

TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Budget Estimates 2018–19

Melbourne — 16 May 2018

Members

Mr Danny Pearson — Chair

Ms Sue Pennicuik

Mr David Morris — Deputy Chair

Ms Harriet Shing

Mr Steve Dimopoulos

Mr Tim Smith

Mr Danny O'Brien

Ms Vicki Ward

Ms Fiona Patten

Witnesses

Mr James Merlino, Minister for Education,

Ms Gill Callister, Secretary,

Ms Katy Haire, Deputy Secretary, Early Childhood and School Education Group,

Ms Jenny Atta, Deputy Secretary, Infrastructure and Finance Services Group,

Ms Sharyn Donald, Assistant Deputy Secretary, Early Childhood and School Education Group,

Mr Chris Keating, Chief Executive Officer, Victorian School Building Authority, and

Dr David Howes, Chief Executive Officer, Victorian Curriculum and Assessment Authority, Department of Education and Training.

The CHAIR — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2018–19 budget estimates. All mobile telephones should now be turned to silent. I would like to welcome the Minister for Education, the Honourable James Merlino, MP; Ms Gill Callister, Secretary of the Department of Education and Training; Ms Katy Haire, Deputy Secretary, Early Childhood and School Education Group; Ms Jenny Atta, Deputy Secretary, Infrastructure and Finance Services Group; and Mr Chris Keating, Chief Executive Officer, Victorian School Building Authority. In the gallery are Dr David Howes, Chief Executive Officer, Victorian Curriculum and Assessment Authority, and Ms Sharyn Donald, Assistant Deputy Secretary, Schools Portfolio, Early Childhood and School Education Group. Any witness who is called from the gallery during this hearing must clearly state their name, position and relevant department for the record.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the hearing, including on social media, are not afforded such privilege. The committee does not require witnesses to be sworn, but questions must be answered fully, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded by Hansard. You will be provided with proof versions of the transcript for verification as soon as available. Verified transcripts, any PowerPoint presentations and handouts will be placed on the committee's website as soon as possible.

Witness advisers may approach the table during the hearing to provide information to the witnesses if requested, by leave of myself. However, written communication to witnesses can only be provided via officers of the PAEC secretariat. Members of the public gallery cannot participate in the committee's proceedings in any way. Members of the media must remain focused only on the person speaking. Any filming and recording must cease immediately at the completion of the hearing.

I invite the witness to make a very brief opening statement of no more than 10 minutes, and this will be followed by questions from the committee.

Visual presentation.

Mr MERLINO — Thank you very much, Chair, and thank you to the committee for the opportunity to present and answer questions at PAEC today. This is an outstanding education budget, so I am just delighted to be here and go through some of the highlights in the presentation and then answer questions.

This government is fulfilling its promise to make Victoria the Education State. Our past budgets have laid the foundations for the Education State, and in the past year we have consolidated our reforms. This budget continues that commitment with an investment of \$2.8 billion where it counts so every Victorian can reach their potential. Our \$2.8 billion, as you can see on the screen there, in this budget brings our investment in education over our term in government to more than \$8.5 billion. To put that in contrast to the previous government, over the same period \$3.8 billion, less than half, and at the same time the previous government made \$1 billion of cuts.

I want to also highlight student performance. Victoria is a top-performing state in national and international assessments. As you can see on the screen there, chart 1, the 2017 NAPLAN results show Victoria continues to be one of the highest jurisdictions nationally and Victoria's NAPLAN reading and numeracy performance is strong. In primary schools in 2017 Victoria was the top Australian jurisdiction on six out of the 10 NAPLAN domains. Chart 2, the one in the middle, shows that in 2017 Victoria lifted the proportion of students in the top two bands of achievement in NAPLAN reading in years 3, 5 and 7 and NAPLAN numeracy in years 3, 5 and 9. Chart 3 shows an upward shift in performance as well. The proportion of Victorian students in the top three bands increased in all year levels of NAPLAN reading and numeracy between 2016 and 17.

So it is rare to see this level of consistency across four year levels in each of two domains in reading and numeracy. This is a sign of a system lifting. Bear in mind there are 1500 government schools. It takes a lot of effort to have that statistical lift in performance, and we are two years into a 10-year reform program, but these results show we are headed in the right direction.

In terms of the next slide, I want to talk about growth as well. We know that our state is growing faster than any other and we need to invest now to meet the demand of the future. An estimated 90 000 additional students will be attending Victorian schools by 2022, so that is around 56 to 60 000 additional students who will attend government schools. So this budget is investing a further 1.25 billion in Victoria's education infrastructure to make sure every student has access to a great school. It is the biggest investment in more than 100 years into new schools, buildings and classrooms. Our investment in schools in this budget alone is equal to the investment of the previous government over their whole term in government.

In this budget we are providing 353 million to plan and build 28 new schools, and these new schools will accommodate more than 15 000 students. Throughout Victoria we now have a total of 70 new school projects complete or underway, and when complete, these projects, as well as all our upgrade projects, will provide 50 000 additional places for Victorian students. So you go back to that demand, we anticipate 56 to 60 000, so 50 000 new buildings plus relocatables. We are now getting ahead of that demand pressure. Combined with our investment with relocatables, that will be able to provide 93 000.

I want to show you two slides in terms of enrolment numbers in both non-government and government schools. This slide shows the steady growth in enrolments at non-government schools. Particularly from around 1994 you can see that steady lift. Since that time we have seen on average around 4000 new students enter the non-government school system each year. We are predicting growth in non-government school enrolments across Victoria to increase between 5000 and 6500 students each year over the next five.

If you go to the next slide, which is quite extraordinary, this slide shows the relative consistent number of students at government schools from around the mid-1980s through to about 2010. During this time the number of students at government schools was between 520 and 550 000. From 2011 onwards we have seen a massive growth, with an average of around 10 000 new students in the government system each and every year. You will notice that escalation in population growth was occurring under the former government. I remind the committee that in their very last budget not one parcel of land was funded to budget for future schools, yet the enrolment pressure was there for all to see, and that was understood very early. Over the next five years we are expecting this growth to continue, and that is why we are planning, building and upgrading government schools across Melbourne and Victoria. We also recognise the need for continued investment in future budgets to meet demand for government schools out to 2021 and beyond.

The Andrews Labor government has invested 1.25 billion in Victoria's school infrastructure in this year's budget, and over our four budgets we have now invested \$3.8 billion in school infrastructure. Labor's investment in school infrastructure in this budget is the same as in the previous government's four budgets combined, so again, that puts it in some perspective. The former government's total investment in school infrastructure was 1.2 billion, or around 300 million a year, so we have tripled investment in school infrastructure.

As part of our 1.25 billion school infrastructure investment in this budget, as I have mentioned, 353 million to plan and build 28 new schools; \$482 million to expand, upgrade and modernise 134 existing schools; and 271 million to buy land for new schools to keep up with that demand. The investment is supporting more than 5000 construction jobs for Victorians. I am pleased we are delivering a further \$45 million to remove asbestos from schools, \$10 million for our school pride and investment fund and a further \$10 million for our Inclusive Schools Fund.

In terms of some other output initiatives, we are preparing young Victorians for the future world of work so they are equipped with not only the skills but also the attributes — collaboration and critical thinking, for example — that employers tell us that they need. So we are linking our schools, TAFEs and universities to create a seamless education system that comes together with industry. That is how we get the students with the skills and the knowledge to match the jobs of the future. Science, technology, engineering and maths, or STEM, subjects are one of our priorities in our vision for Victoria as the Education State. That is why we are investing 32.9 million in the training of 200 additional primary maths and science specialists.

The budget also provides 109 million over four years to redesign careers education in schools to help students make better decisions about their future, to help meet the demand of business and industry and to make sure students can get the jobs they need for the skills they want. We are investing just under \$50 million for the Head Start apprenticeships and traineeships pilot program. This is incredibly exciting — 1700 students, 100 secondary schools and the ability for students to finish school fully qualified with an apprenticeship or a

traineeship, so VCE or VCAL in one hand and a trade certificate in the other. We are investing 25.9 million in improving student access to high-quality vocational education and training in schools courses. These initiatives connect schools with industry and our students with TAFE, where they gain skills, a trade and great job opportunities, and they go into the announcements that we made in terms of the TAFE sector — the 30 000 additional places and the 30 free priority courses.

In terms of some other initiatives, the budget will increase the participation and achievement of students with disabilities in government schools, with 233 million across a suite of initiatives. Thousands of children who need extra help will benefit from funding to special schools. There is \$31.6 million for an extension of the out-of-school-hours care pilot at five schools across the state for the 2019 school year and a further 100 scholarships to undertake VIT-endorsed postgraduate courses in special education. I mentioned the inclusive schools. We are providing 93.2 million in extra funding to ensure that all students with high needs are supported in the 2019 school year, and there is 10 million to ensure the language and learning disability support program and transition support continues.

In terms of health and wellbeing, this budget provides 65.5 million to fund student health and wellbeing initiatives in schools. Every prep student — so that means an additional 12 000 kids — will receive a health check, and up to 3000 more children will have access to speech pathologists. The package will also fund additional occupational therapists and physical therapists and provide extra mental health support for secondary schools. More health professionals in schools will mean the children who need the extra help will get it and will not be left behind.

Ensuring a quality education for everyone, no matter their background or circumstance, is the key to making Victoria the Education State. We recognise that literacy and numeracy are the foundations for engagement in education and a lifelong love of learning. This budget includes 22.1 million for professional development workshops and teaching tools for teachers and school leaders. These are designed to improve literacy and numeracy teaching practice. We will also provide book bags, books included, to prep students for them to keep and read at home. There is a further 39.2 million to increase the number of students supported by the English as an additional language program, and we are helping make it easier for eligible students with a disability to get to and from school. In particular we are meeting growing demand and replacing buses within the students with a disability transport program with 22.5 million.

We are supporting staff and students by providing 8.9 million to create safer learning environments in our schools through the protective schools package. This includes a new operations centre and the deployment of regional response teams into schools when incidents occur. We will establish a 12-month task force to provide expert advice on the implementation of that whole package.

One more, Chair. We are continuing to support young people at risk of dropping out of school. We are providing \$44 million to continue to expand the very successful Navigator program statewide. Navigator works with young people, their families and support networks to address issues underlying disengagement and help them re-engage with their education. The current pilot has proved very successful, with a return of 691 young people to school since its commencement. The expanded Navigator program is expected to work with 2600 of our most vulnerable young people.

The Victorian government's 2018–19 budget continues to invest in the future economic and social prosperity of the state through education. We are investing to ensure access to a lifetime of quality learning. We are building a world-class education system. In fact it is the biggest school building program — you have to go back to the post-gold rush Bastow construction to have an equivalent in terms of the building program that we have been delivering over the last four years. I am happy to leave it there, Chair, and answer any questions, but thank you for the opportunity.

The CHAIR — Thank you for a comprehensive presentation. We will have government questions now, and I might lead off, if I may. Minister, I know prior to the 2014 state election the then opposition indicated a commitment to Safe Schools and creating a safe learning environment for children. The budget paper reference is budget paper 3, page 49. There is a \$65.5 million investment in student health and wellbeing to prevent bullying in schools. Can you talk a little bit about that commitment and what you hope to achieve from that?

Mr MERLINO — Yes. Thank you, Chair. The 2018–19 Victorian budget, as you say, includes \$65.5 million in investment in student health and wellbeing initiatives, including funding of 2.5 million over

four years to combat all forms of bullying and 8.2 million over four years to extend mental health support in our schools. This builds upon the 9.5 million investment in the Victorian anti-bullying and mental health initiative launched in February of this year. It brings together all of our existing programs, so the ones that you are familiar with — Bully Stoppers, eSmart Schools, Respectful Relationships, our Safe Schools program, our partnership with the Alannah and Madeline Foundation — with new initiatives to combat racism and to provide more mental health support services to schools.

The Victorian anti-bullying and mental health initiative provides parents and school communities with a single portal on the department's website to access all information, advice and support on combatting bullying. It brings together and supplements existing strategies and programs to support schools to prevent and respond to all forms of bullying and unacceptable behaviour. It includes a new focus on preventing and responding to racist bullying and supports intercultural capabilities and skills for students. It will pilot a suicide prevention support initiative that provides capacity building by Headspace — many of you would be aware of the Headspace program — to school staff so they have the skills and resources to support students at risk of suicide. It provides secondary students with better access to mental health services and support through a partnership with Headspace, and this includes additional counselling and capacity building for school staff. It increases schools' access to the eSmart Schools program to improve cyber safety and deal with cyberbullying, and it ensures that schools have evidence-based practical advice and resources to empower principals, students, teachers and parents to prevent and respond to bullying.

So it is a really fantastic initiative with significant resources but bringing them all together and filling those gaps, particularly in terms of racism and the need to do more in mental health.

The CHAIR — And is there much evidence that the department has collected that relates to the impact that this bullying has upon a child's ability to learn, be it as a result of being LGBTIQ or from a CALD background?

Mr MERLINO — Yes. Bullying is a very serious issue for everyone in the school community and can have devastating consequences. It can directly impact learning outcomes as well as the broader wellbeing of the young person. If you are bullied, if you do not feel safe at school, you are not learning — that is the bottom line. Bullying is not acceptable, and we do not tolerate bullying in any form in Victorian schools. Students cannot learn effectively if they are bullied, harassed, stressed or do not feel safe.

Students who are bullied are more likely to feel disconnected from school; not like school; have lower academic outcomes, including lower attendance and completion rates; lack quality friendships at school; be less well accepted by peers; avoid conflict; be socially withdrawn — we all know this; we have all been at school and we have either suffered from bullying or known kids who have suffered from bullying; this is the reality of life — have low self-esteem; suffer from depression, anxiety, feelings of loneliness and isolation; feel wary or suspicious of others; have an increased risk of substance abuse; and in extreme cases, have a higher risk of suicide. However, the reasons why a person may be at risk of suicide are extremely complicated.

LGBTI young people experience high rates of bullying, and the majority of this bullying occurs at school. This abuse is known to harm their engagement with education and can lead to low attendance, poor education outcomes and self-harm. An Australian Institute of Family Studies longitudinal study released in 2017 involved following over 3000 young Australian people aged 14 to 15 years old, and it found that after controlling for all variables — individual, family, school and social relationships — there were only three factors that increased the risk of suicide attempts in young people: having self-harmed before, being involved in crime or being same-sex attracted. And that again puts it in some perspective.

A 2010 Australian study reported that young people's experience of homophobia had negatively affected their schooling, finding that 29 per cent had reported that they could not concentrate in school, 20 per cent missed classes, 21 per cent missed days at school, 20 per cent found marks dropped, 18 per cent hid at recess and at lunch, 16 per cent did not use change rooms, 13 per cent dropped out of sport, 9 per cent did not use the toilets, 10 per cent moved school and 8 per cent dropped out altogether.

Another Australian study conducted in 2014 asked young people what ways homophobia and transphobia impacted on schooling and found that 32.6 per cent could not concentrate in class, again almost 20 per cent missed classes and 14 per cent could not use the change rooms. The stats just go on and on. A 2017 study of 859 transgender young people in Australia found that 78.9 per cent had experienced issues with school, university or TAFE, and this had led to higher rates of wanting to hurt themselves, self-harming, reckless

behaviour, suicidal thoughts, suicide attempts, diagnoses of depression and anxiety than those who did not. Again all of those studies show the impact of bullying and the impact of bullying particularly on LGBTI young people.

The CHAIR — I am conscious of time. The budget paper reference is budget paper 3, page 49, and it relates to funding that helps, I think, to address the program for students with disabilities. There was a review into that back in 2015. Just in relation to that review and the implementation of the 25 recommendations, can you just outline to the committee what this funding does in terms of acquitting the recommendations from that committee?

Mr MERLINO — In terms of the PSD review?

The CHAIR — Yes.

Mr MERLINO — Yes, sure. Just bear with me and I will get to that.

The CHAIR — We have got 1 minute, but we can come back to that after the next bank of questions if need be.

Mr MERLINO — Yes, if I have only got 1 minute, I am happy to go to the next question and come back to PSD, because we are now in the middle of the pilot of the functional needs assessment, and this is the really exciting time. The critical element of that PSD review is looking at going from a deficit model to a functional needs model. We are running through that across the state this year.

The CHAIR — We can tease that out a little bit later on. I am just keen to explore that in a bit more detail. We have now got opposition questions until 10.04 a.m.

Ms SHING — Just before we do, can I just put on the record that I am a Safe Schools ambassador, just for avoidance of doubt.

The CHAIR — Thank you, Ms Shing.

Mr T. SMITH — Welcome, Minister. Minister, I refer you to your protective schools package. Is the protective schools package a result of some of the shocking incidents of violence that were revealed in the media early this year and that we have seen in Victorian schools over the last two to three years?

Mr MERLINO — Thank you, Mr Smith, for the opportunity to speak about violence and aggressive behaviour in our schools. It remains a rare occurrence, and it is important for me to get on the record at the PAEC hearing that between 2016 and 2017 there was a decrease in the more serious incidents of assaults on employees and assaults on students, so we have seen a decrease in serious assaults. While we have seen an increase in less serious incidents, categorised as aggressive behaviour, the department advises me that this is partly due to an increase in reporting. We want schools on the IRIS system to log any incident — each and every incident — so we have actually encouraged schools to focus on reporting.

In terms of the protective schools package, we recently announced an \$8.9 million funding boost for security and support. This is about providing schools with additional supports to deal with that aggressive behaviour. Whilst serious assaults are reducing, and that is a great thing, we want to provide additional support for schools to deal with aggressive behaviour. So we will have an independent task force, and that will be chaired by Dr Robyn Miller, the CEO of MacKillop Family Services, who will provide expert advice to the department as to how we can further reduce violent incidents.

It will do a few things, Mr Smith. It will deliver an enhanced operations centre that will provide principals with immediate expert advice and support on how to respond to any incidents, so as soon as an incident occurs there is a call made through to the operations centre and an immediate response — an immediate response from regional staff and an immediate response in terms of some additional expert advice. It will also fast-track access to additional social workers, behavioural experts and psychologists. We will also be introducing a new intelligence system using past reports to inform how best to reduce future incidence of violence. What I mean by that is we have encouraged greater reporting by schools and we have seen an increase in reporting. There will be better data analysis and intelligence, looking at trends within schools and actually engaging proactively

before there is a very, very serious incident — so operations centre, immediate response, expert advice and a data system that looks at past trends and engaging with schools.

Mr T. SMITH — You referred during your answer then to assaults on staff. I asked for a breakdown of assaults on staff in February on notice, and I never received that. Would you be able to provide me with a high-level analysis of assaults on staff in Victorian schools over the last year?

Mr MERLINO — Mr Smith, if there is any further I can add, I will do so. Incident numbers are not released due to the fact they are often allegations and not necessarily subsequently validated. They also often contain confidential and sensitive information that may identify minors and victims. But if there is anything to add, I will.

Mr T. SMITH — Thank you very much, Minister. In terms of the shocking incident that was revealed in February where two children plotted to poison — I suppose, the death of — a third child and one of the expulsions was overturned, can you just give me an understanding of when you first became aware of that incident?

Mr MERLINO — I am happy to provide further details, but in terms of serious incidents, Mr Smith, my office is informed via the department. If there is an incident, my office is then informed of that incident, so obviously after the incident, but my office is regularly informed. But I am happy to expand on expulsions if you like, or I am happy to wait for your next question.

Mr T. SMITH — Feel free. That would be great.

Mr MERLINO — I think it is important in terms of expulsions that we, firstly, get it into some perspective. Expulsions are an absolute last resort, and everyone has that view — principals, regional staff, parents, teachers. Everyone understands that expulsions are a last resort and overturning expulsions even more so. In terms of the latest statistics that I can give you, we have got well over 600 000 students in our government system; there were fewer than 300 expulsions in 2016, with fewer than 10 expulsions overturned. It just puts into perspective how rare expulsions are and how even rarer the overturning of expulsions is.

We have had calls from both principals across our system and the Ombudsman — an investigation into expulsions — for reform. It is important to point out, Mr Smith, that this is reform of policies and ministerial orders put in place in March 2014 under the former government. We are now fixing that ministerial order. We have listened to our principals and overhauled the expulsions appeals process they created, you created or the previous government created, rather, so that principals and students, including victims, have a voice. For the first time principals will be able to put their view forward and explain their decision throughout the process. Under the former government's process it was basically done on the papers and there was no engagement with the principal as to why he or she came to the conclusion to expel that student. It has been supported by the Victorian Principals Association; it has been well received. Now principals and victims can have a voice right throughout the appeals process, and that is a good reform.

Mr T. SMITH — So, Minister, you were aware of the two children who plotted to kill the other child by stealing chemicals from the science lab in, let us say, April to May 2017. When you were asked about this on 26 February you said:

Victoria Police conducted an investigation. That is what should have and that is what did happen.

I don't want to go into any details ... I don't think it is appropriate to go into any further detail.

On 28 February you then said:

What I'm concerned about are processes within the Department of Education and Training around our expulsion and suspension system.

And by Saturday, 3 March, the Premier announced on TV that there was a review into expulsions and that had been completed.

Ms SHING — Sorry; do we have a budget paper reference Mr Smith?

Mr T. SMITH — Ms Shing, the minister was happy to talk about expulsions.

Ms SHING — Going back to 2017 —

Mr T. SMITH — He was happy to talk about this incident. Chair, I am trying to get an understanding of this second review into expulsions. What information you had not been provided with last year when this incident occurred; what then subsequently came to light between you and the department; why you had not been informed adequately at the outset; and if that review, as you said, would take one week, is it ongoing, and how is that consistent with the review in your statement last year in August with regard to keeping —

Ms SHING — Sorry, Chair, he has referred to only things from last year —

The CHAIR — I think, Mr Smith, this is about the estimates; it is about the current actual year and it is about the forward estimates —

Mr T. SMITH — Chair —

The CHAIR — Can you let me finish please, Mr Smith. Insofar as your question relates to the actions that the minister or the department has undertaken this current financial year, and if it is about an ongoing review into expulsions, I am happy for the question to stand. I am wary though, or I am hesitant, about us talking about events that occurred in a previous financial year, which is outside the scope of this hearing. I am happy for the witness to answer insofar as it relates to the current financial year, insofar as it relates to the forward estimates, but if your question is going to events that happened prior to 1 July 2017, then that is out of order.

Mr MERLINO — Thank you, Chair, and Mr Smith. In terms of the reform broadly, and then specifically in terms of this incident, reform was already underway. The Ombudsman had already delivered her report on expulsions, so a number of changes were being worked through in terms of delivering that reform. In terms of media coverage, the first report that I get is of the incident itself, and of course the Victoria Police investigation. There was also coverage or commentary about the appeals process, so it was about that aspect that I wanted to get some further information, and that is why we then made the changes that I have talked to you about.

This is a very complex case — disability — so we need to be very careful as a committee, whether I am answering in Parliament or answering in PAEC, to not go too far into the detail of specific cases, but we had broad reform happening as a result of engagement with principals and the Ombudsman, and then a particular issue around appeals and the ability of principals to engage through that appeals process. So understand, this is fixing an issue, Mr Smith, that was introduced in March 2014.

Mr T. SMITH — Minister, you can talk about the previous government as much as you like, I was not here.

Mr MERLINO — I am just putting the facts on the table for you.

Ms WARD — You do not need to get angry, Mr Smith.

Mr MERLINO — In terms of Frank Handy's review of this incident — Frank is the chair of the Independent Office for School Dispute Resolution, one of the initiatives that we have introduced — I will have that by the start of term 3.

Mr T. SMITH — So why did the Premier say that the review was declared complete and you were overhauling the expulsions process? I think it was on 3 March on Channel 9 News.

Mr MERLINO — They are two different things, Mr Smith. One is the reform to expulsions, delivering a greater voice for principals and students right through the process, so the reform delivered by a new ministerial order issued by me. Then there is the investigation into —

The CHAIR — Order! We can come back to this.

Ms PENNICUIK — Thanks Minister, secretary, deputy secretaries and other staff who are here today. I just wanted to go to your slide and the budget papers, particularly budget papers 3 and 4, 'State Capital Program', which talks about planning for new schools, land acquisitions and schools being upgraded under the budget. I just want to make the observation that the number of school upgrades — 134 — is around 8 per cent of schools. I think I point this out every year, but it is always around, give or take, 10 per cent of schools that get an upgrade. In the last budget it was 12 per cent. So while it is good, it is, I would say, almost what is required

when every year you need to upgrade and modernise schools — it is called upgrading and modernising. But one question is: in this upgrading, does it include maintenance, because that is another issue that I have always pursued with you? The most recent Auditor-General's report on asset management included maintenance, and he said:

... school maintenance continues to be funded at levels below the —

department's —

assessment of industry standards ... schools ... continue to postpone much-needed repairs and ... struggle to maintain ... assets effectively'.

The Auditor-General also suggested a five-year plan. I wonder if you could just comment on what is included in the upgrades. Does that include maintenance or is it separate, and where is the department up to with catching up with maintenance? The Auditor-General said that 34 per cent of the maintenance backlog identified in 2013 has not been caught up with.

Mr MERLINO — Thank you, Ms Pennicuik. Just bear with me for a tick. Thanks for your question, and I think you are underselling this budget just a little.

Ms PENNICUIK — I think you are overselling it.

Mr MERLINO — To go back to the chart, \$1.25 billion is an extraordinary investment in new schools and upgrades —

Ms PENNICUIK — I am just looking at the budget papers and your presentation.

Mr MERLINO — and it reflects the entire effort of the previous government over four years. In terms of the 28 new schools and 134 upgrades, in the context of four years of consistent and significant capital investment we have now got 70 schools in the construction pipeline and over 1300 school upgrades. In terms of maintenance, the 16–17 budget provided an additional \$200 million, and that was over four years. You have got the capital investment in the 17–18, 18–19 budget, but bear in mind that that \$50 million of maintenance is also working its way through the system.

We inherited around 400 schools that were classified 'red' or 'orange' under the audit in 2012 — so under the previous government's audit of facilities.

Ms PENNICUIK — I know that.

Mr MERLINO — Yes. If you are red or orange, you have got significant maintenance issues. We have now covered 95 per cent of those 400 schools. So we are well on our way, Ms Pennicuik, in terms of meeting enrolment demand as well as upgrading schools and dealing with those maintenance issues. The last innovation in this space is a rolling facilities audit. Each year there is a rolling facilities evaluation, so at each school it is about —

Ms PENNICUIK — The auditor asked —

Mr MERLINO — About 300 schools per year will be audited through that rolling facilities audit, so the schools are aware of what their needs are, the department is aware of what their needs are, and that will inform future budget decisions.

Ms PENNICUIK — The auditor pointed out that there were still 34 per cent of schools needing to come up into 3.5, the new level that is being used to assess, which makes it a little bit harder to compare with the old assessment under the previous audit, but even so he also recommended a five-year plan. I am just wondering how that is going. Is that being implemented?

Mr MERLINO — I will ask Mr Keating, the CEO of the school building authority, to make some comments as well, but that is exactly why we have introduced the rolling facilities audit over that five-year period. Bear in mind, when you upgrade —

Ms PENNICUIK — It is more than a five-year rolling audit; it is a five-year forward plan.

Mr MERLINO — Yes, and that audit informs budget decisions; it informs the plans. Bear in mind when you upgrade a school, you often deal with all of those maintenance issues or many of the maintenance issues that have come up in previous audits.

Ms PENNICUIK — Okay, so there is a mix of maintenance in the upgrade.

Mr MERLINO — Yes. When you upgrade a school, you deal with maintenance issues as well.

Ms PENNICUIK — The auditor was saying that things like gutters not being cleaned et cetera are causing a lot of this maintenance backlog where problems are occurring because actual routine maintenance is not being done.

Mr MERLINO — I will ask Mr Keating to make some comments as well, but through schools' SRP budgets there is an allocation for maintenance to deal with those types —

Ms PENNICUIK — Yes, but the auditor is critical of that. He is very critical of it being through the SRP budget. He is saying that is a weakness of the department, of not being able to adequately assess, because they assume things are being done at schools and are not necessarily monitoring them.

Mr MERLINO — That again, Ms Pennicui, is the reason why we are having ongoing facilities audits, not a one moment in time, which was the 2012 audit across all schools, having this rolling audit. But I will ask Mr Keating to make some comments as well.

Ms PENNICUIK — He is dying to, I can see.

Mr KEATING — The rolling facilities evaluation is an important step, but the biggest step that happens after that is that every school develops a five-year maintenance plan. Once they get their audit results, the department, the Victorian School Building Authority, will sit down with each school and develop a five-year plan to be really clear about what needs to be done each month, each quarter and each year, looking at their SRP budget, looking at the programmatic support the department has to make sure they can manage their assets over that five years. Then at year six, it will start again. That is the way we will move into much more cyclic, planned, predictable way of investing.

Ms PENNICUIK — With any 25 seconds to go, the auditor was also critical of the schools managing it with not enough oversight from the department and some schools not managing that properly. Perhaps you could take on notice and provide some information about how the department is going to get better at actually monitoring what schools are doing.

The CHAIR — Order! We will have government questions now till 10.23 a.m. Minister, before we hand it over to Mr Smith, I was asking you in relation to the implementation of the recommendations from the program for students with disabilities in the funding in this year's budget. Can you just outline to the committee briefly how the implementation of those recommendations has occurred this year or will be implemented as a consequence of the budget?

Mr MERLINO — Just bear with me; I will dig up the details.

The CHAIR — Budget paper 3, page 49 is the reference.

Mr MERLINO — Thanks, Chair. This is a strong focus of our government, supporting students with disabilities and making sure our schools are genuinely inclusive, and the reform of our PSD is the centrepiece of that work. Around 15 per cent or approximately 90 000 students in Victorian government schools are identified as learners with disabilities who require reasonable adjustment. So under the act, schools are required to make reasonable adjustments to ensure those young people can participate in education on the same basis as their peers.

In terms of the PSD review — you go back to the initial review in 2015 and that was part of our special needs plan — the review made 25 recommendations to increase the participation and achievement of students with disabilities in government schools, and we are delivering 21 of the 25 recommendations by 2018. That was our commitment. In this year's budget, we have committed \$10 million over two years to continue two programs for students with disabilities into the 2019 school year. So in the 2018 financial year budget, we need to think

about how it impacts in terms of a school year. This includes \$8.5 million to continue additional funding for the language and learning disabilities support program to support students with language and learning difficulties such as dyslexia, delivering on our PSD recommendation commitment for recommendation 16, 1.5 million to continue transition support funding which provides extra funding to students who are no longer eligible for PSD funding to support a transition into secondary schools. This is a big issue when you are going from grade 6 to year 7, but it is at that time where there has been a review and you no longer get PSD funding, so you get that additional transition support. That was recommendation 17. Continued support will ensure that Victorian government schools receive supplementary funding to support the inclusion, participation and achievement of students with disabilities. The PSD review recommendations are being delivered as part of our inclusive education agenda. These reforms are wide reaching and focus on improving policy and guidance to create more inclusive school cultures, developing the skills and expertise of teachers, school leaders and support staff and providing greater access to specialised support and resources.

In November of last year we committed \$61 million to a suite of initiatives to strengthen inclusive education practices, including \$42 million to increase the participation, achievement and wellbeing of approximately 90 000 students in government schools with disabilities or additional needs and \$19 million for a suite of supports in early childhood settings as well. In terms of the remaining four, these are the very critical recommendations. They are all about what should the funding model be, and work has commenced on those recommendations relating to school disability funding. We are currently researching developing a new approach to better understand and respond to the needs of the students with disabilities, and this approach focuses on the strengths and functional needs of students, and includes a tiered resourcing model to provide flexible school allocation of additional resources.

So this is the big change that we are testing at the moment, going from a deficit model to a tiered funding model, looking at the functional needs of children in 100 schools. That is happening as we speak. This will inform budget decisions that we will make — if we are re-elected — in the 2019 budget.

The CHAIR — Thank you, Minister. Just moving on to student health and wellbeing — the budget paper reference is budget paper 3, page 47 — can you outline to the committee your thinking around making these sorts of investments for student health and wellbeing, and in a very practical sense what does that look like across the forward estimates in terms of these sorts of investments?

MR MERLINO — Yes, I can.

The CHAIR — I ask this question as a very grateful recipient of the doctors in schools program at Mount Alexander College in Flemington.

MR MERLINO — The government funds a range of health and wellbeing workforces that operate in schools and across networks. The Department of Education and Training's allied health services for students in schools include psychologists, speech pathologists, counsellors, youth workers, physiotherapists and occupational therapists, to be delivered through a combination of employees and contracted service providers. These workforces are responsible for providing direct services to students and their families and building the capacity of the education workforce by providing support and advice. And you are right; the doctors in schools program is the latest example of that, and we have rolled that out across 100 government secondary schools.

So in this budget, Chair, there is 48.2 million for nursing and allied health services for schools. That is the largest investment in regional student health and wellbeing services in over 10 years — since before the last major investment of 33 million over four years back in 08–09, and the former government chose not to continue the funding at that level. In recent years, schools and families have felt the pinch of a lack of speech pathology services in some parts of the state, so this budget allocation — this focus — is about filling those gaps in service delivery. These gaps are likely due to the way in which allied health workers — known as student support officers, our service officers, our SSSOs — were thrown into turmoil under the previous government. So we saw a substantial reduction in funding going towards that workforce, as well as the structural dismantling of the regional supports for schools more generally. That was where the SSSO support was delivered from.

So we heard strongly from the community that there was a lack of access to sufficient hours of speech pathology for some 3000 students across our system, and we are responding to that. Our investment will boost access for these kids so they will get the required 11 hours of speech pathology to support them to develop their speech, which ultimately aids in their learning.

The CHAIR — Thank you, Minister. I will hand over to Ms Ward now.

Ms WARD — Minister, Ms Pennicuik raised the issue of meeting enrolment demand, and you said that we were indeed doing that. Now, I note in your presentation you talk about an estimated 90 000 more students being predicted in our schools by 2022. Could you please give us some more information about how the budget does accommodate those students that are entering our education system?

MR MERLINO — Yes, I would love to go into some more detail about those enrolment pressures, which are just extraordinary. You have seen that graph, that massive kick up after 25 to 30 years of relatively stable, predictable enrolment pressure. It has now gone through the roof so, as I said at the presentation, we will increase by 90 000 student enrolments across all three sectors between this year and 2022 in both the government and non-government. We expect around 56 000 to 60 000 of those will need to be delivered via government places, and we continue to review and refine these figures to ensure we can plan and build schools when and where they are needed.

As I mentioned in my presentation, we notice this acceleration of student enrolments across government schools quite significantly from 2011 and 2012. It is important to note also, Ms Ward, that whilst those enrolments started then, the pressure was known. You know the birthrates. The department engages with the planning authority and local governments. You know the figures in terms of interstate migration and international migration, so the pressure was known, and in those years of 2011, 2012 and 2013, the capital program was \$200 million — next to nothing.

Ms WARD — Two hundred million dollars over four years?

MR MERLINO — Two hundred million dollars each year in the previous government's first three budgets, and in their last budget, not one cent to go toward purchasing land to meet the demand that everyone knew was coming. For example, enrolment growth in government schools was 4400 in 2012, 8200 in 2013, 10 400 in 2014, and it continues — 10 000; 12 000, almost 13 000; almost 15 000; and then over 16 000 this year. That demand has been within the system — known within the system — since before 2011, yet it has only been until our very first budget, 2015–16, and since then that we have made the investment in building schools and upgrading schools. In this budget we will be building and planning 28 new schools. We will have 271 million to buy land for new schools and 77.8 in relocatable classrooms as well.

Ms WARD — Thanks, Minister. I will come back to that.

Mr T. SMITH — If I could return again to the protective schools package, Minister. On page 53 of budget paper 3 there is \$500 000 of an asset initiative. What is that referring to?

MR MERLINO — Thank you, Mr Smith. That will be an allocation to the new operations centre, so that new centre that will deliver immediate response. We have already got security arrangements in place, but there had been a review conducted already into the existing security arrangements as part of our protective schools package and the development of a new operations centre, and that will go towards the asset requirements of that facility.

Mr T. SMITH — For this control centre, are we going to have CCTV in schools coming into a new sort of centre where we can see real-time footage of what is going on, or —

MR MERLINO — There are two things there, Mr Smith. One is the security arrangements that schools put in place themselves for that school community, and they will do that, engaging with regional offices in terms of what their particular needs are. Every school has to have an emergency management plan and schools have their own individual approaches to the security needs of that school community. What we are talking about here is a separate thing — an operations centre. If you think of it as a bit like how ESTA works — the ESTA 000 call central response and then delivering the emergency services. This will be effectively the ESTA for the department of education and for our 1500 government schools.

Mr T. SMITH — Are our schools becoming so dangerous that we need an American-style control centre now?

Ms WARD — That is ridiculous.

Mr T. SMITH — It is a reasonable question.

Ms WARD — Come and visit any of my schools, Mr Smith.

The CHAIR — Order! I would remind all members that you cannot ask a witness for an opinion, but if the minister wishes to elaborate further about the initiative, I am happy for him to do so.

Mr MERLINO — I am happy to elaborate further. As I said in my initial answer, Mr Smith, this was an existing arrangement. We had a central security arrangement already and have had in place for many, many years. This is an evolution of that and an improvement to that. This is about providing that immediate support beyond the principals, leadership team, wellbeing staff within the school. This is providing that immediate response so we can have that additional regional office support, whether you need to get additional psychologists, whether you need to get additional wellbeing staff into a school to respond to an incident. This is, in terms of having security arrangements, absolutely not new. It has always been in place.

Mr T. SMITH — Will there be a relationship with Victoria Police through this new centre?

Mr MERLINO — The same as ever, Mr Smith. Absolutely. There is already strong engagement with Victoria Police at an individual school level, through our regional offices, through the operations centre, through the central office. We already have a strong engagement with Victoria Police.

Mr T. SMITH — If I could refer to our previous conversation with regard to the overturning of expulsions. I refer you to your comments on 1 March this year, ABC News online:

As more information has been provided to me about this matter over the last few days, I've become increasingly concerned ...

What I'm concerned about are processes within the Department of Education and Training around our expulsion and suspension system.

We must have confidence as parents, as teachers, principals and myself as the minister, we must have confidence in our expulsion and suspension system.

I agree with you, Minister, completely and utterly, and what I am trying to understand is what concerned you about the department's processes with regard to expulsions and suspensions.

Mr MERLINO — Thanks, Mr Smith. It is as I have said before and as I have said on the public record: my concern has been the appeals process — the inability of principals to ensure that they have got the ability to put their decision into context and are able to directly communicate that. The previous arrangement, remember, under the processes established by the former government —

Mr T. SMITH — We tightened up the processes of the previous government, but anyway.

Mr MERLINO — The previous process was essentially on the papers. There was no ability for a principal who had made his or her decision to expel a student to explain the context and his or her reasoning. We are now changing that process.

Mr T. SMITH — But Minister —

Mr MERLINO — I have answered your question, Mr Smith.

Mr T. SMITH — I understand what you are saying.

Mr MERLINO — That was my concern in terms of this case.

Mr T. SMITH — I understand what you are saying, but I do not really understand who in the department would have thought of overturning the expulsion of a child that had plotted to murder another child. Or the situation where there was a child that had held a knife to the throat of another child and that principal then resigned, and he said:

It's not good if you can't maintain the safety of the kids ...

They —

as in your department —

have made it near impossible to expel a kid. I'm not going to be the principal of a school where a student gets stabbed.

...

It sends a message that they can get away with bad behaviour ...

I understand what you are saying with regard to having principals at the table with regard to discussions about expulsion. I think that is a good idea, and I support that. What I cannot understand is that even if it is presented to the department as a brief of evidence where you have got a child holding a knife to another child's throat or two children stealing chemicals from the science block, how on earth could anyone overturn that expulsion, whether you have got evidence from the principal verbally or in written form?

The CHAIR — Order! Mr Smith, I would just make an observation that this is the budget estimates. This is about what has occurred in the current financial year, what is happening across the forward estimates, so if it relates to a matter that occurred prior to 1 July 2017, it is out of order.

The other point I make, and I think the minister alluded to this earlier, is that the minister is somewhat restricted in what he can say or cannot say in relation to these matters because they involve children. I am happy for a discussion to be had about the process, which I think is where you are going to, Mr Smith, but where it is relating to specific matters that occurred outside the current financial year, outside the forward estimates, and where it relates to matters which might have a legal element which would restrict our witness from advising the committee, I just want to —

Mr T. SMITH — I have been very cautious not to mention the name of any schools, I have been very cautious to regard this around process and I have also made it very clear that this is related to a budget initiative, which is the protective schools package, which at the outset the minister said was related to increased violence and reportage of such violence in our schools.

The CHAIR — But in relation to the question you just then put to the witness you referred specifically to an incident or incidents and actions. So I am just putting that cautionary note around that, but I am happy if the minister wishes to talk about the broad process.

Mr MERLINO — You are right, Chair, and I alluded to this before. Specific incidents may involve students with a disability or history of family trauma, so I do need to be careful and circumspect —

Mr T. SMITH — I am not asking about the individuals concerned, I am asking about the —

Mr MERLINO — I understand, Mr Smith, but I am —

Members interjecting.

Mr T. SMITH — It was about process, Chair.

The CHAIR — Okay. As I indicated, I am happy for the minister to answer a question in relation to expulsions.

Mr MERLINO — Mr Smith, the key concern of principals has been the process around appeals and their inability to be fully involved at each and every stage. As I said at the beginning, with the substantive question earlier, expulsions are extremely rare and overturning is even rarer. In 2016 there were only around 10 overturnings. We have reformed the system that we inherited from the previous government. There is a new ministerial order that makes it quite clear that principals have a clear role at each and every decision-making point, as do students. This has been well received by individual principals and by principal associations. That is the key issue that we needed to address and the key concern that I had as minister.

Mr T. SMITH — Thank you, Minister. I will move on. I am not getting an answer with regards to how, frankly, someone with a brief of evidence about two children trying to murder another child comes to your department and the expulsion was overturned.

Anyway, if we move onto the ice injecting centre next door to Richmond West Primary School, you support this centre, don't you, Minister?

Ms SHING — Sorry, which centre?

Mr T. SMITH — The ice injecting centre next door to Richmond West Primary School.

Ms WARD — I do not think such a facility exists, Mr Smith, nor is it planned.

Mr T. SMITH — Budget paper 3, page 49. Budget paper 4, page 40 — Richmond West Primary School.

Members interjecting.

Mr MERLINO — If the question, Mr Smith, was around a planned, medically supervised injecting facility, yes, I do support that as Minister for Education. The principals — both the former principal and the acting principal — and the school council, inclusive of parents, support this facility as well.

Mr T. SMITH — So, Minister, what security upgrades? I note that you are spending over \$1 million to upgrade Richmond West Primary School. What security upgrades are you looking at bringing in from 1 July this year at that school?

Mr MERLINO — In terms of what happens now, and I think it is important in the context of any —

The CHAIR — Order! Ms Patten until 10.42 a.m.

Ms PATTEN — I too support that injecting centre, and I have spoken to many of the parents, who are very supportive of it. We expect that there will be less security requirements because we will see less needles in the playgrounds and we will see people in the centre, in a much safer place.

I wanted to turn to music. I note that in budget paper 3, page 46, there has been \$1 million put into schools for music, and certainly music teachers have been speaking to me about the much-needed funding. I suppose I was a little bit disappointed that it was only \$1 million and it was just for one year, and I was wondering if there are plans to expand that in the future.

Mr MERLINO — Yes. Thank you, Ms Patten, for your question. I am a great believer in the importance of quality music education. It provides children and young people with a range of developmental benefits — student engagement, wellbeing, it is fun — but there is also clear evidence that it improves student outcomes in other areas of a child's education.

It is probably an answer in three parts, actually. Firstly, in terms of the funding you have identified, that is right. There is an additional \$1 million to extend the benefits of the music in schools initiative for another year: 600 000 will be used to establish a quality music education fund which will provide opportunities for more schools experiencing disadvantage to purchase music resources such as musical instruments; and 400 000 will extend the delivery of professional learning for teachers so they can have the required knowledge and skills to teach music with confidence. That builds on the 2 million over four years that we announced in 2015. Again there is a commitment to Musical Futures Australia — 1.6 million of that — and 400 to enable 87 primary schools in disadvantaged communities to purchase more than 2000 pieces of musical equipment. So that is that program. There is also music delivered via a school's overall global budget — the SRP — to their musical program individually provided at schools.

There are two other aspects I wanted to mention to you. You will probably see a few programs that are for a single year's funding. The reason for that is that we have got the most significant national negotiations taking place as we speak in regards to a new national funding agreement, so we will be negotiating that. Negotiations have already started. I am hopeful that we can conclude those negotiations by July/August because we need to provide schools with their indicative SRP budgets in September and indicate to non-government schools their funding in October. We just do not know how big the pie is going to be. I am happy to expand on the national negotiations — that is the reason.

Ms PATTEN — That is great.

Mr MERLINO — The other thing we are doing is our Education State target of excellence in the arts, and music will be the centrepiece of that target. So we are focused on this issue.

Ms PATTEN — It is kind of a segue because it moves me to STEM. I strongly believe we should be moving to STEAM and really recognising how music and arts help us with our left and right brain. So with your allocation for STEM — and I note that it is to provide training for 200 primary school teachers — it is 32.9 million for that training, which is pretty generous, because it works out at about \$164 000 per teacher, but how will those teachers be distributed amongst those 1800 schools? Are you focusing on disadvantaged areas — if you could tell me about that and also how the performance of this output will be measured.

Mr MERLINO — Thank you, Ms Patten. This is a critical element of the Education State. Around 75 per cent of new jobs, so emerging industries, require skills in maths and science. This is undoubtedly the future. It is the reason why we are rolling out our tech schools. The key reason for me around the primary maths and science specialists — so this is 200; this is an additional 200 —

Ms HAIRE — We already have 200.

Mr MERLINO — We already have 200 in the system. In one of the earliest engagements I had with the careers education peak body I was astounded to be advised that kids as young as grade 2 and 3, that it was at that point in their entire education that they say, 'I can't do maths, maths is not for me', and they switch off. And they switch off for the rest of their education. It just closes so many doors. So we have got to be better at engaging young kids in maths and science, in the excitement of those areas. We have included coding in the curriculum in Victoria, unlike the Australian curriculum.

Ms PATTEN — So what you are saying is it is going into a primary school focus for this?

Mr MERLINO — Yes.

Ms PATTEN — Great.

Mr MERLINO — I might get Ms Haire to talk a bit further, if you like, in terms of specifics.

Ms HAIRE — Thank you, Ms Patten. We will be seeking expressions of interest from primary schools to take part in this program. The way it works is that we try to both build the capacity of teachers within the schools but also give them some time to build their capability further. So they spend 50 per cent of their time actually in the classroom teaching so that they continue to build the excitement for STEM, and they spend the other 50 per cent of their time working with their fellow teachers. So it is one of those models where we are not trying to just create one person who has got the capacity but actually build and support the capacity of all the teachers in the school.

Ms PATTEN — Thank you, Ms Haire. Just in the 1 minute I have got I would like to go back to the notion of STEAM. There are a lot of conversations that really it is crucial that we put arts in that STEM program. Have you, Minister, or has the department, been considering expanding the way you look at STEM into STEAM?

Mr MERLINO — Yes, we are already doing that, Ms Patten, and I want to do that further. So we have got our Education State targets around scientific literacy but also excellence in the arts and critical and creative thinking. Our tech schools have an MOU with the NGV, for example, and many schools are combining their science and tech programs with their arts programs as well. So that is happening, but I agree with you, we need to do more of that. Employers are looking for critical and creative thinkers, and you develop those through science and the arts.

Ms WARD — I just wanted to bring you back to population growth if I could, Minister. You were talking me through how the government is addressing population growth with infrastructure and a number of other programs. I also note you were talking about the lack of activity that happened under the previous government and how that has left what I would call a shortfall, and there is a fair bit of catch-up that the government has had to engage in. Can you talk us through, then, how many of these new schools will be rolling out over the next few years to help make up for that shortfall?

Mr MERLINO — Yes. Thank you, Ms Ward. So in terms of new school rollouts, broadly in terms of the 70 new school projects underway — land being acquired, designs being developed and construction

underway — we had 10 new schools open in 2017. So I have talked to this committee before; we had not one new school open its doors in 2016, not one, because it takes two years to design, fund and build a new school, and that is because of the decision of the previous government. We had 10 new schools open last year, 11 new schools open this year, we will have nine new schools expected to open their doors in 2019 —

Members interjecting.

Ms WARD — I am sorry, Minister, I could not hear you over the noise of my colleagues. Could you please talk me through those figures again.

Mr MERLINO — Yes, sure: so no new schools in 2016 because of funding decisions, or lack thereof, of the previous government. We have now got 10 new schools in 2017 that have opened, 11 new schools opened their doors in 2018, nine new schools will open their doors next year, 11 in 2020 and through the construction pipeline schools will progressively open their doors from 2022. So the 11 new schools this year: Armstrong Creek School, Bannockburn P-12 College — Bannockburn is the first secondary school for Golden Plains shire; kids had to go to either Ballarat or Geelong to get to a government secondary school. So Bannockburn P-12, Beaumaris secondary school, Bridgewood primary, Edgars Creek Secondary College, Hamlyn Views School, Richmond high, South Melbourne primary, South Melbourne Park primary next year, Springvale West secondary college, Tarneit Rise primary and Torquay Coast Primary School. A further 20 schools will open over the next two years.

Ms WARD — That is a pretty impressive list, Minister, but I suspect that a number of parents, especially those in the outer suburbs who are desperate for school places — when do you anticipate enrolments starting in those nine schools that you mentioned will be open next year?

Mr MERLINO — One of the innovations for our new school openings is the earlier appointment of principals so they can go out and engage with local primary schools and local communities, hold public meetings and get the community excited about the new schools that will open and ensure that those enrolments are flowing through so parents can make decisions early. We have got no time to lose. We absolutely understand that if we had not opened South Melbourne Primary School, which is our first vertical school, this year and if we do not open South Melbourne Park next year, there will be literally no room for hundreds and hundreds of kids in that part of inner Melbourne. That is how we engage with communities and get those enrolments flowing through.

Ms WARD — There is a significant amount of funding for land for new schools. Where is that located?

Mr MERLINO — Land is absolutely important, and this again goes to the work that the VSBA does in engaging with the planning authority and local government, working out when and where we need to purchase land and when and where we need to construct schools. For example, this year we are opening three new schools in the City of Casey and three new schools in the City of Wyndham, which has 400 to 450 children being born per month. We need to get ahead of that curve, and that is why —

Ms WARD — That is essentially a school a month.

Mr MERLINO — Yes. And that is why this investment this year is \$271 million for 19 sites. And it will range from a number of sites obviously in the City of Casey — Casey Fields, Clyde North for the primary and Clyde North for the secondary — Melton, Maribyrnong, Hume, Cardinia to more in Wyndham and Whittlesea. It goes on and on. We understand where the demand is coming from, and it is important that we make the investment that frankly the previous government did not make. It is also important because of land prices. Previously you could anticipate growth and it was a bit more predictable. Looking at that graph before, in the previous Bracks-Brumby administration you could predict steady growth and you could purchase a piece of land within one or two years. Now if you do not get ahead of demand and price, it has a significant budget impact, and that is why there is such a large allocation for a large number of sites in this year's budget.

Ms WARD — So you have really got to be on top of your game. You forecast that there will be 90 000 extra students coming to schools over the next five years. How many of those are you going to be able to accommodate?

Mr MERLINO — We are now getting ahead of that demand pressure. With the new schools we are now above meeting that need of 50 000. With relocatables, which are always part of the mix with a new school, we can accommodate up to 93 000 if we need to. In terms of what we are predicting — 90 000 over the next few years to 2022 — 56 000 to 60 000 will need to be accommodated within government schools. This is a challenge for the three sectors — for our Catholic schools in growth areas, for independent schools and, most significantly given that graph, for government schools.

Ms WARD — You mentioned relocatables, or what in the olden days we used to call portables, which no longer look anything like the portables that we used to have when I was at school. There is \$70.5 million in the budget, on page 53, for relocatable classrooms. How is that funding going to be allocated?

Mr MERLINO — How are the relocatables allocated?

Ms WARD — Yes.

Mr MERLINO — Based on need. It responds to enrolment pressures at particular schools. The 2018–19 budget includes funding to build and refurbish 190 relocatable buildings, including 19 double-storey relocatables —

Ms WARD — That is huge.

Mr MERLINO — which are incredibly popular.

Ms WARD — I am pretty sure, Minister, that I was talking to your office about double-storeys a couple of years ago — I think the first year we were in government or the second year — and only six had been ordered.

Mr MERLINO — Yes, that is right. And these are impressive facilities, not like the portables of 20, 30 years ago. These are modern teaching and learning spaces, and schools particularly —

Ms WARD — Teachers love them, especially the teaching spaces in between them and the flexibility it gives them.

Mr MERLINO — Yes, that is right. And particularly with schools with tight physical constraints on site — you want to avoid as much as you can providing relocatables to deal with enrolment pressures where the relocatables are dumped on top of the basketball courts. You want to make sure that you maximise play space for the kids, so these double-storeys are very, very popular. They are delivered on the basis of need, using school census data. The VSBA works with schools and the department's regional office to determine which schools are to be allocated relocatable buildings.

Ms WARD — That is terrific. Thank you, Minister.

Mr DIMOPOULOS — Good morning, Minister and officers. I just want to pick up on your answers to the questions by Ms Pennicuik. I do not want to put words in your mouth, Ms Pennicuik. I cannot recall exactly, but I think Ms Pennicuik said that the investment in capital has been around the same, consistently about 10 or 12 per cent or something. But from what I understand from what you showed us up there — apart from the bar graph, which was just a very, very stark difference — I think there is a difference between the number of schools and quantum of funds. This is not just chest beating; this is real impact on kids and families. That is why I think it is worth talking about. As one example, in my community in the four years of the previous government, to the best of my abilities in terms of searching information and living there — I obviously heard some of the announcements; I was living there — I think they touched two schools at \$544 000. We have touched about 10 at \$56 million. That is 103 times more, Minister. Can you explain a bit about the quantum but also the number of schools? How many will we update or touch in this budget?

Mr MERLINO — So to put it in perspective it is both quantum in terms of budget allocation. This year's budget is the equivalent of four budgets under the previous government. We have delivered \$3.8 billion over the course of our four budgets. It is also in terms of the number of schools — 28 new schools, 134 upgrades — but across our infrastructure program, with new schools, upgrades, a relocatable program, the dedicated asbestos removal program, our School Pride and Sports Fund, our inclusive schools funding, it is 1300-plus projects across the state.

Mr DIMOPOULOS — And there are only 1500 public schools in Victoria, so it is almost all of them.

Mr MERLINO — Yes. It is the biggest infrastructure program for more than a century, and you do literally have to go back to those beautiful Bastow buildings to see the equivalent.

Mr T. SMITH — If I could follow on from my previous line of questioning on the injecting room in Richmond, my final question to you, Minister, was around security upgrades and if they are included in the \$1 million you are proposing to spend at Richmond West Primary School.

Mr MERLINO — Mr Smith, there are two separate issues. In terms of the upgrade at Richmond West, that is \$1.08 million in the budget for landscaping works to complement the competition-grade outdoor netball courts being delivered at the school through the inner-city netball program, so there is a separate capital program to improve amenity, landscaping and complement the sporting facility upgrade at Richmond West. Then there is the work that not only Richmond West but every school does in terms of looking at their own security arrangements and their emergency management plans. Every school has to have that in place, and Richmond West is no different. It is true to say that Richmond West has to deal with particularly challenging issues currently, and it is the point I made when asked about this in Parliament. We have teachers constantly vigilant and monitoring the grounds for used syringes. This is their reality right now, supporting students travelling to and from school and supporting those kids if they see people who have overdosed on the streets. So this is the reality of the school at the moment.

Mr T. SMITH — I know.

Mr MERLINO — They have those security, safety and wellbeing arrangements in place, and of course they will continue to monitor that. That will continue to evolve as we head towards the safe injecting facility.

Mr T. SMITH — Minister, my question was around added security at the school, particularly now since your government has allowed ice users to frequent this injecting space that will be 37 metres from the front door of Richmond West Primary School.

Mr DIMOPOULOS — As opposed to in the playground. It is a good outcome, I think.

Mr T. SMITH — Noting a substantial difference in behaviours for people who have overdosed on ice as opposed to heroin, and noting your colleague's comment on 3AW on 11 April — 'Well, if you've got a couple of large, Samoan security guards, they know what they're doing' — is that the extent of the security that is going to be at the school?

Mr MERLINO — These changes, Mr Smith, as I have said publicly in the Parliament and elsewhere, are about improving safety, and that is the reason why the former principal, the current acting principal and the school council have endorsed this change because it is about —

Mr T. SMITH — I am aware of what the government employees have said in support of the government.

Mr MERLINO — No, it has got parents, Mr Smith, the school council —

Mr T. SMITH — I have seen parents, Minister, that are very opposed to this ridiculous idea. Minister, I am asking you: what added security measures are you putting into place at Richmond West Primary School now that there is an ice injecting room next door?

Mr MERLINO — My answer to you, Mr Smith, is as per my previous answers on this issue. This is about improving safety for the Richmond West school community. This is about improving safety. Now, at the moment —

Mr T. SMITH — You seem to be misunderstanding me, I would suspect on purpose.

Mr MERLINO — No, I am not.

Mr T. SMITH — This injecting room will be like a honey pot where all the bees will congregate in this street right next to a primary school. Now ice addicts, who exhibit highly violent tendencies, will be roaming

free, far more so than they are at the moment, next door to a primary school. How are you going to protect the school from these people?

Ms SHING — By taking them out of the school grounds.

Mr MERLINO — That is right. So if you do not —

Mr T. SMITH — That is it?

Mr MERLINO — Mr Smith, can I answer the question, because I am very, very happy to answer the question?

Mr T. SMITH — But you have not yet, so can you get on with it?

Mr MERLINO — Mr Smith, I am happy to answer the question.

The CHAIR — Order! Mr Smith, I would encourage you to be respectful to the witnesses who appear before this committee.

Mr MERLINO — So the answer is in a few parts. Firstly, what currently happens now: teachers having to, daily, search the school grounds for used syringes and teachers having to provide support and wellbeing for students who observe drug activity, antisocial behaviour and people that have overdosed in the streets. The school currently takes steps to ensure students are kept safe from the effects of drug and alcohol abuse in the local community. The school is enclosed by fencing with two entries: front and back gates. The back gate is only opened for school drop-off and pick-up; it is locked for the remainder of the time. The front gate is visible from the front office area. The school has an emergency management plan, as does every single school in our system. In terms of overseeing those existing security arrangements, the existing emergency management plan and if there are any changes, schools are constantly looking at what their processes are and changing accordingly.

In regard to security, at the safe injecting rooms there are a number of strict oversights, and they include allowing only people aged 18 years and over to use the facility, with a ban on children attending, ensuring that illegal drugs will not be provided or dealt at the facility, putting in place additional security measures, including 13 new CCTV cameras near the facility and in surrounding streets, and ensuring Victoria Police works closely with the Department of Health and Human Services to support community safety while minimising harm. I again take you, as I took the Parliament, but I happy to take to this committee, to school council president Jim Castle's quote:

In the interests of creating a safe place for our children, I support this evidence-based safe injecting room trial.

Mr T. SMITH — I have heard these quotes many times, Minister.

Mr MERLINO — Well, you should read them again, Mr Smith, because these are people — teachers, principals, support staff, parents and students — who live with this every day.

Mr T. SMITH — The parents at that school want to know how many more security guards, for example, you are going to have out the front of the primary school.

Mr MERLINO — Well, I have answered your question, Mr Smith.

Mr T. SMITH — No, you have not.

Mr MERLINO — Yes, I have.

Mr T. SMITH — How many new security guards, Samoan or otherwise?

Mr MERLINO — Mr Smith, I have outlined the security arrangements that the school has put in place and will continue to monitor and continue to evaluate their emergency management plan. I have talked about the security arrangements that will be part of the —

Mr T. SMITH — So you cannot tell me how many more security guards. I am not getting an answer from you, sir. I am going to try your secretary. What risk assessment did your department provide the government on whether to permit a state-sanctioned illicit drug injecting room next door to Richmond West Primary School?

Ms CALLISTER — Mr Smith, I understand that the North Richmond Community Health centre have regularly met with the leadership from the primary school since the trial site was announced, so there has been close engagement with the school and the centre and they have also presented to the primary school council. They are kept well informed of how the service is developing, and they have developed communication materials for the school community, which will be available in the coming weeks and supported by the school's multicultural education aids.

Mr T. SMITH — No. The risk assessment that you provided the government, Ms Callister.

Ms CALLISTER — They are working with VicPol to ensure that the site is appropriately secure with upgrades to lighting, security and screening as the risk assessment and emergency plan that the minister referred to is constantly reviewed and upgraded. As the minister said, there is already a risk assessment for the activities that go on in the area, and there is already a whole range —

Mr T. SMITH — Did your department advise it was a good idea to have an injecting room next to a primary school now that ice users can use it?

Ms CALLISTER — It is not within our portfolio to give that advice, Mr Smith. It is within our —

Mr T. SMITH — You gave no advice to government with regard to an injecting room next to a primary school.

Ms CALLISTER — Mr Smith, it is our job to make sure that the school is in a position to ensure that students can safely come and go and participate in education. That has already been an issue, as the minister said, in that school. Prior to this announcement there have been a number of those issues the school has had to confront and the local community —

Mr T. SMITH — Minister Foley said that there would be more security guards, and he referenced the ethnicity of those security guards. How many extra security guards will your department be stationing out the front of that primary school?

Ms CALLISTER — Mr Smith, the department and the region are supporting the school around their engagement to be able to safely manage the trial site, but it is not a new issue for the school, as I said. They are already engaged in a number of security, safety and emergency procedures. They need to make sure, as they work closely with VicPol, the trial site — North Richmond Community Health — the parent community and the school council, that everybody is comfortable with the existing procedures or any new procedures that may be put in place. I cannot comment on Minister Foley's comments. I am not aware of them.

Mr T. SMITH — So is the CCTV that the minister mentioned in surrounding streets going to be at the school as well?

Ms CALLISTER — I would have to look into it further with that level of detail. The minister was really referring to the CCTV that is part of the trial site itself. I am sure that it will have some line of sight onto the school, but it is —

Mr T. SMITH — Shouldn't you find out?

Ms CALLISTER — This is work that is being done by the region supporting the school. There is detailed work happening on this.

Mr T. SMITH — Who report to you, Secretary.

Ms PENNICUIK — Just picking up on the theme we were talking about before, just referencing Mr Dimopoulos's remarks that there were not new schools built and there were not upgrades and maintenance done under the previous government. That is completely true, and I was critical of that government, but it is worth pointing out that the \$420 million backlog in maintenance that was identified in 2012 was actually

accumulated during the previous Labor government's term from 1999 to 2010. I was also critical during that time that that maintenance backlog was there. But the other thing that the Auditor-General said was that the industry standard is to spend 2 per cent of the asset value every year on maintenance and that the department is not up to that — in fact it is less than 1 per cent — so I was wondering, when Mr Keating provides some information about the rolling audit and the five-year plan, whether there could be some information about when the department is going to actually come to that 2 per cent spend every year as is recommended by the Auditor-General. So could we have that information on notice?

I just wanted to go to the new schools, and take these questions to do with school upgrades as well. On your sheet you say 28 new schools will be built and planned, but you just gave the figure of 10 in 2017, 11 in 2018, nine in 2019 and 11 in 2020. That does not add up. I do not see where the 28 fits there, so could you just elaborate on that? What is built and planned by when? That accommodates 15 000 students, which is 25 per cent of the 60 000 you say are needed for government schools. So when are you envisaging that 60 000 will be accommodated by this plan you have here?

Mr MERLINO — The enrolment challenge before us is around 56 to 60 000 additional students by 2022. That pressure is year to year to year, so we need to progressively open schools in 2019, 2020, 2021 and 2022. You need to look, Ms Pennicuik, at the entirety of our new school build. So we have got 70 schools in the construction pipeline. We have already opened 21 of those. In terms of the new school construction pipeline — the timing of those schools opening — we are now in a position where we can meet that demand. In terms of the 28 schools and designing or building those, obviously they will be in stages. You will have projects that are a bit more complex than others. A brand-new school on a large parcel of land on a greenfield site in the growth corridor is much quicker to build than a complex in the city.

Ms PENNICUIK — I have looked at all the sites. I know they are all different.

Mr MERLINO — So it is around, in terms of the stages, land, stages of funding and delivering the schools. Docklands, Fishermans Bend, the commitment in East Bentleigh — these are complex projects —

Ms PENNICUIK — So you are saying, Minister, that by 2022 you are expecting to accommodate 60 000 more students in government schools; is that what you are saying?

Mr MERLINO — Yes, that is right.

Ms PENNICUIK — And just for the record too, the previous government did acquire some land. I remember asking the previous minister about it, and it was for —

Mr MERLINO — The point I was making, Ms Pennicuik, is that there was not one dollar in that last budget — not one dollar.

Ms PENNICUIK — It is not as if nothing at all happened. But both governments, might I say, are not transparent with the public about the process for deciding where they go, and there is some cynicism in the community about that. Even the Auditor-General did say that DET's ability to provide certainty of funding and work with local councils is limited by the prioritisation process they have being interfered with by government decisions which might not necessarily fit with that prioritisation process and that this is a significant hurdle for planning. So basically that governments might choose different sites for schools and upgrades than the actual department is advising. This is something I have raised many times.

With the five-year plans for maintenance and upgrades and the criteria for deciding, the Auditor-General talks about, yes, it is monitoring demographics et cetera, and this is a bit of a moving feast, but if you look on the Victorian School Building Authority website or the department website, there is nothing there telling the public of Victoria what the five-year plan is and why — like why the schools are being put in this particular area, why certain schools of the 10 per cent are getting upgrades as opposed to others. We know that all schools are lobbying all the time. So when are the government and the department going to become more transparent with the public of Victoria about this process?

Mr MERLINO — Thank you, Ms Pennicuik, and I would contend that we are becoming more and more transparent, and that is a good thing. Let me explain how.

Ms PENNICUIK — From no transparency.

Mr MERLINO — So, firstly, in terms of the recommendations from Infrastructure Victoria on an investment pipeline, we accept those recommendations from Infrastructure Victoria. In terms of the VSBA's website — in 2016 the VSBA was created. You look at the VSBA's website and that contains information and time lines for every project funded by the government.

Ms PENNICUIK — Yes, it tells you what projects are being funded.

Mr MERLINO — I understand. It is a combination of things, Ms Pennicuik. So you have got the website, which talks about the current construction pipeline, provides updates and time lines and delivers transparency that we have not seen before. We have got the acceptance of the Infrastructure Victoria recommendations. We have got the rolling evaluation audit, which will deliver transparency to schools. We have also —

Ms PENNICUIK — So will the rolling evaluation audit be put on the website? That is what I am talking about with transparency. Minister, you are telling me what I know, which is what is up on the website, which is the decision that has been made. What I am looking at is how the decision is made. What is the five-year plan, and can everyone see that, because at the moment it is a secret document?

Mr MERLINO — Yes, there will be information on the rolling facility audit evaluation on the website. There is also, importantly —

Ms PENNICUIK — Criteria for school upgrades, and which schools are in the pipeline in the plan.

Mr MERLINO — Well, if I can provide further information, I will, Ms Pennicuik. There is also, importantly, the precinct structure plan process, which is also public and transparent, and —

Ms PENNICUIK — Which is exactly what the Auditor-General said is a problem, because the department might have priorities but the minister comes in and says, 'Actually, it will be here, because of' — well, who knows why, but particularly in an election year —

The CHAIR — Order! We will take that on notice.

Mr MERLINO — I am happy to come back to you, because the proof is in the pudding in terms of this year's budget.

Mr DIMOPOULOS — Minister, in terms of the upgrades and page 53, budget paper 3, table 1.12, I just want to get a sense from you about the time line of these upgrades. So we are talking about upgrades of existing schools, page 53.

Mr MERLINO — Thank you, Mr Dimopoulos —

Ms WARD — Can I say Montmorency Secondary College is going very well. Thank you for that upgrade.

Mr MERLINO — Excellent. So the 2018–19 budget provides 482.8 million across 134 projects to upgrade and modernise existing schools. In addition I was very pleased to announce funding for 21 more schools to receive the new modular buildings as part of our asbestos removal program, and we have had a particular focus on fixing up our regional and rural schools over the last four budgets. Let me go to delivery.

Mr DIMOPOULOS — Just the time line, Minister.

Mr MERLINO — So the Victorian School Building Authority has a standard 68-week process to plan school infrastructure, and this includes working with the school on the scope and priorities for its upgrade, as well as design and documentation. Following this, on average schools take around 12 to 18 months to build — and some projects are ready to go to market already thanks to pre-planning. It is important in terms of the change of delivery time — the process that we inherited and what we are delivering now, Mr Dimopoulos. The government has decreased the planning process for school capital upgrades from 110 weeks to 68 weeks, and that 68-week planning process was introduced as part of the 17–18 budget to establish a more streamlined planning and design process. In addition, since the establishment of the VSBA we have had a significant improvement in meeting our time lines. So just to finish in terms of giving you those stats for the committee —

Mr DIMOPOULOS — Sorry, Minister. Just on that — it is too important to pass up lightly — we have gone from 110 weeks, so previously, before this government, if a local community had asked for a new school and the government agreed, in fact close to two years, what, just for planning?

Mr MERLINO — For funding and design. So from the point of funding announcement to actually turning the sod and starting construction it was 110 weeks.

Mr DIMOPOULOS — Let alone then the actual building process.

Mr MERLINO — Let alone the building. We have taken that process back to 68 weeks. In addition to that, it is the delivery on the ground. So for projects funded in 15–16 — that was under the original process that we inherited — we had 47 per cent running early or on time; 16–17-funded upgrades, so with the VSBA, 87 per cent are running early or on time; and 17–18-funded projects, 99 per cent are running early or on time. It shows the importance of having a dedicated building authority to deliver that infrastructure program, and it is one of the reasons why we are doing exactly the same thing in emergency services.

Mr DIMOPOULOS — Mr Keating, how many weeks in a semester?

Mr KEATING — There are roughly 10 weeks in each term, so roughly 20 weeks in each semester.

Mr DIMOPOULOS — Twenty weeks in each semester. We get two semesters, so 40 weeks —

Ms PENNICUIK — There are 52 in a year.

Mr DIMOPOULOS — Thank you. So a 40-weeks difference between the former time line — 110-odd weeks — and the current time line. So children today get two semesters worth of more time in new buildings and new classrooms than they did previously?

Mr MERLINO — Than they would otherwise; that is right.

Mr DIMOPOULOS — That is a big story to tell, Minister; it is an important one.

If I could take you to asbestos and shamelessly plugging my local community, as Ms Ward did, Mount Waverley Heights Primary School has received enough money to upgrade an existing building — \$2 million — because of this program, so I am very familiar with it. Minister, I wanted to bring you to the same budget paper reference, BP3, page 53, the same table. Can you give us a sense of the removal program? I know you talked about a bit in your presentation, but in terms of the audit that was undertaken, the scope and where we are at.

Mr MERLINO — Yes. It is an important part of the VSBA's activity and an important election commitment that we made and actually dealing with asbestos, not slapping a sticker on the door and then walking away. There was not one cent provided to a dedicated asbestos removal program under the previous government. So we made a commitment to address risk and a further —

Mr D. O'BRIEN — No, you made a commitment to eliminate it by 2020 — **Mr MERLINO** — We had this question last year, Mr O'Brien. I am happy to answer it.

Mr D. O'BRIEN — and you still haven't done it. You're still breaking your promise, Minister.

Mr DIMOPOULOS — It is interesting, Minister. We set goals that are stretch goals, and because we come close to achieving them we then get criticised by those who did not set any goals, but anyway, keep going.

Mr D. O'BRIEN — It is actually called breaking a promise, Mr Dimopoulos.

Mr MERLINO — Absolutely not, Mr O'Brien. We are well on our way and delivering a further \$45 million to our asbestos removal program, and that builds on our previous investment over the last three budgets. When we came to government we had a situation where if a school building contained asbestos, then the process, as I said, was you slap a yellow sticker on the building and you walk away. Our view was that that was not good enough. This program has been transformative. Not only are we removing asbestos from hundreds of schools across the state; we are replacing them with brand-new facilities. We have seen significant funding in previous years go towards the demolition of asbestos-ridden relocatable buildings and then replaced with new ones.

We have now started rolling out new modular buildings across the state, and this is largely what our \$45 million in this budget will go towards. Examples of modular projects funded in this budget: 3.2 million for Templestowe College, 1.6 million for Yarra Glen primary, 1.7 for Foster primary, 2.9 for Mount Eliza primary, 1 million for Regency, 2.6 million for Norwood Secondary College, 4.8 million for Vermont Secondary College and 4 million for Langwarrin Primary School.

Mr DIMOPOULOS — Just a quick comment before I hand over to Ms Shing. The exact example that you give about the sticker was one of the first jobs when I got elected — in fact previously, but when I was a local MP — one of the principals, and I will not name the school, had exactly that same issue. She said to me ‘Steve, how can I possibly show new parents around with that sticker’, because no parent in their right mind would actually want to send their kids there with asbestos, so I am proud of that program, Minister. It is a great program that addresses needs in my community and across Victoria.

Ms SHING — Just further to the asbestos removal program, we have heard some interesting interjections from Mr O’Brien today in relation to questions on Foster primary. He has gone on the public record indicating that it is a puzzling decision to spend 1.733 million on asbestos removal, and he has called it a half-baked project. Why has it been important in fact to address asbestos removal rather than building new school infrastructure to replace the school in its entirety?

Mr MERLINO — Thank you, Ms Shing, for that question. This is a fantastic program that delivers, very quickly, transformative upgrades. The beauty of the modular program is that where the VSBA finds asbestos that is too difficult to remove or too much of an impact on the building, you are better off knocking that building down completely, safely removing the asbestos and, through the permanent modular buildings, deliver a brand-new building —

The CHAIR — Order ! We will come back to that.

Mr T. SMITH — I will return to the ice facility next to a primary school.

Ms SHING — Sorry, the what? Is there something about that in the budget, Mr Smith? What are you referring to it as?

Mr T. SMITH — I am referring to the injecting room in Richmond, Ms Shing, as you know full well.

Ms WARD — We just want you to use proper and respectful language, Mr Smith. Surely you can manage that.

Mr T. SMITH — Mr Merlino, you might be aware that there are a number of parents at the school who are very unimpressed by your decision to put an injecting room next to their children’s primary school:

Parent Neil Mallett said allowing ice users to shoot up near young kids was ‘slightly insane’.

‘The injection room will bring a greater density of users into the area. Ice makes the situation even worse and poses a greater risk of dangerous behaviour, he said.

He declared the area was not ‘safe’ for his sons, who are no longer allowed to walk to school alone.

‘We are jumping at shadows at the moment. It’s shocking’, he said.

...

David, who did not provide a surname, objected to drug use ‘of any kind’ near the school, and suggested the school gates be manned to protect kids.

‘The school is going to have security issues and will need to get someone on the gates.’

Local mum Rebecca said: ‘We received no notification about this (ice use) at all. It’s been done in stealth and we are just appalled.

Ms SHING — What is your citation for that, Mr Smith?

Mr T. SMITH — I am happy to provide it. The *Herald Sun* of 20 April 2018 at 6.51 a.m.

Members interjecting.

The CHAIR — I am just waiting for a question. Is there a question, Mr Smith?

Mr T. SMITH — Well, we have been interrupted by your mob all morning, Chair, so allow us to run a commentary on their ridiculous interjections, but anyway —

The CHAIR — Just ask your question, Mr Smith.

Mr T. SMITH — Mr Merlino, are you aware of any parent who has taken their children or is going to take their children out of West Richmond Primary School because of you seeking an ice injecting room next door to their primary school?

Mr MERLINO — Mr Smith, in answer to your question and just further to the comments that I made earlier, obviously these facilities are subject to many, many years of public debate. On matters like this you are simply not going to get universal agreement. There will be people who have strong views, but I again take you to the comments of the school council president. I take you to the comments of the former West Richmond Primary School principal, Paul Ledwidge:

We anticipate this new facility will significantly reduce the visibility and impact of drug use in our local area. We have a longstanding partnership with the neighbouring health service and are confident that they will implement this trial with minimal effect on our school.

Mr T. SMITH — Because principals feel so free to speak out against your regime, don't they?

Ms SHING — Do not even answer that. Seriously, you just make it up as you go along.

Mr MERLINO — Through the Chair, I have given you comments, Mr Smith, from both parents and educators —

Mr T. SMITH — And I have just given you comments from parents as well.

Mr MERLINO — From people who live with this experience each and every day. There is deep engagement between the school, with Victoria Police, with the community, with community health —

Mr T. SMITH — So the answer is you are not aware of any parents, or you are? Are parents taking their children out?

Mr MERLINO — Mr Smith, parents make decisions about where they enrol their children at 1500 government schools right across the state. This will improve safety for the Richmond West school community. It will decrease antisocial behaviour. I just come back to what parents, students, teachers and principals are living with each and every day: teachers sweeping the school grounds for used needles; students walking to and from school —

Mr T. SMITH — We have established our views on this matter and we might move on. In December 2017 New South Wales Labor leader Luke Foley said:

I want to be clear, the Safe Schools program will not return, it is gone for good. Schools have a role to stop bullying — but what I won't have is some theory that comes from a university sociology course doing it. That's not helping to stop bullying.

Minister, Luke Foley seems to know something that you do not. Why don't you just not make Safe Schools compulsory in all Victorian government schools, which is unlike any other state in Australia?

Mr MERLINO — Sorry; can you repeat your question, Mr Smith?

Mr T. SMITH — Why do you want to make Safe Schools compulsory in every single school in Victoria, unlike in New South Wales where your colleague Luke Foley — the leader of the Labor Party — says it is never, ever coming back if they win the 2019 election?

Mr MERLINO — Well, because we have a completely different view. Mr Smith, I just take you to the earlier answer I gave in terms of bullying and the impact on LGBTI young people who experience bullying at school. The majority of bullying that occurs occurs at school. I have talked to you about a number of studies that show the impact of bullying, particularly on LGBTI students. That is exactly why we made an election commitment to roll out Safe Schools to every government secondary school in the state.

I would like to take this opportunity to inform you and the committee that, as at 4 May this year, 398 government secondary schools, including P-12 and special schools, have participated in Safe Schools. This is close to a 98 per cent participation rate. The Safe Schools unit within the department is successfully providing support to schools and, through schools, to students and families. Previously the Safe Schools program operated under an opt-in model, where schools elected to sign up as members. I wanted to do something stronger than that. This is a universal anti-bullying program, and that is exactly why in terms of the suite of bullying initiatives — whether it is Bully Stoppers, eSmart Schools or our partnership with Alannah and Madeline — I made the decision to bring it into the department, but beyond that, Mr Smith, actually strengthen it. I will take you through the four steps schools need to do and what they need to do to deliver.

Mr T. SMITH — I have read the guide, Minister. I do not need to hear you repeat it, because I have got a couple of other questions.

Mr MERLINO — I think you do need to hear it, but I am happy to answer your questions.

Mr T. SMITH — No, I do not. On page 7 of your guide, there is an example of a co-educational year 7 to 12 high school in Melbourne's eastern suburbs, and it talks about reviewing the uniform policy. What did that entail?

Mr MERLINO — I have already been on the record, Mr Smith. My strong view is that uniform policies should at all times provide the opportunity and the right to pants and shorts for students, no matter their gender. That is a policy I have rolled out. If there is anything further to add, I will ask Ms Haire.

Ms PATTEN — Girls wear pants too.

Ms SHING — Girls do wear pants, Mr Smith. You may be surprised to hear that.

Mr MERLINO — My girls only wear pants or shorts. I can tell you that.

Mr T. SMITH — I did not refer to any gender. I simply asked a question about what that review entailed.

Ms HAIRE — Mr Smith, the example you are referring to is a kind of case study as part of your guide to becoming a safe school. The reference to reviewing the uniform is, as the minister has indicated, about one of the things that schools do, which has been in general usually about girls being able to wear clothes that they are comfortable in for sports and other activities. In the case of this specific school, I am not aware of it being about anything other than that.

Mr T. SMITH — Your document on page 8, with respect to professional learning it says:

Get in touch with the department's Safe Schools unit to organise a professional learning package that works for your school.

What does that package look like? What are you teaching the teachers, essentially?

Ms HAIRE — One of the things about the Safe Schools program, now that we manage it in the department, is that we work very closely with our regional colleagues and also with the principals in the schools in order to support the school in whichever activities and actions they want to take. We do not have a one-size-fits-all approach, and so some schools choose to have training and awareness for a larger cohort of their staff. Others focus on a particular member of staff — for example, a student wellbeing officer — and that is up to the principal.

Mr T. SMITH — What sort of knowledge and what sorts of skills are you providing teachers with?

Ms HAIRE — The professional learning is usually about the kinds of activities that schools might take. For example, one of the most common actions that schools take is the establishment of utilising student voice and with —

Mr T. SMITH — No, that is not what I am asking. What are you actually teaching the teachers to impart?

Ms HAIRE — I am sorry. It is not professional development in the terms of the teaching and learning program, because it is not within the classrooms.

Ms PATTEN — I was interested in your student transport for students with disabilities and the added funding for that. I have a question from one of my constituents: will that increase in funding provide transport for special and special development school students to be members on school councils? We have mandated students to be members on those school councils, and I just wanted to confirm that that transport would be available for students to attend those school councils and be part of them.

Mr MERLINO — Thanks, Ms Patten. It is an interesting question. Our school transport program is a combination of things. It deals with demand pressures like English as an additional language and student transport. It deals with all of those corresponding demand pressures when you get enrolment growth. A lot of that money is focused there. It is also focused on replacing 40 older buses, so looking at replacing our fleet.

Ms PATTEN — I am happy if you take it on notice, Minister.

Mr MERLINO — In terms of accessing student councils, it is not specifically, but if there is anything further to add, I will, Ms Patten. I am very passionate about the student voice. We have changed our policy to ensure that students have a permanent voting role on school councils.

Ms PATTEN — Which is great, and then it is just important to ensure that they can actually be there.

Mr MERLINO — That they can actually get there. That is right.

Ms PATTEN — Could I just turn to the mental health of principals, and certainly there has been some money spent there. Do you keep any statistics on mental health of principals? Have there been many WorkCover complaints in that area over the past budget period?

Mr MERLINO — I might make some general comments, and then perhaps Ms Callister or Ms Haire want to make some additional comments. You are right, \$5.2 million has been provided for our *Principal Health and Wellbeing Strategy*, with \$4 million of this funding for six pilot initiatives. These initiatives have been developed in partnership with principals, so we have been working really closely. We are rolling out a school policy. It is about health and wellbeing, particularly mental health. It is also about addressing workload issues. A massive workload increases stress, and you have got the stress that comes with the job of being a principal.

So the school policy templates portal, so you do not have to keep reinventing the wheel; a principal mentor program; regional peak capability development; proactive well-being supervision — engaging principals with recently retired principals; a complex matters support team; and an early intervention program. These have been recently announced, particularly the last four elements, and well received by our principals. This is a big issue. I note that unfortunately one of the first things that I attended as an incoming Minister for Education was a funeral for a principal who had committed suicide. Mental health support is extremely important and that is why our focus has been on this health and well-being strategy.

Ms PATTEN — Yes, it was interesting hearing about the different areas, because I think one of the points as I was reading about and one of the concerns from the Victorian Principals Association, is that a lot of the stress is actually dealing with the department.

Mr MERLINO — Yes.

Ms PATTEN — I am wondering — and I heard you talking about templates and portals — is that part of the strategy, to try and make it less stressful for principals to deal with the department?

Mr MERLINO — Yes, absolutely. I might ask Ms Callister to talk about this because there has been —

Ms PATTEN — And we keeping any statistics?

Mr MERLINO — Yes. So we have made changes, structural changes, at a departmental level to make sure that people in the department are talking to each other, because principals can just be bombarded with emails and messages and compliance —

Ms PATTEN — My sister is a principal.

Mr MERLINO — Yes, indeed.

Ms CALLISTER — Thank you, Minister, and thank you, Ms Patten, for the question. There was a lot in there. Just to start near the end, with the policy portal work that the department has been doing, this is about creating some template portals so principals do not have to start from scratch with a range of the administrative things that they are required to have a policy on. The first tranche of those went out a little while ago and we have had overwhelming, positive feedback from all of our principal associations and stakeholder groups, so we feel confident that that is reducing workload and streamlining administrative tasks.

We also have a new system within the department for how we put information and requirements out to schools. That is so that they do not get bombarded by different parts of the department, being asked to do or to provide different things. Again, we have an advisory group for that, and we have very good early feedback about that. Just on what stresses principals, there was *The Australian Principal Occupational Health, Safety and Wellbeing Survey* from 2017

Ms PATTEN — Yes, I have just been reading about it.

Ms CALLISTER — That was released this year, and you would see there is a range of statistics and data in there about the things that impact on principal health and well-being.

Ms PATTEN — I did, yes.

Ms CALLISTER — From our workers compensation data, they are at greater risk of mental health injury than other school staff. You can see from the issues in that survey that that comes from a range of different avenues.

Ms PATTEN — I guess the question then goes down to: are you maintaining statistics, and do you have any numbers which help you measure the benefits of this program?

Ms CALLISTER — The mental health and wellbeing strategy and the initiatives that are currently funded are all pilots, and they target different aspects to build resilience, to support principals who have difficult situations in their schools more intensively and earlier, and to provide physical and mental health checks — completely confidential health checks — for principals. So we are targeting a number of different areas with these pilots, and we are keeping data on those because we are keen to see what impact they have. We have an advisory group of current and previous principals working with us on this. We do have some WorkCover data and we do monitor that.

Ms PATTEN — Would you be able to supply that, on notice?

Ms CALLISTER — Yes, I can look into what we can provide further.

Ms PATTEN — I think it is important to see those measurements, to see the improvements.

Ms CALLISTER — But there are other red flags before you have a WorkCover claim: the flags of long-persistent critical issues in a school that a principal is having difficulty with, increased amounts of sick leave or other absence leave. There are red flags that we need to identify earlier than just monitoring our WorkCover claims, so we are looking at that more comprehensive monitoring and matching that with the pilots that we have in place to try and understand longer term where the most persistent interventions will make a difference. We are taking this very seriously.

The Ms SHING — Minister, I would like to continue with the discussion we were having on school capital investments and the asbestos removal program, if I may. There are calculations which would appear to indicate that the Gippsland region has received around \$488 million in school capital over the four budgets, as compared with \$135.4 million, and that this includes initiatives around new school builds as well as the demountables that we have talked about. Is there any situation to preclude a new build from proceeding after an asbestos removal program has included replacement of one or more buildings within a particular school site?

Mr MERLINO — Thank you, Ms Shing. Absolutely not. There is the opportunity, of course, for consideration in future budgets for upgrades in terms of other buildings at the school site — and it is worth noting, in terms of Foster, not one cent provided by the previous government. These permanent modular buildings — I know you have seen them; I encourage all committee members to have a look at them — are delivered so quickly and at minimal disruption to the school, demolition of the asbestos-ridden buildings, and

then within six to nine months, the delivery of a permanent facility, architecturally designed and last as long as a traditionally built facility. The schools that are receiving them are just overjoyed. So there is nothing to preclude future upgrades at the school.

Ms SHING — Excellent. So in the event that a new school is built where asbestos removal program funds have been allocated for demountables, are those demountables able to be repurposed and incorporated into a new school build after that has been completed? This might also be a question for Mr Keating as far as the work of the authority.

Mr MERLINO — Thank you, Ms Shing. I might ask Mr Keating to answer that question.

Mr KEATING — There are a couple of different ways we construct school buildings these days. There are relocatable buildings, which are designed to be primarily picked up, put on the back of a truck and moved around the state to go to different locations. These buildings that are part of the asbestos program are permanent, so whilst they are designed and constructed in a factory and then assembled on site, they are designed to be there long term. What we will do is work with the school that is receiving one of those buildings and have a high-level master plan so if there is future investment, where would it be, how does this fit into the broader plans of the school? You are putting something in that meets the school's long-term objectives and where we see their enrolment growth going.

Ms SHING — So it is a building-block approach then in relation to the infrastructure that a school would need into the short, medium and long term.

Mr KEATING — Absolutely.

Ms SHING — Thank you very much for that. I would also now like to go more broadly to a number of the initiatives that are related to careers education, to vocational education and training and also to issues which Ms Patten has talked about in the course of earlier questions that have been raised on STEM and the way in which we can incorporate better cross-pollination of learning pathways and links to employment. We have got a whole lot of initiatives in the budget which you have canvassed in the course of your presentation but, Minister, I will take you to page 47 of budget paper 3 and in particular the Head Start apprenticeships and traineeships and how these will interface with the existing curriculum and with other initiatives designed to keep students in school, keep them engaged and set them on a path that also relates to TAFE and other pathways, for example.

Mr MERLINO — Thank you, Ms Shing. This is one of the more innovative and exciting initiatives out of the budget. It has been a gradual process trying to get much better engagement at secondary schools to industry and to TAFE and tertiary providers. One way we have done it is through our tech school program, which has been very successful and we will roll out the remainder through the course of this year. Engaging with students, whether it is careers education engaging them earlier, tech schools so they can engage with industry and open their eyes to a whole variety of skilled jobs or through the Head Start apprenticeships and traineeships program. This is a \$49.8 million investment.

As I said at the beginning, it will target 1700 students across 100 Victorian government secondary schools, and it will give students the option to undertake an additional year of high school and graduate with an apprenticeship or traineeship ready to work in a high-demand or high-growth industry. It will mean that for students who want to work in construction, health care, education or digital technology they can start in year 10 and learn their trade at school and get a job sooner.

Ms SHING — Will they continue to get the same level of support with that additional year of school that they would get throughout the ordinary secondary school experience?

Mr MERLINO — Yes, they will. There will be a greater level of engagement. At the moment you have got SBATs — school-based apprenticeships and traineeships — and a certain level of industry engagement. By providing the option of starting year 10 and an option of year 13 you can ensure that there are many more hours of direct engagement with the employer and then focus on literacy and numeracy throughout that course of the four years. That is why we needed to provide the option of that year 13 so we can deliver everything we need to in terms of educational support for those students and full, on-the-job development of their skills in the trade or traineeship that is required to ensure that they get the trade certificate at the end.

Ms SHING — There are some who say that we should not overthink education in relation to the way in which these programs are set up. This seems to be a multifaceted approach to guiding students through to pathways of earning and learning in a combination. How does this fit within the TAFE work that is also being done?

Mr MERLINO — This has been a journey. Our focus as a government in our early years has been on saving TAFE — simply reopening those campuses that were forced to close, reinvesting in our TAFEs.

Members interjecting.

Mr MERLINO — Some do not want to overthink education.

Ms SHING — They think it is about basket weaving, Minister.

Mr MERLINO — Some consider that free tuition in 30 priority TAFE courses and 18 pre-apprenticeship courses is a subsidy for basket weaving. I think that is despicable, and it is just absolutely wrong. You think about our massive infrastructure program. You think about the NDIS and the estimates that that will require — 75 per cent plus additional staff in our disability sector. You think of aged care, health and human services. The majority of those workers — those skilled workers — with good jobs will come via our TAFE sector. The investments we are making in tech schools, the investment we are making in Head Start apprenticeships and traineeships, the reform and the investment that Minister Tierney has announced in terms of our TAFE sector and certainly the \$109 million we have invested in careers education reform are about providing those pathways to jobs that are being delivered and will be there for the future.

Ms SHING — Thank you very much, Minister, for that.

Ms WARD — Minister, I just want to talk to you about the Navigator program. You have met Nancye Harrison from my Banyule Nillumbik LLEN, who is a terrific woman. Can I say she has been hanging out for the rollout of the Navigator program to LLENs beyond the pilot ones that have been used recently. Can you please go to page 48 of budget paper 3 and explain to the committee why the government will be rolling out Navigator more broadly?

Mr MERLINO — Thank you, Ms Ward. It is an important question, and it is a vital program because disengagement is a statewide challenge. We know that disengagement culminating in leaving school at any time before year 12 is known to have long-term negative impacts, with early leavers being four times more likely to make a poor transition to employment or further education than those who complete year 12 or equivalent and to have subsequently poorer health outcomes, lower income levels and reduced civic and social engagement. When we came to government there were around 10 000 young people between years 9 and 12 that were completely disengaging from the education system. The Navigator pilot has been very successful. I am delighted that we are now, with this \$44 million, rolling it out statewide. As I said, we are looking to engage around 2600 students and getting them back and engaged with their education. It also links with the Lookout program, which is being the pushy parent for the 6000 or so young people who are in out-of-home care.

Ms PENNICUIK — Sorry to jump in, Minister, and apologies to Ms Ward, but —

The CHAIR — Order! We will come back to that. Mr Smith until 12.10.

Ms PENNICUIK — Has it been evaluated?

Mr MERLINO — Yes, it has been.

Ms PENNICUIK — Is there an evaluation?

Mr MERLINO — Yes, it has been.

Ms PENNICUIK — Can you provide that to the committee?

Mr MERLINO — Yes, if there is anything more I can provide, I will.

Mr T. SMITH — Very quickly, Minister, how many public servants are in your Safe Schools unit in the department?

Mr MERLINO — Thank you, Mr Smith. Just give me a moment. In terms of Safe Schools, as I said to a previous question: this is a universal anti-bullying program; it is needed. It is program —

Mr T. SMITH — You have said that 400 times.

Mr MERLINO — Yes, I have said it 400 times, Mr Smith, because it is needed —

Mr T. SMITH — Your Labor right colleague in New South Wales completely disagrees with you, but anyway.

Mr MERLINO — and frankly for six years it operated without controversy under Liberal–National governments, Labor governments, federal governments and state governments.

Mr T. SMITH — I do not need a commentary. I want a number.

Mr MERLINO — Ms Haire is just locating the data in terms of —

Mr T. SMITH — Have you got a number?

Mr MERLINO — Ms Haire.

Ms HAIRE — Mr Smith, we have four members of the Safe Schools team in the Department of Education and Training.

Mr T. SMITH — Thank you very much. How many primary schools have taken up this program?

Mr MERLINO — The election commitment and what we are delivering is for Victorian government secondary schools. The way the Safe Schools program has always worked, the way it works now that it is fully rolled out as a departmental program providing universal support — in terms of secondary schools, and I really do want to go to what they need to deliver —

Mr T. SMITH — No, I want to know just how many primary schools —

Mr MERLINO — I am happy you do not want the answer to that question. In terms of primary schools, Mr Smith, the Safe Schools unit, the staff within the department, are there to support parents, students, teachers and principals upon request.

Mr T. SMITH — How many primary schools have taken up this program?

Mr MERLINO — Mr Smith, it is about the support that the Safe Schools unit can provide to primary schools. Requests for assistance and support may come from primary schools. In terms of the rollout, that is across all our government secondary schools. In terms of an example of how primary schools may contact the Safe Schools unit for support, I will ask Ms Haire to respond.

Ms HAIRE — For example, one of the ways in which a primary school might access the support of the Safe Schools team would be if there is an example of significant bullying of a young person in one of the schools. The Safe Schools team provide support to the principal and the staff around the kind of environment, the kind of best practice strategies to prevent bullying, and they also provide support to teachers in knowing —

Mr T. SMITH — That is not what I am asking. I am asking the number of primary schools that have signed up to the Safe Schools program.

Mr MERLINO — The answer to that question, Mr Smith, is zero, okay? The commitment and the KPI that I am accountable for is in regard to secondary schools, and secondary schools need to complete four steps: one, make a commitment to create an inclusive and safe environment for their school community, including LGBTI students; secondly, identify actions the school will take to achieve their commitment statement; thirdly, identify the intended outcomes the school expects to see as a result of its activities; and fourthly, publicly communicate the commitment actions and intended outcomes. So at a secondary school level it is about: what is your commitment and what are the actions you are going to take? So it is a lot stronger than simply signing up to Safe Schools. That is how it works in our secondary schools — that is the commitment and that is what I am accountable for.

In terms of primary schools, it is on an as-needs basis: if a parent needs support, if a school needs support, if a student needs support. If Ms Haire wants to elaborate any further — but that is the answer.

Mr T. SMITH — I do not think she can add —

Ms HAIRE — I just wanted to add that no primary schools have undertaken those four steps in the time the department has managed the program. I was also going to say earlier that that support that we provide to primary schools on an on-request basis we also provide to non-government schools.

Mr T. SMITH — Yes, I am aware of that.

Ms HAIRE — So it is a service to support, particularly when students are in significant need.

Mr T. SMITH — Thank you very much. If we could move on to asbestos, please, Minister: has any funding being allocated to independent or Catholic schools to assist in removing this toxic material?

Mr MERLINO — Mr Smith, this is an asbestos removal program for our government schools.

Mr T. SMITH — Is it not true that the government had the opportunity to support the non-government sector with starting this process, but the funding was removed from the recurrent funding bucket that forms the 25 per cent funding agreement with the non-government sector?

Mr MERLINO — Not that I am aware of. I think the answer is no, Mr Smith, but if there is any further information I can provide, I will.

Mr T. SMITH — Can the secretary add to that answer?

Ms CALLISTER — I cannot at this stage. We will try and get information for you if we can.

Mr T. SMITH — So you will provide that information to the committee on notice?

Mr MERLINO — If there is any further information, yes. In terms of non-government schools, you would be aware, Mr Smith, that there was no capital program for non-government schools under the previous government. Under this government there is a \$120 million capital program.

Mr T. SMITH — How much is being funded to Catholic and independent schools in 2018–19, Minister?

Mr MERLINO — This is a program, Mr Smith, as you are aware — and I answered this in Parliament —

Mr T. SMITH — You did not, actually.

Mr MERLINO — We made a commitment to deliver \$120 million of funding to non-government schools. It is distributed on the basis of —

Mr T. SMITH — Yes.

Mr MERLINO — I am answering the question. It is distributed on the basis of the percentage of Catholic schools, the percentage of independent schools. We have had three rounds of funding. So if you look at previous budget papers, we have delivered the \$120 million in full. So that is \$120 million and 92 projects — many of those are ongoing.

Mr T. SMITH — I am aware of that. So 18–19 — the budget for capital —

Mr MERLINO — In terms of the rollout of that \$120 million, and this is matched funding, so it is not \$120 million worth of projects; this is either two or three times worth in terms of value to the community. In terms of the delivery of that funding, it is \$10 million in 15–16, so we were getting the program up and running; \$25 million in 16–17; \$35 million in 17–18; and \$50 million in 18–19.

Mr T. SMITH — Minister, where exactly is that itemised in your budget?

Mr MERLINO — Well, of course it is not itemised in this year's budget papers, because it was delivered in previous budgets and rolled out over the four financial years of this term.

Mr T. SMITH — The Catholic Education Office is saying that there is no new money for their schools in calendar year 2018.

Mr MERLINO — Mr Smith, the answer to your question is that we have delivered in full on our commitment to non-government schools. You delivered zero to non-government schools in terms of capital under the former government. So we have been rolling it out through, as I said, 15–16, 16–17, 17–18 and 18–19, and of course we will continue to engage with Catholic education and with Independent Schools Victoria in terms of their needs and requirements going forward.

Mr T. SMITH — Minister, it is my understanding that your departmental officials ultimately made the decision to leave funding for asbestos removal out of non-government funding arrangements. I would like that either taken on notice or perhaps answered at some point later on in this hearing.

Mr MERLINO — As I have indicated earlier to you, Mr Smith, there is the basket of goods in terms of what is included in recurrent funding. I am happy for the department to go away and look, and if there is a further information we will provide that to you.

Mr T. SMITH — Thank you very much, Minister. Minister, in terms of absenteeism you had an expected outcome of 16.4 average days in 2017–18 for year 6 students, but your target was 14½ days. Engagement is very important; why are more children not turning up to school without an excuse?

Mr MERLINO — Thank you, Mr Smith, for the question. If we run out of time, I am happy to follow this up. There has been an issue in terms of reporting, and I will ask the department to talk about that further. There has been an increase in overall absence days between 2016 and 2017. The advice that I have received is that it is primarily attributable to increases in illness and medical reasons, family holidays and parental choice.

Ms WARD — If I can, Minister, I would like to get you back onto the Navigator program, and I think this might help Ms Pennicuik out as well. If I can get you to talk through the pilot program and the outcomes from the pilot program, which I know my LLEN were very passionate about and very keen to see rolled out because they thought it was so successful.

Mr MERLINO — Thank you, Ms Ward. The Navigator program was initially established as a pilot, as you said, in the 2015–16 budget, and has been successful in achieving short-term outcomes around young people's increased readiness for education, with the majority of young people reporting increased levels of wellbeing, such as a sense of control over their future and a greater sense of purpose in their lives. As at the end of 2017, 1038 young people had received case management support through the program, and 691 had returned to education. I will just go back to 691 lives getting back into the education system, and if they had not their life outcomes would be all the poorer. The program is also fully subscribed across our pilot areas, with waiting lists of young people across each of the eight pilot areas — evaluated, Ms Pennicuik — and as a result of these successes the government has expanded the program so that it is available to support all students across Victoria.

Prior to the Navigator pilot program individualised supports for students who were disengaging from school were scarce. With Navigator we have an effective model of working with young people who are grappling with multiple complexities and educational disengagement. It has been, as I said, successful in achieving short-term outcomes around their readiness for education, and we are seeing that improvement statewide. One of our Education State targets is not just around numeracy, literacy, science, critical and creative thinking and the arts; it is also about halving the proportion of students leaving school between years 9 and 12 over the next 10 years. The combination of Navigator, Lookout and other regional supports, and the health and wellbeing initiatives in this year's budget, will also go towards engaging young people before they disengage from school.

Ms WARD — Minister, I understand that some of the participants in the Navigator program may be young people who are in out-of-home care, who are facing numerous challenges in terms of participating in schooling. Within or without the Navigator program, can you explain to us how the department helps those students.

Mr MERLINO — Children and young people in out-of-home care are a diverse group who share a common experience of trauma and displacement. The impacts of trauma on brain development has been well-documented including reduced cognitive capacity, language delays, social functioning, poor peer relationships and instability arising from frequent moving. This is one of the key components of Lookout.

Previously Health and Human Services had responsibility for that child and the impact of — for foster parent reasons or other reasons — moving the child from school to school to school was not considered in the basket of considerations. Having Lookout, led by principals and experts, enables the educational needs of that young person to be taken into account. So the out-of-home care education commitment is an agreement between the Department of Education and Training, the Department of Health and Human Services, the Catholic Education Commission and Independent Schools Victoria, which recognises the unique educational challenges faced by students living in out-of-home care and outlines the additional supports required to help these students stay engaged in their learning and achieving their best at school.

Ms WARD — Thank you, Minister. It is interesting to note that there are so many different programs that the education department delivers beyond areas like Safe Schools. I would only hope that the shadow Minister for Education engages in many of the other programs which the government is providing.

Mr DIMOPOULOS — Minister, I just want to take you to Gonski, and you touched on it in your presentation. BP3, page 183, talks about performance measures including equity funding and other measures. I just wanted to get a sense from you. I think this is the last year of the Gonski commitment. I understand the feds are not interested — that is my language, not yours. Can you give me a sense of where we are in the Victorian government's commitment in the budget and where the feds are?

Mr MERLINO — We made a commitment to deliver on the state's obligations to the original Gonski agreement. As you say, 2019 is the sixth and final year of the original Gonski agreement. If I take you back a step, when we came into government we inherited a \$50 million black hole in the 2014 and 2015 calendar years and an \$805 million for the 2016 and 2017 years from my recollection. We have, in each and every year of our government and in our four budgets, exceeded our obligations to the original Gonski agreement. What we have seen at a federal level is the Turnbull government walking away from the original Gonski agreement, and the impact on Victorian schools — Catholic, independent and government across the board — is around \$700 million in 2019 and beyond. That is the difference between what they have put on the table and what the original Gonski agreement required the federal government to provide.

As I said to an earlier question from Ms Patten, we are now going into national negotiations for a new national agreement. What we are prepared to do is increase the state's contribution to the student resource standard, the SRS. We are prepared to negotiate the best deal for Victorian students. We are prepared to go to 75 per cent of the SRS over the next 10 years, which is a significant uplift in state funding for Victorian schools — a significant uplift. What we are saying to the federal government is we are prepared to do that — we will put our colours to the mast; we are prepared to do that — as long as the federal government is prepared to deliver that final 5 per cent of funding for government schools.

They talk about it being needs based; it is anything but needs based, what the federal government is putting on the table. What they are proposing is a model in which non-government schools get to 100 per cent of the SRS and then beyond, but there is this ceiling on government schools that they can only get to 95 per cent of the SRS. We are prepared to go to 75. We are prepared to do the heavy lifting at a state level. We want the federal government to not deliver 20 per cent for government schools but 25 per cent for government schools. The department is negotiating with counterparts at a federal level. We are engaging through the Education Council. We will get the best agreement that we possibly can get for Victoria, and under the federal legislation, if we do not reach an agreement this year then every dollar of federal funding is at risk for next year. That is sort of the sword hanging over our heads, that if we do not reach an agreement, under their law every dollar from the federal government to government and non-government schools is at risk for 2019.

Mr DIMOPOULOS — Minister, just a couple of quick comments. Firstly a correction: when we were talking about asbestos earlier I inadvertently mentioned Mount Waverley Secondary College and I meant Mount Waverley Heights Primary School. I have so many wonderful schools in the electorate that I slipped up.

Just quickly, in terms of Gonski our commitment has been acquitted and now we have become — well, we always have been — an advocate nationally. I know this is going to sound, I suppose, like a Dorothy because we are in the same government —

Mr D. O'BRIEN — Because it is a Dorothy.

Mr DIMOPOULOS — No, it is not. I knew somebody would wake up the opposition. Minister, I have got to say, genuinely, a member of the Liberal Party, who I will not name in this forum because they would not want me to, said to me that this is an outstanding education budget. I am going to say to you too that you must be very proud as an education minister. I heard that from a Lib very genuinely, and I wish I could name them, but I will not. You must be very proud to have over the last four years led the best budgets for education in Victoria's history.

Mr MERLINO — Thank you, Mr Dimopoulos, very proud.

Mr T. SMITH — As I picked up about absenteeism, Minister —

Mr MERLINO — Thank you, Mr Smith, just bear with me. As I was saying, Mr Smith, in terms of the increase in overall absence days between 16 and 17, primarily attributable to increases in illness and medical reasons, family holidays and parental choice, those three categories account for around one day of increased absence in primary schools and 1.1 days of increased absence in secondary schools. Three categories of absence — illness and medical reasons, family holidays and parental choice — accounted for nearly two-thirds of all absences in 2017. These are not unexplained absences in our system. That is the reason.

In terms of combating disengagement, we made a recent announcement to ensure that schools checked their attendance data on that day and advised parents if their child was absent from school as soon as practicable. The previous policy was around three days — within three days. So there are explainable reasons for the increase in absences, but every day a child is absent from school is significant. Every day makes a difference in their learning, and that is why we have had a greater focus on accountability — checking who is at school and advising parents as soon as practicable on that day.

Mr T. SMITH — But this is your CASES21 document with regard to all the 50-odd different excuses that can be used for absence and the way it is recorded in your system. Now, a code 300, which is truancy — yes, counted. And then, 'Parent knows about absence but does not approve, parent does not know about absence, reasonable excuse — yes'. So why is truancy a reasonable excuse for absence? There is another document that I have received which says:

Rarely should 'unexplained' be used. When an absent note is not provided it should be 'parent choice'.

So if I could take the truancy issue to begin with, I find that quite incredible, Minister.

Mr MERLINO — As I indicated, in terms of nearly two-thirds of absences in 2017, parent choice was one of the three major reasons, but I might ask Ms Haire to go to the detail of that question.

Ms HAIRE — Mr Smith, in terms of the procedures that schools have to follow for attendance, all registered schools — so that is not just government schools but all registered schools — must have student attendance monitoring procedures in place, and that has got four main requirements: to monitor and record student attendance, which is twice daily in primary schools and every class in secondary schools; to maintain an attendance register; to record the reasons for a child's absence on the attendance register; and to follow up on any unexplained absences. The department's School Policy and Advisory Guide has been updated, as per the minister's previous comment, to state that:

Schools must advise parents/guardians of unexplained absences, on the same day, as soon as practicable, including for post-compulsory aged students.

So the School Policy and Advisory Guide provides the policy advice that sits over the top of the use of CASES21 —

Mr T. SMITH — That is not my question. The question is around code 300 and your CASES21 student absence codes. Why is truancy a reasonable excuse to be away from school? It is your document.

Ms SHING — On a point of order, are you asking for an opinion, Mr Smith, in relation to why truancy is a reasonable excuse?

Mr T. SMITH — I am asking for an explanation.

Ms HAIRE — Yes, sorry, Mr Smith. Truancy is not an excuse for non-attendance at school, as per the four steps that I have just gone through —

Mr T. SMITH — I am sorry, Ms Haire —

Ms WARD — How about you just let her answer the question, Mr Smith, and then you will understand what she is saying.

Ms SHING — It is a data allocation, Mr Smith.

Mr T. SMITH — No, it says here ‘reasonable excuse — yes’. This is your document: truancy, description, code 300, truancy, counted — yes. And then, ‘Parent knows about absence but does not approve, parent does not know about absence, reasonable excuse — yes’.

Ms HAIRE — Mr Smith, I am advised that the approved and unapproved absence definitions that you are referring to only relate to a subsection of unexplained absences where a child or a student has engaged in chronic and long-term absenteeism, but going back to the four-step process that every school has to follow, the truancy —

Mr T. SMITH — I am not interested in the four-step process, Ms Haire. I want an answer as to why truancy is a reasonable excuse for absence from school. We have already seen in the budget the government failing to meet its targets with regard to grade 6 kids, and I cannot for the life of me understand why truancy is an acceptable excuse, given the fact that she thought it was illegal.

Mr MERLINO — Yes, it is an explanation.

Ms HAIRE — Sorry; I was taking a bit long to get there, but it is an explanation not an excuse for chronic absenteeism in certain cases, so what the school is required to do is to follow up all of those unexplained absences under the new policy and contact the parent as soon as practicable on the same day to record the reasons in the CASES21 system — to record the explanation, which I think is a bit different to recording it as an excuse; it is the explanation. The schools then take action, and particularly where there has been chronic and long-term absenteeism programs such as Navigator might be used, but before we get to that stage usually the school engages with the family.

Mr T. SMITH — There are 56 different codes, Ms Haire. I mean that seems like a lot of red tape for schools to have to deal with, and equally your department has sent out a document suggesting that rarely should ‘unexplained’ be used. Why would you do that? Shouldn’t it simply reflect the truth of the matter?

Ms HAIRE — I think the context of that communication is probably important in this instance, which would be to urge schools under our new focus on attendance — which has been a feature of our regional performance reviews and so on — to get to the actual explanation for absences or lack of attendance rather than simply to record something as an unexplained attendance. So we are seeking to have the best quality data that we can so that the issue of lack of attendance can be addressed.

Mr T. SMITH — Thank you, Ms Haire. I have only got 2 minutes left, and I have got a question for the secretary. Question 8 of the department’s questionnaire shows an increase in FTE for executive officers between 17 June and 18 June. Given the government’s pre-election commitment to reduce the number of executives, can you detail the headcount of those FTE executive officers?

Ms CALLISTER — Yes, Mr Smith. I am just getting that material, but given the very significant increase in the work that the department is doing in the education system and the considerable investment, I think that we have kept our increase in executive officers for a department of that size extremely lean. Some of that has been in our capital program, which as the minister has pointed out, has become cumulatively a very large one.

The CHAIR — One minute.

Mr T. SMITH — I have only got 1 minute. What is the headcount, Secretary?

Ms CALLISTER — Mr Smith, what are you actually asking me? The headcount of executive officers?

Mr T. SMITH — From 2017 to June 2018, can you detail the headcount?

Ms CALLISTER — I think you have the table from the questionnaire there. So you can add them up. We have executive officer classifications 3, 2 and 1 in 2017, and then in 18 it has increased by a small number.

Mr T. SMITH — On notice, can you furnish the committee with a list of names of all those executives along with their positions and branch units of the department?

The CHAIR — I am not sure why you require a name, Mr Smith.

Mr T. SMITH — I am happy if it is by position only. Thank you.

The CHAIR — Order! I would like to thank the witnesses for their attendance: the Minister for Education, the Honourable James Merlino; Ms Callister; Ms Haire; Ms Atta; Mr Keating; Mr Howes; and Ms Donald. The committee will follow up on any questions taken on notice in writing. A written response should be provided within 10 business days of that request.

Witnesses withdrew.