Can we take that on notice?

Ms MORAND — Sure.

The CHAIR — Logically something has happened because at this stage in May she is saying 90 per cent.

Ms MUNT — Can I refer to maternal and child health funding? I think there has been an increase in that particular funding. Will any of that funding go to the Young Readers program?

Ms MORAND — Thanks for the question. It is a great program, isn't it?

Ms MUNT — Yes.

Ms MORAND — I am hoping to come down and visit you to look at some of your maternal and child health centres.

Ms MUNT — You are welcome any time, Minister, to come and read a book.

Ms MORAND — That initiative was actually in last year's budget. It was \$2 million over four years. The funding will continue over the next three years, and it has just started to be rolled out now. In addition from late July we are also going to be providing a free rhyme time booklet and also a DVD and information on local libraries for families at the four-month maternal and child health visit. This is really important because it is never too early to introduce a child to books and to learning, hopefully developing a lifelong love of reading books. It is also a very valuable way for bonding to occur between parents and their children. It lets them have some quiet time where they sit and read a book together. We think it is a great program to be delivered through maternal and child health services because you can access families as they come in. It might also be an opportunity to identify parents themselves who may have literacy problems or English as their second language and to provide some referrals or support through that mechanism. We are really pleased with the way it has been rolled out. We have had some terrific feedback. The books are all specific for the age group that we are providing the books for, and they are all Australian authors.

Ms MUNT — Fantastic; I look forward to your visit.

The CHAIR — Go down there in July and hand out DVDs.

Mr RICH-PHILLIPS — Minister, can I take you to page 81 of budget paper 3, and to the early childhood intervention services output. The targets shown there for the number of places and packages funded shows an increase this year of 500 places from 9325 to 9825, which would seem to be half of your planned increase, but the outlook funding is only increasing by \$5.3 million. So it is about a fifth of the funding is going in this year, but you are expecting half the number of places to be delivered this year. I was wondering if you can reconcile that?

Ms MORAND — That is right; the first 500 are going to be provided in this next financial year and then grow to another 500 to result in an additional 1000 places.

Mr RICH-PHILLIPS — But you seem to be doing it with only the first 500 coming at a cost of \$5 million, which suggests the other 500 will be \$24 million.

Mr WHITE — The scope of that output is very broad and includes a number of other components. The budget initiative is designed to produce half this year and half the following year.

Mr RICH-PHILLIPS — So half of that \$29 million would be in this appropriation?

Mr WHITE — I will have to check that figure.

Mr RICH-PHILLIPS — You suggest that something else has come out of that appropriation?

Mr DALLA-RIVA — Somebody has got it. I can just feel it in the air.

Ms MORAND — Here comes an answer.

Mr DALLA-RIVA — I should have been a psychic. I just saw no future in it!

Mr WHITE — The \$29 million is a four-year figure, for a start.

Mr RICH-PHILLIPS — Right. You are delivering half the places in one year.

Mr WHITE — That is correct.

Mr RICH-PHILLIPS — But the funding is going to be over four years.

Mr WHITE — The cost of the program overall over the four years is \$29 million. That is a sum of the total cost of the program each year. The cost of the program each year when fully implemented is 8.6 million. We will be delivering 4 million of that in this current financial year coming up, which will be 50 per cent of the places. So in the second year of the program we are looking at 7.7, and in the third and fourth year we are looking at 8 and 8.6.

Mr RICH-PHILLIPS — That is 8.6 million to deliver the 1000 places on an ongoing basis?

Mr WHITE — That is right.

Mr RICH-PHILLIPS — Thank you.

The CHAIR — That completes the questions on children and early childhood development. We now move to women's affairs. I thank the officers for their assistance.

Witnesses withdrew.