



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

EDUCATION, EMPLOYMENT AND WORKPLACE
RELATIONS LEGISLATION COMMITTEE

Estimates

THURSDAY, 2 JUNE 2011

CANBERRA

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SENATE
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS
LEGISLATION COMMITTEE

Thursday, 2 June 2011

Senators in attendance: Senators Back, Bilyk, Boyce, Cash, Fifield, Fisher, Hanson-Young, Marshall, Mason, Nash, Scullion, Sterle and Wortley.

EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO

In Attendance

Senator Evans, Minister for Tertiary Education, Skills, Jobs and Workplace Relations

Senator Collins, Parliamentary Secretary for School Education and Workplace Relations

Department of Education, Employment and Workplace Relations

Ms Lisa Paul, Secretary

Mr Michael Manthorpe, Deputy Secretary

Ms Jennifer Taylor, Acting Deputy Secretary, Executive

Dr Michelle Bruniges Associate Secretary

Ms Catherine Wall, Acting Deputy Secretary, Executive

Mr Robert Griew, Associate Secretary

Ms Sandra Parker, Deputy Secretary

Mr John Kovacic, Deputy Secretary

Ms Robyn Kingston, Chief Internal Auditor, Internal Audit

Corporate and Network

Mr Michael Manthorpe, Deputy Secretary

Mr Craig Storen, Chief Financial Officer, Finance and Business Services

Ms Susan Monkley, Deputy Chief Financial Officer, Finance and Business Services

Ms Kylie Emery, Acting Group Manager, Communication and Parliamentary

Ms Barbara Grundy, Branch Manager, Communication and Parliamentary

Mr Timothy Pigot, Branch Manager, Communication and Parliamentary

Mr Brant Trim, Branch Manager, Communication and Parliamentary

Ms Deb Rollings, Branch Manager, Communication and Parliamentary

Mr George Kriz, Chief Lawyer and Group Manager, Legal and Investigations

Ms Susan Smith, Group Manager, Organisational Development

Ms Vicki Rundle, Group Manager, People

Mr Benjamin Wyers, Branch Manager, People

Ms Sue Dawson, Group Manager, State and Regional Services strategy

Ms Nicky Govan, Branch Manager, State and Regional Services strategy

Outcome 1—Office of Early Childhood Education and ChildCare

Ms Jennifer Taylor, Acting Deputy Secretary, Executive

Mr David De Silva, Acting Group Manager, Early Childhood Quality

Ms Joan ten Brummelaar, Branch Manager, Early Childhood Quality

Ms Lisbeth Kelly, Branch Manager, Early Childhood Quality

Ms Ngaire Hosking, Group Manager, Indigenous Pathways and Early Learning

Ms Robyn Priddle, Branch Manager, Indigenous Pathways and Early Learning

Mr Matthew Hardy, Branch Manager, Indigenous Pathways and Early Learning

Dr Russell Ayres, Branch Manager, Indigenous Pathways and Early Learning

Ms Joanna Stanion, Branch Manager, Indigenous Pathways and Early Learning

Ms Robyn Shannon, Acting Group Manager, Childhood Programs and Business Support

Mr Murray Kimber, Branch Manager, Child Care Programs and Business Support

Outcome 2—Schools and youth

Dr Michelle Bruniges, Associate Secretary

Ms Catherine Wall, Acting Deputy Secretary, Executive

Dr Evan Arthur, Group Manager, National Schools and Youth Partnerships

Ms Rhyan Bloor, Branch Manager, National Schools and Youth Partnerships

Ms Helen McLaren, Branch Manager, National Schools and Youth Partnerships

Mr Patrick Burford, Acting Branch Manager, National Schools and Youth Partnerships

Ms Gabrielle Phillips, Branch Manager, National Schools and Youth Partnerships

Mr Anthony Fernando, Branch Manager, National Schools and Youth Partnerships

Ms Janet Davy, Group Manager, Curriculum, Assessment and Teaching

Ms Margaret Banks, Branch Manager, Curriculum, Assessment and Teaching

Ms Alex Gordon, Branch Manager, Curriculum, Assessment and Teaching

Mr Tony Zanderigo, Branch Manager, Curriculum, Assessment and Teaching

Mr Matt Davies, Acting Group Manager, Engagement and Wellbeing

Mr John Baker, Branch Manager, Engagement and Wellbeing

Mr Stephen Goodwin, Branch Manager, Engagement and Wellbeing

Mr Chris Sheedy, State Manager South Australia, Engagement and Wellbeing

Mr Craig Robertson, Group Manager, Infrastructure and Funding

Ms Oon Ying Chin, Branch Manager, Infrastructure and Funding

Ms Chris Woodgate, Branch Manager, Infrastructure and Funding

Ms Louise Hanlon, Branch Manager, Infrastructure and Funding

Mr Kieren Robinson, Acting Branch Manager, Infrastructure and Funding

Mr Atul Sehgal, Director, Infrastructure and Funding

Mr Anthony Parsons, Group Manager, Building the Education Revolution Program Management

Mr Stewart Thomas, Branch Manager, Building the Education Revolution Program Management

Outcome 3—Tertiary, skills and international

Mr Robert Griew, Associate Secretary

Mr Michael Maynard, Group Manager, Skills

Ms Katy Balmaks, Branch Manager, Skills

Ms Jan Febey, Branch Manager, Skills
Mr Daneil Owen, Branch Manager, Skills
Ms Kathryn Shugg, Branch Manager, Skills
Ms Julie Yeend, Branch Manager, Skills
Mr David Hazlehurst, Group Manager, Higher Education Group
Ms Lisa Schofield, Acting Branch Manager, Higher Education Group
Dr James Hart, Branch Manager, Higher Education Group
Mr Mark Warburton, Branch Manager, Higher Education Group
Ms Catherine Vandermark, Branch Manager, Higher Education Group
Dr Andrew Taylor, Branch Manager, Higher Education Group
Mr Phil Aungles, Acting Branch Manager, Higher Education Group
Ms Mary-Anne Sakkara, Acting Group Manager, Tertiary Framework
Ms Melissa McEwen, Acting Branch Manager, Tertiary Framework
Mr Richard Millington, Acting Branch Manager, Tertiary Framework
Ms Kate Driver, Acting Branch Manager, Tertiary Framework
Mr Martin Graham, Branch Manager, Tertiary Framework
Mr Neil McAuslan, Branch Manager, Tertiary Framework
Ms Leonie Horrocks, Branch Manager, Tertiary Framework
Mr Colin Walters, Group Manager, International Group
Ms Tulip Chaudhury, Branch Manager, International Group
Mr Jason Coutts, Branch Manager, International Group
Mr Vipin Mahajan, Branch Manager, International Group
Mr John Barbour, Acting Branch Manager, International Group
Mr Robin Shreeve, Chief Executive Officer, Skills Australia

Outcome 4—Employment, strategy and Indigenous strategy

Ms Sandra Parker, Deputy Secretary
Ms Jenny Harrison, Acting Group Manager, Employment Services Management, Procurement and Evaluation
Ms Marsha Milliken, Group Manager, Income Support
Ms Margaret Sykes, Branch Manager, Income Support
Mr Brett Harris, Acting Director, Income Support
Ms Margaret McKinnon, Group Manager, Job Services Australia
Ms Linda Laker, Branch Manager, Job Services Australia
Ms Fiona Buffinton, Group Manager, Specialist Employment Services
Ms Ingrid Kemp, Branch Manager, Specialist Employment Services
Mr Stephen Moore, Group Manager, Employment Systems
Ms Margaret Kidd, Group Manager, Labour Market Strategy

Ms Alison Durbin, Branch Manager, Labour Market Strategy
Ms Stephanie Bennett, Branch Manager, Labour Market Strategy
Mr Darren Hooper, Branch Manager, Labour Market Strategy
Mr Ivan Neville, Branch Manager, Labour Market Strategy
Mr Malcolm Greening, Branch Manager, Labour Market Strategy
Dr Alison Morehead, Group Manager, Social Policy and Economic Strategy
Mr Mark Roddam, Branch Manager, Social Policy and Economic Strategy
Ms Rose Verspaandonk, Branch Manager, Social Policy and Economic Strategy
Mr Scott Matheson, Branch Manager, Social Policy and Economic Strategy
Ms Helen Innes, Acting Branch Manager, Social Policy and Economic Strategy
Ms Debbie Mitchell, Branch Manager, Strategic Priorities
Ms Jo Wood, Group Manager, Strategy–Indigenous Economic Strategies
Ms Katrina Fanning, Branch Manager, Strategy–Indigenous Economic Strategies
Ms Tania Rishniw, Branch Manager, Strategy–Indigenous Economic Strategies

Outcome 5—Workplace relations

Mr John Kovacic, Deputy Secretary
Ms Michelle Baxter, Group Manager, Workplace Relations Implementation and Safety
Mr Jeff Willing, Branch Manager, Workplace Relations Implementation and Safety
Ms Meredith Fairweather, Branch Manager, Workplace Relations Implementation and Safety
Ms Flora Carapellucci, Branch Manager, Workplace Relations Implementation and Safety
Ms Sarah Sullivan, Acting Branch Manager, Workplace Relations Implementation and Safety
Mr Jeremy O'Sullivan, Group Manager, Workplace Relations Legal
Mr Peter Cully, Branch Manager, Workplace Relations Implementation and Safety
Mr Henry Lis, Branch Manager, Workplace Relations Legal
Mr David Bell, Branch Manager, Workplace Relations Legal
Mr David Bohn, Branch Manager, Workplace Relations Legal
Ms Susan Devereux, Group Manager, Workplace Relations Policy
Ms Tara Williams, Acting Branch Manager, Workplace Relations Policy
Ms Jody Anderson, Branch Manager, Workplace Relations Policy
Ms Yvonne Dunlop, Acting Branch Manager, Workplace Relations Policy
Ms Jacinta Galluzzo, Acting Branch Manager, Workplace Relations Policy
Ms Barbara Turnbull, Acting Branch Manager, Workplace Relations Policy

Safe Work Australia

Mr Rex Hoy, Chief Executive Officer
Mr Andrew Craig, Chief Financial Officer
Ms Amanda Grey, Branch Manager

Mr Andrew Wagner, Branch Manager

Mr Wayne Creaser, Branch Manager

Ms Julia Collins, Branch Manager

Ms Julie Hill, Director

Ms Ivanka Debevec, Director

Fair Work Ombudsman

Mr Nicholas Wilson, Fair Work Ombudsman

Mr Michael Campbell, Executive Director

Mr Bill Loizides, Group Manager, Field Operations

Mr Steven Ronson, Executive Director–Regional Services and Targeting

Ms Leanne Fry, Executive Director–Communications and Solutions

Mr Russell Thackeray, Acting Chief Financial Officer

Ms Janine Webster, Chief Counsel

Mr Michael Clark, Group Manager–Customer Service

Fair Work Australia

The Hon. Geoff Giudice, President

Mr Tim Lee, General Manager

Mr Terry Nassios, Director

Ms Bernadette O'Neill, Director

Mr Brendan Hower, Director

Mr Dennis Mihelyi, Director

Comcare

Mr Paul O'Connor, Chief Executive Officer

Mr Steve Kibble, Deputy Chief Executive Officer

Office of the Australian Building and Construction Commissioner

Mr Leigh Johns, Commissioner

Mr John Casey, Chief Financial Officer

Ms Heather Hausler, Assistant Commissioner–Corporate

Mr Brian Corney, Assistant Commissioner–Legal

Ms Linda Addison, Assistant Commissioner–Operations

Mr Clifford Pettit, Executive Director–Legal (Central/West)

Australian Curriculum, Assessment and Reporting Authority

Dr Peter Hill, Chief Executive Officer

Mr Robert Randall, General Manager, Curriculum and Deputy Chief Executive Officer

Mr Peter Adams, General Manager, Assessment

Australian Institute for Teaching and School Leadership

Ms Margery Evans, Chief Executive Officer

Ms Shelagh Whittleston, Deputy Chief Executive Officer

Ms Keren Caple, General Manager—Corporate and Teacher Standards

Mr Anthony Mackay, Chair

Australian Learning and Teaching Council Limited

Dr Carol Nicoll, Chief Executive Officer

Skills Australia

Ms Susan Beitz, Assistant Secretary

Committee met at 09:00

Australian Curriculum, Assessment and Reporting Authority

CHAIR (Senator Marshall): The committee is continuing its questioning in relation to the budget estimates for 2012. We have now moved on, after three long days, to outcome 2, starting with the Australian Curriculum, Assessment and Reporting Authority, ACARA, and then we move on to outcome 2 proper. I am assuming that officers are familiar with the rules governing estimates proceedings and also the rules around privilege. Dr Hill, do you have any opening remarks you would like to make to the committee?

Dr Hill: Thank you, Chairman. Could I just introduce my two colleagues, Mr Rob Randall, general manager of curriculum, and Mr Peter Adams, general manager of testing.

CHAIR: Thank you. We will move straight to questions.

Senator MASON: Good morning, Minister and Ms Paul, and gentlemen from ACARA. The issue of the day, Ms Paul, is that there has been a lot of controversy in recent times about planking. Are there any incidents of planking within the department?

Ms Paul: No, certainly not that I am aware of.

Senator Jacinta Collins: Have you tried it, Senator?

Senator MASON: I have banned it in my office. Are there any in the ministry that you know of, Parliamentary Secretary?

Senator Jacinta Collins: Not to my knowledge.

Senator MASON: Any on the blue carpet?

Senator Jacinta Collins: I have not been tempted.

Senator MASON: I will not ask the same question of you, Dr Hill; I am sure in ACARA they do not plank.

Dr Hill: Not to my knowledge.

Senator MASON: Can we go to My School. In the portfolio budget statement it says:

The Australian Curriculum, Assessment and Reporting Authority (ACARA) is working with education authorities to further develop the My School website in future years with the addition of information about the satisfaction of parents, students and teachers with schools, nationally consistent indicators of senior secondary outcomes and information relating to Year 12 attainment, tertiary entrance scores and student destinations. This information will provide further insight and transparency into a school's context, capacity and outcomes to support accountability, school evaluation and resource allocation.

When will the new iteration of the My School website include information about the satisfaction of parents, students and teachers, and information about year 12 attainment? When will that be launched?

Dr Hill: We have been doing some scoping work on this and we have a paper that will be going forward to ministers in July which puts forward a tentative timetable of activities that would lead to us being able to deliver on satisfaction surveys. All I can say at this stage is that we do not expect there to be any reporting on the next iteration of My School, so it will not occur in the next version.

Senator MASON: In the next?

Dr Hill: The next iteration. Version 2 is out now. Version 3 will not contain such information. Beyond that, yes.

Senator MASON: Let me get this right. Version 3 will not include information about the satisfaction of parents, students and teachers; it will be in an iteration beyond 3.

Dr Hill: Iterations beyond 3; that is correct.

Senator MASON: How will ACARA measure the satisfaction of parents? How will it be done?

Dr Hill: Several jurisdictions already measure satisfaction. All the large jurisdictions, in fact, do so currently. They do so by means of questionnaires that generally look at different dimensions of satisfaction. They might have, say, 20 to 30 items in it. In some jurisdictions these surveys are administered online; in some they are done through paper and pencil. I would imagine that for My School we will be taking into account current approaches and will be looking for questions that reflect the kinds of surveys that we see now, but obviously there will be a national survey. In terms of delivery, certainly our thinking at this stage is that we would go for online where possible but have paper and pencil for those areas where online is not going to work.

Senator MASON: For people like me who prefer pen and paper.

Dr Hill: Yes, that is right.

Senator NASH: I am with you there.

Senator MASON: I am not a statistician or a sociologist. Are you convinced that that sort of methodology is accurate for acquiring the sentiment of parents?

Dr Hill: I have been aware of these surveys for probably the last 20 years; in fact, I was engaged in the development of some of the other ones.

Senator MASON: So there is some experience.

Dr Hill: Psychometrically, they are put together in a very careful way so that we know, in terms of their psychometric properties, that they are reliable. The big issue is one of logistics, particularly with parents, and the big issue is ensuring high response rates. They are the two issues, but what we can say is that, over the 20 years, almost all jurisdictions and all schools, even independent schools, have chosen to administer these because they provide valuable feedback from the stakeholders.

Senator MASON: I accept that. Perhaps just as importantly, you are aware of the problems that underpin—

Dr Hill: Most certainly.

Senator MASON: What do you call them—self-completed surveys?

Dr Hill: Absolutely.

Senator MASON: How about the satisfaction of students? How do you measure that?

Dr Hill: Similarly, with questionnaires. In the case of students, there is some—

Senator MASON: It is complex, though, isn't it? It is complicated. I have had some experience in this myself where teachers or lecturers ask students to fill out a survey. It is problematic, isn't it?

Dr Hill: The important thing is that it is done in confidence, anonymously, and all protocols stress the importance of doing that. The other thing about it is that very young students probably cannot respond to those questionnaires, so generally school systems limit them to the older kids and not to students in years K to 3, for example.

Senator MASON: Five-year-olds probably would not be sufficiently sophisticated. That makes sense.

Senator Jacinta Collins: But there are other methods of assessing children.

Dr Bruniges: In the VET sector, NCVER, the National Centre for Vocational Education Research, carry out, and have done for a number of years, surveys of student satisfaction. That is all on their website—the nature and types of questions that they put together to measure student satisfaction in VET. There is some history in the Australian context where student satisfaction has been collected as a source of information.

Senator MASON: Yesterday, when we were looking at higher education, we had a discussion about, again, student satisfaction in an analogous situation—obviously the students are older, clearly—and streamlining the approach, having a nationally consistent approach, so that we can compare results, apples and oranges being always the difficulty. The system is improving at all levels: schools, VET and indeed university.

Tertiary entrance scores: have you overcome that? Again, years ago it was a problem comparing tertiary entrance scores across states and jurisdictions, as you will recall. Have all those issues been overcome?

Dr Hill: We now have a system called ATAR, the Australian Tertiary Admissions Rank, and that is a fairly nationally consistent approach. I say 'fairly' because Queensland does it in a slightly different way to the rest of the jurisdictions.

Senator MASON: I am not surprised. We do things well in Queensland, as you know, but sometimes rather differently. But there is a nationally comparable approach now?

Dr Hill: Yes. When I say 'nationally comparable', they are based on percentile ranks and they are percentile ranks within a jurisdiction. If you are in the top percentile rank in New South Wales, that is deemed to be the equivalent of the top percentile rank in Victoria and so on.

Senator MASON: Yes, I understand. In terms of measuring student destinations, how will you do that? Is that through a comprehensive survey or through sampling, or what?

Dr Hill: We would have to investigate that. There is only a limited amount of data on this currently because, to look at student destinations, it is necessary to follow up students who

have left school, which is a quite difficult operation. However, it is done systematically within government schools in Victoria, for example. All schools do this there. It is able to be done but it is a lot of work in terms of following up those students. We need to investigate that and see what the costs and benefits are of pursuing that approach.

Senator MASON: Do you have any idea what sort of cost? You are talking about the future and you are not talking about My School 3 but later. When do you think you will be able to incorporate these new indices within My School?

Dr Hill: We have the list from the ministers of the things that they would like us to achieve and so, over the next few years, we want to tackle them one by one.

Senator MASON: Next few years. So this is medium term?

Dr Hill: Absolutely, yes.

Senator MASON: When you come back in October and visit the committee again, you—

Dr Hill: You can have an update, yes.

Senator MASON: You will have an update but not all the answers.

Dr Hill: Yes.

Senator MASON: Can I move on now to the national curriculum. Where are we in relation to the first stage of the national curriculum? It is English, Mathematics, Science and History. Has anyone been taught the national curriculum thus far?

Dr Hill: Yes. To recap very quickly, in December all ministers endorsed the content for the first four subjects for F to 10.

Senator MASON: When was that doctor?

Dr Hill: That was last December. Also, they asked us to work with schools, which we are doing right now, to validate the achievement standards that go with the content to ensure that we have got the levels right, that they are clear and able to be interpreted by teachers in the field. Right now we have schools right across the country that are implementing it.

Senator MASON: Is it like a pilot?

Dr Hill: In some jurisdictions it is full implementation. For example, ACT has moved ahead. They are just implementing it.

Senator MASON: Here in Canberra they have adopted it?

Dr Hill: They are doing it. Yes.

Senator MASON: Fully?

Dr Hill: Fully.

Senator MASON: Is there any other jurisdiction where they have adopted it fully?

Dr Hill: I do not think so.

Senator MASON: Is that within both government and non-government schools in Canberra?

Dr Hill: I can only speak for the government sector.

Senator MASON: So government schools in Canberra have adopted the national curriculum?

Dr Hill: Yes.

Senator MASON: And they have implemented it?

Dr Hill: Fully. 'Implemented' sounds as if it is all over. Well, of course, they are in the process of implementing it.

Senator MASON: They are implementing it?

Dr Hill: Yes.

Senator MASON: Is there any other jurisdiction where it is being implemented?

Dr Hill: Many schools across the country are trialling it. For example, there are 60 schools in a formal trial in Victoria that are implementing it. There are many schools that are sampling parts of it to test it and we will be working with hundreds of these schools during the course of the next few months to bring them in to talk about the achievement standards that go with that content. This is a year of familiarisation. The original timeline set by ministers is that there will be substantial implementation by the end of 2013. We are on target.

Senator MASON: That is in every jurisdiction?

Dr Hill: For all schools, all jurisdictions.

Senator MASON: Substantial implementation by the end of 2013?

Dr Hill: That is correct.

Senator MASON: Where are we now? It is the middle of 2011. It has been two and a half years. Are you happy with progress thus far?

Dr Hill: Very happy. I think it is quite a milestone that Australia has reached. We have been searching for a way forward to have a national curriculum for at least 20 years and it looks as though there is no turning back now. I am sure there is not. There is a mood across the public that we want it, we need it. Schools want it and know the benefits that come with it.

Senator MASON: What is the process—and I think you said 'sampling' the national curriculum—for schools? It is being implemented in ACT government schools. I appreciate that, but elsewhere schools are sampling the national curriculum. What is the process for them to give their feedback? Is there a process for that?

Dr Hill: Yes, and if you do not mind I will pass to Mr Randall, who can tell you about the processes that we are adopting for that.

Senator MASON: Sure.

Mr Randall: As Dr Hill has said, each of the states and territories has a plan to implement in line with the ministers' commitment for 2013, so substantial implementation by the end of 2013. The focus that we have working with each state and territory is on that validation question this year. Immediately this year we are working with each state and territory, bringing teachers together in June, for example, to start looking at the questions of validation. That is one first step of gathering that feedback to the validation. Equally, as Dr Hill said, states like Victoria have an additional activity through their 60 schools and they will provide us information during the course of this year and on. As we look ahead to 2012 and 2013 and beyond, having developed and got implementation in place, we then put in a process of monitoring and evaluation, as is standard practice with curriculum authorities. As people are using the curriculum, over 2012, 2013 and 2014, we will have a process in place to collect

feedback and on an annual basis give feedback to our board about how things are going and any issues that have come up.

Senator MASON: Dr Hill, you said this is beyond the point of no return, and I do not mean that in a judgmental way, but basically it is going to happen. Isn't that putting the cart before the horse? What happens if the feedback about the national curriculum from schools is negative, for example? Is there room to recast some of the national curriculum?

Dr Hill: At the December meeting of ministers, ministers came with advice from all their key curriculum people in the jurisdictions who had been involved in a very intensive process to develop this curriculum and the advice of these experts in the curriculum fields in each jurisdiction was that this curriculum is ready. On that basis I am confident that that point has been reached. In the future, of course, there will be minor refinements, as there should be.

Senator MASON: I accept that.

Dr Hill: I believe we are moving forward with a world class curriculum.

Senator MASON: By the end of 2013 it will be in place; is that so?

Dr Hill: Substantially implemented.

Senator MASON: Substantially implemented by the end of 2013?

Dr Hill: Yes.

Senator MASON: That means you really have to start pulling it out next year, being 2012? The state schools have not—

Dr Hill: The curriculum is online. It is ready for use and, of course, what teachers and schools need to do is to examine that curriculum, compare it with what they are doing now and make the relevant adjustments. As for what jurisdictions are doing, the New South Wales Board of Studies, for example, are working very hard on preparing support materials for their teachers to help them implement it. That work is going on in all the jurisdictions, preparing that support material and preparing professional development programs where required. Those activities are going on to support the implementation process.

Senator MASON: I am sure you understand better than anyone, Dr Hill, that you have been subject to the prejudices of a federation. Every state thinks they have a better system. In Queensland, we have particular issues; I know New South Wales does and so forth. Would the feedback that you get be publicly available? Is it something you can report back to this parliamentary committee?

Dr Hill: Very happy to, yes.

Senator MASON: I would like to ask you something about that in October, if that is okay?

Dr Hill: Yes, very happy to.

CHAIR: Are there any other questions for ACARA? As there are none, I thank Dr Hill, Mr Randall and Mr Adams for their attendance at the estimates proceedings.

Department of Education, Employment and Workplace Relations

[09.20]

Senator MASON: Ms, Paul, I have questions in 2.1, about government schools national support in relation to the Gonski review.

Ms Paul: Sure.

Senator MASON: Ms Paul, officers, I have some questions relating to the school funding review, the Gonski review. They are in relation to a communiqué from the Gonski committee. They published a communiqué on, I think, 8 March 2011 and identified a number of organisations that have been commissioned to undertake research on school funding, including the Australian Council for Education Research, the Allen Consulting Group, Access Economics and the Nous Group. According to the communiqué:

The Allen Consulting Group is currently scoping the potential value of a schooling resource standard or benchmark in funding new arrangements. This project involves examining the feasibility and desirability of different approaches for developing a standard and their respective advantages and disadvantages.

If we can go to the Allen group first, for the purposes of the project description for the agreement with the Allen group, what was the department's definition of 'a schooling resource standard or benchmark' provided to the Allen group—that is, what is considered a resource?

Ms Paul: It is a matter for Gonski's team and what they are considering. I will turn to my colleagues to take you through that.

Mr Robertson: The very nature of commissioning that was to get a better handle on what a schooling resource standard would be, so we commissioned Allens to look at what happens in a worldwide context as well as what has happened previously in the Australian context.

Senator MASON: In other words, what is seen as a resource in the school context?

Mr Robertson: Yes. It would have been inappropriate to commission research on an answer that we already had, so that was the nature of the request.

Senator MASON: You were asking Allens, in effect, to find out what that should mean?

Mr Robertson: We gave it in broad terms and we asked them to do it.

Senator MASON: What are the broad terms you gave them?

Mr Robertson: Historically, there have been resource standards that have operated in Australia—for example, the community standard, which goes back to the 70s and 80s. There is a fair bit of work in some jurisdictions in America under 'no child left behind' type legislation which was looking at those sorts of dimensions. Really it is about saying, 'If you want to achieve a particular standard of educational outcomes, what is a reasonable amount of resources that should be provided at a school level, taking account, if it is feasible, of attributes of the school—' for example, if they have costs by servicing remote areas or if there are particular educational needs for students that present with disadvantages.

Senator MASON: Has Allens completed a preliminary report?

Mr Robertson: They have done a preliminary report on feasibility to the panel and the panel is still considering that report.

Senator MASON: Is that report publicly available?

Mr Robertson: Nothing is publicly available at this point in time.

Senator MASON: Nothing is?

Mr Robertson: In terms of the research work, nothing has been made publicly available. Of course, what the government has committed to is an open dialogue, particularly with the sector, so there will be some representatives in the sector who have seen some of the report.

Ms Hanlon: The report for the Allens work is due to the panel in July and so are the other research reports, throughout June and July, so a decision has been made that a second issues paper will be produced in August to deliver the research reports out to the public, and there will be a period of public submissions throughout late August and early September.

Senator MASON: This year?

Ms Hanlon: Yes.

Senator MASON: You will be calling for them then?

Ms Hanlon: Yes. We will be releasing the research, the reports, from the consultants and the consortium to the public, with a covering issues paper that will, if you like, synthesise some of the positions of the research and pose some questions to the public.

Senator MASON: That is in August-September?

Ms Hanlon: August.

Senator MASON: I move now to Access Economics; that is another one of the groups that is being consulted by the Gonski review. The Access Economics report is to assess 'existing Australian government and state and territory government funding models and methods'.

Ms Hanlon: Correct.

Senator MASON: That is pretty straightforward. Has Access Economics given the Gonski review that report yet?

Ms Hanlon: They have not. The secretariat has just received a draft report that we are working through at the moment, and that will be presented to the panel at the next panel meeting.

Senator MASON: Will that be made publicly available?

Ms Hanlon: It will, in the same fashion that I have just described for the other research projects. All four reports will be released publicly in August.

Senator MASON: States and territories, of course, would have the opportunity to respond as well—governments could respond, institutions, individuals?

Ms Hanlon: Everybody will be able to—anybody who is interested.

Senator MASON: The Australian Council for Educational Research is finalising its report to the panel on the current processes for funding disadvantaged student at the Australian government and state and territory levels across all schooling sectors. That is right, isn't it?

Ms Hanlon: That is correct.

Senator MASON: Again, that is being sought by the Gonski review?

Ms Hanlon: Correct.

Senator MASON: Do the same rules apply?

Ms Hanlon: Absolutely.

Senator MASON: Has a draft report been received?

Ms Hanlon: We have received a draft report and, in fact, in this circumstance that draft report has been circulated to states and territories and to key stakeholders for them to check the data, work and calculations that ACER have done to date. ACER are now producing their final report, based on feedback from the states and territories and key stakeholders.

Senator MASON: So ACER gave a report about the historical conditions, and states and territories are being asked to comment on that, or are being given the opportunity to comment on that.

Ms Hanlon: Correct, and to look at the data requirements that have been collected through the process.

Senator MASON: That will be made public in August and people can comment—institutions, states and individuals.

Ms Hanlon: They will.

Senator MASON: In relation to the Nous Group, the communiqué says:

This is a further research project will document the opportunities and challenges Australia faces in improving educational outcomes for all students, particularly those from disadvantaged backgrounds. This will be done by a consortium led by The Nous Group and also involving The University of Melbourne's Graduate School of Education and the National Institute of Labour Studies at Flinders University.

Is that right?

Ms Hanlon: That is right.

Senator MASON: That is about improving educational outcomes for, in particular, students from disadvantaged backgrounds. Do the same rules apply?

Ms Hanlon: That is right.

Senator MASON: Is anyone being given the opportunity to comment on that prior to its—

Ms Hanlon: No. The panel has only received a preliminary presentation on that work at this date.

Senator MASON: I suspect that we will hear a lot more over the next few months about the Gonski review. I am sure you are aware of that, officers, so I look forward to seeing you then. I have no further questions on the Gonski review, Mr Chairman.

Proceedings suspended from 09:30 to 09:41

CHAIR: We are now moving on to 2.7, the BER.

Senator MASON: We started this morning asking a question of Ms Paul and the department about planking. Is there any planking in the ministry at the moment?

Senator Chris Evans: I have not quite worked how you do that.

Senator NASH: Is that tanking?

Senator MASON: Planking. Senator Carr perhaps can show us, I do not know. We will see; we will try it some other time.

Senator Chris Evans: I am sure you would be good at it; you have always shown a sense of balance.

Senator MASON: Very good.

Senator BACK: Teeters on the edge.

Senator MASON: Going to the BER—and I usually do it program by program, in effect, as Ms Paul would recognise—I start with the National School Pride program. As background, there were 13,176 projects approved under this program, the National School Pride program, and they were all supposed to have been finished by 1 February 2010. At the February estimates, I was told that 99.8 per cent had been finished. Have all those 13,176 projects under the National School Pride program been completed?

Mr Kovacic: The proportion of projects completed is still over 99 per cent. As at 30 April, there are still 11 projects that are yet to complete.

Senator MASON: As at 30 April, there are 11 projects still to be completed.

Ms Paul: That is 11 out of the 12,626.

Senator MASON: It is well over 99 per cent.

Mr Kovacic: Yes, well over 99 per cent.

Senator MASON: It was 99.8 per cent last time, so it is probably a little bit better.

Ms Paul: Yes.

Senator MASON: Do you have an indication when the 11 projects will be finished, on a case-by-case basis?

Mr Kovacic: I would have to take that on notice, to break that down. I do not have that level of detail with me.

Senator MASON: I do not want to spend too much time on it, but the committee would welcome advice on why, 16 months after the initial deadline, they are not completed.

Mr Parsons: The 11 projects, I imagine, are NSP projects that are at schools—and we have mentioned this before, I think—where P21 projects are under way. We do not want to force the schools to lay their NSP turf, as it were, while the P21 trucks are still working on the P21 sites.

Senator MASON: Are you saying that is your guess or do you know that?

Mr Parsons: I would be almost certain that that is the case because, when we have quizzed the education authorities on NSP projects, they, in their variations, state that there is a dependency on the P21.

Senator MASON: They are also well and truly overdue. We will get to that in a minute. What you are saying is that these projects are being completed with P21 and therefore, in effect, they are being completed at about the same time—allowances are being made for both projects, in effect.

Mr Parsons: Exactly.

Senator Chris Evans: We have 11 projects that have some particular issue or relationship but, as you say, 99.8 per cent are done. There are a couple of projects where there is a mitigating factor, but the program, was basically finished.

Senator MASON: I am not waving a flag at this one, Minister. Can we move to the science and language centres? There is a question on notice that you have answered. It is now almost a year past the original deadline, which was 30 June 2010, to complete all 537 projects. How many have actually been completed?

Mr Kovacic: There were 470 projects complete as at 30 April.

Senator MASON: I can see from the answer provided to my question on notice that still more variations have been approved—142. Have you got that? It is EW0882_11.

Mr Kovacic: Yes.

Senator MASON: There were 142 between 3 November 2010 and 17 March 2011. According to your figures, that brings the total of approved variations to 630 in a program of 537 buildings. That is right, is it not—that is what your table says?

Mr Kovacic: That is correct.

Senator MASON: You have 630 variations in a program of 537 buildings. Clearly, therefore—and I am not a mathematician but even I can work this out—some projects must have received more than one variation.

Mr Kovacic: That is correct.

Senator MASON: What accounts for yet another 142 variations in a period of less than five months?

Mr Kovacic: It will be a combination of issues relating to shifting of funds across the projects themselves, but also there would be issues around seeking timeframe extensions, as well.

Senator MASON: What percentage are extensions for time?

Mr Kovacic: We would have to take that on notice; we do not have that level of detail.

Senator MASON: You do not have that level of detail?

Mr Kovacic: I have program-level information, but I certainly do not have the sub-elements.

Senator MASON: Can you do this for me—on notice, I suspect—a list of all the projects, the 537. I do not want names of schools, just the overall numbers and the number of schools which never sought a variation; the number of schools which only sought one variation; how many of them have been successful and how many were rejected or withdrawn. Then, for the remainder of the schools: I would like to know how many variations they have sought; what the reason was for each variation sought; and the outcome was in each application for variation—rejected, withdrawn or approved.

Mr Kovacic: We will take that on notice.

Senator MASON: What is the date, barring any additional future variations to extend time, of the last SLC project being completed?

Mr Kovacic: That is something we are still in discussions with the various state authorities about, but clearly the jurisdiction with the most projects still outstanding is Victoria, I think, and we are still in discussions with them as to precisely when that might be.

Senator Chris Evans: If you look at state-by-state breakdown—I do not know whether you got the last one I saw—it is clear that Victoria is the state with the lowest number of completions; so that is where the variation activity is most likely to be.

Senator MASON: That is SLCs as well as P21s, is it not?

Mr Kovacic: That is correct. In terms of SLCs, it is running at about 44 per cent completion rate in Victoria.

Senator MASON: That is now. They were due to be completed the middle of last year.

Senator Chris Evans: The overall number is pretty good; I think it is 88 per cent or something.

Senator MASON: That is now.

Mr Kovacic: Across the SLC projects, 88 per cent are completed.

Senator MASON: I do not mind giving you a good pass mark on the national pride but the SLCs have been much more difficult. I know at the last estimates we did discuss the reasons. Minister, you mentioned floods and bushfires, and Ms Paul mentioned the unseasonably wet weather last year and everything else. Maybe it is global warming. If we are about timely interventions in the economy to stimulate, I am not sure this passes muster. It is a political point.

Senator Chris Evans: It is a political point, but I just want to make the general point that, when I took on responsibility for this coming into the portfolio—

Senator MASON: You did not want it.

Senator Chris Evans: No, this is a fantastic project and I think some of the media around it is totally unbalanced, and, with respect, I think some of the opposition criticism is totally unbalanced. There is no doubt that parts of the program have been delivered more slowly than was planned. The planning of dates was ambitious and designed to try and provide stimulus to the economy. It is true that the need for that stimulus has passed, although, as we know, the construction industry in a number of states is flat. In terms of the reason for the program, the post-GFC recovery stimulus, there is no doubt that time has passed, I absolutely concede that, but the majority of projects were started, provided stimulus, provided jobs, provided economic activity. You talk to anybody connected with the building and construction industry, the architects, the planners et cetera, it kept people in jobs and it kept people and industry going; so it was a success in that regard. The delays have meant some projects have continued past that stimulus phase, absolutely, and some have yet to be completed, but I have given the department very clear instructions about this: (1) every school will get their entitlement, we are not going to stop schools getting their entitlement because of delays, so if that means we do not finish building it until next year, I am prepared to cop the criticism from you about delay, to ensure the school gets a quality facility and that every school gets that opportunity, as provided on the program; and (2) we want to ensure that all of the projects are completed with the best quality and with the best outcome for that school community. That means, if the South Australian state government writes to me and says they are redeveloping a school and they would rather not spend the money until next year, because it makes sense in terms of the redevelopment of the school, and they have a sensible, practical reason, I will let them delay that, because that is a good use of taxpayers' money and proper investment in our education.

Your point about delay in some of these projects is right, but, quite frankly—

Senator MASON: The vast majority, let's be frank—I accept there might be one or even several that align with the South Australian example. We are talking about hundreds of projects.

Senator Chris Evans: Ninety-nine per cent National School Pride finished; 83 per cent of the Primary Schools for the 21st Century finished; 88 per cent of Science and Language

Centres has finished. We are at the tail end of the project. We are dealing with some difficult cases, including places where they have discovered asbestosis, things that will delay a project. Anyone who has built a home or done a renovation will tell you that the builder's promise about when it is going to finish is rarely ever met. Where we are at now in the process is the post-stimulus period, I accept, but the responsibility on us is to provide the investment and the educational facilities that we promised and to make sure that they are completed to the best quality and the best utility of those educational centres. I will cop the fact that they have not met those deadlines but, if you visit any of the infrastructure, you visit any of the school communities, they will tell you what a boon they are, including every Liberal state minister I talk to, who tells you what a great thing it has been in their electorate. The infrastructure is delivering for the education of our children, it has been a fantastic program, but, if you say to me 'Some of them are in delay,' I will say, 'Yes, you are right.'

Senator MASON: Let me reply in two ways. There is a political aspect to it and a public policy aspect to it. Politically, I do not mind saying this at all, and it has been debated in the community endlessly, both the SLCs and the P21s, but not National School Pride, I grant you that, have been too slow and too expensive. We can debate that, it has been debated in the community and I think we know the outcome of that debate: too slow, too expensive.

Senator Chris Evans: I do not accept that.

Senator MASON: I know you do not. That is fine. We would argue that, in terms of the stimulus and so forth, the economy, timely, targeted and temporary, it did not meet that test. That is our political argument. The second argument—the public policy one that you and I have discussed briefly, Ms Paul, in the past—is about next time this happens, whoever is in government, it does not matter—is how the federal government, of whatever complexion, is going to ensure that state governments deliver on time and on cost; that is going to be the challenge. We have had this discussion, you and I, Ms Paul, about what the Auditor-General said. It is not your fault, Minister, but that is the challenge, and I do not think that has been met. That ultimately is the test that I think the government failed this time. We can debate that, but that, for the opposition, is the continuing public policy challenge, and it would be for us as well; I accept that.

Senator Chris Evans: That is only the challenge for you if you show the same commitment to education as a federal government investing in education. You do not have a record in that regard, as you well know. This was a very special program, it was responding to the economic circumstances, but it is the largest federal government investment in infrastructure in our education system ever, it is a huge investment. That is the first point. The second point is that the Orgill team has, as part of its terms of reference, addressed the very issues that you identify: what lessons are to be learnt, what recommendations there are for future federal government investment in infrastructure, and what—

Senator MASON: Public policy stuff.

Senator Chris Evans: Public policy stuff. His final report, which is due shortly, will no doubt focus on those terms of reference; I know they have put a lot of effort into that. We will have, if you like, a roadmap and very strong recommendations about the experience of these programs. I agree with you, we should learn the lessons. I do not agree with you about your assessment of the program. In terms of a program that was delivered quickly, it has generally been delivered to a high standard and with very good speed. There have been instances of

problems, as you would expect with something that is delivering 20,000-odd projects; I concede that, and they are all on the public record. I will not accept that the program overall has not been an outstanding success, has not hugely improved the amenity and the ability for students to learn in schools across the country. I urge people to go and talk to the headmasters, the teachers and the others involved in schools about the success of the program, because they paint a very different picture to some of the critique that is made here. This reference to school halls, as if they are not important parts of an educational facility, does the critics no credit at all. Those school halls allow performance, assemblies, sport; facilities that improve the educational experience of the children and provide a facility for community groups as well. I opened one at a Jewish school the other day in Perth and the Jewish community are using the hall for all sorts of broader community purposes, increasing the community aspect of the school, and they think it is fantastic. These have been serious contributions to school and community and there ought to be some recognition of that.

Senator MASON: Let me reply. You say that the opposition has not looked after education sufficiently well. I suppose the opposition would reply that you have not looked after taxpayers very well. Our view would be that the Orgill report, the most recent one, clearly demonstrated that state school halls cost far more than Catholic and independent ones.

Senator Chris Evans: That is not true.

Senator MASON: Yes, it is.

Senator Chris Evans: Go to the report and prove it? What it shows—

Senator MASON: If I had it here—

Senator Chris Evans: It varies between states.

CHAIR: I am happy for this discussion to continue and I think it is being conducted quite properly at the moment. Minister, you have had an opportunity to say something. Senator Mason, you will get another opportunity to respond, but we will let Senator Mason finish.

Senator MASON: The Orgill report—

Senator Chris Evans: You are trying to dispute the facts. That is not what the Orgill report says.

Senator MASON: No, you—

CHAIR: I will give you an opportunity to dispute what he says.

Senator MASON: You can dispute it all you like but the fact is that the Orgill report, the two tables there about the cost of school halls—and I debated this with Mr Orgill at the time and Senator Back was here—the press and the public have made a decision. I am glad to let them make the decision whether that was money well spent. I am happy. In terms of stimulus, it is too late, particularly in Victoria to stimulate. You have conceded that yourself; and they cost too much. I have no problem at all, Minister, now leaving the whole BER fiasco. Not because it was not well intentioned, that is not my point. It is not the opposition's point. It is now in the public domain for the Orgill report to come in shortly and for the public to decide whether that was money well spent. I do not mind the public deciding that at all because, after the next Orgill report, all the evidence will be out and I have no doubt, Minister, what the decision of the electorate will be. That it was too slow and too expensive.

Senator Chris Evans: All I am indicating to you, Senator, is I am happy to contest that with you and I am happy to do public debates with you in each of the school halls we have built around Australia.

Senator MASON: Sure.

Senator Chris Evans: We can do it in the facilities—because now we have got good facilities we can use, where we can debate in every country town in Australia that has now got superb new facilities.

Senator MASON: I have learnt one thing in politics, Minister: it is very easy to spend taxpayers' money. It is bloody hard to spend it well. That is the failure. What is the date, barring any additional future variations, to extend time of the last SLC project being completed?

Mr Kovacic: I have taken that question on notice.

Senator MASON: You have already been given that one?

Mr Kovacic: Yes.

Senator MASON: I gave you a good mark on the Pride Program; not such a good one on this one. P21, all the deadlines have passed now so I am assuming that the department would have all the up-to-date figures on completion rates.

Mr Kovacic: In terms of—

Senator MASON: Let me go through because otherwise I will lose track of where we are going, and I do not mean to be disruptive but I have to do this sequentially, if that is all right.

Mr Kovacic: Yes, sure.

Senator MASON: At the February estimates this year the department told me that all but 23 of the 10,697 projects have commenced. Have these 23 projects commenced by now?

Mr Kovacic: As at 30 April, again, there are still 14 P21 projects that are yet to commence.

Senator Chris Evans: I want to be careful because occasionally there has been confusion about what 'commence' means. I want to be clear what we mean by 'commenced'.

Senator MASON: Sure.

Senator Chris Evans: Because sometimes it is about plans approved.

Senator MASON: No, I agree.

Senator Chris Evans: I suspect you mean has the sod been turned, is it or—

Senator MASON: We have had this debate, Ms Paul, you will recall we have had this—

Ms Paul: Yes, we use the same definition we have always used. It is the same—it is exactly apples with apples to what we have given evidence of before.

Senator Chris Evans: I just want to be clear because I do not—

Senator MASON: No, in a sense anything beyond the orange plastic, isn't that right?

Ms Paul: Yes. We can run through it again, but all of our evidence has always been along the same—

Senator MASON: Because we had this debate early on, I recall, Ms Paul?

Ms Paul: We did, indeed. I don't know if Mr Parsons was—

CHAIR: I think the point is made. If it is the same—

Ms Paul: It is the same as—

Senator Chris Evans: I want to be clear so I do not want to mislead because I know at one stage we had this confusion between planning approval and building commenced and I do not want to get into that territory. I want to be frank so we are clear what we are talking about. If it is the same definition, we are fine.

Senator MASON: No, that is fair enough. Fourteen still to commence as at—

Mr Kovacic: 30 April.

Senator MASON: Given that the 2010 projects approved under round 1 had to be completed by 20 December 2010, how many of those have been completed now?

Mr Kovacic: In terms of round 1 projects, 95 per cent of projects have been completed as at 30 April.

Senator MASON: To make it easier for me, can you give me the raw figure; so that would be 95 per cent of 2010?

Mr Kovacic: The raw figure in terms of projects is 1,863 completed, and that equates to 95 per cent as it stands.

Senator MASON: That is fine. Can we go to round 2?

Mr Kovacic: Yes.

Senator MASON: Given that 4,973 projects approved under round 2 had to be completed by 31 January of this year, how many of those projects have been completed so far?

Mr Kovacic: In terms of round 2 projects, 4,211 projects have been completed and that equates to 86.2 per cent.

Senator MASON: That is at 30 April?

Mr Kovacic: Correct.

Senator MASON: Round 3: given that 3,718 projects approved under round 3 had to be completed by 31 March this year, how many of those have been completed so far?

Mr Kovacic: 2,601 projects have been completed and that equates to 71.3 per cent of projects.

Senator MASON: 2,611, that is the raw figure?

Mr Kovacic: 2,601, Senator. In terms of a time frame, because of the rephrasing of an amount of funds into next financial year, \$405 million, I would have to emphasise that 31 March is not going to be the financial completion date for all round 3 projects.

Senator MASON: What do you mean by that? That was the original deadline that the government set.

Ms Paul: Yes, but you will recall several estimates ago and I forget whether it was MYEFO or budget, or whatever, there were some funds which were rephased.

Senator MASON: I know that.

Ms Paul: Obviously, if there is some funding rephased and that is a government decision, then that will explain some of the projects—it is simply explanatory—that do not finish by 30 March.

Senator MASON: That is a government decision to extend the deadline?

Ms Paul: Correct.

Senator MASON: That is fine. That was the original deadline, you would agree?

Ms Paul: Absolutely.

Senator Chris Evans: That is fine, but the officer is just trying to be clear here that, when he says 31 March, where the funding has been rephased to next financial year, there will be completions in the next financial year, not by 31 March. Just for completeness I want to make sure he did not mislead you in the sense that we know we have moved funding to next year; therefore, projects will be funded next year.

Senator MASON: Next financial year, yes.

Senator Chris Evans: Yes.

Ms Paul: That is important because the normal reasons that we have offered for some delay, like the finding of asbestos or, you will recall, there was some retendering and so on, one of the reasons now against the original deadline is that money has been rephased. I wanted to make that point or Mr Kovacic's did.

Senator MASON: The problem is we have so many—both on P21 Ms Paul and also SLC—that is the problem. The time extensions have been right across the board. We are not talking about one or two. You look at SLCs and P21s together, application for time extensions are de rigueur.

Ms Paul: We are saying that 83 per cent of projects are already complete for P21.

Senator MASON: Let me get to that. I will certainly give you the opportunity.

Mr Kovacic: If I can pick up on a point that you made there in terms of the variations. When you actually look across the program and the reasons for the variations, the primary reason—and we measure this across a range of criteria, if I can put it that way, for variations going to, I suppose, changes in terms of funding, movement of funds across projects, changes in administrative funding, variations relating to use of interest et cetera. Together, across the program, about 44 per cent of variations relate to those sorts of issues and, in terms of variations relating to date change, they are in the order of about 40 per cent of the total variations. The timing issues—I am not saying they are not a significant proportion—are not the most significant sort of reason for the variations and that is across the program, not just P21.

Senator MASON: Yes, sure. That is the problem; I have been involved in this debate for three years. If you look back at the science and language centres, for example, the excuses we get are floods, bushfires and unseasonably wet weather, and now we are talking about rephasing of money, as if somehow at this late stage, that would matter. This is 12 months after the deadline for SLC—well, 11 months after the deadline for SLCs. This is all a bit ex post facto and the government did not look at all this before they set the deadline. Perhaps they should have.

Senator Chris Evans: The government set the deadlines and we asked state and other education authorities to deliver the program for us and they used different methodologies, they faced different problems and we have had differing results and yes, we have had to extend authority for the deadlines for numbers of projects involving numbers of providers. What we are saying to you is most of those have been made on the basis we think they are for good reason. We check each one. We have had a particular issue in Victoria, as you say, with the slowness of everything. That is partly because they took a decision to slow the program to retender for better value for money. All of that is on the public record now. What I have said to you is we are completing the process by making sure that we provide the best facilities with as much value for money as we can achieve, working with those people who are delivering the projects. We have to rely on them to advise us about issues they confront. Clearly there has been a systemic issue in Victoria as a result of that policy decision that slowed those projects but the alternative from the Commonwealth's point of view is to say to those Victorian schools that have not been completed, 'We are taking the money back. You are not going to get the facility.' The government and I have taken the decision that is not the right response so we will continue to vary these—

Senator MASON: I might even agree, but that is not the point.

Senator Chris Evans: We will continue to vary these provisions to make sensible, practical decisions that allow for the best facilities to be provided to each of the schools and the commitments made. That will see some drag on later than one would hope. I am prepared to concede that but that is the way we are going to handle it and, quite frankly, if it takes another year in certain projects to make sure we get it right and the school gets the appropriate facility, I am happy to cop you criticising me for lack of speed for another three estimates. I would rather go to the school and say, 'Yes, you have your two new classrooms and your school hall and that they have been delivered to a good quality,' than say to them, 'You have missed out because I am scared that Senator Brett Mason will lash me again about the failure to meet the deadline.'

Senator MASON: I understand that. You and I would agree on one thing and they are the public policy challenges, and you mentioned about provision by the states and territories. I accept that; you know that. The problem is the government makes commitments and gives timetables about when certain things will be finished. If the parliament is to treat those timetables sensibly and give credence to what the government has said, it is quite legitimate to say, 'Why are aren't they completed?'

Senator Chris Evans: Yes.

Senator MASON: I accept the public policy challenge. I do not dispute any of that.

Senator Chris Evans: It is particularly relevant that you talk about timing because of the stimulus nature of the project, so I accept that. The government concedes we set ambitious targets. We tried to drive it and largely we achieved that, but there is a tail. All I am saying to you is the tail will be subject to proper, pragmatic policy and administrative decision making that is not driven solely by timing.

Senator MASON: Again, I do not accept you did achieve it. I think it was too slow and too expensive, but that is the politics and we can debate that. I do accept the public policy challenges—even Ms Paul and I would agree on that and we have discussed that in the past.

Ms Paul: Indeed, and I recall I think one of the Catholic education authorities reflecting to us at one stage that this represented for them 36 years of school construction in one year, so that gives you a sense of scale of the policy change.

Senator MASON: Ms Paul, as I have said before, it is not hard to spend money. Let me tell you, it is not hard to spend it. To spend it well is hard.

Ms Paul: They may have been reflecting that the challenge was quite considerable to achieve that level of stimulus.

Senator MASON: I accept that but that is the political battle and you see where I am coming from. Do the maths for me: in total, of all 10,697 projects under all three rounds, how many have been completed so far?

Ms Paul: I said 83 per cent a minute ago and we will unpack that in numbers.

Mr Kovacic: The raw number is 8675.

Senator MASON: That is the raw number?

Mr Kovacic: That is the raw number and that percentage is 82.7 per cent.

Senator MASON: In my question on notice, EW0654_11, I ask about the 4,008 variations approved up to 2 November 2010, how many separate projects they related to and how many variations were time extensions? You have answered that all these variations were time extensions relating to starting or finishing date. That is correct, isn't it?

Mr Kovacic: That is correct. Sorry, the percentage of variations that extend to the dates there range from 26 to 35 per cent.

Senator MASON: You have also said that this represents 36 per cent of all P21 projects. That is right, isn't it?

Mr Kovacic: Thirty-four per cent is my reading, in terms of the grand total.

Senator MASON: Are you looking at the same—

Mr Kovacic: 864?

Senator MASON: Mine does say 36.

Mr Kovacic: That is in terms of round 2. There is a table there which has the number of projects—

Senator MASON: Hold on, just bear with me, Mr Chairman. EW0654_11.

Mr Kovacic: Sorry, we were working off a different one at this end.

Senator MASON: Yes, I want to make sure—

Ms Paul: We may be talking at cross-purposes. Sorry, what is the number again?

Senator MASON: EW0654_11.

Ms Paul: You asked this in October? We are going two estimates ago. That will be one thing. Here it is here. This is an answer—

Senator MASON: No, I asked in the February estimates. It is at *Hansard* page 91. It was asked in February estimates.

Ms Paul: That has come out in a different number.

Senator MASON: I asked Mr Manthorpe the question.

Ms Paul: What we have got from February is 864_11 and it—

Senator MASON: Hold on. Let me make sure we have got the right one—EW863_11.

Ms Paul: I am looking at 864.

Senator MASON: Have you got that, Ms Paul?

Senator Chris Evans: We have a question 664_11, which has 34 per cent as the total.

Senator MASON: 863_11, is that it? Yes, 863_11.

Ms Paul: Yes.

Senator MASON: We will just go through this. I asked about the 4,008 variations approved up to 2 November 2010. That is right, isn't it?

Mr Kovacic: Yes, that is correct.

Senator MASON: I asked how many separate projects they related to and how many variations were time extensions and the department has answered that all these variations were time extensions relating to starting or finishing date. That is correct, isn't it?

Mr Kovacic: That is correct.

Senator MASON: The department has said this represents 36 per cent of all P21 projects.

Mr Kovacic: That is correct.

Senator MASON: Can I clarify that somewhere around 3,850 projects, which is 36 per cent of the 10,697 total, accounted for 4,008 time extensions. Therefore, in an overwhelming majority of cases, a project would have received only one time extension? That makes sense, doesn't it?

Mr Kovacic: Would you mind running that past me again, please?

Senator MASON: Sure. If there are 3,850 projects and there are 4,008 time extensions, therefore, in an overwhelming majority of cases a project would have received only one time extension, wouldn't it?

Ms Paul: That is probably true, I should imagine.

Senator MASON: I am not a mathematician but that makes perfect sense to me.

Mr Kovacic: At one level, but the reality might be when you drill into it that some projects have not received any time extensions and others have received more than one for a range of reasons. As a generality, your proposition—

Senator MASON: Thirty-six per cent of all P21 projects: that is your answer. Therefore, somewhere around 3,850, which is 36 per cent, account for 4,008 time extensions. If that is right, and it is, therefore, in an overwhelming majority, projects would have received only one time extension. That makes perfect sense; you have got that many projects.

CHAIR: The point that is being made is that that is still an assumption. It sounds logical, but I do not think anyone is conceding that that is actually the case.

Ms Paul: We would have to check it to be sure.

Senator MASON: I did it because Mr Parsons threw a red herring in last time, you might recall, about some project receiving seven time extensions—and I am not saying it did not happen. I have looked very closely at the *Hansard*; I want to make sure that is very clear.

Ms Paul: It is hard to say because you have to make a range of assumptions. I do recall Mr Parsons talking about particulars, so he was talking—

Senator MASON: I am not saying there was not one, because there could be in this analysis.

Ms Paul: I see you are acknowledging that.

CHAIR: You did describe it as a 'red herring', which I think it is a little bit unfair.

Ms Paul: To test your hypothesis, we would have to take it on notice and have a look at it.

Senator MASON: You do not have to; I think that speaks for itself.

Senator Chris Evans: To be fair to Mr Parsons, he is more down in the detail than anybody else in the room.

Senator MASON: I am not suggesting that—

Senator Chris Evans: If he is to test a proposition, he is probably closer to being right than the rest of us.

Senator MASON: I am not suggesting for a second there was not one that did not receive it. I am not suggesting that. What I am saying is that that will account for a miniscule amount. That is my point.

Ms Paul: I do not know that we could go to that word until we tested it.

Senator MASON: I have tested it. It has just been tested.

Senator Chris Evans: We are in screaming agreement, apart from the caricature of Mr Parsons throwing out red herrings.

Senator MASON: All right.

Senator Chris Evans: As far as I know, he is not a great fisherman!

Senator MASON: How many time extensions have been given since 2 November 2010?

Ms Paul: Variations on the basis of time extension?

Senator MASON: Yes.

Ms Paul: For P21?

Senator MASON: They were all time extensions before, so I expect it will very likely be time extensions again.

Ms Paul: I am not sure whether we can cut off from that date. Let us have a look.

Mr Kovacic: I can give you updated figures in terms of the number of projects that have been granted extensions across the program but I cannot break it down. I would need to take on notice, since November of last year, in terms of how many have been granted.

Ms Paul: We could do that and have a look at it.

Senator MASON: Ms Paul, I am going to take a punt that a very high proportion related to time, given that all of them, 100 per cent, were in relation to time in the past. I am taking a punt here, Mr Chair.

CHAIR: That is all right, you can, but the point is you have asked the question and the department is going to take it on notice.

Senator MASON: Sure. Could you give me the number?

Ms Paul: Yes, we will take it on notice.

Senator MASON: Then, in terms of the breakdown, that can be taken on notice. Could you give me the number?

Mr Kovacic: The total number across the P21 element was 4,680 projects and that is as at 30 April.

Senator MASON: Fair enough. Take it on notice about whether those variations were for time or not.

Ms Paul: Yes.

Senator MASON: Are all these cases an additional time extension to a project which has already been given at least one time extension prior to 2 November, or are there some projects in that total for which it is the first extension they ever asked for?

Mr Kovacic: I would have to take that on notice.

Senator MASON: Is the department planning to give out more time extensions, should a school ask for one?

Mr Kovacic: As I mentioned, in terms of the rephrasing, we are in discussions with relevant education authorities so there is a real prospect of further time extensions to reflect that rephrasing. Also in respect of Victoria, progress in terms of P21 and science and language centres, as we have already discussed, is slower than we would like. We have been working very closely with the relevant department in Victoria, as has the taskforce, to address those sorts of issues. The need for variations is really part and parcel of those conversations, not only with Victoria but with other education authorities, so I cannot be precise but I think it would be a reasonable assumption that there would need to be some variations.

Senator MASON: I suspect you will need to take this question on notice as well. Assuming that there will not be any further time extensions to the status quo as per today—and perhaps there will be—can you give me a timetable as to when all the projects not yet completed will be completed; that is, by the end of June we expect X number to be completed, by the end of July we expect Y number to be completed et cetera?

Mr Kovacic: Certainly. I would need to take that on notice.

Senator MASON: On notice. That would be fine.

Mr Kovacic: I reiterate, that is a work in progress, if I can put it that way, as a result of those discussions that we are having with the various education authorities.

Senator MASON: On P21, Mr Chairman, that is all I have.

CHAIR: We are due to take the break in a few minutes, so this might be a good time.

Proceedings suspended from 10:26 to 10:41

CHAIR: We are now on 2.8 and we will resume with questions from Senator Mason.

Senator MASON: 2.7, Chair; BER, still.

CHAIR: I am sure I said 2.7, the record will show that.

Senator MASON: Just the update, Minister and Ms Paul, on the financial commitment and spend under the BER.

Ms Paul: Sure.

Senator MASON: We do this every time you recall payment, commitment and spend. What is the latest figure you can provide the committee as to the amount of BER money paid by the Commonwealth to education authorities, and then I will ask about committed and then I will ask spend.

Mr Kovacic: As at 9 May the total project payments made to authorities is \$15.38 billion. I can be more precise if you wish.

Senator MASON: No, \$15.38 billion, that is paid.

Mr Kovacic: Yes.

Senator MASON: That is for BER?

Mr Kovacic: That is for BER.

Senator MASON: How about the P21?

Mr Kovacic: In terms of the sub-elements, I only have it as at 30 April, so a week before that. It is \$13.2 billion as at 30 April.

Ms Paul: Just for the record, to give a sense of scale, that \$15.4 billion represents 97 per cent of approved project funding for the whole program.

Senator MASON: 9 May is \$15.38 billion; that is for P21?

Ms Paul: That is for the whole program and that represents—

Mr Kovacic: That is across the whole program.

Senator MASON: Sorry, you are right, you did say that, BER so 9 May, okay.

Mr Kovacic: Yes.

Senator MASON: Ms Paul, you say that is the percentage?

Ms Paul: Ninety-seven per cent.

Senator MASON: Sorry to do this to you again: in terms of the particular programs under the BER, the date is different.

Mr Kovacic: 30 April.

Senator MASON: Again, can we start off with P21?

Mr Kovacic: \$13.2 billion, which equates to 95 per cent.

Senator MASON: Yes, and how about SLCs?

Mr Kovacic: The figure is \$809 million which equates to 100 per cent.

Senator MASON: Money has been paid but they are not—but that is a different issue, of course. What about National School Pride, is that right?

Mr Kovacic: That is correct. There is \$1.27 billion that has been paid and that represents 100 per cent.

Senator MASON: That is the payment, yes?

Mr Kovacic: That is correct.

Senator MASON: How much have the various education authorities committed so far?

Mr Kovacic: Committed?

Senator MASON: Committed, yes?

Mr Kovacic: In terms of for the program as a whole?

Senator MASON: Yes.

Mr Kovacic: Again, this is at 30 April, they have committed \$15.6 billion, which equates to 98 per cent.

Senator MASON: Do you have program breakdown?

Mr Kovacic: Certainly, P21, again in the same order again?

Senator MASON: Yes, sure. Is this of the same date?

Mr Kovacic: Yes, 30 April. These will all be at 30 April.

Senator MASON: Yes.

Mr Kovacic: \$13.54 billion has been committed, which equates to 98 per cent.

Senator MASON: Yes.

Mr Kovacic: In terms of SLCs?

Senator MASON: Yes.

Mr Kovacic: \$787.8 million has been committed, which equates to 97 per cent.

Senator MASON: Yes.

Mr Kovacic: For National School Pride the figures are \$1.27 billion which is over 99 per cent.

Senator MASON: That is committed, all right.

Mr Kovacic: Committed, yes.

Senator MASON: We have paid and committed; now we are looking at spent.

Mr Kovacic: Again, all are as at 30 April. For the program as a whole, the figure is \$14.076 billion, which equates to 88 per cent.

Senator MASON: Yes.

Mr Kovacic: For P21 the figure is \$12.084 billion, which equates to 87 per cent. For Science and Language Centres the figure is \$731.7 million spent, which equates to 90 per cent.

Senator MASON: Yes.

Mr Kovacic: For National School Pride, the figure is \$1.26 billion spent, which is over 99 per cent.

Senator MASON: Can you provide to the committee—I think you have already done this; you have been so generous with the information. I was going to ask if you can provide the committee with the breakdown of payment, commitment and spend as raw dollar figures and as a percentage of money paid by the Commonwealth to the various education authorities. Could you do that? In other words, this information can be disaggregated in terms of money paid by the Commonwealth.

Mr Kovacic: Yes.

Senator MASON: Let me go through the questions. I do not want to mislead you. Can you provide to the committee a breakdown of the payment, the commitment and the spend—

same three things—as raw dollar figures and as a percentage of money paid by the Commonwealth to the various education authorities. In other words by state; is that okay?

Ms Paul: Still a breakdown by authorities.

Senator MASON: Yes.

Ms Paul: Sure.

Mr Kovacic: I can do it now.

Senator MASON: Do you have a table? You can table it, could you?

Mr Kovacic: It has got my scribbles all over it so I—

Senator MASON: I am sure they witty annotations, not scribbles.

Mr Kovacic: It might be an optimistic sort of spin on it.

Senator MASON: Please go ahead.

Mr Kovacic: Would you want it first at the program level or would you prefer it at each of the element levels?

Senator MASON: You cannot give it as a—

Mr Kovacic: I have got scribbles all over it. I am happy to take it on notice if that—

Ms Paul: We can take it on notice.

CHAIR: You can table it at a later point on notice.

Senator MASON: Table it later today, would that be possible?

Ms Paul: Depending on how this is constructed and what it covers, I am quite happy to do that if we can, if it is straightforward. We can take it on notice, at any rate.

Senator MASON: Could you give me information now orally and perhaps later in table form. It would help me. So, please, information now would be helpful.

Mr Kovacic: What I have is the BER funding that has been provided to each of the authorities and then I have percentage figures for paid, committed and spent. For the program as a whole.

Senator MASON: As of 30 April?

Mr Kovacic: As of 30 April, for the New South Wales government and again, if you were comfortable with this, I will round the figures up.

Senator MASON: Yes.

Mr Kovacic: \$3.423 billion, of which 96.2 per cent has been paid.

Senator MASON: Yes.

Mr Kovacic: 93.7 per cent has been committed and 89.3 per cent has been spent.

Senator MASON: This is right across the BER projects?

Mr Kovacic: That is correct.

Senator MASON: Right across all three programs?

Mr Kovacic: Yes.

Senator MASON: I am with you, yes.

Mr Kovacic: For Victoria—

Senator MASON: Victorian government?

Mr Kovacic: Yes, Victorian government, sorry, it is \$2.544 billion of which 90.4 per cent has been paid, 98.4 per cent has been committed and 82.8 per cent has been spent.

Senator MASON: That is right across the BER?

Mr Kovacic: Yes. For the Queensland government, the funding amount is \$2.114 billion of which 96.8 per cent has been paid, 99.8 per cent has been committed and 88 per cent has been spent. For the Western Australian government, the amount is \$1.258 billion of which 96.4 per cent has been paid, 99.4 per cent has been committed and 84.2 per cent has been spent. For the South Australian government, the figure is \$945 million of which 99.6 per cent has been paid, 97 per cent has been committed and 88.3 per cent has been spent. For the Tasmanian government, it is \$327.4 million of which 97 per cent has been paid, 99.9 per cent has been committed and 91.8 per cent has been spent. For the Northern Territory government, \$206.3 million of which 93.6 per cent has been paid, 90.3 per cent has been committed and 83.2 per cent has been spent. For the ACT government, it is \$151.6 million of which 96 per cent has been paid, 99.9 per cent has been committed and 97.7 per cent has been spent.

Senator MASON: Just hold it there for a second. They are the government schools?

Mr Kovacic: They are the government schools.

Senator MASON: That is all right, and that is across the BER?

Mr Kovacic: That is across the program.

Senator MASON: Do you have the figures for each program as well?

Mr Kovacic: We do, yes.

Senator MASON: It will take all day to go through it, and I understand that, Mr Chairman. If it is possible would you be able, sometime today, to provide that to the committee? That is exactly what the committee requires in relation to all the different authorities, so that is state, independent and Catholic across all programs, disaggregated individually, P21, SLCs and National Pride. Does that make sense?

Mr Kovacic: It does.

Ms Paul: Yes.

Senator MASON: Across all programs, across all school authorities.

Ms Paul: All authorities, yes. There are 22 authorities.

Senator MASON: All 22 authorities and that information—paid, committed and spend—is perfect in that form. Figures rounded up is fine.

Ms Paul: That is fine. We will take it on notice and do it as fast as we can. If we can do it today that is great, we will have a look at how it is formulated.

CHAIR: I think that is fair enough. I think that Mr Kovacic is here for the rest of the day so it is—

Senator MASON: No, it will take another half an hour to get through and—

Ms Paul: For all 22, yes.

Senator MASON: Twenty-two of them, I understand.

Senator Chris Evans: I am prepared to authorise the department to do that provided you are prepared to submit to a test next week to make sure that you have understood it all—

Senator BILYK: Not multiple choice.

Senator Chris Evans: No, not multiple choice. So we are prepared to put in the great effort provided you are prepared to pass the comprehension test.

Senator MASON: Thank you, anyway, that would be very helpful.

Mr Kovacic: One other thing, if you are prepared, as Ms Paul said, we can try and do it as quickly as we can but, if we took it on notice we could provide data as at the end of May, if that would be more helpful.

Senator MASON: I would prefer it expeditiously. In fact, I would prefer it today, even if the figures are slightly old.

Mr Kovacic: We will knock that over.

Ms Paul: It was just worth asking.

CHAIR: It may be worth taking that on notice and providing that May information as it becomes available on notice.

Senator MASON: Yes, could you do that. I am impressed that that information is in that form and available to the committee.

Mr Kovacic: Yes, it is just a collection thing of stuff we have, Senator, that is fine.

Senator MASON: I did not expect it, so thank you. I appreciate that. Minister, I know this is of interest to you. This is about unpaid subcontractors, an issue you have been involved in. In an article in the *Australian* on 23 December last year:

CFMEU State Secretary Malcolm Tulloch said the situation Project Kendall raised questions about the due diligence of BER projects and the accountability for arrangements for subcontractors—

that were not being paid. It is relating as to whether Bovis Lend Lease made all the due diligence before subcontracting certain contracts to Kendall since there are suggestions that Kendall might already have been insolvent at the time Bovis awarded its contracts. This is what is being suggested in the media and the minister has been quoted and he has asked the BER Implementation Taskforce—that is Mr Orgill to do what he can to assist. The minister has said:

My main focus is to make sure that the tradies and the subbies get paid and obviously that's the overall priority.

I have no doubt, Minister and Ms Paul, you are aware of the situation and Project Kendall's collapse in December of last year and the flow-on effect this has had on a large number of subcontractors many of whom now facing bankruptcy as a result. While I understand—I think the committee will understand it—that the Commonwealth is several steps removed from the whole process in fact, and I accept that, I note, Minister, your remarks and I think even, Senator Back, you said something similar to this or you have echoed concerns before about this. What are we doing? What concrete steps has the Commonwealth taken to ensure that this unfortunate situation is resolved and the subcontractors are paid and do not suffer consequences as a result of project Kendall's collapse?

Senator Chris Evans: I will get the officers to give you an update but I do want to make the point very clearly that these things are not as a result of the BER program.

Senator MASON: I was not—

Senator Chris Evans: It gets reported sometimes as if it is a result of the BER program. The nature of the building industry and the subcontracting industry is that we seem to have some of these companies going belly up fairly regularly. As you know, we have quite strict contractual arrangements with the education authorities and they obviously have to follow due diligence, but often the companies that are referred to are ones that are working across a range of jobs and their BER project might be only one of a whole range of jobs that impact on the financial situation. In terms of this particular instance, I did speak to Mr Orgill because of my concern about that and he was very happy to get engaged and had already made some inquiries himself, as I recall.

Ms Paul: Yes, that is right.

Senator Chris Evans: He got engaged working with the parties to get a response. He then spoke to me again reporting on progress on those matters. I do not have the details in front of me but he had certainly made a useful intervention.

Ms Paul: Yes, that is right.

Senator Chris Evans: I will get the departmental officers, if they have an update on that for you, to tell you where that is all at.

Ms Paul: Yes.

Mr Parsons: With respect to Mr Orgill's discussions with both the New South Wales government which were a party and for other insolvencies and the New South Wales Catholic Education Commission, what Mr Orgill found was that in the New South Wales government contracts there was a mandatory novation clause passed down from the New South Wales government to the managing contractor—

Senator MASON: A mandatory—

Mr Parsons: Novation clause.

Senator MASON: What is that?

Mr Parsons: It gave the New South Wales government the ability to establish a contractual relationship with the subcontractors, bypassing all of the managing contractors and building companies. The Catholic Education Commission contracts did not include that novation clause and therefore there was no legal basis upon which to have a direct relationship between the Catholic Education Commission and the affected subcontractors.

Mr Kovacic: To add to what Mr Parsons has said, apparently the clause in the New South Wales government contract is quite unique in terms of all the education authorities, but, in result of those sorts of insolvencies that have affected New South Wales government BER projects, the New South Wales government has undertaken to make good or meet any sort of obligations to subcontractors.

Senator MASON: Sorry to interrupt, but is that as a result of this novation clause? Is that a legal requirement?

Ms Paul: It would not be a requirement, it would be the mechanism.

Mr Kovacic: I think it is a mechanism.

Senator MASON: It is a mechanism rather than a—

Ms Paul: Yes. I understand that the nature of the resolution is that the New South Wales department of education has agreed to make good shortfall, as necessary, in their discussions with Bovis Lend Lease and so on.

Senator Chris Evans: That is only relating to their contracts, not the broader—

Senator MASON: The New South Wales—

Senator Chris Evans: Yes. Obviously, the broader company had a range of issues and contract arrangements but for those with the New South Wales government which were BER funding Mr Orgill, the department and the New South Wales government made constructive interventions and what you are saying is that the New South Wales government's liabilities were met with the contractors.

Senator MASON: Is that the only education authority that has that novation clause?

Mr Kovacic: That is our understanding. It is a pretty unique clause, is what we understand.

Senator MASON: Let me get this right. It does not open up the New South Wales state government to liability.

Ms Paul: I could not answer that.

Mr Kovacic: We are trying to get a copy of the actual agreements, because it is a New South Wales government procurement contract, and trying to get a better handle on that, but at this stage I am not aware that we have got advice—

Senator MASON: Can you find out? I do not know if this is commercial-in-confidence, Chair. I cannot imagine it would be. I suspect it would have to be transparent for the purposes of the New South Wales parliament, for example. I am just guessing.

Ms Paul: In terms of what is inside the contract in this regard.

Senator MASON: In terms of the arrangements that—

Ms Paul: Whether it opens them up to liability?

Senator MASON: To liability, yes.

Ms Paul: Yes, sure.

Mr Kovacic: I will take it on notice and we will seek advice from the New South Wales state officials, if I can put it that way, as to the implications of that, given that it is certainly a clause that is reflected in the contract.

Senator MASON: It is interesting, the distinction between it is a mechanism for payment as opposed to a clause that allows liability.

Senator Chris Evans: We want to be a bit careful; as Ms Paul said, she cannot answer that.

Senator MASON: No, I am not suggesting it is corrupt.

Senator Chris Evans: Until we know (1) it is a contract of the New South Wales government and (2) legal advice as to the impact of these clauses, I think we would be flashing well outside the off stump in terms of who is at the table. We are trying to give you a general idea but the rest we will take on notice. The bottom line in terms of your interest is that the interventions were helpful and got a good result in terms of the New South Wales contractors; in terms of the Catholic education system, those interventions were not able to

impact on that matter. What has occurred is obviously a question for the Catholic education system.

Mr Kovacic: That is correct. The other point I would make too, in terms of a wider government program perspective, is to the extent that the employer, be that any one of the subcontractors, has employees and cannot meet their obligations in respect of employee entitlements, the affected employees may be eligible for assistance under the GEERS program, which would cover off an element of unpaid wages, payment in lieu of notice, redundancy payments and things like that.

Senator MASON: I accept that. The broader public policy issue in terms of the various educational authorities, 22 of them—and I do not know, this is hardly my area of expertise—is whether they should undertake some due diligence of the people who are doing construction work for them, on their behalf. I do not even know if that is possible.

Ms Paul: As the minister said, these issues are not as a result of BER, these issues are commercial issues within subfirms of overall—

Senator MASON: It could happen in BER, it could happen in any construction job.

Ms Paul: Correct, and it does.

Senator MASON: I accept that, but it is an interesting—again, we are talking about public policy issues for the future. It flashes again, when we have state or territory governments doing work with Commonwealth money, whether they should be tasked by the Commonwealth government to undertake due diligence. That is the public policy issue.

Senator Chris Evans: Sure, but that is outside our capabilities at the moment. I accept your point that it is an interesting question. It might be worthwhile seeing whether Mr Orgill addresses this in his report, because he certainly has been very proactive and when I requested his engagement in this particular case he was already a bit hands-on. He has been very proactive at trying to help sort out individual cases, quite frankly probably a bit beyond—beyond his authority, but he has been able to engage in a way that perhaps—

Senator MASON: He would do it more expertly than I would.

Senator Chris Evans: He has probably been able to use his position to get engaged a bit beyond where maybe our legal right to get engaged—I do not mean he acted illegally.

Senator MASON: Beyond his remit, sort of thing.

Senator Chris Evans: Because he was known as being very active in the area, he has been able to get in there and be a helpful agent for getting things moving. I suspect that might be an issue, I do not know, that he addresses in his report, because he is actually focusing on the lessons for the future, and no doubt the collapses under the program may well be one of those issues he addresses; I do not know.

Senator MASON: Again, for the future, it is the same issue, it is the expenditure by state and territory governments of Commonwealth and whether the Commonwealth should take greater interest. Maybe they should not. I do not know the answer, I am just raising the question.

Ms Paul: I am reminded that, I think here some time ago—several estimates ago or perhaps in the inquiry, and I would probably have to refresh myself on this—we did discuss some of the due diligence requirements that were in the tender processes that education

authorities went through. My recollection is that we did have a discussion about the protections which the education authorities did include in their tender processes. I am pretty confident that that is the case. I suppose these instances are entirely unforeseen. The interest that we have had and that Brad Orgill has pursued is ensuring that the projects can be completed, as well as, to the extent possible, that the workers can be paid.

Senator MASON: Thank you. Chair, that is all I have on the BER. I do have further questions on 2.2, Non-government schools national support.

CHAIR: Are there any other questions on BER? If not, thank you. That is all closed off then.

Senator MASON: Sorry, can I put these questions, Minister and Ms Paul, with respect to the—

Senator Chris Evans: Too late; we have sent the officers home!

Senator MASON: Can I just ask these orally, but they can be taken on notice, if that makes sense. With the BER program, I am receiving in my office some complaints about various schools. Clearly, the department would not have access to the necessary documents here this morning, but I have a number of questions about schools in my home state of Queensland and I will ask the department to take those on notice; I am just flagging it, that is all. Is that all right, Mr Chairman?

CHAIR: Yes.

Senator MASON: Thank you.

Senator Chris Evans: We are happy to help but one of the difficulties we have is that we go back to the state department, who then advise us, so there is a time delay. Sometimes we try to encourage members of parliament or the schools to contact the state department, the BER people, and talk to them directly. For instance, I sign off on letters eight weeks later, by the time we have gone through all those processes, when, quite frankly, a call directly to the state coordinator—

Senator MASON: Could save a bit of time.

Senator Chris Evans: Save time, get the same answer and allow an interaction. I am not trying to duck—if people want to write to me, I am happy to follow them up—but I have to make the point, I write back and the department says, 'We are advised by the Queensland BER coordinator' or whatever the name is, 'that this is the case,' and it is six or eight weeks later. If you have constituency issues, we are happy to help, but you are probably better off encouraging them to go straight to the source. We can give you the contact details. That interaction often solves it or, by the time we write back, we find that they have got the builder to go and fix what the problem was or what have you. If you have a constituent issue rather than a policy issue, we can probably find a quicker way through for you.

Senator MASON: There are several of these—people writing to my office all the time or through other members of parliament.

Senator Chris Evans: Yes, I get them too. I have been trying to get our backbenchers to go more direct, or encourage the school to go more direct. It might be a broader policy issue but, if it is something they want to get fixed, the timeliness of that process is not great. That is all I am saying.

Senator MASON: I understand.

Ms Paul: Given that we are still on BER, I was remembering back to some of that earlier discussion we had, back to your due diligence point. It is my recollection that some of the authorities did actually prequalify builders too; there was a technical due diligence process of prequalifying builders. I just wanted to get that on the record.

Senator MASON: That is a good point. I suppose the point, again, for the future is whether the Commonwealth, in giving money to educational authorities, should have that as part of the conditions. I do not know, I do not claim to be an expert, but it might in the future be something, whether any Commonwealth government should do that, perhaps. Maybe it should be made a condition, I do not know.

Mr Kovacic: I think that changes how you flow through the contractual chain. In the industry it is one where contracting arrangements are a common feature of the way the work is done. Certainly, most head contractors, to the extent that they might be engaged in an infrastructure project of this nature, employ very few people directly; they rely on contractors and that flows through. It is how you flow that due diligence process throughout that contractual chain on a particular project and depending on the size—

Senator MASON: Even here, it went through Bovis Lend Lease and now Kendall, so you are right, there is a chain.

Mr Kovacic: Exactly. The experience in terms of the program, as it has been thus far, is that it has varied across the jurisdictions and the education authorities, depending on the approach that they have taken to how they have managed the process itself. For instance, in terms of New South Wales, where they have used Bovis Lend Lease as a managing contractor, for want of a better description, their contractual arrangements, together with that, have put it into a slightly different context to perhaps an education authority which has used its normal procurement processes to deal with these issues, whether it is through prequalification processes or whatever.

Senator MASON: I can see there are complexities here, just in the way the industry works. I accept that. Thanks, Chair. That is all on the BER.

[11:13]

CHAIR: We will now move to 2.2 and then work our way through the amended program.

Senator MASON: Can I just flag, Ms Paul, in relation to 2.2, I will commence with—I know there is a miscellany of issues here, isn't there?

Ms Paul: Yes, there is. That is a very nice word.

Senator MASON: Indeed. We might have to do a bit of shuffling but I am going to commence with non-government distance education, and then Indigenous boarding facilities, which we have covered before. Senator Scullion may also have questions on this; he has in the past.

Ms Paul: Yes.

Senator MASON: Let me commence with non-government distance education. Does the Commonwealth government allocate funds, through any program, to the provision of non-government distance education?

Mr Robertson: Yes, we do, through the Schools Assistance Act.

Senator MASON: To non-government distance education. What is the mechanism; how does that occur?

Mr Robertson: Essentially a student who is enrolled at a non-government school, undertaking distance education, assuming that non-government school is registered to receive general recurrent grants in respect of each enrolled student, is eligible for 13.7 per cent of the AGSRC, which is the benchmark used for funding of non-government schools.

Senator MASON: Is that money paid to state governments to then pass it on? How does it end up in the—

Mr Robertson: This is a states assistance type act. Whilst the act outlines the eligibility of money to the individual school and it is guaranteed to that school, it is paid via state treasuries, under a constitutional technicality.

Senator MASON: Fine. It is paid by state treasuries to the school?

Mr Robertson: In the case of a non-government, non-systemic school, yes; in the case of a non-government systemic school, it will be paid to the system authority for distribution.

Senator MASON: State treasuries cannot hold onto the money, can they? It is in effect a tied grant.

Mr Robertson: Correct.

Senator MASON: State governments are required by the Commonwealth to pass the money on to those schools?

Mr Robertson: Yes, according to a schedule that we give to them.

Senator MASON: That is in every state—New South Wales, for example?

Mr Robertson: Yes.

Senator MASON: I am receiving correspondence that this may not have happened in all cases. I do not know if it is right but I will ask the questions and we will now explore whether in fact the New South Wales state government is doing all they should be doing. That is great; thank you. I move on to Indigenous boarding facilities. Welcome back, Ms Wall. You will recall that I have, and I know Senator Scullion has, asked questions about this in the past. Let me go back a little bit. I think it is fair to say that every estimates for a year there has been a line of questioning about the progress of Indigenous boarding facilities at Wadeye, East Arnhem and the Warlpiri Triangle. The building of these facilities was a then opposition promise from the 2007 election and they were due to be completed in 2009-10, originally. Is that correct?

Ms Wall: That is correct.

Senator MASON: At the last estimates there had been no commencement on any of these facilities and two of the three—East Arnhem and the Warlpiri Triangle—did not even have sites attached to them—below-ground construction at Wadeye. Is that right? I think you said they were below-ground construction. Where are we? Last time there had been no construction in two of them and there had been below-ground construction—I think they were your words—at Wadeye. Is that right?

Ms Wall: Yes, and I will ask Mr Goodwin to update you, because he has recently been there.

Senator MASON: Where are we now?

Mr Goodwin: The Wadeye facility: the site works are complete and we are waiting for sign-off on those.

Senator MASON: Would you say that again? I am not a builder. Senator Scullion knows much more about these things than me. What was completed?

Mr Goodwin: The site works, so the below-ground work that we talked about last time is complete. A builder has been appointed to commence the above-ground construction and that builder is on site setting up as we speak.

Senator MASON: The below-ground construction is completed at Wadeye. That has been going since at least October estimates last year. It has been a bigger job than expected, Mr Goodwin, is that right?

Mr Goodwin: It is quite a big facility. It goes over three hectares. It includes both the boarding facility for the boys and the girls, a large communal facility with kitchens and study areas and so on, plus staff housing. It is a big project.

Senator MASON: It was due for completion in 2009-2010?

Mr Goodwin: Yes.

Senator MASON: We have the below-ground construction completed. The above-ground construction is about to commence?

Mr Goodwin: Yes.

Senator MASON: Has it started?

Mr Goodwin: My understanding is, as I said, the builder, Wild Geese, is the company that is doing the building.

Senator MASON: Wild Geese?

Mr Goodwin: Wild Geese, that is their name. They come highly recommended. Wild Geese are in there and they are setting up their workers' camp and getting ready to start.

Senator MASON: Where are we then on East Arnhem and Warlpiri?

Mr Goodwin: I was at East Arnhem on 23 May for an advisory committee meeting this time held in Garrthalala. We had at that meeting representatives from the local indigenous communities, the Northern Territory Department of Education and Training and our consultants, our project managers, out there who are about to commence the survey of the site.

Senator MASON: We have a site?

Mr Goodwin: Yes.

Senator MASON: It is an appropriate site, is it?

Mr Goodwin: Yes.

Senator MASON: Just to repeat: you have construction managers examining the site?

Mr Goodwin: We have an architect and a project manager onboard, but the issue with Garrthalala is, because it is a homeland, an outstation, there has not been a lot of detailed survey work done by the Northern Territory government because it is quite a small

community. The area that we have set aside for the site, which has been agreed by the traditional owners, needs to be surveyed before we can start building.

Senator MASON: When do you expect to commence building, which I suppose originally meant below ground, is that right?

Mr Goodwin: Yes, we will start with foundations and work our way up.

Senator MASON: When do you think they will commence, Mr Goodwin?

Mr Goodwin: We are hoping to have the survey completed within the next few weeks. Then we have to do what is called a technical feasibility study to confirm that we are not building on a bog or a large rock or something that is going to prevent us from completing the construction. Immediately following that, and the securing of a lease through the Northern Land Council, we can start construction.

Senator MASON: When is that likely to be, Mr Goodwin?

Mr Goodwin: Certainly this year and we would hope well before the wet sets in again towards the end of the year.

Ms Paul: We get a bit nervous when we try to give estimates on these things. It is our best endeavour of best estimate, but there are a lot of things, as we have found, outside our control, isn't there?

Senator MASON: I accept that and I know in the past—

Ms Paul: Thank you, I appreciate that.

Senator MASON: we have discussed the weather and everything else but if a government or a political party sets a timetable, then it becomes clearly something for our political examination.

Ms Paul: Of course it does. Absolutely accept that.

Senator MASON: The timetable is set for completion in 2009-2010, so it is already in terms of completion well and truly behind, and we have not even commenced two out of the three. When do you think it will be completed; do you have any idea?

Mr Goodwin: I think it would be unreasonable to, as the secretary has said, to be predicting a completion date for Garrthalala at this stage.

Senator SCULLION: My colleague and I are pursuing this is not only because you have set timelines but also because the government have accepted that they are moving down the road of closing the gap. We all know that education is a fundamental part of that. Clearly, if you have not got a school to go to, that is a big challenge, and I know that the government believe that. If we do not have the infrastructure, it is going to be very hard for the people in East Arnhem Land to be able to get access to that. I would have hoped that the wet season would not have prevented people from negotiating with the Northern Land Council for a lease. I accept that surveying the land to ensure you are not on a swamp or a rock—and I know Garrthalala well enough to know that there are areas there and the traditional owners have indicated that it is probably going to be pretty sweet. What we would like to know, even if it is an aspiration and you can make it conditional to things, are you expecting to have building underway this year?

Mr Goodwin: At what period?

Senator SCULLION: This is at Garrthalala.

Mr Goodwin: My very strong expectation is that we will have building underway at Garrthalala this year.

Senator SCULLION: I am completely opposed to the Garrthalala site, as you have probably got by my questions, and I will continue to be so. Rather than providing an isolated asset—which will be isolated completely every time it rains—has there been consideration given to upgrading the roads between where the students reside and Garrthalala, given that the boarding school has a greater capacity than the recruitment of Garrthalala can provide?

Mr Goodwin: The site we have negotiated for the boarding facility will be no more than 100 metres from the school.

Senator SCULLION: I understood that the Garrthalala school was to be a hub to service a number of outstations and, as I have said, the size of Garrthalala and the recruitment base under which Garrthalala—the school is far bigger and the idea is not to provide for Garrthalala but for the surrounding homelands. Given that is the case, I have made an assumption—and I do not want to verbal you but perhaps you could tell me what other infrastructure are you putting in place, like culverts and roads and those sort of things, that can allow students to get to and from the school, or is it at a time during the wet season that they will not be able to return to the homelands as is reasonably expected every month or so?

Mr Goodwin: There are a number of questions in there so I will deal with the infrastructure one first, if you like.

Senator SCULLION: Other infrastructure of the school?

Mr Goodwin: We are talking to the Northern Territory government about the road between Garrthalala and Yirrkala and Nhulunbuy as a possible target for upgrade. In terms of the homelands that will feed students into the Garrthalala facility, my understanding is that the roads are extremely basic at any time of the year.

Senator SCULLION: Yes, they are.

Mr Goodwin: And pretty much impassable during the wet.

Senator SCULLION: Yes.

Mr Goodwin: We would be looking at a model for that facility to run where the students would be staying full time at the facility, as they would if they were boarding in Melbourne or Sydney, for example, or Darwin, for that matter, and they would be able to go home during each of the term breaks. In terms of how they get there, the way that people move around that country during the wet has not changed—it is by small plane—and we would expect that that would continue for the kids from Garrthalala moving back out to their homeland communities. I am sure you are probably aware that the Aboriginals Benefit Account has approved an upgrade of the airstrip for Garrthalala and that will be undertaken in parallel with the construction of the facility, so there will be a decent airstrip there. That is about all I can say at this stage about the movement of kids back to homeland communities.

Senator SCULLION: I should make a couple of points. The all-weather airstrip that is now being created at Garrthalala, which is just an upgraded dirt strip, is to be commended. Garrthalala would love that and it probably gives a better level of amenity in terms of safety from the school for medivac and those sort of things. The term 'all-weather' is self-

explanatory but you cannot take off in the wet season and land at the other airstrips. If you are in Garrthalala and you have a wonderful airstrip, that is terrific, but the only place you can go from that in the wet season, in effect, is to Nhulunbuy or to Yirrkala. I am not sure what you are doing about that or if there is any planning in that regard. But as I mentioned last time about the safety issues, the road between the nearest levels of amenity—apart from very basic medical services and a very basic amenity there—is the road to Yirrkala. You are saying they are all upgraded but there are five quick rivers. We are not talking about running a grader over something, this is something that gets completely isolated. I commend you; if we have an all-weather strip and it is long enough to deal with the Pilatus planes, great. Obviously, that is an issue and you are dealing with the Aboriginals Benefit Trust Account, so Aboriginal people now need to use their royalties to get access to education, which is probably another issue—I am aware of the processes of the Aboriginals Benefit Trust Account. This is an enormous undertaking, as you will be aware. You have driven the road and you have crossed many of the many beautiful rivers but have you considered how much making that an all-weather road will cost? Have you had some prices in that regard?

Mr Goodwin: No, we have not had prices yet. It really is a preliminary discussion with the Northern Territory government at this stage and we are focusing at the moment on getting moving on the infrastructure in Garrthalala.

Senator SCULLION: Perhaps if you do not choose to answer this, Ms Paul or the minister may answer this: I was very concerned, as I have spoken about in other estimates, that this will become an isolated asset for reasons of safety and a whole range of other areas. I would understand if the asset was being built subsequent to making it an investment by providing the roads, access and airstrips in other areas but, given that we are going to be putting this up first and then we are going to be thinking about giving access later, it does not seem like a particularly logical way to make an investment of this type. I do not want to squeeze you with this, Mr Goodwin, perhaps Ms Paul could answer: do you have a strategic plan? It does not seem that you do, with respect, because we are building an asset first and then we might put a road to it later.

Ms Paul: I would take a bit of issue with that. I take your point, I understand what you are saying in terms of the isolation and so on but, certainly from our point of view, we have taken an extremely diligent approach to the consultation and the considerations and trying to do that extremely difficult thing of balancing out so many different interests which is always so hard. In terms of the sequencing, I take your point, it will be really important to work in properly with the Northern Territory government in particular. They would have to take responsibility for much of what is being talked about now in terms of the infrastructure surrounding it, as Mr Goodwin has so rightly said, and we are undertaking those conversations. My understanding of the way in which we have operated, the frequency with which Mr Goodwin has been up there and the range of conversations and so on, I feel confident that, to the extent that we are able to within the Commonwealth's jurisdiction and within a very complex situation, we are taking those things into account.

Senator SCULLION: As a passing shot, I guess, is that during the period of the wet season it is not only that everything is damp and you get bogged if you wander off the track, that is not the issue. There are periods of time where the weather is inclement so that the options of flying are not there.

Ms Paul: Sure, I appreciate that.

Senator SCULLION: I know you appreciate this but the duty of care provided when you take custody of someone's children, there is an expectation that we will have provided for all of the safety possibilities in that situation.

Ms Paul: Yes.

Senator SCULLION: As you would know, in other times, because we lived in Garrthlala, we were not able to get medical evacuations at a time when needed and the circumstances were pretty dire. We are now pooling a whole bunch of people into an area where we are taking responsibility and it is easy to say, well, they would have been in that situation anyway, that is where they live, but the Commonwealth is taking responsibility. I am sure you have taken this into consideration but, given that the school may be completed and we all hope it will be completed before the end of the next wet season, there will certainly be an expectation of people moving into that place.

Ms Paul: Yes.

Senator SCULLION: Do you have any other contingency plans about transport during those clear, unarguable periods of time where people will still be in care—and I am talking about before Christmas, early November it was last year, and everything was pretty impassable. It might have been an extreme event, who would know, but what contingency plans have you got for the management of a facility where you are taking on the custody of people's children? The answers I was looking for are about a planning for infrastructure, long-term investments.

Ms Paul: I have made some comments about the planning for infrastructure. In terms of particular planning for a particular wet season, I might ask if my colleagues have anything to add to what I have just been saying.

Mr Goodwin: I would like to remind everybody that the facility we are building at Garrthlala is an extension of an existing facility where kids from a number of the Yirrkala homelands already come in to the facility and board for a number of days each week throughout the year. Those kids are coming in and getting out on a regular basis throughout the year. We expect, in working closely with the Northern Territory government, to upgrade the school and other infrastructure issues associated with the facility, that those kids will continue to be able to do that. Further investigation is required there but it is our understanding that kids are already coming in and going out throughout the year and boarding at that facility.

Ms Wall: You would be well aware that the Northern Territory department of education has done quite a lot of work recently around more flexible schooling arrangements, particularly in remote communities, to work around the wet, to work around community occasions, and there is much more flexibility in terms of industrial relations agreements. In our discussions with the department they have indicated they will be applying a similar lens to this so that the school year, if you like, will work around those sorts of things, and accommodate transport issues, to minimise trying to get students in and out at the more difficult times of the year.

Senator SCULLION: With respect, their motive for this—and I know the area and the situation very well—was to try to get around the fact that 46 per cent of Indigenous children

in the Northern Territory do not attend school and there is a percentage more than that that attend infrequently. Garrthalala was a classic case. Yes, the two days they were getting a week was terrific but it is not an education at all and so the motive, which this government supported as well as the previous government—there is no argument with that—is that we need to change those circumstances so they can get continuous access as every other Australian would have. Without absolute surety that they can get continual access to the facility, then we have not met the requirements that the motive for all this activity was to provide.

Ms Paul: We are in strong agreement with you that the activity that Ms Wall describes that the Northern Territory department is undertaking is for precisely that reason, of course. It is about trying to lift attendance and to take advantage of some times in the year when attendance is more likely, for example, during the wet for some communities. I take your points and, as Mr Goodwin says, with Garrthalala he has noted that it is an extension of existing facility. I reiterate that I take your points that the need for systematic planning and working with all parties to get all parts of the system happening at one time we agree with and we will be attempting to do that.

Senator SCULLION: Perhaps I can just put on notice that next time I will be asking what plans you have in place. For example, when the terms will start and end, what breaks are expected and how you would be able to facilitate the return to the homelands from the facility in that regard and I think it is a reasonable sort of thing—

Ms Paul: No, I would expect that, yes. Yes, that is fine.

Senator SCULLION: I will be asking that at the next estimates.

Ms Paul: Thank you.

Senator MASON: Can I go backwards and I will do some of the spade work after that colourful narrative. Can I get some basic facts and then we will finish. Going back to where we started with Wadeye—I may have forgotten to ask you this but let me try again—what is the estimate for date of completion of construction?

Mr Goodwin: We are still expecting to have construction completed by the end of the year but, as soon as the builder is set up and has started work, we should be able to provide a more accurate date, probably by next estimates.

Senator MASON: By the October estimates?

Mr Goodwin: Yes.

Senator MASON: Let me just run through these. Warlpiri: we have a site?

Mr Goodwin: We have a preferred site, as yet unannounced.

Senator MASON: Therefore, there has been no commencement of construction, clearly?

Mr Goodwin: No.

Senator MASON: When will we learn whether the preferred site is the actual site?

Mr Goodwin: You would be well aware of the community issues that have been ongoing for some time in Yuendumu.

Senator MASON: Far more vaguely than Senator Scullion, who is well across them all, but I take—

Ms Paul: Just the community unrest—

Senator MASON: Yes.

Mr Goodwin: Yuendumu is one of the territory's 20 growth towns and a logical focal point for education. Whether we are able to work through the issues with the broader Warlpiri community around locating a facility in the Warlpiri Triangle in the next few weeks or months is still very much up for negotiation.

Senator MASON: You are not holding out much hope, Mr Goodwin. You are not giving me much to get my teeth into in October. Isn't that right, Senator Scullion? They are not giving me much at all.

Ms Paul: I think we are realistically reflecting the degree of difficulty, given the community unrest.

Senator MASON: I thought you were always an optimist, Ms Paul.

Ms Paul: I am, indeed, but in this case I would like to say a realist.

Senator SCULLION: Ms Paul, are you conducting the negotiations yourself or you are doing it through a third party?

Ms Paul: I have not done them myself, no. Mr Goodwin has been doing most of it.

Senator SCULLION: The department.

Ms Paul: Yes, directly.

Senator SCULLION: It has been directly.

Ms Paul: Perhaps there are—

Senator SCULLION: There are a couple of processes happening in the Warlpiri Triangle. One is the leasing agreement—nothing to do with education—but I understand that that is being conducted through the Central Land Council, as these tenure arrangements normally would. There are other health agreements that are being done directly by the department; they are the two types. How would you describe this type of arrangement? Will you be conducting it, is the Central Land Council conducting it, or is there some other arrangement?

Mr Goodwin: We will be managing the process very similar to what we are doing in both Wadeye and Garrthalala. We engage a project manager and contract out the work for the construction of the facility.

Senator SCULLION: Sorry, I meant the actual agreement about the siting of the Warlpiri, which is going to take some time.

Mr Goodwin: The actual agreement of the siting, yes. We are working directly with community leaders on that; so, not through the Central Land Council.

Senator MASON: We have Warlpiri. In East Arnhem we have a site?

Mr Goodwin: Certainly do.

Ms Paul: That is the Garrthalala site.

Senator MASON: We have a commencement of construction?

Mr Goodwin: In Garrthalala?

Senator MASON: Yes.

Mr Goodwin: Not yet.

Senator MASON: When is that likely to commence?

Ms Paul: I think Mr Goodwin said this year.

Mr Goodwin: The best I can tell you at the moment is this year.

Senator MASON: I do not mean this rudely but you have no idea, then, of when the construction is likely to be completed?

Ms Paul: No, and we put this on the record a couple of minutes ago.

Senator MASON: That information—I can understand that. Senator Scullion and I have been asking these questions, of course, since we have been in opposition and, even at the February estimates, the committee was advised it was likely all facilities would be completed by the end of the 2011 school year; that is what we were advised, if you recall that evidence. That is only four months ago. Now the timetable has been pushed into the never-never.

Ms Paul: That is a bit unfair. We can start construction this year.

Senator MASON: The committee has no completion date, even a likely one, and no-one is prepared to give the committee a date. Ms Paul, this is a hell of a change from three or four months ago.

Ms Paul: I do not know that that is quite right. If construction starts this year, it is realistic that it will finish during next year, and if we want to repeat our evidence of February that is fine.

Senator MASON: We do not even have a site—a lot of these projects.

Ms Paul: I thought we were talking about the one where we do have a site.

Senator MASON: Okay. We have a site in East Arnhem, but we do not have one in Warlpiri, do we?

Ms Paul: No. We certainly have not given you dates for Warlpiri because of the community unrest.

Senator MASON: I understand that, but the evidence from 24 February was that all facilities would be completed by the end of the 2011 school year. We are nowhere near that.

Ms Paul: I would want to look at the *Hansard*, if that is okay.

Senator MASON: Have a look.

Ms Paul: Yes, we will. There is no way of getting around the fact that there is serious community unrest in Warlpiri. The answers we have just given you for Garrthalala, by the sound of it, while I have not taken the opportunity to look at the *Hansard* from February, are similar to, or the same as, our answers in February.

Senator SCULLION: I will just say that the issues of Garrthalala, as you describe—I know you might be a bit nervous because you do not want to get flogged by Senator Mason next time.

Senator MASON: I am always gentle, as you know.

Senator SCULLION: Garrthalala has the benefit of not needing the road for construction because it has a very good barge landing. The notion of the wet season and talking about the cessation of activities may be correct in other places, but Garrthalala, one would expect, if all those things—they would not take it by road. I imagine they would take the construction there by barge.

Ms Paul: Yes.

Senator SCULLION: One would expect, reasonably, that you should be able to, perhaps at the next set of estimates, tell us, given that is the case, that there are no other imponderables—I understand that this is a difficult area—and you should be able to give us a fixed date by that stage.

Ms Paul: At each estimates we are more than happy to give the update as it stands. We are diligent and active and we will always do our best to give an update.

Senator MASON: I accept that but, already, at the end of this month, the three sites are 12 months late, from the original.

CHAIR: You have put that, the department has answered why and all that is on the record.

Senator MASON: I am not happy but I am happy with the evidence.

Senator SCULLION: I understand that in one of the communities there is certainly a certain amount of unrest, but Central Australia does not stop; the Warlpiri Triangle certainly does not stop. I sat down with 43 of the traditional owners from the same mob, in the same country, with Tony Abbott, very recently. They were able to organise that and we came to some pretty significant agreements over that meeting. I would hope that the department does not simply say, 'Look, there is ongoing'—and, very sadly, if we are waiting for unrest to settle down, we will never get a school.

Ms Paul: No, and we certainly have not said that we have downed tools. Point taken. We are just talking about the degree of difficulty in the current circumstance.

Senator MASON: I will move on to a similar locale and a different issue: 200 teachers for the Northern Territory. Ms Paul, could we move to that issue.

Ms Paul: Yes.

Senator MASON: The 200 teachers for the Territory program was a promise from the 2007 federal election. I have asked questions in the past about this issue and, indeed, the department has been good enough to take some on notice. I note that the retention rate for the 200 teachers for the territory program seems to be pretty low. In fact, only 34 per cent of state school teachers recruited through the program are staying for two years. What was the projected retention rate at the start of the program? About one in three is staying for two years.

Ms Wall: I do not believe we had a projected retention rate. As you are aware, retention rates in remote areas are quite low; that is the nature of the workforce. The retention rate you have referred to is fairly reflective of remote locations, but there was no projection at the outset of the program.

Senator MASON: If it is reflective of those issues of remoteness and so forth, you must have expected that this is about what you would expect. How many teachers do we have on the ground—the 200 we were promised?

Mr Goodwin: At the end of the 2010 school year, we had just over 127 teachers in Department of Education and Training schools, 16 in Catholic schools and three in independent schools.

Senator MASON: What does that add up to?

Mr Goodwin: It adds up to 146.5; that is, full-time equivalents.

Senator MASON: It is about three-quarters of the—

Mr Goodwin: We are well and truly on track.

Senator MASON: What are you doing about trying to retain these teachers?

Ms Wall: We do not employ teachers. It is up to the education authorities, and each of them has had very specific strategies around recruiting, supporting and retaining teachers. They will vary from education authority to education authority.

Ms Paul: Do you want us to give you some examples of that? I met with the head of the Northern Territory education department recently and he was going through some of the stuff that they are doing to try to keep teachers. As you can imagine, it goes from housing to pay to all sorts of different things. It is quite a big issue right across the board, of course, not just for these 200.

Senator MASON: Have you done any projections—perhaps you have not—about how many teachers you will have to recruit to gain the 200 teachers? The retention rate is so low, at 34 per cent. Have you done any projections about how many you are going to have to recruit?

Ms Wall: We are not recruiting.

Senator MASON: You are providing the money, though.

Ms Wall: No, we have not done projections because, as I said, each of the education authorities has workforce planning approaches and they are building those into their recruitment. Some of those are, as Ms Paul said, getting some results and we would expect those retention rates to increase over time—and we are seeing that, particularly in some schools. We could get you some examples of those because there are some good things happening in some schools.

Senator MASON: You touched on this before, Ms Paul. Why is the retention rate so low?

Ms Paul: That is a good question. There are a range of factors. My colleagues might want to start the ball rolling.

Ms Wall: Retention is low in remote areas because there are obviously considerable hardships there. The conditions are difficult. It requires quite specialist teaching skills, and Dr Bruniges can probably say a bit more about that. The student cohort offers challenges that are not experienced in other schools. They are challenging teaching environments and socially, for teachers moving into those communities, they are moving away from family, friends and transport, as we have discussed. They are not able to move out regularly. There are well-documented reasons as to why teachers tend not to stay there for as long as in other areas.

Senator MASON: It just seems so low. I thank you for your candid answer to the question on notice, but only 34 per cent of state school teachers recruited through the program are staying for two years. That is so low. It is not a criticism of the department or the government but that is a low figure—only one in three staying for two years.

Ms Paul: There is a fair churn of teachers at any rate across the board.

CHAIR: You might like to try it, Senator Mason.

Senator MASON: I do not think it is quite my thing, but I suspect—

CHAIR: That in itself is the answer, isn't it, really?

Senator MASON: Sure. It is not a criticism of the department. It must be a very wearing—

Ms Paul: Teaching as a profession faces a fairly high rate of turnover, as I guess Dr Bruniges could comment on from a more expert basis than me.

Senator MASON: But it would not be like that across the board.

Ms Paul: No, that is absolutely right. I do not need to repeat what Ms Wall said. As Senator Scullion would well know, there are a range of factors in any of these communities which make it hard to keep people in them.

Senator SCULLION: Do you do any exit interviews to try to establish what—

Ms Paul: We do not employ the teachers. They are employed by the Northern Territory department or the Northern Territory Catholic education authority, or whoever. As to whether they do, I suspect they might—I would have to take it on notice if you really want us to pursue that.

Senator MASON: I would like to know.

Ms Paul: Certainly in my recent discussions with the director-general up there, there is, naturally, a very keen focus on it. It is not as if this is a new problem. It is interesting that they are having some successes, as Ms Wall said, and I think we have undertaken to get you some examples of that on notice.

Senator MASON: I understand that each teacher commencing this program has to complete an intensive nine-week professional learning program. Is that right?

Mr Goodwin: Yes.

Senator MASON: Where is that conducted and who pays for that?

Mr Goodwin: It is conducted by the Northern Territory department and it is paid for out of the funds for the program.

Senator MASON: The Commonwealth pays that?

Mr Goodwin: That is my understanding, yes. I would have to check that. I am happy to do that and get back to you on notice.

Senator MASON: Could you also check how much it costs to deliver that program to each teacher?

Mr Goodwin: Yes.

Senator MASON: You might be able to get some cost-benefit analysis, I suppose.

Mr Goodwin: If I might go back to the retention issue momentarily and those 34 per cent who are being retained for the two years. My previous advice from the Northern Territory department is that the average retention of a teacher in a remote school is around seven months. If we are talking about being optimistic and making incremental gains, I think the 200 teachers program is making a positive difference, albeit a little bit more slowly than you would like, but we should be looking at taking some positives out of those figures.

Senator MASON: Yes. I note again that only 56 per cent of teachers recruited in 2009—a bit over half—were still there at the end of 2010.

Mr Goodwin: But that is a big improvement on the average.

Ms Paul: The seven-month average, yes.

Mr Goodwin: A big improvement.

Ms Paul: I am glad Mr Goodwin mentioned that because it rings a bell from what the director-general had mentioned to me too, that the average retention was longer for this cohort than the historical average.

Senator MASON: It is getting better?

Ms Paul: Yes.

Senator MASON: It could not have been very good.

Ms Paul: Indeed.

Senator Jacinta Collins: It will be interesting to see what is available across the board here, but I know from feedback to me from the systems in Western Australia and South Australia that remoteness is a significant factor across the board. I would be surprised if some of the systems do not have some exit data on why teachers are not remaining.

Senator MASON: I suspect they do; it would make sense to have them.

Ms Paul: I would think so.

Mr Davies: Some of the conditions that dissuade teachers from staying are around housing. You will know that the initiative to build extra houses in the Northern Territory and WA recognises that. From talking to other jurisdictions, like North Queensland and WA, I know they have exactly the same set of issues. When we get some examples, we might look at the teaching quality partnership with the states and the Northern Territory. I know they have also had a focus on these sorts of issues as well. There is quite a bit of effort going on around the country to address this issue, but it is not a quick one to resolve.

Senator MASON: No, I accept that. It is not necessarily good news but perhaps it is improving. I have no further questions on that issue, but we will come back to it in the October estimates.

Ms Paul: Yes.

Senator MASON: Can I move now to reward for school improvements.

Senator SCULLION: Perhaps before you go on, I have one issue on the Indigenous Supplementary Assistance program. I have been advised it is in this output. As you would be aware, the Indigenous Supplementary Assistance program was an amalgamation of programs. In about 2009 it was mooted that that was going to happen. Was any additional funding provided in the budget for this initiative?

Mr Robertson: The funding for the Indigenous Supplementary Assistance is a subset of the Schools Assistance Act. The important thing to bear in mind around that particular measure is that it is demand driven, so it is paid in respect of every Indigenous student in a non-government school. Then, if the student resides in an urban setting or a very remote setting, there is a higher rate.

Senator SCULLION: When will the schools receiving the funding?

Mr Robertson: The schools have received that funding from the beginning of the act, which was from 2009. They receive that as part of their recurrent grants payments.

Senator SCULLION: Since 2009?

Mr Robertson: Correct.

Senator SCULLION: There was a change in 2010, as I understand it, because, for example, under the Indigenous Funding Guarantee, which was one of those programs that got amalgamated into the new assistance program. Kormilda College, in the change, received \$652,807 less; that was the sort of break. That caused a whole range of problems from their perspective. You would have known about the School of Indigenous Education that they had set up. As a consequence of that lack of funding for that period of time, I understand that four Indigenous staff, who were the support workers at that particular campus, were made redundant. That has caused fewer students to be able to be recruited; the approximation is something like 60 fewer students, as you would be aware. There is the non-school ready aspect of many of the students that receive the remote allowance. You have to have the staff on hand to be able to make that transition. The issue is in terms of whether they will be backdated is that there was a gap, if you like, in the funding that was expected to be received and when the funding was received. Is there any intention or is there anywhere in the budget to indicate that the remote rate for remote students would, in fact, be backdated to 2010, as all the indications from government were that that would be the case?

Mr Robertson: I am aware of the case of Kormilda and of the programs they operate directed at Aboriginal and Torres Strait Islander students, particularly those in remote areas. In understanding the situation with Kormilda, you need to take a perspective over a number of years. The situation they were in in 2008 is that they received discretionary funding that was based on an application. At the point of the new act coming in in 2009 they were eligible for the Indigenous supplementary assistance, which was paid for all Indigenous students; they did not need to apply. In recognising that there may have been some schools that would have decreased their funding amount as a result of that move, the Indigenous Funding Guarantee was put into place. In the first instance that was calculated on a whole-of-school basis. The government then undertook a review of that, recognising that for some schools that had growth in indigenous enrolments it disadvantaged them. So we gave a funding guarantee on the basis of a per capita amount, guaranteeing their 2008 per Indigenous dollar amount through the forward years. We have given them a guarantee around that. They have not been disadvantaged through that.

Out of the election last year, the government has introduced an initiative that for non-government sporting schools that are bringing in students from remote areas—and they have over 50 of those students—they will attract the higher rate of Indigenous supplementary assistance. By the time they get to that move they are on secured funding under far better arrangements than would have occurred in 2008.

The other thing to bear in mind as well is by the fact that it is under the Schools Assistance Act, there is guaranteed growth, indexation or supplementation of that rate far in excess of what was being indexed under the Indigenous amount, which is what we call WCI1, which is Wage Cost Index, as opposed to the average government school recurrent costs supplementation arrangements that occur now. In toto, particularly Kormilda, but clearly other schools as well are being advantaged under these new arrangements not only in terms of dollars but also in terms of administrative load, which has been reduced considerably for them.

Senator SCULLION: I am delighted that your information coincides with mine up to a point. In January 2011 they received advice that the Indigenous Funding Guarantee model was going to be modified to a per capita rate, and that is correct. The college is now entitled to a per capita rate for 2010 resulting in a \$204,178 payment to Kormilda, and that was in March 2011. That is a \$331,552 shortfall in what they would have expected. I understood when the changeover was intended to take place and we were going to have this amalgamation that the then minister, now Prime Minister, had said that there would be no funding. In fact, she said, 'No school would lose a dollar'; that was the statement. I know you are saying, 'There is this program and they must be better off,' but have you made an assessment about schools like Kormilda to see whether or not they are worse off? They put to me—and I can see from the figures, it is not like it is a few cents—that they have had quite a negative impact from this. It is okay to say perhaps the Northern Territory education department has done something. The federal government said that no school would lose a single dollar; have you had an assessment to ensure that that is the case?

Ms Paul: I will hand back to Mr Robertson, who is eloquent and knowledgeable on this matter, but his evidence a minute ago was that, by definition, those words of the then Deputy Prime Minister have been fully met because the funding guarantee itself was precisely for that reason—that the school would remain at the rate from 2008 or grow. And then Mr Robertson has gone on to explain why the school ends up being advantaged, particularly through the difference between indexation, through AGSRC versus WCII, but we are well across the particulars of this school and, indeed, of their arguments. Some of it has been represented to me directly and I know Mr Robertson will have the detail for you.

Senator SCULLION: Given that it appears from the figures that I have been provided—which are the actual 2010 census figures under which these are provided—that the payment for Kormilda is a shortfall of \$331,552, I am not sure how that can then be better off; that is the answer I am looking for.

Ms Paul: It depends where they are starting from, in short.

Mr Robertson: That is correct, and some of that is impacted by variation in enrolments and what the government has said is that it is a guarantee per student that no student will lose a dollar as a result of this change. The letter that you referred to, dated in March, I think, was the result of our calculations based on a per capita basis and we dealt with Kormilda around that and they said, 'Yes that is the correct calculation.' The basis of their gap, I am not able to speculate.

Senator SCULLION: They have and, as I said initially, the Indigenous Funding Guarantee was removed from Kormilda in this changeover, which left them \$652,807 short in the forecast. That meant that they could not take on the people that they needed, so there were 60 students who are not going to get a secondary education. Therefore the funding model is based on how many students they have got now. It is in the changeover—not so much what the situation is now—that they think they were short-changed.

Ms Paul: Yes.

Senator SCULLION: And I can see a case.

Ms Paul: Yes. Without really being able to draw it up, our analysis is that the funding guarantee was not withdrawn; the funding guarantee was given to them. Our contention is that

the transitional arrangements and then the final arrangements, at the end of the day, meet all obligations to Kormilda. I do not want here to dispute where they are coming from, because I do not have the figuring in front of me. Nonetheless, my understanding is that, in a way, it depends on the assumptions that they are making about what they might have got under arrangements which are just not the case. We would contend, as Mr Robertson took you though, that the funding mechanisms for them have been fair and transparent. We have dealt with Kormilda, I know, on an individual basis, as well as with Kormilda's representatives, through the independent schools body. But, if there is a particular way of figuring and so on which they would like us to look at again, I am more than happy to do it, but I would stress that we have been through it in detail and I believe that our reckoning is fair and fairly communicated.

Senator SCULLION: Perhaps I might provide some questions on notice.

Ms Paul: Yes, that is fine.

Senator SCULLION: They are about those things and they might be able to give them a better understanding.

Ms Paul: That would help us work it through, yes, and then we could see what their assumptions are.

Senator SCULLION: Perhaps Mr Robertson can help me with this. In terms of Yipirinya, which is another one I know that you would have dealt with, the NIELNS Program was one of those programs that was subsumed into the supplementary assistance package. Under that program they were provided with a lump sum to undertake particular projects. That program no longer exists under the IESIP. Funding is now apportioned to enrolment figures. As a consequence of that, on the basis of enrolment figures Yipirinya claim, that they have suffered in much the same way as Kormilda, and have experienced a real loss of just over \$200,000, from 2009-2010, under the model. The net impact from that is that, if it has now gone to enrolments and some of the funding changes meant what they maintain—that is, fewer enrolments—they have in fact suffered under the model. Whilst some may think that is a long bow to draw, I can tell you that I hold these schools, as no doubt you do, in the highest esteem.

Ms Paul: Yes.

Senator SCULLION: I know how critical this funding is because, without the funding, they are not able to prepare the school readiness program, which is a fundamental part of enrolments. They claim that their enrolments are down because of that so—

Ms Paul: We could not comment on the causes of a drop in enrolments. We would contend, firstly, just picking up on one of your points, that they are not worse off in real terms. That was, indeed, the precise nature of the Indigenous Funding Guarantee. Whether Mr Robertson wants to comment on this particular school, as he did for Kormilda, I will hand over and—

Mr Robertson: Thank you, Ms Paul. I do not have the details of that specific school here but, in terms of when the Indigenous Funding Guarantee was first made operational, it was calculated on the basis of the total funding provided to the school on a whole-of-school basis, regardless of enrolments. If in fact enrolments did drop, we still guaranteed, for the purposes of that school, that they got that same cash figure in 2009 and 2010, until such time as their

recurrent rates caught up. On that basis I would be surprised about their particular claim because their 2008 rate would have included that lump sum payment that we then would have guaranteed in whole-of-school terms.

Senator SCULLION: On the basis of the evidence you have provided I can now take that back to the schools and perhaps we can provide some questions on notice.

Ms Paul: Absolutely.

Mr Robertson: Yes.

Senator SCULLION: It will probably be through the Senate rather than through this process because I am not sure we can get to them in time.

Ms Paul: That is fine. Just to reiterate, we have been working very actively with their representatives through independent schools and we will continue to do so. We are aware of some of their issues and are more than happy to keep working it through.

Senator SCULLION: They take very seriously the now Prime Minister's statement—the then Minister for Education—which said, 'From the process of amalgamation of these funds, no school will lose a single dollar'. They maintain that is not the case, which is why I asked the question before: have you provided an assessment of that?

Ms Paul: Yes.

Senator SCULLION: The question is: will you in regard to those particular schools that have been—

Ms Paul: Yes. Our absolutely clear and unequivocal contention is that that commitment has been met.

Senator SCULLION: Will you do an assessment or you have already—

Ms Paul: We already have.

Senator SCULLION: You already have.

Ms Wall: I am not sure if it is the case in that specific school but one confusion we appear to have had is that, in 2008, which is where schools are comparing, a number of those schools—and we are talking about guarantee of recurrent funding—were also at that time receiving project funding, time-limited project funding for additional things, not recurrent funding. On some occasions the schools have included that and taken that as their base line and that has caused some confusion. I do not know if that is the case here, but it is important to look at the base line of 2008 recurrent funding, not the total funding the school was getting from all sorts of sources.

Senator SCULLION: Thanks, Ms Wall, I will take the *Hansard*.

Ms Paul: Yes, sure.

Senator SCULLION: We will have a discussion and we will provide some extra questions, but thank you.

Ms Paul: No worries.

CHAIR: Thank you, Senator Scullion. We have 15 minutes still before the break so are we ready to move on to outcome 2.3?

[12:15]

Senator MASON: Thank you, Chair. Ms Paul, if I can go to Reward for School Improvement, outcome 2.3.

Ms Paul: Yes.

Senator MASON: During the 2010 federal election campaign the government announced the Reward for School Improvement Program and the initial policy was for primary schools to receive \$75,000, if they showed the most improvement, and high schools to receive \$100,000. The areas to be tested were school attendance, year 12 attainment results, literacy and numeracy performance, post school destination information, such as the number of students going into further education, training or work. I have in front of me the Reward for School Improvement, which outlines the policy. It says that literacy and numeracy performance is one of the listed criteria for judging the Reward for School Improvement. How is the government intending to determine or assess that performance?

Dr Bruniges: We will outline the development of the School Reward framework first, so before we can give rewards—

Senator MASON: As long as it does not take too long.

Dr Bruniges: No.

Senator MASON: A precis would be fine.

Dr Bruniges: The intention would be, first of all, to develop a national School Improvement Framework and we already know that from a number of jurisdictions there is a lot of good work that exists that we can draw from that already uses a range of indicators. One of the indicators in which you spoke to was looking at literacy and numeracy. We would have to consider as we go through developing that framework, the place of the literacy and numeracy indicator and various ways that we would look at that. There are a number of ways you can look at improvement. We can look at the change in performance from year 3 to year 5, from year 5 to year 7, year 7 to year 9, because the NAPLAN is indeed on that common scale. But there might be other ways of looking at that, such as the proportion of students that lie below the national benchmark and the movement of those students above. That has not really been considered so that will be part of our forward considerations in constructing that overarching framework.

Senator MASON: Just looking at literacy and numeracy for a second, I understand that ACARA has written a brief stating that NAPLAN is not a good measure for this type of activity, that the data is likely to be unreliable. What is the department's view of that?

Dr Bruniges: Sorry, Senator, I am not aware of the brief that you are referring to.

Senator MASON: Sure, let me go to the source. It has been covered in a few places but, for example, on page 3 of the *Sydney Morning Herald* on Saturday, 7/5/2011, it is reported, 'The agency responsible for the My School website cautioned against using national literacy and numeracy test results to award financial bonuses to schools, warning the data was likely to be unreliable. Documents obtained by the *Sydney Morning Herald* under freedom of information laws showed that ACARA also noted that overseas experience showed that data meant to track student improvement was volatile.'

Does the department agree with that? What is the department's view? How are we going to determine literacy and numeracy performance as part of this Reward for School Improvement?

Ms Paul: You have to put it in a particular context, and I think Dr Bruniges can draw out that.

Senator MASON: Sure.

Dr Bruniges: It is incredibly important that the literacy and numeracy—we know that it measures some aspects of literacy and numeracy at one point in time, but we would have to ensure that any improvement would take into account the standard of error around the measurement and it could not just be crudely used in a way that was a clean-cut score.

Senator MASON: I appreciate all that. You mentioned in your introductory remarks that NAPLAN would be one of the mechanisms but ACARA has said that NAPLAN is an unreliable measure. If we cannot use NAPLAN to measure it—and ACARA has reservations—how are we going to measure literacy and numeracy performance if we cannot use the test that you suggested in your introductory remarks, which was NAPLAN? What are we going to look at?

Ms Paul: I do not know if Dr Bruniges wants to go there but, through having a side conversation with Ms Davy, I am advised that that report in the *Sydney Morning Herald* has taken things a bit out of context. The context was on a particular type of measure not reported on My School, so one is not able to generalise in the way, perhaps, that the newspaper has to the Reward for School Improvement commitment. Rather, the actual piece in the actual document from ACARA was about something very limited which will not have an impact on the ability to implement this measure. Perhaps the experts could go into a bit more detail, if you like.

Senator MASON: Are you saying that in fact the department then would look at the NAPLAN results as one of the factors?

Ms Paul: I think Dr Bruniges was saying that of course you would look at the National Assessment Program results and then you would have to work through the way in which you could apply them in order for them to be reliable. What I am contending is that that capacity to work through the National Assessment Program in a way that will be reliable for these purposes is not contradicted by that report.

Senator MASON: In what way isn't it? Is it a question for the experts? Do we have an expert here?

Ms Paul: We do. I am thankful for that.

Senator MASON: That will be delightful. How is that article in the *Sydney Morning Herald* slightly misleading in its import?

Ms Davy: The article was written on the basis of an FOI release of ACARA's board minutes. I understand that that particular quote was taken from the ACARA board minutes of August 2010. It was when the board was talking about different ways to report NAPLAN gain or growth data on the My School website, for version 2.0. The discussion was about how absolute gain measures, or scores, have proven unreliable in reporting gain or growth, or value added measures.

Senator MASON: Can you explain that? What was that—absolute?

Ms Davy: There are things called absolute gain measures and Dr Bruniges might have to get into the psychometrics of this for me.

Senator MASON: It is too much for me. Absolute gain measures, is it?

Ms Davy: There are things called gain measures and that is what they were talking about—about whether you would give an absolute score, a number, for each school, which is its gain measure, as a result of the growth between a year 5 kid or a year 7 kid on NAPLAN. They decided against that for reporting on My School and they went with the report, which is now on the My School website, that shows absolute growth. So there is a graph on the My School website which shows where the average year 3 students in that school started, their score and where they ended up in the year 5 NAPLAN.

Ms Paul: If I could put that in lay terms, that means that the *SMH* report was reporting on something which ACARA rejected. Perhaps Dr Bruniges could explain what those sorts of measures are.

Senator MASON: I want to understand the difference between the two concepts. I am not a sociologist, as you can tell.

Ms Paul: I think you have to be a psychometrician.

Senator MASON: Do you? What is the difference? I do not understand.

Senator Jacinta Collins: I am a sociologist and she is a psychometrician.

Senator MASON: Absolute gain measures—and what was the other test?

Ms Paul: We were talking about growth measures, so Dr Bruniges could explain.

Senator MASON: Can you explain?

Dr Bruniges: Yes, I can. I will go back to NAPLAN. NAPLAN is constructed on a common scale, which means that years 3, 5, 7 and 9 all fall along a common scale. That enables us to do two things.

Senator MASON: What do you mean 'a common scale'? A continuing scale?

Dr Bruniges: Continuing, yes. It means you can compare the performance of 3 to 5, 7 and 9. Normally you run a year 3 test and it is just a year 3 scale. Then you run a year 5 test and it is a year 5 scale, and never the two will meet. But NAPLAN has been constructed in a way that puts those things on the same metric, on the same scale.

Ms Paul: That is one of the reasons why it is a world-leading test.

Senator MASON: So you can compare the improvement, for example, from 3 to 5 to 7 to 9?

Dr Bruniges: That is correct.

Senator MASON: Otherwise you are comparing—

Dr Bruniges: Two different scales.

Senator MASON: —two different scales. Yes, I see that.

Dr Bruniges: Normally for a year 3 test, you just have the year 3 students on it. You have year 5 on the year 5 test and so on—NAPLAN is constructed in a way that enables us to put them all together on a common scale. There are two ways in which you can then look at the nature of what changes between year 3 and year 5. The first is that you can quantify the growth—how much has a student who was in year 3 moved along that scale by year 5. You have to take into account the errors in the scale. It is quite a technical thing. The pure growth thing moves it the way in which you quantify that change. As you go through time, you get a

pretty typical picture of the typical growth—how far we would normally expect a year 3 child to move in two years of schooling. We are starting to build a bit of that picture through NAPLAN.

The other way is to describe the change in curriculum terms—what the kids can do in year 3, in curriculum terms, and what they can do in year 5. Then you build up a learning continuum, so you can start to get a picture and a story of what we expect students to be able to achieve at any one point in time in their schooling and what might change between those points. There are ways in which the measurement world would look at counting or quantifying growth between those two points on the scale in units. The caution that I would apply to that is you have to take into account the standard error of the scale the students score in a whole range of things. To be absolutely certain, you would want to take into account all the errors.

Senator MASON: You have a relative scale and an absolute scale?

Dr Bruniges: Yes. For the year 3s, the absolute measure is what do we expect a child in year 3 to do. The relative performance gives us 'relative to what?'—the means of comparison that sit there.

Senator MASON: You would say that in fact the NAPLAN test, as now constructed, or as now conceived, is a good measure for determining literacy and numeracy within the Reward for School Improvement program?

Ms Paul: Yes, that is right, and that what was reported in the *SMH* was the record of a discussion within ACARA where a particular approach to that particular measure was rejected and not used in My School.

Senator MASON: It was a measure that had been rejected.

Ms Paul: It was a way of doing one thing which they thought was not as good as another way, and the other way is what has been used in My School.

Senator MASON: What you have just described.

Ms Paul: Yes.

Senator MASON: I understand.

Dr Bruniges: You have to use the same students at the same school at year 3 and year 5, because we know about mobility. It is very important that you take into account all of those factors when you are calculating, 'What do we picture as average growth?' You could not just have a cohort, or absolute cohort on cohort; you would have to say: 'Where are the kids who were there in year 3? Are they still in the same school in year 5? Can we match those students?'. You have to do that so that you get a matched sample. There are a lot of technical things that underpin some of that, making sure that you have got the same—

Senator MASON: I will leave that to you, Dr Bruniges, about samples and so forth, but I understand the broad concept. Fortunately that is sufficient, I think, at least for me.

Dr Bruniges: I hope that is helpful.

Senator MASON: School attendance is another one of the criteria, the first criteria—one of the areas that will be tested. How will those results be garnered? Will they be audited or will the department take the principal's word for it? How will school attendance, being one of the factors to be assessed, be measured?

Dr Bruniges: One of the things that we will have to consider as we go forward with discussions here on attendance is that, indeed, we have good enrolment measures that are audited—the ABS does a school census every year in August right across the country. But because someone is enrolled does not mean that you have an attendance measure. Some of the attendance measures normally in a jurisdiction go from the teacher's roll book, the legal document, where they are coding in partial attendance or a student on holidays as 'on leave'. So there is a source of information about attendance and often jurisdictions will report attendance in their annual report. We would want to have a discussion with states and territories on the comparability of that attendance data and indeed the coding across different states and territories.

Senator MASON: How you do it too—whether the department audits it or whether you take the principal's word for it, or whatever. I am not suggesting I have the answer, but is that right?

Dr Bruniges: I think it is. Each jurisdiction would have its own internal audit processes, to audit the rolls as legal documents for custody cases and things like that. We would have to be cognisant of the processes in place in each jurisdiction to begin with, and our main aim will be looking at the comparability of the way in which that is done and whether or not we can build up a national comparability picture from that.

Senator MASON: I think it is going to be difficult but we will wait and see what happens. That is another one of the indicators for the award. Post-school destination information, such as the number of students going on to further education, training or work: is there already a survey of post-school destination information? How are we going to do that?

Dr Bruniges: There would be in some jurisdictions and I think Dr Hill spoke about it when you asked questions of ACARA this morning on post-school destination. I know, for example, that in the ACT there is a post-school destination, and some jurisdictions do that by phoning students, tracking students over time to get a picture of where those pathways go to. Again, it will be a case of us sitting down and having a look at existing practice, and the question of national comparability will be the key to what—

Senator MASON: Does every educational authority have data on this?

Dr Bruniges: I do not think all of them will, but I would have to find out that after future discussions. I know some do.

Senator MASON: It will cost a bit of money to do all this, won't it, Dr Bruniges?

Ms Paul: That is the nature of the election commitment. It is funded, of course.

Senator MASON: I do not mean, Ms Paul, the awards.

Ms Paul: Fair point. The development of it.

Senator MASON: Yes, the development of it.

Dr Bruniges: Some of that is if we use online technology in a way. We will have to look at the most cost-effective way of doing that and it might be that one state has developed an instrument that we are able to readily use, or a methodology in other states and territories. So we will be looking carefully at the quality of the instrument, because the data is going to be as good as the instrument, or the way we collect it, and if there is something that exists we need to build on that good practice.

Senator MASON: This information might be useful for these awards, but that is not the long-term gain. Perhaps this information might be more broadly used for broader educational purposes.

Dr Bruniges: Yes.

Ms Paul: Absolutely.

Senator MASON: Is there a concern that schools which improve slowly but in a more sustainable way will miss out on funding for this award, whilst schools which improve quickly, in a less sustainable way, will receive funding—the tortoises rather than the hares? Improvement is not a consistent animal. How are you going to do that?

Dr Bruniges: That is a very good question. It comes back to the measures again and we would want to recognise the movement. It comes back to us building the framework and what we deem to be improvement or the measures that we use to do improvement. I too have heard arguments about schools that start from a low base, yet have a greater chance of moving students forward. That is going to have to be part of the discussions.

Senator MASON: It is quite difficult.

Dr Bruniges: Yes, it is certainly a challenge. In some countries, when I look internationally, there will be some places that have done some bits really well and other places not so. Pulling together a whole framework is going to present its challenges but also opportunities.

Senator MASON: That is very optimistic of you. It is fortunate that you are administering it, Dr Bruniges and Ms Paul, rather than me.

Ms Paul: Dr Bruniges is an expert in this field.

Proceedings suspended from 12.33 to 13:33

CHAIR: Thank you. We will resume these estimates hearings. We have now moved on to program 2.3, School Support.

Senator MASON: Ms Paul, we are meandering through our miscellany. Is that right?

Ms Paul: I think that is an excellent description. It is also alliterative.

Senator MASON: It is alliterative. Thank you. Ms Paul, before we get on to further issues in 2.3, is there any chance of the question I asked on notice before about paid, committed and spent from the BER—and the good officer had the information but he had his annotations, and I understand that—being provided to the committee this afternoon?

Ms Paul: I have not pursued that over lunch, and I am sorry. If we can find out, we will have that done and I will let you know. I was not communicated with over the lunch break.

Senator MASON: Even secretaries have to have something to eat, Ms Paul.

Ms Paul: I did; that is true.

Senator MASON: That is fair enough. If it could be given to the committee, that would be very useful.

Ms Paul: Yes, good point.

Senator MASON: Thank you. We are now on 2.3 and the Empowering Local Schools policy. That is the new issue. Ms Paul, the Prime Minister, speaking in the seat of Lindsay on 2 August this year, announced that schools will get greater control over their budgets and

selecting and employing teachers and identifying funding priorities. As initially announced, the policy will begin in 2012. For the thousand schools participating, it would allow some schools, I understand, to hire some specialist teachers and support officers for areas of need identified by the local school community. I notice that the program will initially be targeted at government schools but will be rolled out nationally, ultimately, by 2018, at a cost of about \$484 million. So that is the background. Can I ask about the Empowering Local Schools policy. What will be the division of power between school boards and principals?

Ms Davy: That will be a matter for the particular school and the particular school system. This initiative will be rolled out in a way in which an education system might want to roll it out or the way in which a particular school community might want to be part of it. So it will be an application process to be part of the initiative and the school itself will determine which elements it wants to focus on, which elements it wants to have a greater devolution of responsibility for et cetera.

Senator MASON: So the school will decide whether it wishes to take a—what was the word you used? An approach—

Ms Davy: A more autonomous approach.

Senator MASON: Yes, a more autonomous approach or a less autonomous approach. Is that right?

Ms Davy: In the main, yes. Some government systems may well decide—for example, New South Wales may well decide that it wants to focus its schools' work in this area around issues of HR management or issues of budgeting and financial management, rather than maybe issues of governance. But all of the schools involved in the initiative will have a capacity to focus on those areas where they best want to make a difference, if you like.

Senator MASON: Alright. Ms Davy, can I ask this: you have a state school in New South Wales. The principal there wants to remain, to use your word, autonomous. Does that override any desire by the systemic schools, the government schools, or a state government directive for a uniform approach to be taken? In other words, in any competition between a local principal and a system, who wins? Who has the final say?

Dr Bruniges: That will be partly dependent on the education acts. In the education acts across the jurisdictions some have a lot of formation of school councils and others do not.

Senator MASON: Just say that again?

Dr Bruniges: Some schools would have school councils as part of the education act. In some jurisdictions they are silent on the matter of school autonomy, whereas others ask for school council formation. So the first port of call for a jurisdiction is probably its education act, and then probably thinking through nearly a continuum of autonomy and where particular systems may wish to go in terms of the next steps that are in keeping with their act.

Ms Paul: The philosophy behind this measure, of course, as you know, is school autonomy, and governance will be part of it, and I think one of the main thrusts here is to clarify roles. So the answer to your question will differ according to where each of the education authorities lands. For example, in Victoria, I do not know whether you are aware, schools are already quite independent in terms of some of the staffing decisions the principals are able to take, and so they are empowered to take them. This is the whole point. The whole point of the measure is to empower school principals to control their own destiny in certain

ways, and those ways should be clearly negotiated and set out. They would have to be set out clearly for us in terms of looking at applications and however the decision-making process is going to work. So it could be on hiring but not on firing, for example. There would be a range of things.

Senator MASON: Let me get to that in a minute. That is fair enough, looking at the particulars, but just looking conceptually for a second, what that means—for what it is worth, and it may not be worth much, I agree with the idea behind the policy.

Ms Paul: Yes.

Senator MASON: So I am not attacking that at all. It is how it is going to be implemented. It is possible, given state education acts, that state government schools may not, in fact, be able to exercise greater autonomy. That will depend on the state legislation.

Ms Paul: It would depend, in part, on the interest in that jurisdiction in accessing this money.

Senator MASON: Assuming there is. Let us say in New South Wales, which is a good example, I think.

Ms Paul: If your next question is, 'Would they have to change their act?' I do not know that yet. But none of these things are static. Victoria is an example. If a state system wants to go down a pathway of offering its schools more autonomy and working with principals to empower them more, then, presumably, if they actually had to change their act, they probably would, but I do not know of any instances in which that would actually be the case.

Dr Bruniges: Can I just clarify that point? My point in raising the education acts was to make the point that some jurisdictions have already moved to embed features of governance autonomy within their education acts, whereas others have not.

Senator MASON: Tell me where they are. Has the department done an analysis of the legislative restraints that would be on state schools to preclude them from garnering greater autonomy?

Ms Paul: I do not think we need to, because the whole point here is that this is an invitation. We could, but the point is that it is an invitation to education authorities to empower their principals and to offer more autonomy, and no doubt they will do whatever it takes. I do not think we have actually had any indications that there are impediments in acts.

Senator MASON: That is a pity, Ms Paul, because the invitation will not mean anything if there is not legislative capacity to do so. It will mean nothing. That is not helpful.

Dr Bruniges: We can certainly do a process of looking at the education acts but I guess my point was that, in some, they have already taken moves to put in governance structures, like school councils, in some areas. Others have not. So some will be further down the track on thinking through the nature of governance, how systems are governed and how individual school councils are formulated and looking at finance and HR, which are probably the three big planks in the autonomy area.

Senator MASON: I understand your point. The concern would be in the community. It is not just the coalition; I am sure the government would share the concern that it is fine to make this money available and it is a great thing, but if there are any legislative blocks or

prescriptions I think the community should know about them. Are there any other prescriptions or any other potential blockages to liberalising the school autonomy?

Ms Paul: Not that we know of. These tend to be matters of policy, and several systems are already underway. For example, Western Australia has taken this step with its independent public schools and made an invitation to schools to become autonomous in certain ways. It tends to be a matter for that government or that system.

Senator MASON: Ms Paul, assuming there is no legislative blockage, can a state government stop an autonomous minded state school principal from becoming more autonomous?

Ms Paul: Well, I think that is the reverse side of the policy coin. At the minute, the point about this measure is to empower principals more than they are now.

Senator MASON: But my question is whether a state government, for example, could stop that?

Ms Paul: It is a matter for their policy. If they want to run an entirely centralised disempowering approach—

Senator MASON: Then they can.

Ms Paul: it is within the policy rigour, but why would they? For two reasons: the first is that this is a most attractive measure and the second is that there is no doubt there is a mood, I think, across the country of seeing the benefits of empowering principals.

Senator MASON: I think that is right.

Ms Paul: And it is interesting to see really recent moves like those in Western Australia. I think that is a good and interesting model. But there will be different models. Victoria has got a different model again.

Senator MASON: Let me take an example. As I say, I think it is a good idea but it seems to me that this policy would certainly have implications in the dispensing of money under Building the Education Revolution. We have a state school principal in New South Wales and they want to spend money on his or her school in a certain way. Could state departments of education stop him or her doing that?

Ms Paul: That is more a BER question. It is an historical question. The purpose of this measure is not about stopping them; it is about empowering them.

Senator MASON: I know, but I am not disagreeing with the policy. I am simply asking: will we overcome the problems we encountered in the BER? We both agree, Ms Paul, we have to learn the lessons, and I agree that to increase school autonomy would assist in overcoming some of the problems in state school delivery with the BER. Will this project overcome that?

Ms Paul: Not surprisingly, I am not going to comment on BER because we would, of course, end up having a debate about problems with the BER. What I would say here is that this measure is absolutely aimed at empowering principals, and one of the ways that that might happen is along the lines, which you say, of controlling the capital. But none of that is set in concrete yet. That is to be worked through as this measure gets rolled out.

Senator MASON: So it could be used for capital projects on particular schools?

Ms Paul: There could be a wide range of different ways in which principals might be able to exercise more autonomy than they do now.

Senator MASON: It might actually help us in the future as we go through other projects like the BER, either within this department or, indeed, elsewhere. How about issues of—you mentioned this before—hiring or firing school teachers? Again, this is a contentious issue, but some principals I know in state schools want the capacity to hire and fire. The union might say they should not have that capacity. What will this do for the capacity of principals to do that?

Ms Paul: It certainly puts that on the table as a potential. I think in the WA case, those independent public school principals have been given more autonomy than they would have had in the general run of system on hiring, in particular. Often, the unfortunate end of that spectrum, of losing people at the reverse end, is actually more efficiently and more compassionately handled at a system level. So those are the sorts of considerations that will be made.

Senator MASON: Again, who will determine that? Let us again take New South Wales as an example. Who will determine whether state high school principals can hire and/or fire school teachers?

Ms Paul: That will be part of the proposal. So, obviously, what we expect is that—

Senator MASON: Whose proposal, Ms Paul?

Ms Paul: In your example it would be the New South Wales education authority.

Senator MASON: So they will decide?

Ms Paul: With their principals. They would have to show us that they had actually worked with their principals to come to a settlement, an agreement, about how to go forward.

Senator MASON: But the agreement would be sector wide, wouldn't it? Or would it say, 'Principal X has the ability to do it but Principal Y doesn't'?

Ms Paul: We do not know that yet. As I say, none of this is yet set in concrete. In the WA case, it is a subset of the system. It is quite interesting, actually. And the schools invited to come into this independent public school arrangement where there is much more autonomy for principals have certain characteristics. They have to fulfil certain things. It is quite interesting; it is worth a look. They could be a subset. But it is a bit hard to speculate now on how that will pan out.

Senator MASON: So it is possible that, for example, the state government could indeed give a subset, to use your word, of school principals a capacity to hire and/or fire school teachers?

Ms Paul: It could be possible, but none of that is yet determined.

Senator MASON: The concern is that state bureaucracies will—how do I put this—hinder the intent of this policy, which, as I say, I largely agree with.

Ms Paul: Yes, I imagine so. They will have to prove their bona fides to enter into the arrangement.

Senator MASON: Will it prescribe things like school boards, or, again, is that up for grabs?

Ms Paul: I think we have been there. It is one of the things that will be considered but has not yet been. It may be part of a package for a particular education authority, or whatever.

Senator MASON: And how long they sit for and the form of election and all that, would that be considered or would that be devolved to school level or would it again be sector wide?

Ms Paul: As long as the principles are maintained of empowering school principals and offering autonomy, there are, of course, a range of models that governance can take. You have to adhere to the first principles is all I am saying.

Senator MASON: Sure. When will we start to see models developed by state governments? Have we seen any yet and when are we likely to see some?

Ms Davy: We are already seeing models. The WA model is an example. The New South Wales government is also trialling some models of devolution of staffing decisions to 47 of their schools. Those two and some other examples as well are all happening under the Teacher Quality National Partnership at the moment. In terms of this specific initiative, we will start seeing models, I would imagine, next year, because the first 500 schools are to start participating in this initiative in 2012 and the next 500 in 2013. We are also going to ensure that, during that first phase with those first 1,000 schools, we will commission an evaluation study which will be able to pick up the lessons learned around and describe the different models that are being undertaken across the states and territories.

Senator MASON: All right. So it is under active consideration. Is that right?

Ms Davy: Yes.

Senator MASON: So by the October estimates, the next round of estimates, will you be able to inform the committee about any developments? What would be good is if there are any public developments.

Ms Paul: Yes, we will.

Senator MASON: In other words, whether the committee could be shown policy proposals from state education departments and so forth. It would be very useful if that emerges. That is fine on that issue, Mr Chairman.

Senator HANSON-YOUNG: I have questions around the National School Chaplaincy Program, so I am not sure if you need anything. Ms Paul, are you happy for me to start?

Ms Paul: Yes.

Senator HANSON-YOUNG: Firstly, I want to tease out where the \$222 million is coming from, because obviously it was not in last year's budget. This is an expansion. Is this new money, or has it been reallocated from within the existing education or school support programs budget?

Ms Paul: This is new money through the budget. It is a budget measure.

Senator HANSON-YOUNG: So it is not from within the department already?

Ms Paul: That is right.

Senator HANSON-YOUNG: So how much of that \$222 million—if you were simply going to extend the current program as it is without expanding the numbers of schools, what is the extra?

Ms Paul: The point of the extra money is to expand the number of schools. That was the nature of the commitment. So perhaps my colleagues can explain.

Ms Wall: I think you are asking if we simply continued for another three years with the existing schools, what would that cost and then how much is adding the extra 1,000 schools?

Senator HANSON-YOUNG: Correct.

Mr Sheedy: I do not have the exact amount, but it was \$51, \$52, \$53 million dollars a year per annum beforehand and now it is going to be \$74 million, so it is an extra \$20 million a year.

Senator HANSON-YOUNG: Okay. Where is the review up to?

Mr Davies: As you will recall, the government introduced a consultation process that started last year with several stages, and the first one was quite extensive stakeholder discussions around people's views on the program, and then there were a series of opportunities for people to have input, and there was a discussion paper released. The time frame for that was extended from February through to March and it closed on 18 March. There were many responses and, basically, we are up to—

Senator HANSON-YOUNG: So submissions have closed. Feedback has closed.

Mr Davies: On 18 March, yes, and that welcomed people to respond to a survey or to provide submissions. We got a very good response rate and we are now in the process of advice to the minister and they are considering that. So the process has closed and the advice is now—

Senator HANSON-YOUNG: So the advice has been put together and is with the minister?

Mr Davies: Yes, the summary of the consultation, et cetera.

Senator HANSON-YOUNG: So I would imagine, then, there are recommendations that are now with the minister. Is that right?

Mr Davies: Correct.

Senator HANSON-YOUNG: Okay. And when did you give that synopsis of the review with those recommendations? When did they go to the minister?

Mr Davies: I am not sure I have the exact date with me. I cannot recall. I am sorry; I do not have the exact date with me.

Senator HANSON-YOUNG: Would it have been before or after the budget was handed down?

Mr Davies: Before.

Senator HANSON-YOUNG: Yet there has not been any feedback?

Ms Wall: There has been no government response yet.

Senator HANSON-YOUNG: Through that process, what were the key things that you were looking for? What was the purpose of the review?

Ms Wall: The purpose of the review was to examine the effectiveness of the program and to identify if there were features of the program that needed to be changed, going forward.

Senator HANSON-YOUNG: So you have done a review to look at the effectiveness of the program. We have not had a government response, yet we have had an extension of the program.

Mr Davies: That is correct.

Senator HANSON-YOUNG: It seems to be a little bit of a cart before the horse.

Mr Davies: The government made a commitment to extend the program to up to an additional 1,000 schools, as you will recall, and the budget was the mechanism to confirm the funding for that, so it is both the ongoing funding for the almost 2,700 existing schools and then the funds for the additional up to 1,000 schools. So that step was necessary before we moved to decide and make public the exact shape of the program that will run from 2012 through to 2014. So we are comfortable we have got loads of time to be able to manage the government's decisions and get through the processes they wish to extend the existing providers that meet the requirements of the program and for the additional up to 1,000 schools.

Senator HANSON-YOUNG: In terms of the current criteria for applying to participate in the program, either as a service provider or, of course, as a participating school, is that publicly available?

Ms Paul: The guidelines are.

Senator HANSON-YOUNG: Yes. Are there any other requirements beyond the guidelines?

Mr Davies: When we go through the application process, we will specify the criteria. So, right now, the criteria that applied for the 2007-08 process we used for the current 2,700-odd schools.

Senator HANSON-YOUNG: Let me get this straight: there are no other criteria beyond the guidelines?

Ms Wall: No.

Mr Davies: No, because there is no application process right now.

Senator HANSON-YOUNG: What is available publicly is the extent of the guidelines?

Mr Davies: Correct.

Senator HANSON-YOUNG: Okay. What do the guidelines say about the minimum requirements of qualifications for people to be working in schools under this program?

Mr Davies: I will ask Mr Sheedy to respond.

Mr Sheedy: The current guidelines do not set out minimum qualifications. In fact, that was one of the issues that we went out for consultation on to see whether there was support for the introduction of minimum guidelines and to seek—

Senator HANSON-YOUNG: Minimum?

Mr Sheedy: Minimum qualifications for people to act as chaplains in schools, yes.

Senator HANSON-YOUNG: The current guidelines that are in use do not specify a minimum requirement. Thank you. Yet that is something that the review has looked at.

Mr Davies: Has sought people's views on, yes.

Senator HANSON-YOUNG: Yes, okay.

Ms Wall: Also, whilst the program guidelines do not require certain qualifications, some of the providers who employ chaplains do require certain qualifications.

Senator HANSON-YOUNG: Sure, so it is up to the provider to decide what their own criteria will be.

Ms Wall: It was a major issue raised during the first stage of the consultations, and that is why we featured it as a specific question in the discussion paper.

Senator HANSON-YOUNG: As per the recommendations put to the minister, that would be something that you put considerable thought into I would imagine, if it was a key issue that was raised.

Ms Paul: Yes, it would be one of the issues that the government will need to consider in responding to the review.

Senator HANSON-YOUNG: Just let me get this straight. The current guidelines which are in the operation at the moment do not set out any minimum requirements of qualifications for individuals working in schools under the program, but if providers wanted to set their own, that is up to them.

Ms Wall: Or if a specific school wanting to arrange a chaplain decided that chaplain must have certain qualifications, of course the school could do that as well.

Senator HANSON-YOUNG: Have many schools done that?

Ms Wall: We would need to check.

Senator HANSON-YOUNG: Could you take that on notice.

CHAIR: Could you just clarify that. If the school wants a chaplain but they want to insist on a minimum level of qualification, they can actually do that. And if the chaplaincy service cannot provide someone with that qualification, the school can source someone directly?

Mr Sheedy: I think you are referring to the option to have a secular pastoral care worker, Senator?

CHAIR: No, the same thing.

Mr Sheedy: Okay.

CHAIR: That might be another way through it, but I am actually testing what you have just said about—

Mr Sheedy: It is up to the school to decide who will be the provider of the chaplaincy services, so the control is in the school's hands. They are the people who decide whether there should be a chaplaincy service, how it should be operated, what sort of religious affiliation, if any, there should be, and then go out and to work with a provider who will employ and place a chaplain in the school.

CHAIR: So they have to work with a provider?

Mr Sheedy: Yes.

CHAIR: They cannot source someone themselves?

Mr Sheedy: In the case of government schools, they generally are not able to employ them themselves and they have to go through a third-party provider. So this is the way we organise it.

Senator HANSON-YOUNG: Under this program, which is a federal government funded program, I think the point Senator Marshall is getting at—and correct me if I am wrong—is that for a school to access a person, they have to go through a provider who has already been given access under the program.

Mr Sheedy: We do not have a list at the moment of approved providers. We just ask that there is an appropriate body who can act as a chaplaincy provider for the school. So it is not as though we have an exclusive list of people who can provide that service. In some cases it is the school themselves, in the case of non-government schools. In some cases, I think we are working through—

Senator HANSON-YOUNG: Let's just talk about government schools.

Mr Sheedy: Yes, okay. And in some cases I think it is the school parents and friends organisation which has—

Senator HANSON-YOUNG: So they can just choose whoever they want?

Mr Sheedy: Yes, as long as they are an incorporated body and they are choosing somebody who is agreed by the school to be someone with the skills and experience to deliver the program and they meet the guidelines.

Ms Paul: So they will have had to go through all the police checks and all the other things which are in the guidelines.

Senator HANSON-YOUNG: But the majority of people that are employed under this program would have been sourced through a service provider who satisfies the requirements under the guidelines. Is that correct?

Mr Sheedy: Yes.

CHAIR: How do we determine that they have satisfied that? Is that your job, Mr Sheedy? Do you determine that?

Mr Sheedy: The reason for having a funding provider is that in most cases the schools are not able to employ someone directly. We need an incorporated body who is prepared to abide by the terms and conditions of the program and live by the guidelines, and we require declarations from them in various ways, including through our funding agreement that they are going to meet those obligations. So unless we have any evidence that they are not or cannot do that—and we have a few internal checks to make sure that they are appropriate bodies to perform their function—then they are approved as a funding provider.

CHAIR: So all it requires is a declaration by them that they are meeting the guidelines and you approve them?

Ms Paul: Mr Sheedy said we also have some internal checks.

CHAIR: What are they?

Mr Sheedy: Because they are incorporated, we go through the records of incorporation. Again, there may be some more detail about this that I am not able to give you.

CHAIR: So that is all you do? You just check whether they are an incorporated body.

Ms Wall: Can I clarify that. There are two stages to that: at the beginning when we are assessing their application and making a recommendation that they are suitable and can be funded, and then, once we have a contract with them we have a compliance regime, as with any program, where we are routinely doing an audit of a sample number of schools. Then the third arm of that, of course, is if we get any concerns raised by anybody at any time, we immediately investigate.

CHAIR: I will come back to the complaints when I have got some questions, but I do not want to take any time away from Senator Hanson-Young.

Senator HANSON-YOUNG: Thank you, Chair. For a school to not have to go through one of the main providers under this program, there is quite a bit of bureaucracy that goes with it. They have to incorporate and set up a whole separate body in order to then say, 'We are providing ourselves a chaplain'.

Ms Paul: We are quite careful about all this, yes.

Senator HANSON-YOUNG: It is not a streamlined process for a school to choose their own person, is it?

Mr Sheedy: Can I just point out that by far the majority—and I have the numbers here somewhere—of our funding providers are not the main chaplaincy providers, like Scripture Union Queensland or Scripture Union Tasmania or the ACT, for instance. A goodly proportion of our schools have their chaplains provided through those types of providers, but there are many, many—and I think it is the majority—where the funding provider provides the chaplain for just one school, as opposed to providing them for several hundred in the case of the larger providers.

Senator HANSON-YOUNG: How many schools under the current program engage a chaplain that is of a secular persuasion?

Mr Sheedy: There are 10 at the moment.

Senator HANSON-YOUNG: 10 out of?

Mr Sheedy: 2,674.

Senator HANSON-YOUNG: What is the process that those schools have had to go through to engage those 10 people? Have they gone through an external provider or have they done it internally?

Mr Sheedy: I have not got that information, I am sorry, Senator.

Senator HANSON-YOUNG: Could you take that on notice?

Mr Sheedy: Yes, I could.

Senator HANSON-YOUNG: Thank you. Were you going to add something else then?

Mr Davies: It is the same process as the others.

Senator HANSON-YOUNG: I understand it is the same process, but my question is—and maybe I need to clarify, Mr Sheedy, if you are going to take this on notice—for those 10 individually engaged people working in the schools under this program, how were they sourced? Who is the provider by which they are employed? What type of issues, aside from the issues of minimum requirements of qualifications, have been raised throughout the review process?

Ms Paul: So for consultations and so on, what are the main issues?

Ms Wall: The key issues, particularly in that first stage of consultations, are really reflected in the discussion paper. So they are the issues around choice of worker, about extending that to include choice of a secular worker, minimum—

Senator HANSON-YOUNG: Is that because people do not believe they have that choice, whereas you have just indicated to me that, if they went through a process of self-incorporation, they do not have to go with a provider that is of a particular religious persuasion.

Ms Wall: No, I probably need to clarify that. My understanding is that initially in the program the requirement was to have a religious chaplain.

Senator HANSON-YOUNG: And that was a requirement?

Ms Wall: Yes. At a later date—and Mr Sheedy can probably tell me when—there was a decision to amend the guideline.

Mr Sheedy: Yes. On the change of government, a decision was made to allow schools, in those cases where they were not able to source a chaplain who had some religious affiliation, to choose a secular one.

Senator HANSON-YOUNG: This is an important point.

Mr Sheedy: Yes.

Senator HANSON-YOUNG: If they could not source one, they then had the option of going with a secular—

Mr Sheedy: Yes.

Ms Wall: That is the current situation.

Ms Paul: You could see that the sorts of comments we are getting in consultations might be. In this area it would be to be more liberal again than that, to allow a more broad—

CHAIR: Yes, but I thought Mr Sheedy was telling the committee that schools—

Senator HANSON-YOUNG: Could actively choose.

CHAIR: if they had an incorporated parents body, could be a provider and they could pick anyone they like. I thought that was his evidence.

Ms Paul: I think Mr Sheedy was actually originally responding to a question of whether there were any, so I think that is how that happened. We certainly have not meant to mislead, obviously.

Mr Sheedy: Yes, and I apologise. I certainly did not intend—

Senator HANSON-YOUNG: Let's just clarify. The current guidelines allow for the default position to be of some type of religious persuasion. If a school cannot source somebody who fits that description through a provider, they can source an individual of a secular persuasion. Is that correct?

Mr Sheedy: Correct.

Senator HANSON-YOUNG: Very clear. So it is not really a choice per se. You have to prove that somehow you cannot source anybody else.

CHAIR: Do they have to test every provider to find out whether any provider can provide them with someone?

Mr Sheedy: If you go back to the situation at the time the change was made, there have been two rounds of the chaplaincy program and roughly 2,700 schools had been approved to have a chaplaincy service. We were looking at that group of schools. A number of them who had tried for some time to obtain somebody to do the job were not able to, so it was the remaining schools for whom that option was made available.

CHAIR: Yes, but that is not the question. The question is, do you have to test every available provider to find out if they can provide you with the religious based chaplain before you get the option to go for a secular?

Mr Sheedy: In that case, we had been working with these schools for some time. They had not been able to find somebody. We had a sense of the efforts that they had made and, therefore, as so much time had elapsed with them making those efforts and without finding someone, we accepted the case—

CHAIR: That is not a very complete answer, Mr Sheedy.

Ms Paul: I think it is comprehensive, Senator.

CHAIR: My question is this: do you have to go and access every provider that is available before you can get the option of going for a secular—

Mr Sheedy: We did not impose that test, no.

CHAIR: So how many?

Ms Paul: I think Mr Sheedy is saying here that the test to be satisfied—there is no drama here—was that they could not find one. I simply do not think we said, 'Well, you have to test five, you have to test 10, you have to test et cetera'. You had to satisfy us that you could not find one, and the satisfaction by the sound of it—and I am not administering it, Mr Sheedy is—that satisfaction was gained not so much from the number of providers tested, but from the amount of time elapsed of active trying. Would that be fair?

Mr Sheedy: That sounds correct.

Ms Paul: So if I can paint that picture, these schools must have been, presumably, in a situation where they had tested the market for a considerable period of time to our satisfaction that they could not find one. In a small state there might only be two providers. In New South Wales, there might be 25. So it is not so much a numbers game. It is more trying over a long period of time and not succeeding, I think, if that helps.

CHAIR: Can I ask then, has there been an instance where someone has said, 'We have tried to get a religious provider according to the guidelines. We have been unsuccessful, so we want to now go for a secular one', and have you said 'No, you have not tried hard enough'.

Mr Sheedy: No.

CHAIR: All right.

Senator HANSON-YOUNG: It is almost as if people have to apply for an exemption.

Ms Paul: No, they have to prove to us—I think we have been pretty clear—they have tried and have not succeeded.

Senator HANSON-YOUNG: Who determines whether they have tried hard enough? What is the criteria to determine—

Ms Paul: The school, of course, would have to approach us on that basis, and then, ultimately, it would be Mr Sheedy and the administrators of the program that would make that judgment.

Mr Sheedy: Can I make the point that this is not happening at the moment. There are occasionally cases where chaplains will resign or move on, and there will be another chaplain appointed. But, in general, we are not appointing new chaplains to this program because the approvals were made some years ago, and we went through this process some time ago. A small number of schools were not able to find a chaplain, and this change to the guidelines was made to enable them to place a chaplain. And we are now looking forward to the way in which the extension might operate.

Senator HANSON-YOUNG: Yes, we have just expanded. We have just been through this.

Mr Sheedy: Yes.

Senator HANSON-YOUNG: We have just expanded the program for another 1,000 schools.

Mr Davies: Not yet, Senator. We will be.

Senator HANSON-YOUNG: That is what has been budgeted for.

Mr Davies: Yes, we will be expanding, so we will—

Senator HANSON-YOUNG: Yes, so there is going to need to be at least another 1,000 people found.

Mr Davies: Yes.

Senator HANSON-YOUNG: We are going through this process.

Mr Sheedy: Yes, and those schools are likely to include some rural and remote schools where there might be additional difficulty in finding somebody.

Senator HANSON-YOUNG: If you want your students to be able to have a secular chaplain, you may as well move out to the bush. Is that your suggestion?

Ms Paul: No, that is not the Mr Sheedy's suggestion. That is not what we are saying and it is not the answer to the question.

CHAIR: I am not sure it really should be argued that only regional and rural students should get the benefit of a secular chaplain.

Ms Paul: I do not think Mr Sheedy is arguing that. I think he is giving an example.

Mr Sheedy: That is not what I was arguing at all.

Senator HANSON-YOUNG: But the example is based on the reality of the current guidelines. If it is more difficult to source the person as required under the guidelines, then—

Ms Paul: That is correct. Of course, all these matters are subject to the review, which the government has not yet settled its decisions on.

Senator HANSON-YOUNG: Yes, I accept that, Ms Paul. But we have seen the budget already allowed for the expansion, so there has already been some decision made.

Ms Paul: Yes.

CHAIR: Is that the status of it? The new money is not going to be rolled out until the review has been considered by government and the program changed, if the government determines any changes? Is that the position?

Ms Wall: The situation is we currently have 2,700 schools with contracts—sorry, we have contracts for that many schools until the end of this year; they all cease at the end of December. The government has said that it will continue funding for those schools for a further three years from the beginning of next year, and in addition provide funding for an additional 1,000 schools. We have done a review and the government is currently considering if there will be changes to the program commencing from January next year.

CHAIR: Would that apply to existing schools too?

Ms Wall: Yes, those changes would apply to both the current schools, who will continue funding, but also to all the new schools. We would expect that decision quite soon, and then we will have a six-month period to implement that.

Senator HANSON-YOUNG: If there is a response from government that suggests that there needs to be minimum requirements of qualifications for individuals engaged under this program working in schools, and the current chaplains that are in the 2,700 schools do not fulfil those requirements, that means those schools are going to be having to look for somebody else. Is that right?

Ms Paul: That is a matter for government and the government has not made its decision. I do not think we can answer that. It has not made its decision on the shape of the next program from 1 January 2012, nor has it made its decision on any potential transitional impacts. And I acknowledge that it would be a potential transitional impact.

Senator HANSON-YOUNG: I just wanted to be clear that, if that was a part of the government response to the review, in that sense it would apply to existing schools with a chaplain.

Ms Paul: It depends on how government makes its decisions presumably.

Senator HANSON-YOUNG: So the outcomes of the review may not necessarily be linked to the extension of this money for current schools?

Ms Paul: I would imagine the outcomes of the review would be linked to the extension of money. It is just that those things are not decided yet. We just cannot go there. The government just has not made its decision.

Mr Davies: There are a number of options and, depending on which decisions are made, we would then be able to answer your question.

Ms Paul: Clearly the review will inform the whole program. There is no doubt the review will inform the whole program. But in terms of the specifics of what you say, I cannot go there now because those decisions have not yet been taken. So if that helps, that is probably as far as I can go.

Senator HANSON-YOUNG: Have there been any direct complaints raised with the department in relation to any of the providers engaged under this program?

Mr Sheedy: Yes, there have been a number over the life of the program, a relatively small number.

Senator HANSON-YOUNG: What is a relatively small number?

Mr Sheedy: Before I give you a couple of numbers, I would just like to note that—

Ms Wall: Sorry, can I just interrupt and qualify that. Are you asking about complaints about providers, as opposed to chaplains?

Senator HANSON-YOUNG: Yes.

Ms Wall: So the provider services.

Mr Sheedy: In that case, given that we take our complaints from the complaints line and things we see in the media and from some other sources—

Senator HANSON-YOUNG: So there is a complaints line?

Mr Sheedy: There is, yes.

Senator HANSON-YOUNG: And how is that publicised?

Mr Sheedy: It is available on our website and we make a point whenever anyone writes to us, for instance through a ministerial with a related matter, of letting them know about what the complaints procedure is.

Senator HANSON-YOUNG: Is there any requirement under the guidelines that chaplains who work in schools have to provide access to students to know that this complaint line exists?

Mr Sheedy: It is not built into those guidelines and, again, that is something that we are considering as we move forward with the program.

Senator HANSON-YOUNG: Sorry, I will let you continue, Mr Sheedy.

Mr Sheedy: In relation to complaints about the chaplaincy providers, I would say I had until recently, where there has been a bit of media coverage of ACCESS Ministries in Victoria, we have not had specific complaints about the chaplaincy providers. The complaints we have had have been in relation to either chaplaincy services in particular schools, or the sorts of generalised complaints about the secular versus—

Senator HANSON-YOUNG: The program itself.

Mr Sheedy: Yes.

CHAIR: What about complaints about a particular chaplain?

Mr Sheedy: Yes, there have been complaints about particular chaplains.

CHAIR: What are the nature of those complaints?

Mr Sheedy: There are a number which might come under the general heading of the code of conduct. You might be aware of the fact that the guidelines include a code of conduct and chaplains have to sign that before they can work in a school as a chaplain. And the sorts of things that we have had complaints about are people stepping beyond their bounds, alleged counselling rather than pastoral care for people who are not qualified to counsel, a broad range of things about chaplain misconduct, some allegations that go to proselytising. They in total are around about 72. And can I just add that we are—

Ms Paul: Over the life of the program, 72 complaints?

Mr Sheedy: Over the life of the program, yes. We are undertaking a bit of a review of our complaints process and recording and classifying to make sure that we do have a thorough coverage of all complaints from any possible source.

CHAIR: Speaking of sources, the complaints you have got now, who are they from? Are they from parents or teachers or schools?

Mr Sheedy: They will be from parents. That is one of the most likely for these sorts of complaints—those that go to potential code of conduct breaches. We get them from the public in general in relation to the nature of the program and whether it should be—

CHAIR: On the nature of the program, I think the policy rationale is that children will have someone to talk to probably about things they are not prepared to talk to their parents about or even their teacher about. So how does a child complain?

Mr Sheedy: It would normally be through their parents. This is the nature of some of the complaints: a child feels uncomfortable about some aspect of the program and will talk to their parents, or the child will say something and the parent will then feel uncomfortable about it and they will approach us.

Senator HANSON-YOUNG: It kind of defeats—you understand—

CHAIR: Are chaplains in private schools?

Mr Sheedy: Yes.

Mr Davies: But they are on slightly different matters. If the premise that the child was uncomfortable talking about a spirituality question—

CHAIR: Or what about a sexuality question?

Ms Paul: I think the officer is still answering the question. If he could just perhaps finish his answer first.

Mr Davies: then they might not feel comfortable with talking to their parent about it, and therefore the chaplain becomes an opportunity to explore that. But if they feel uncomfortable about what is happening to them in school and the role of a chaplain, they may still be entirely comfortable talking to their parent about that. In my mind, they are quite separate truths.

CHAIR: They may be separate truths.

Mr Davies: Yes. So we believe there are a number of opportunities for kids to complain and have their discomfort identified through the school, through their parents, through others. And we receive complaints from people in respect of all those different avenues.

CHAIR: Have you received complaints from children?

Mr Davies: I do not have that breakdown of the complainants.

Mr Sheedy: I am not aware of any.

CHAIR: I guess that, actually, in response to your proposition, Mr Davies, is the answer.

Mr Davies: I was saying they might complain to adults. That is what I was saying—to a variety of them.

Ms Paul: We would generally get it via the parent, I would have thought.

Mr Davies: Yes.

Ms Paul: Anyway, we would have to take that on notice and look at those 72 complaints I suppose.

Senator HANSON-YOUNG: I am still unclear how a student knows where to complain or register their complaint or concern, and at what level there is an understanding that they can do that, let alone where they go.

Mr Davies: As Mr Sheedy said, we are reviewing our processes and I think we recognise that we have a responsibility to make sure that that is clear. We rely at the moment on schools delivering the program and making sure in their school community that children and parents and carers are aware of the program and how it operates, and manage it effectively in their school. They work with the parent community, P&Cs, but there are probably opportunities for us to make sure there are greater awareness levels amongst everyone in the school around how they can deal with that.

Mr Sheedy: Can I add that this is admittedly a little bit more prominent than many, but nevertheless it is a relatively small contribution to the total school operations, and we would imagine we rely on schools having their own internal mechanisms to deal with student complaints. As Mr Davies has said, though, in the light of our examination of complaints, there probably is a case for us to think more carefully about what might be in the guidelines or the arrangements that are at the school level to make sure that people know how they might go about making complaints.

Ms Paul: It is, of course, entirely voluntary. I know we know that, but I just make the point that it is entirely voluntary for a student to approach or not to approach.

CHAIR: So what is the purpose of the chaplains, then? They are not actually out there selling their services, and the school is not actually out there selling the services of the chaplain? If they are not, what is the point of it?

Ms Paul: Well, I imagine they are out there selling their services.

CHAIR: Of course they are.

Ms Paul: Yes, and then it is entirely voluntary for the student to take it on.

CHAIR: So it would attract those students that are uncomfortable raising an issue with their teacher or their parents.

Ms Paul: It could well do.

CHAIR: Yes, of course it could well do.

Senator WORTLEY: With regard to the chaplains, are you able to tell us what sort of training that they have that makes them suitable to fulfil this role?

Mr Sheedy: As I said before, there are no minimum qualifications, but the larger chaplaincy provider organisations have their own standards. In one case it is a bachelor level qualification; in others it is a certificate IV degree in, for instance, youth work. One requires theology qualifications, at least one does. But various levels of qualifications like that are specified by some of the larger chaplaincy provider organizations.

Senator WORTLEY: Is it correct to say that students are able to talk with their chaplains about any issue of concern to them?

Mr Sheedy: Yes.

Senator WORTLEY: Do any of the chaplains have training in cybersafety? I imagine there are many issues regarding perhaps social networking sites—

Mr Sheedy: I cannot say definitely, but I would be extremely surprised if a number of them do not, it being a prominent issue at the moment. Bullying is one the issues they deal with, so I imagine that that would be part of the training that a number of them have.

Senator WORTLEY: Are you able to take that on notice?

Mr Sheedy: Yes, I can.

Senator WORTLEY: Thank you.

Senator HANSON-YOUNG: They are all my questions, I think, Chair.

CHAIR: Can I just come back to the compliance issue, Ms Wall, that you mentioned before. What ongoing checks do you do in terms of quality and checking against the guidelines and standards, and whatever else would apply?

Mr Sheedy: Several lines. There are the complaints that we have just been talking about. We also have monitoring of schools. We have a sample of about 10 per cent of schools that we try to get to each year. We go through a series of checks on how the chaplaincy program is operating.

CHAIR: Explain to me what those checks are.

Mr Sheedy: With the monitoring, one of the key things that we like to assure ourselves of is that there is continuing support for the program at the school level. This has been a bit of an issue sometimes, where some members of the school community like it, some do not. So we want to make sure that the school has reaffirmed the need regularly for a chaplaincy service and there is a level of comfort within the school about it. We like to see some information that has been provided to parents about the way the chaplaincy service operates. We ask about the opting in and opting out arrangements and the actual times of service of a chaplain, to make sure that we are getting our \$20,000 a year worth. We check, where it is school where this is an expansion of an existing service—and a number of the chaplaincy services were in that category—that there is an expansion above and beyond what was originally available. We ask to see evidence of the police checks and the working with children checks that the chaplain holds. We inquire about the line management within the school for the chaplain and their integration with the school wellbeing team to make sure that there are the appropriate mechanisms in place for referring to different levels of school support—to a psychological or a counsellor, for instance—to make sure that that is working well. And we ask for evidence of the risk management plan within the school to—

Senator HANSON-YOUNG: What is the risk management plan?

Mr Sheedy: We ask each school, as is the case with so many of us now, to make an assessment of what could go wrong, what they could do to mitigate it and how they would respond, for instance, in the case of there being a fall-off in community support for the program. What we want is some evidence that they are thinking seriously about how the program runs, thinking about how to manage it to avoid any risks, with a particular focus on child safety, and are generally running it professionally and according to the guidelines.

CHAIR: Let's come back to that, because nearly everything you told us was about compliance with the program itself. I thought we were going to get to compliance with

quality. What quality checks are there? Apart from the last one you talked about, how do you satisfy yourself it is a professional program? How do you satisfy yourself that the chaplains are actually acting professionally and appropriately on site?

Mr Sheedy: Through those mechanisms that we just mentioned, a number of which would touch on that. We also ask whether there have been any complaints and how they have been dealt with.

CHAIR: Maybe you could explain to me how each one of those things you mentioned would touch on that, then, because I did not see how any of those would touch on that.

Mr Sheedy: Can I just go through it in another way, by saying that the key indicator for us is that the school is happy with the program, that it is working well, there are no complaints being generated, because the program will be different in each school. It is devised so that the way in which a program works and the sort of person and the qualifications or the skills or characteristics of the chaplain are those that will suit the needs of that school. The way in which the chaplain spends his or her time will differ from school to school. We do not have quantifiable measures of the degree of quality. It is a qualitative feedback from the school and the principal that it is working on the ground.

CHAIR: So we do not do any of those checks ourselves. We rely on the school or someone else to do it?

Mr Sheedy: We do checks but—

CHAIR: Not the checks that go to quality or professionalism.

Mr Sheedy: I have told you about the nature of the checks, and one of them is relating to complaints, and that is a particularly pertinent indicator of whether or not the program is working well in the school.

Mr Davies: And the principal's assurance of the quality and the continuing support in the school community, so remembering, as Mr Sheedy said, this is a \$20,000 per school contribution. There is also a reasonable question in terms of public effort on the monitoring side, so we assure ourselves in terms of the safety of the children, the financial management and the school's assurance that the program is working for the school and the quality of it, and we do rely on the principal's assurance and judgment, to a large degree, in relation to that. That is probably about the right balance for—

CHAIR: Do we ever get to the point of actually posing questions to chaplains to see what their response would be, to test whether issues are being dealt with appropriately in a school?

Mr Sheedy: That would be part of the monitoring process because—

CHAIR: Who does that?

Mr Sheedy: My staff, who will go out to schools and meet with the chaplain.

CHAIR: Now we are getting somewhere. So we do actually test for professionalism and quality.

Mr Sheedy: I am sorry if that was not clear. It was not just doing this as a desktop exercise. We visit schools as part of this monthly process.

CHAIR: So what do you do? Do you get a chaplain and you say, If a child comes to you with a mental health issue, how would you respond to that'?

Mr Sheedy: That would be covered in the conversation. The items I read out to you were prompts for conversation and information gathering within the school. There the prompt would be the question about what relationship does the chaplaincy service have with the rest of the school wellbeing team; how are we assured that, if this is getting beyond the chaplain's competency, it is appropriately handed over to some other level of support within the school, or within the education system.

CHAIR: So your staff test that.

Mr Sheedy: Yes.

CHAIR: Explain to me how that happens again because, I am sorry, I missed that.

Mr Sheedy: My staff visit schools. They run through the monitoring protocol to make sure that we cover all of those areas, and conversations would ensue about each of those matters.

CHAIR: So your staff have direct discussion with the chaplain.

Mr Sheedy: Yes. I cannot guarantee that in every case they visit they will meet with the chaplain, but they would meet with the principal or the person in the school—

CHAIR: Can you tell me, then, what are the tests that you apply to make sure that people are responding to children's inquiries appropriately?

Ms Wall: I think it is important to say that departmental officers are not able to test that. That is a responsibility of the principal and the school, because the chaplain is part of the school staff. The principal is then interacting with them on a daily basis and monitoring their performance and their professionalism, and we rely on the principal and the school community to monitor that and to provide that assurance to us. A conversation with a chaplain would not be a robust assessment.

CHAIR: How are we assured that principals are conducting that function? Do we check what questions they ask and how they engage with the chaplain, or do we just ask whether they are satisfied?

Ms Wall: Mr Sheedy has indicated there is an in-depth conversation with the principal, but I would also say that every principal would take their obligation around this quite seriously. They have responsibility for the operations of the school, the wellbeing of the students and the professionalism of their staff. That would be something that every principal is committed to and does on a daily basis.

Mr Sheedy: Could I just clarify one point. Departmental staff will not always talk to the principal; they will talk to either the principal or the person who the principal has nominated as responsible for the chaplaincy program.

Senator HANSON-YOUNG: Chair, could I just go back to the complaints register, if that is not going to throw you.

CHAIR: Yes.

Senator HANSON-YOUNG: You raised the issue of ACCESS ministries before when we were talking about complaints. Obviously this has been in the media a little bit over the last couple of weeks, and the minister was reported as saying that there would be an investigation. Is that being conducted by you, Mr Sheedy, and your team?

Mr Sheedy: Yes, it is.

Senator HANSON-YOUNG: Until the minister made that announcement that there would be an investigation, had the issue of complaints being raised about ACCESS ministries come across your desk previously?

Mr Sheedy: Not in this form. Certainly we had had no complaints about proselytisation about ACCESS ministries. I am not in a position to tell you whether or not there had been any previous complaints. I imagine there would have been some, but maybe of an administrative nature. I can take that on notice. There definitely had been, at the time this arose, no complaints received by us about proselytising by ACCESS ministries.

Senator HANSON-YOUNG: The key point there is that, on the ACCESS ministries website, it was quite clear that that is what they were doing. They said it themselves on the website. So what type of mechanisms do you have in place to check the appropriateness of the providers that are being engaged under this program?

Mr Sheedy: The key is all the checks and balances we have spoken about already about the chaplaincy services themselves. The other indicator is whether or not we get complaints. In this case, we have fairly regular contact with the major chaplaincy providers and I think in the case of ACCESS ministries it was largely a confusion about two separate roles that ACCESS ministries perform.

Senator HANSON-YOUNG: Their confusion or—

Mr Sheedy: Confusion in the public mind, and perhaps a little bit of confusion within the organisation themselves that they are moving to clarify, or have moved to clarify recently since this has been such a prominent issue.

Senator HANSON-YOUNG: 'Confusion' is interesting way of putting it.

Mr Sheedy: Role confusion, I think, because most of the coverage in Victoria about ACCESS ministries has been about their provision of Christian religious education, rather than the provision of the chaplaincy service. The chaplaincy service is separate, and my understanding of the situation at present, although it has not always been the case, is that no ACCESS ministries chaplain funded under the Commonwealth program would also provide Christian religious education in the same school in which they are a chaplain, to avoid any confusion between the religious education role and the more pastoral care role of a chaplain.

Senator HANSON-YOUNG: Are you saying that that is the case, or that is what they are moving towards, to avoid this role confusion?

Mr Sheedy: I understand that is now the case, but they have very recently made the decision, to avoid any confusion—and it would be easy for people to confuse the two roles—that they will make sure that that is the case from now on.

Senator HANSON-YOUNG: The wording on their own website was around the ability to evangelise. What types of checks and measures happen in your office, Mr Sheedy, around the engagement that service providers have, and their understanding, whether it be confusion or not, of their role under this program? If they say they have fulfilled the guidelines, and yet on the front page of their website they say, 'We have got this wonderful opportunity to evangelise in schools,' which is what it said, who has not done their checks and balances?

Mr Sheedy: It is fairly clear from ACCESS's response to us that they have an effective separation of those two roles. I cannot be responsible for their overall charter, but I am very keen to make sure that the chaplains that they provide in schools do not breach the guidelines,

and that they are not involved in proselytisation. That is also in ACCESS ministries' interests. If they wish to continue providing this service, they need to assure us that they have mechanisms in place, in their training and in their ongoing monitoring of their own staff, to make sure that this does not happen. The action that they have taken just recently are evidence that, perhaps belatedly, they are making sure that they are separating the two functions. The other levels of control are at the school level, because it is not in the interests of schools who want the services of a chaplain to provide the broader pastoral care sorts of services to have any confusion or controversy about the role that might arise from chaplains proselytising. The other level of control we have is the complaint system, because people do write to us if they have a complaint and, although we have had one since this controversy arose about proselytising in relation to ACCESS ministries, we have not in the past had any. That is a few levels of reassurance that we seek.

Senator HANSON-YOUNG: I understand that you have taken that action and looked into it because there was a complaint raised. Whether it was raised in the media beforehand or raised to you directly I am not sure, and do not think it really matters, but when ACCESS ministries were already saying themselves that this is what they were doing, should we have had to wait for a complaint for somebody to bring it to your attention? What is the level of monitoring beyond just, 'Yes, okay, the guidelines are fulfilled.'

Mr Davies: We were satisfied with their assurances and the monitoring mechanisms.

Senator HANSON-YOUNG: Do you check the websites of these organisations?

Mr Sheedy: I think I would have to say, no, we do not comprehensively check every word, every day, and all the changes that—

Senator HANSON-YOUNG: A bit difficult to.

Mr Sheedy: Yes. But one way in which this broad issue might be addressed is one that was also canvassed during the consultation period—whether we ought to have minimum standards for chaplaincy providers. That, again, is something that was discussed in that context.

Ms Paul: Yes. To be fair, I think Mr Sheedy has gone into a fair bit of detail in answer to both your questions about the monitoring regime. Clearly, we have one. Clearly, it is proactive as well as reactive. In other words, it is not only reactive. We can go through that again, but I think Mr Sheedy has given a pretty good exposition on the range of things we do, including, by the sound of it, some online monitoring, although he has just said not every minute of every day, which is also fair enough.

Senator HANSON-YOUNG: I accept that. What would we need to see for the minimum standards of a provider which would address something like this?

Ms Paul: I do not want to go to the details of what a government decision might be, but we could go to the sorts of issues raised in the consultations and in the discussion paper on that account.

Ms Wall: The discussion paper gives some examples of some things that might be in minimum standards, and it is around provision of ongoing professional development for the chaplains, monitoring of service delivery according to standards, appropriate governance structures, appropriate risk management, appropriate complaints and grievance resolution et

cetera. It provides some examples that were raised with us in stage 1 of the consultations and invites comments on those.

Senator HANSON-YOUNG: I do not think I have any other questions, Chair.

CHAIR: The Scripture Union is the other big provider, isn't it, you said.

Mr Sheedy: The Scripture Union in Tasmania, Queensland and the ACT are providers.

CHAIR: Do you know what their views on homosexuality are?

Ms Paul: Whose?

CHAIR: Scripture Union.

Mr Sheedy: No, I do not.

CHAIR: You do not?

Mr Sheedy: No.

CHAIR: My understanding is that it is a fairly harsh view. I think their view might be able to be summarised as: 'Homosexuals will burn in hell.' If a child were struggling with their own sexuality and spoke to one of these people and that was the response, would that be acceptable?

Mr Sheedy: No, it would not. That would be totally contrary to the guidelines—

CHAIR: How do we know it is not being—

Mr Sheedy: and to the code of conduct which has been signed by the chaplains funded under this program.

Ms Paul: I think Mr Sheedy has gone through a range of ways in which we test whether the guidelines are being adhered to. The bottom line is that we do care about it and we do test it.

CHAIR: But that would be an issue—

Ms Paul: Of course that would be an issue.

CHAIR: that the child probably would not be raising with their parent, would not be raising with their teachers. I understand the policy driver is to provide someone that you can talk to in a school and, of course, a late primary school or early secondary school student would not have any understanding of—

Ms Paul: Mr Sheedy, I think, has just said that, if a chaplain responded in that way, in a homophobic way, that would be outside the guidelines.

CHAIR: But, if that is the organisation's view, how do they meet the guidelines in the first place?

Ms Paul: They are required to meet the guidelines. They will have had to have made a choice that they can abide by those guidelines. They would have to have made that explicit.

CHAIR: They would compromise their beliefs in order to provide a chaplaincy service.

Ms Paul: I did not say anything about a person's beliefs. It was what is expressed in the operation of their work, funded by the Commonwealth under Commonwealth guidelines in a chaplaincy program.

CHAIR: That is what scares me about this, as a parent as well. I do not think I have anything further either. Senator Mason?

Senator MASON: I had a few questions but, given that the area has been well-traversed, Ms Paul and Ms Wall, I shall try to be quick. I was just outside for a few minutes, so, if you have answered this already, please just say you have answered it. I do not want you to take time repeating. Recently a bit of a hornet's nest has been created by this policy. I have read in recent times that former High Court judge Justice Kirby and former Premier Bob Carr have both expressed interest in the national chaplaincy service. Can I just go to a particular incident, and if you have dilated on this, please tell me and I will move to something else. Are you aware of events at Ulladulla High?

Ms Paul: It has not been discussed in this evidence yet.

Senator MASON: It has not? Let me just briefly go to it. First of all, can I clarify the allegation. I understand that a chaplain conducting activities outside the curriculum, which students attended on a purely voluntary basis, was told by those students that they were Christians. Is that a problem? Is that outside the guidelines?

Ms Paul: I am not—

Mr Davies: Can you repeat that? I missed the sequence of events. Sorry, Senator.

Senator MASON: Senator Hanson-Young spoke about websites. The chaplain of Ulladulla High School wrote the following on the United Christian Education Foundation website after conducting a number of optional scripture classes at the school:

There is much to be thankful for as we look back on another year of bringing the great news of Jesus to the precious young people at Ulladulla High School. ... a year 7 boy put up his hand and said, 'I asked Jesus into my life the other day.' A year 8 girl told me about the peace she now has since becoming a Christian.

That was on the website. Is that outside the department's guidelines? Is there is a problem with that?

Ms Paul: That is on a website. The question is: if there is a chaplain funded by the Commonwealth program operating in that school, what is the manner in which they operating? That is the question for us.

Senator MASON: I accept that.

Ms Paul: That may be an entirely different matter from what is on the website.

Senator MASON: Let me ask, has that chaplain been—I do not know if the right word is disciplined, but has he been spoken to—

Mr Sheedy: Our understanding of the case as you have outlined, Senator, is that the person you have mentioned is not a National School Chaplaincy Program chaplain.

Senator MASON: It is just voluntary and therefore is outside the program?

Mr Sheedy: It is outside. It is not someone funded by the Commonwealth.

Senator MASON: That is fine. I asked last time about the High Court challenge that I understand is underway. I understand the matter will probably be heard on August. Is that right, Ms Paul?

Ms Wall: Yes, the—

Senator MASON: Mr Kriz might know about these matters.

Ms Wall: Mr Kriz can help us but, yes, the hearing is scheduled for August.

Senator MASON: Do you have all the resources, Mr Kriz, in order to defend the matter successfully? How are we going in the Commonwealth's preparation of their defence?

Mr Kriz: Yes, we do, and I do not mean just this department but, as I mentioned last time, this matter is actually dealt with in conjunction with the Attorney-General's Department and, in fact, the Solicitor-General of the Commonwealth of Australia is involved in it.

Senator MASON: Will the Solicitor-General be representing the Commonwealth?

Mr Kriz: I believe so, with another senior counsel.

Senator MASON: So we are going to the top to defend this matter?

Mr Kriz: It is an important issue.

Senator MASON: A matter of constitutional principle.

Mr Kriz: Absolutely.

Ms Paul: A constitutional matter.

Senator MASON: Indeed. So it is being taken, obviously, very seriously.

Mr Kriz: Yes.

Senator MASON: Due to be heard in August?

Ms Paul: That is Ms Wall's evidence, yes.

Mr Davies: It is set down for the 9th to the 11th before the High Court.

Senator MASON: It will be very interesting, Mr Kriz. Perhaps we can discuss it further in October.

Mr Kriz: Yes.

Senator MASON: I will leave it there on chaplains, I think, Mr Chairman.

CHAIR: We are still in questions in program 2.3.

Senator MASON: This is my last question on 2.3, on another program. This might not be as exciting as the chaplaincy service; however, I will do my best.

Mr Sheedy: Which program is it, Senator?

Senator MASON: Reward Payments for Great Teachers. I understand that on 10 May this year the government is providing funding of \$425 million over the next four years to the Reward Payments for Great Teachers initiative. From 2014 the top 10 per cent of teachers identified through the performance management system will receive a bonus of up to 10 per cent of their salary, based on their performance from the previous year. Based on current numbers, this means that approximately 25,000 teachers will have access to a bonus payment. But, in the same theme as my previous questions, I am just not clear what the criteria will be in the Australian Teacher Performance Management Principles and Procedures, when they will be released and who will be judging the criteria has having been met. When will the Australian Teacher Performance Management Principles and Procedures be released and will they be released in draft form for comments to be taken before being formally introduced?

Dr Bruniges: You are right in pointing out that that is the very first step on this initiative. I might get Ms Davy to outline the time line on the development of that framework for you.

Ms Davy: The answer is, yes, there will be consultation, and that will be managed by the Australian Institute for Teaching and School Leadership. It is expected that the performance

management principles and procedures would be finalised mid-2012 so they will be able to be introduced into schools and implemented from 2013.

Senator MASON: Do we have any idea how this assessment will be made? For example, will it be objectively and independently assessable through things like the results students gain through standardised tests—that is one way of doing it—or less tangible things like surveys, for example, of effectiveness of teaching style? Do we have any idea about that yet, or is it still too early?

Dr Bruniges: It is early days yet and undoubtedly there will be many discussions on the types of indicators—

Senator MASON: You are actually discussing these issues now, as part of it?

Dr Bruniges: We will proceed, at officials level, to think about our conversations with states and territories about both what sits within their teacher performance management to inform the work of AITSL, and, indeed, the second part, which comes a little later than that, the criteria upon which that is set.

Senator MASON: Any thought about using the My School webpage as providing objective data?

Dr Bruniges: We have not even started those conversations, Senator, so it is still a bit early for me—

Senator MASON: It is all too early!

Dr Bruniges: It is indeed. Just the money and just the budget so—

Senator MASON: I want to engage in an exciting conversation on Thursday afternoon but I am being deprived. Given that obviously it is very early days in the criteria for assessment—it is still being developed—I may even be able to help you. I do not know, Dr Bruniges, perhaps not. I would not want to burnish your optimism, but in my small experience, for what it is worth—it might not be worth very much—assessing teaching capacity is difficult. You can do it on objective measurements, test results; you can do it on subjective measurements, what students might think about your performance. I just recall that, many years ago, when I used to lecture, every lecturer thought they were great, and many of them were not.

Senator BILYK: We will not ask you to name any, though.

Senator MASON: No, we will name no-one. But you do take my point, don't you, that self-perception is not always accurate? Sadly, in teaching, as in politics, merit is not always the primary consideration.

Senator Jacinta Collins: You do not have exit surveys, Senator?

Senator MASON: Maybe you should have one, Minister!

Senator Jacinta Collins: No, the lecturers, I mean.

Senator MASON: Indeed! Will you have anything for me in October?

Dr Bruniges: We can give you an update on our progress in the October estimates, Senator. I am more than happy to do that.

Senator BILYK: Having taken note of the questions from Senator Mason and your response about it being a bit early, I note that some of these questions are very similar. The

first question I have is this. Who is involved in the—I cannot remember the name—the institute for teachers and school leadership?

Senator Jacinta Collins: AITSL.

Dr Bruniges: It is the Australian Institute for Teachers and School Leadership. I will get Ms Davy to fill it out. Each state and territory is included and they have other members on the board of that institute. Perhaps there will be a bit more detail from Ms Davy.

Ms Davy: It is a Commonwealth company and it has a board of directors. Each state and territory minister is represented on the board of directors, as are the teacher unions and the non-government education sector.

Senator BILYK: What about principals or actual teaching staff?

Ms Davy: I forgot. There are principals represented. There are two principal representatives on the board—or one.

Senator BILYK: Two overall?

Ms Davy: Yes. There is one representative of principals on the board and one representative of teachers on the board.

Senator BILYK: And how are those people selected for that board?

Ms Davy: Selections for state and territory representatives are made by the ministers. Selections for the principal representative are made by the national principals associations. Selection of the teacher representative is made by the Australian Joint Council of Professional Teaching Associations.

Senator BILYK: Once again, for some of these questions I think I might get the answer, 'It's too early to give the answer,' but I will run them by you anyway, just in case. How will the teachers be selected for the bonus pay?

Dr Bruniges: I think the 'too early' answer comes into play there. We have not started to develop the criteria yet, Senator.

Senator BILYK: I will come back in October. The rest of my questions do flow on from that, but you might just take them into account, bearing in mind there is not too much set in concrete yet about how it is going to work. These are some of the concerns that have been put to me by a number of teachers and a number of principals in Tasmania. Who will assess them according to the Australian Teacher Performance Management Principles and Procedures? Who will have input into the process of the assessment? Will the teachers selected be the top 10 per cent across the country or is it by state or by school?

Some of these questions are based on the issues out there that I think we need to be able to get some answers on. Is the performance bonus simply to be a cash payment or have people thought about other options? For example, things that have been put to me are some sort of superannuation bonus or a training allowance, just to name a couple. That would broaden it all out. Is it likely that NAPLAN results are going to be one of the criteria and, if so, what provisions are there to recognise that we have some really great teachers in really disadvantaged schools, or even in specialist schools? How would those fit in with that if that is the plan? How do we make sure student performance data is statistically valid for small classes? Those are the questions I have in regard to the reward payments and things.

With regard to the Empowering Local Schools program, I noticed in a document that I hope is up to date, that the bulk of the funding is for 2011-12. I wonder what sort of program a school could benefit from in the long term if the bulk of the money is in 2011-12, and then the money—I am happy to take advice, but this is as I read it—is reduced. So, for example, you may not want to employ a teacher aide or teacher assistant for 12 months and then find out that you did not have any funding for that person. So I wonder how that is expected to work.

Can you explain to me how the Empowering Local Schools program provides greater authority to principals? In some of those issues some of the questions that were put to me were: will the money be going to the education department or will it actually go to schools and to principals to deal with? There is a whole range of questions there, I know. I do acknowledge that you say it is very early days for these things, but if there are any of those that you can answer today, I would appreciate it, and if not, you could take the others on notice.

Dr Bruniges: Senator, with respect to the first group of questions regarding the teacher payment, what I will do is take those from *Hansard* and make sure they are carried forward into the discussion and debate. We will see if we can respond in that way.

Senator BILYK: Thank you.

Dr Bruniges: On the second set, with the Empowering Local Schools, I might ask Ms Davy to walk through some of those details for you.

Senator BILYK: Thank you.

Ms Davy: The allocation in the budget is I think about \$63.4 million in the 2011-12 year, and it shows no further budget.

Senator BILYK: My document might be a bit out of date, but I had \$68.2 million for 2011-12.

Ms Davy: Yes, that includes administered and departmental.

Senator BILYK: Then I had \$1.1 million for 2012-13 and \$1.1 million for 2013-14.

Ms Davy: \$1.1 million?

Senator BILYK: Yes. I am not taking it from the portfolio budget so I might need to be corrected.

Ms Davy: Yes. In the budget papers there is, as you said, about \$68 million if you include departmental funding, but primarily it is showing as \$63.4 million administered in the 2011-12 year. That is primarily for three things. One is start-up payments for schools. So the main bulk of the money for the Empowering Local Schools initiative is to provide each school that is participating in the initiative with \$40,000 to \$50,000 of a start-up grant to support them to transition into the greater—

Senator BILYK: So what would schools use that for?

Ms Davy: They will use that for a variety of purposes. They may use it for professional development training, particularly if they are hiring staff. So it might be staff panel selection training. They may use it to support their school boards and school councils with governance support. There may need to be some changes in school record-keeping or some of the IT systems that they might have around their budgeting. It will be up to schools to determine

how they might use those funds. So most of the money out of that \$63.4 million is for the first thousand schools that will be participating in the initiative.

Senator BILYK: Schools apply—is that correct?

Ms Davy: Schools will be applying. They will make an assessment to either their state education authority or their system, and we are still working out the details of that selection process with jurisdictions. It will be on applications, so it will be an opt-in system for those first 1,000 schools. There are also some funds within that allocation in the 2011-12 budget to provide to education authorities and systems to contribute to any system transition changes that they may need to make.

Senator BILYK: Sorry, is that to the state or territory governments?

Ms Davy: For example, they might need to change their HR IT system if they are moving some HR decisions down to the school level. The way that this initiative is working is that there are two phases. Phase 1 is happening in the 2012-13 years with that first thousand schools. But then a second phase or a national roll-out is commencing from 2015 through to 2018. Those dollars are not showing in this budget yet, but they will be showing in the forward estimates.

Senator BILYK: Would that be for every school?

Ms Davy: There will be a capacity for every school who may wish to be part of this. There is a recognition in this initiative that there will be some schools that will still require systemic centralised support in some areas. All education authorities are saying that, and that is quite a legitimate comment. But there will be money in the out years for schools from 2015 for that start-up \$40,000 to \$50,000.

Senator BILYK: You mentioned the money that would go to states or territories. What sorts of checks and balances would there be to make sure that is used the way it should be?

Ms Davy: Again, it is early days, but we will be entering into strong bilateral planning and agreements and implementation plans with states and territories after we get national agreement about some national parameters for the use of those funds. Similarly, we will be entering into bilateral agreements again once we have national agreement around the parameters for things like the school selection and assessment process.

Senator BILYK: Can you just clarify this for me. Is the reward payment for great teachers the same as the national incentive for great teachers?

Ms Davy: Yes.

Senator BILYK: It is just a change of lingo?

Ms Davy: Yes.

Senator BILYK: And that is to be \$8,000 for 10 per cent of teachers, basically. Is that right? That is what has been reported.

Ms Davy: Yes, as Dr Bruniges just said, the election commitment is talking about 10 per cent of teachers each year to get a bonus payment of 10 per cent of their salary. So on current salaries, if you are a more experienced teacher that is probably about \$8,000, because you are on about an \$80,000 salary. For some beginning teachers, in their early years, who are on salaries of \$50,000 to \$55,000, then the bonus payment will end up being \$5,000, or \$5,500.

So it will just depend on the nature of the person being rewarded and the nature of the payment.

Senator BILYK: I know that you have taken those issues on notice, but one of the things I would really like to emphasise is that a number of principals and teachers have said to me that they are a bit worried that this could cause division within schools, depending on the way that it is delivered. Within Tasmania certainly a number of people that have spoken to me have suggested there should be some sort of team approach to choosing who gets it—that maybe it should not be down to the principal or an individual. So I would just like you to take that on notice when you are developing the rest of the program.

Dr Bruniges: Thanks for that, Senator. I have to say that during the recent principals' forum some of the same issues were raised from the principals and teachers. In terms of the questions that you have asked, they would not relate only to Tasmania. As I said, some of them are similar types of issues that different states and territories have raised with us. As the initiative progresses and more detail is fleshed out, we will certainly take those on board.

[15:14]

Senator MASON: I think now we are up to the Digital Education Revolution.

CHAIR: If there are no other questions for 2.3 we will move on.

Senator MASON: I will just go to the roll-out of the laptops, first. What is the total number of computers delivered and installed so far—the most recent date you have got, anyway?

Ms Bloor: The most recent figure is 434,060 devices.

Senator MASON: Is it still the intention that the one-to-one ratio be achieved by 31 December 2011?

Ms Bloor: Yes, it is.

Senator MASON: So that is 780,000 laptops. Is that right?

Ms Bloor: Around 784,000 or 786,000 or something like that.

Senator MASON: Thank you, Ms Bloor. I will just work this out. That 434,060, is as of when?

Ms Bloor: The latest figures that we had, Senator, were from the January progress reports and there were some additional figures provided through reports in March on rounds 2 and 2.1.

Dr Arthur: I will just clarify that. Essentially, they are the same as the figures we discussed at last estimates. The other figures, around 2 and 2.1, are essentially small figures covering the tidying-up of those completed rounds. So essentially they are the same figures as last estimates because under the national partnership there is a six-month process by which education authorities report to us on installations.

Senator MASON: The department was good enough to give me the answer to a question on notice. I have it here. It is the national secondary school computer fund total installation figure as at 31 March 2011. What I have there is that it is 434,060. Is that right as at 31 March?

Ms Bloor: I do not actually have the response to the question on notice in front of me.

Senator MASON: This is a DEEWR table and it is dated 31 March. I have the calculator; let me work this out. It will be 786,000 minus 434,060, is that right?

Ms Bloor: Yes.

Senator MASON: Senator Cash is looking over my shoulder to make sure I do the right thing. It is 351,940 by 31 December. How long has it taken for the Commonwealth to distribute that 434,060?

Ms Bloor: Senator, the program commenced in 2008.

Senator MASON: When in 2008, Ms Bloor? When was the first one?

Ms Bloor: I think the first guidelines for round 1 were in July 2008.

Senator MASON: So, in three years—it is pretty close to three, I think you have to say—434,060 have been distributed, and we have got about eight months—or is it seven months?—to distribute 351,940. There is going to have to be about a trebling or a quadrupling of the out rate to—

Dr Arthur: That is entirely true and it is entirely consistent with the roll-out plan which the government put in place.

Senator MASON: So you do not dispute the figures, Dr Arthur?

Dr Arthur: I do not, Senator.

Senator MASON: I always bring my trusty calculator, as Ms Paul knows, but Ms Paul has gone.

Dr Arthur: Yes, Ms Paul, as we talked about earlier, left at three o'clock.

Senator MASON: Yes. So we agree on that. There is no question and no debate about those figures.

Dr Arthur: No, Senator.

Senator MASON: Thank you very much. I will move to internet connection. I did ask last time in estimates a question on notice about NBN roll-out and we discussed last time how that subsumed the previous program to distribute internet connections. It is EW0861_11, and the answer came back that DEEWR had consulted with the broadband department in providing the response. According to data provided by the by NBN Co, seven schools within the first five release sites will be connected to the NBN and then those schools were listed. There are seven schools listed, commencing with Cathedral School, Townsville, and going down to Willunga Primary School, Willunga. That is right, isn't it?

Dr Arthur: That is the answer, Senator.

Senator MASON: So how many of those seven schools are actually secondary schools?

Ms Bloor: I will have to take it on notice, Senator.

Dr Arthur: We can safely say that Willunga Primary School is probably a primary school, but just to be completely certain we will take it on notice.

Senator MASON: You are right. There is Willunga Primary School; the Cathedral School; Presbyterian Ladies College, Armidale; and Willunga High School. That looks like a high school!

Dr Arthur: It is quite possible some of them cover more than one of those two categories.

Senator MASON: It could be both.

Dr Arthur: We will just take it on notice to make sure we are precisely correct.

Senator MASON: We are concerned with secondary schools because they were the schools promised the fibre connection. That is why I asked the question.

Dr Arthur: No, that is not correct, Senator. The promise was about all schools. It was the years 9 to 12 for the national secondary school computer fund. However, the commitment in relation to broadband was for all schools, not just secondary schools.

Senator MASON: Better still. Do you know how many secondary schools, in total, are in those first five release locations?

Ms Bloor: We can provide that figure on notice, Senator. I do not have it.

Senator MASON: You do not know that, Ms Bloor?

Ms Bloor: I do not have it with me, no.

Senator MASON: So you understand the question, don't you?

Ms Bloor: Yes, I do.

Senator MASON: Of those seven schools listed I assume—I could be wrong, but I doubt it—there are many more schools in those first five release sites. You will take on notice?

Ms Bloor: I will certainly take it on notice.

Dr Arthur: Senator, if I could just comment, many of those schools may indeed be already connected to optical fibre.

Senator MASON: We are going to find out, aren't we, Dr Arthur? That is one of the wonderful things about this journey, isn't it?

Dr Arthur: The question we took on notice, as I understood it, was the question: which of those release sites—secondary secondary schools—are connected to the NBN. We can take it on notice.

Ms Bloor: Can I just clarify that the question is of proportionality?

Senator MASON: Yes. We better clarify the question. The answer to the question on notice says, 'Seven schools within the five first release sites will be connected to the NBN.' The question is: how many schools are in those five first release sites? Do you understand?

Dr Bruniges: Absolutely.

Senator MASON: The question would then be, if there are more schools why aren't these schools also being connected? That would be my next question, but if you do not know now, please take that on notice. If you read the question on notice—I am always very careful, as you know, Minister, or my staff are anyway, to be sure—it says, 'Seven schools within the five first release sites will be connected to the NBN.' Does that mean that they have not yet been connected? If that is the case, do you know when they will be connected?

Ms Paul: Senator, I do not believe that they have yet been connected but, again, we can confirm that and take it on notice.

Senator MASON: Let us go to other schools.

Senator Jacinta Collins: Senator Mason, just before you go to further questions, it possibly helps us a bit further now that you are refining the question. The question this

answered was simply, 'Can you tell me which schools are next about to receive the NBN?' which is not quite as precise as what you are now asking.

Senator MASON: I do not quite follow you. Seven schools within the first five release sites will be connected.

Senator Jacinta Collins: Yes.

Senator MASON: Have they been? Perhaps not. We are going to find out.

Senator Jacinta Collins: I understand. All I am saying is that the answer to your original question, which was simply, 'Can you tell me which schools are next about to receive the NBN,' leaves a fair amount of latitude in terms of where the answer was potentially given from. Now it is much clearer.

Senator MASON: Doctor, are you following this?

Dr Bruniges: I am. The five areas, Senator, we can take on notice. We are happy to do that.

Senator MASON: Good. Let's look at the other schools. In the department's answer earlier this year, on notice—EW0651_11—the department mentioned that up to 129 schools fall within the 19 second release locations, the implication being that up to 129 schools might be connected next. Have the 19 second release locations been announced yet?

Ms Bloor: Yes, they have, I believe.

Senator MASON: Can you tell the committee what they are, Ms Bloor?

Ms Bloor: No, I cannot. I do not have all of the second release or early release sites with me, but we can again confirm what those secondary release sites are, and the schools that fall within them.

Senator MASON: So you are saying you can take this on notice?

Ms Bloor: Yes.

Senator MASON: The committee wants to know how many secondary schools in these 19 locations are eligible to be connected as part of the Digital Education Revolution.

Dr Arthur: I do not understand the question, Senator. Your previous connection was about NBN connections.

Senator MASON: Yes.

Dr Arthur: The question you just asked would not take us to answering that question.

Senator MASON: Let me ask it in two parts; I do not want to confuse Ms Bloor. Have the 19 second release locations been announced yet? Apparently they have and you will get back to me as to what they are. Next, do you know how many secondary schools there are within these 19 locations that are eligible to be connected as part of the Digital Education Revolution?

Dr Arthur: It is that part of it which confuses me, Senator. I thought your line of questioning was about the schools which would be connected to the NBN. It has been stated by the government that all schools, in terms of election commitments, should be connected to broadband. The question therefore is reasonably straightforwardly answered. The question of when and how that commitment would be met by the NBN is an issue which you have

appropriately asked us questions on, and we could certainly take a question on notice about that.

Senator MASON: Can you explain more fully? What is the story here, Doctor?

Dr Bruniges: What I was going to suggest to you is in relation to the second release sites. Ms Paul has said that we have them, so we can give you the 19 second release sites. If I am understanding you correctly, what we need to then do is provide you the number of secondary schools in each of those release sites. We can certainly do that.

Senator MASON: So what you are saying, Dr Arthur, is that they are all eligible and they will all be connected. Is that what you are saying?

Dr Arthur: That is the policy, Senator.

Senator MASON: That is the policy.

Dr Arthur: Yes.

Senator MASON: Do we know when they will be connected?

Dr Arthur: We will take that on notice.

Senator MASON: So you do not know?

Dr Arthur: No, Senator, because this matter is within the portfolio responsibility of the Department of Broadband, Communications and the Digital Economy and we will need to consult with them.

Senator MASON: Sure, but I am just surprised you do not know. It is the sort of question I would ask. It is strange that the department would not know that sort of question and would not expect me to ask it. Anyway, fair enough.

Dr Bruniges: We will provide that on notice for you.

Senator MASON: It is the sort of question that is legitimate for a committee member to ask, and I think you could have expected to have received it. I do not think it is being harsh.

Dr Bruniges: Point taken.

Senator MASON: As a senior public servant, I would want to know the answer to that question and would take an interest in it.

Senator Jacinta Collins: Just for the sake of clarity, though, Senator, I think we should also highlight this question that you are referring back to was actually last year, not on the last occasion.

Senator MASON: Sorry, Minister, where are we?

Senator Jacinta Collins: The question on notice that started this series of questions is from you on the 21st of the 10th, 2010. It was not the previous estimates but arising from the time before.

Senator MASON: Yes. I understand. There are two separate questions. One is from the February estimates and one is from the October estimates. Does the department have any information regarding the further rollout and connection beyond the first 24 sites—so that is the five initial and the 19 follow-up sites—by way of schools and timing?

Ms Bloor: No, we do not.

Senator MASON: None?

Ms Bloor: At this point.

Senator MASON: So, in summary, how many secondary schools with years 9 to 12 have so far been connected to the fast, up to 100 megabits per second, fibre as part of the NBN rollout as of 1 June 2011?

Ms Bloor: As in the question on notice response, those seven schools will be connected to the NBN in the early release sites, and there are other schools that would be eligible to be.

Senator MASON: Thank you. How many have been?

Ms Bloor: I am not aware—

Senator MASON: Of any? I think that is the answer: none.

Dr Arthur: Senator, we will take that matter and—

Senator Jacinta Collins: I think the department has indicated they will take it on notice because they could not give you the precise dates for the seven schools.

Senator MASON: Well, at best, seven. And we don't think it is seven, do we, Ms Bloor?

Dr Arthur: Clearly, Senator, some of the schools that are in that seven are primary schools.

Senator MASON: Sure. So after three years we have got somewhere around five or six that might be connected, at best. All right. I want to have a look at the Fibre Connection to Schools initiative. It was \$100 million. It is like a time warp here. This takes me right back to three when we went into opposition.

Senator NASH: It is like a roundabout.

Senator MASON: It is. The \$100 million Fibre Connection to Schools initiative was part of the digital education revolution, and that was the initial way to finance the connections of schools to fibre way back in late 2007, early 2008. I have had a look at the website under the overview section, and Senator Cash will check that I am doing the right thing. It is the overview section, Digital Education Revolution, and I have clicked on all these different bits and one of them says:

Support the deployment of high speed broadband connections to Australian schools.

I click on it and '401 Unauthorised' it says. That is what has happened. I have got to say this is unlike all the other links on the page, such as the ones to the National Secondary School Computer Fund and digital tools resources infrastructure. They are all full of information. But when you connect on 'High-speed broadband' you are taken to a page that says '401 Unauthorised'.

CHAIR: You did this personally, Senator Mason, or one of your staff did this? Because I did see you trying to set up your computer on Monday morning.

Senator MASON: I am naughty, I know. I have to admit my staff are on top of these issues far better than me, Mr Chairman.

CHAIR: I am relieved, actually, that that is the evidence.

Senator MASON: All right. But I am sure that analysis thus far is correct. Does the \$100 million Fibre Connection to Schools initiative still exist?

Dr Arthur: No, Senator.

Senator MASON: If it does not, what happened to it, and can you point me to an announcement in the budget or outside of it which explains what happened to it?

Dr Arthur: It is certainly listed in the budget papers, Senator. It is part of a savings measure for this portfolio which indicates that it was a component of savings measures in this budget.

Senator MASON: There are two aspects to this. Was there any public announcement made outside the budget?

Dr Arthur: The budget and the budget materials are the government's announcements of its decisions taken in the course of the budget.

Senator MASON: Was there an announcement outside the budget announcement about this?

Ms Bloom: Notice in Budget Paper No. 2, Senator.

Senator MASON: Okay. So the only announcement is in the budget. Can you show me where it is? I am not very good at these PBS forms, Mr Chairman, as you know. Can someone point me to where it is?

Dr Arthur: Mr Storen, I will call upon him as the—

Senator MASON: Yes, he always knows. Come on down and show us where the Fibre Connection to Schools initiative has gone. Do you have one of these marked up copies, Mr Storen?

Mr Storen: No, mine is not marked up.

Senator MASON: Where are we? Whereabouts is it announced? I have got to find it. I am not very good at this sort of thing, I have got to say.

Mr Storen: Page 26 of the portfolio budget statements.

Senator MASON: Okay. Page 26. Yes, now whereabouts is it, Mr Storen?

Mr Storen: Halfway down there is a line that says, 'Schools Digital Education Revolution' with numbers starting—

Senator MASON: I cannot see it. Is it on page 26?

Mr Storen: On page 26. If you look at the program column—

Senator MASON: I am on program column.

Mr Storen: and find 2.5, which is—

Senator MASON: Yes, 2.5. Here we are: 'Digital Education Revolution redirection'.

Mr Storen: That is correct, Senator. The savings there reflect the—

Senator MASON: And that is the \$100 million, Mr Storen? Is that right?

Mr Storen: My maths quickly adds up to a little bit more than \$100 million.

Senator MASON: I am not going to quibble with that.

Dr Arthur: In terms of the Digital Education Revolution, there were two elements to the savings. One element was the \$100 million for the Fibre Connections to Schools. Another element was a component of what is described in the budget papers as Digital Education Revolution projects.

Senator MASON: So bottom line is the \$100 million Fibre Connections to Schools initiative no longer exists. It is kaput.

Dr Arthur: That is correct.

Senator MASON: I am going to miss it, I think. Thanks, Mr Storen. Page 26, I have found it and I thank you for that. Can I go to another issue on the same theme. I have got some correspondence. Dr Arthur and Minister, are you aware of the Stuart High School and correspondence relating to its school laptop program?

Senator Jacinta Collins: Stuart High School?

Senator MASON: Stuart High School in—

Senator Jacinta Collins: Where is it?

Senator MASON: In South Australia.

Dr Arthur: No, we are not aware.

Senator MASON: Okay. I have got it here, I could show you a copy, but let's just see how we go. I received a copy of a letter that Mr Garrett has written to Mr Pyne regarding the schools charging for computer use, and I just want to have a look at that for a minute, if I might. Do you have a copy of that?

Dr Arthur: I don't think we would have.

Ms Bloor: Not with us, Senator.

Senator MASON: Feel free to copy that. It is annotated with some witty annotations, Minister, but—

Senator Jacinta Collins: And should you, perhaps, attribute those to yourself or to Mr Pyne?

Senator MASON: No, to my staff. Can I just go through it. This is about the issue of charging for use of laptops. Mr Garrett says:

Through the National Secondary School Computer Fund, the Australian government is assisting schools—

this will take a little while, but bear with me because it is important—

the Australian government is assisting schools and school systems to provide new computers and other information and communication technology—

ICT—

equipment for students in years 9 to 12. The aim of the fund is to achieve a computer to student ratio of 1:1 for students in years 9 to 12 in Australian secondary schools by 31 December 2011.

As you are aware, the government does not support the charging of a fee, levy, co-contribution or bond to parents or carers for a computer provided under the fund.

That was always my understanding, and not surprising. It goes on:

The fund is specifically designed to improve access for students to computers, and the government does not support the application of mechanisms which may inadvertently disadvantage students, such as those whose parents cannot afford to pay a fee.

That is what Mr Garrett says. However, the minister then produces several caveats, which I have not been aware of before. He says:

There are limited circumstances, however, where schools may be justified in charging a fee for computers and other ICT equipment. Before the fund commenced, summer schools charged parents a fee for student access to ICT. Prior to the fund, it was estimated that 30 per cent of the computer fleet required to reach a computer to student ratio of 1:1 nationally was already in existence.

We have had that debate before. He goes on:

As such, the government committed to funding the remaining 70 per cent. This funding ratio will remain in place for the sustainment of the program with education authorities continuing to maintain the 30 per cent investment in ICT equipment for the future. The approach to sustainment is normal for government programs in schools education. The government acknowledges that in order to maintain schools' existing investment in ICT, they may continue to charge a fee and levy it across the entire parent body, including the parents of students in years 9 to 12.

This is 3(b) on the copy, Minister:

The school, in consultation with the parents and the education authority, should determine the manner in which the fees are charged across the parent body, while making it clear that the fee only covers the purchase and maintenance of ICT necessary to meet the school's maintenance of effort obligation.

So, as I understand, essentially if the school was charging a fee before, across all grades, in order to support their pre-existing—that is, pre-Digital Education Revolution—computer infrastructure they can continue to do so. Is that right?

Dr Arthur: Senator, I can particularly assist you in terms of your comments about this being new. We received in the department a great deal of correspondence on the issue of fees and, as a result of that correspondence, we put advice to Minister Garrett with which he agreed, which led to a decision of the three cases in which the Commonwealth would take it to be appropriate that fees could be charged. Those three cases are accurately reflected in the correspondence in this particular instance. They also have been directly communicated to the education authorities administering the fund and are incorporated in our guidelines for the fund. They go to, in all cases, us taking what we believe to be a reasonable position in terms of the limits to which the Commonwealth could seek to impose controls on particular schools. It did not strike us as reasonable that the Commonwealth should seek to dictate how schools should fund their maintenance of effort.

It is a requirement under the overall guidelines for the fund and the political decisions taken by government that there be maintenance of effort. It is not for the Commonwealth to determine how schools go about funding that maintenance of effort. If some schools choose to do that by way of subventions from government, if some schools choose to do that by way of fees, as long as those fees are approved or consulted on with the school community in the normal manner, it was felt to be unreasonable for the Commonwealth to seek to interfere with those processes.

Senator MASON: Well, let me get there. As always, as you know, Dr Arthur, I have my own way of getting there, but I inevitably do.

Senator Jacinta Collins: Sorry, Senator Mason, just before you get there, can you just clarify one thing in my mind. I thought we were discussing Stuart High School in South Australia. That is how we commenced.

Senator MASON: That was an instance, or we would be here all night. I have just got that here, and we can discuss that, but this is the policy, as I understand it, which is the most important thing. I just want to discuss the policy.

Senator Jacinta Collins: Okay.

Senator MASON: Thank you for your clarification of that policy, Dr Arthur. That is useful. But just to go back a bit, how many complaints about the alleged charging of fees for the use of DER equipment has the department received, either directly from parents or via representations from parliamentarians?

Ms Bloor: We have had a number of representations. I cannot give you the exact number but we have followed up in each case with the education authority and have made clear the limited circumstances in which the application of any sort of fee levied over the whole parent body is appropriate.

Senator MASON: Ms Bloor, even on notice, can you let the committee know how many complaints the department has received?

Ms Bloor: Yes.

Senator MASON: And you have investigated all those complaints via the—

Ms Bloor: Via the education authorities.

Senator MASON: All right. I will move on to some specifics, if I might. I asked in the February estimates about some schools in Queensland and the department has answered that question, EW0860_11. The question is headed 'Complaints about laptops in schools'. If you look at that question on notice—have you got that?

Ms Bloor: Yes.

Senator MASON: with regard to the Alexandra Hills State High School, just outside Brisbane, you have written:

The Department is advised by QLDDDET that Alexandra Hills State High School is facilitating a 1:1 laptop program for Year 11 students at the school which will allow students to take the devices home. The school has averaged the take home costs over a four year period. Year 11 students are currently being charged \$250 in the first year and will be charged \$156 when entering Year 12.

And the final sentence there is:

Alexandra Hills State High School computer technology program will be processed through the QLDDDET registration process as a matter of priority to ensure that the fee aligns with the Fund's guidelines.

Ms Bloor, whereabouts in the fund's guidelines? I had always thought that fees could not be charged at all. Now the letter from Mr Garrett seems to imply that fees can be charged in certain circumstances. It seems to imply that fees can be charged if computers are allowed to be taken home, which has not been mentioned as an exception before. Is that the case?

Dr Arthur: It is certainly the case that the circumstances in which fees can be charged are reflected in the guidelines. Those guidelines cover the three matters raised in the letter from Minister Garrett that you have provided. They do not cover specifically taking computers home, and if you look at the answer we have not said that taking computers home is in compliance with the guidelines. What we have said is that the Queensland authorities are going to, as a matter of priority, look at in detail the situation at that school and provide us with advice.

Senator MASON: It says that Alexandra Hills State High School computer technology program will be processed through the Queensland department's registration process 'as a matter of priority to ensure that the fee aligns with the fund's guidelines'.

Dr Arthur: I think that is another version of what I just said, Senator.

Senator MASON: Okay. Where in the fund guidelines does it allow fees to be charged?

Ms Bloor: The guidelines do allow for fees to be charged in those circumstances, as outlined in the letter, where the—

Senator MASON: Can you show me where?

Dr Arthur: As I indicated earlier, Senator, we changed the guidelines following advice to Minister Garrett.

Senator MASON: Hold on. Say that again.

Dr Arthur: As I stated to you earlier, Senator, we put advice to Minister Garrett following correspondence. Minister Garrett agreed with that advice and appropriate changes were made to the guidelines.

Senator MASON: Now we are getting there.

CHAIR: I think—

Senator MASON: But I missed that.

CHAIR: All right. He did say that. He said the changes reflect this letter.

Senator MASON: Right. Now we are getting there. All right.

Senator Jacinta Collins: Now you are getting there.

Senator MASON: I did check the program guidelines; my staff checked.

CHAIR: But to be fair, Senator Mason, Dr Arthur did say that.

Senator MASON: Sure, but now we are coming to the point. The program guidelines have been changed. When did that happen, Dr Arthur?

Ms Bloor: I believe it was towards the end of last year.

Dr Arthur: Last calendar year.

Ms Bloor: Yes, last calendar year.

Senator MASON: Those program guidelines that have been amended: are they publicly available?

Dr Arthur: Yes, Senator, on the website.

Ms Bloor: Yes, Senator.

Senator MASON: When were they on the website?

Ms Bloor: I think that they are available through the website, Senator.

Senator MASON: Ms Bloor, you might be right. I have checked, or my staff have checked the program guidelines. We could not see it in there. Maybe I have missed it. That is possible.

Dr Arthur: We will certainly take on notice as to when the guidelines were changed.

Senator MASON: But you are saying it was late last year.

Ms Bloor: Yes, and it is—

Senator MASON: Hold on. Late last year. Now when did the program commence?

Ms Bloor: In 2008.

Senator MASON: 2008 when—January?

Ms Bloor: The first guidelines for round 1 I believe were released mid-year 2008.

Senator MASON: Right. So 2½ years. I was under the impression that students could not be charged but they can now under the guidelines because they were changed late last year.

Dr Arthur: As a matter of normal program administration, what has happened here is that we have received commentary from stakeholders as to concerns they had with the existing guidelines. We have examined the merits of the issues raised and on the basis of that have provided advice to the minister, and the minister in his discretion has then adapted the guidelines and we have published that result—our normal process.

Senator MASON: Gee! Someone who is interested in it, like me, Dr Arthur, did not have any idea that students could be charged for use of laptops until a letter from Mr Garrett that I received, via Mr Pyne, and now apparently the program guidelines were changed late last year.

Dr Arthur: Can I just clarify, Senator. What those guidelines changes go to is not the principle that students cannot be charged for the use of a computer provided for under the Commonwealth program, a Commonwealth funded computer. They merely recognise a reality that if schools choose to do one of three things which are in their discretion obviously to do—one is to provide for their maintenance of efforts by charging fees, another is to provide computers for years other than 9 to 12 and another is to provide computers which are beyond the specifications for the program—if they choose to do that and they also choose to take the view that it would be most appropriate to do that by charging fees which go across the entire parent body rather than a selection of the parent body, it would be unreasonable for the Commonwealth to seek to restrict them from exercising their rights as schools.

Senator Jacinta Collins: And I think we need to go back to the letter that the minister sent to Mr Pyne. The point annotated at 3(b) is that they 'may continue to charge a fee'. Fees were being charged prior to this program, and this is one of the factors that the minister needed to consider in terms of how they then related to this program and the maintenance of effort.

Senator MASON: I understand that, Minister, but for someone who has been following this debate as I have—and I am sure even Dr Arthur would agree with that—the refinements certainly were not anything that had been raised in the past. Let me just go through these refinements or exceptions.

Senator Jacinta Collins: Just before you do, one other point of clarification I think we need to make is you raised the issue in this particular school about taking laptops home. That is not the issue dealt with in the guidelines.

Senator MASON: Well, hold on.

Senator Jacinta Collins: Perhaps the issue in this particular school, from what you read to us, was a charging regime that was to relate to a four-year period, which obviously relates to students other than those just in year 11.

Senator MASON: Sure, but that is the point. If the school—

Senator Jacinta Collins: If the four years it takes them outside of this program then you have got the maintenance of effort issues that need to be considered as well.

Senator MASON: Minister, this is the problem. That is actually quite a disadvantaged school, right?

Senator Jacinta Collins: It may well be, yes.

Senator MASON: Parents would have expected that their child could take laptops home. That is what they are for; let's face it, they are mobile. And now because of a decision by the school, not necessarily endorsed by the parent, they have to pay a fee. This was not an exception that has ever been raised in the three years that I have been involved in these estimates, ever.

Dr Arthur: Senator, to be clear, as Senator Collins has said, that is not something which is canvassed in the letter, it is not something which is canvassed in the guidelines and, as I have stated, the response you received to your question on notice does not indicate that we regard that as being in accordance with our guidelines.

Senator MASON: Well, good, Dr Arthur, because these exceptions, as you call them, are nuances that I had not even considered, and that is reflected in the fact that they were not in the guidelines until late last year because the government itself had not.

Senator Jacinta Collins: Senator Mason, you must have considered that some schools already did charge fees.

Senator MASON: Minister, the government had not considered this problem because they were not in the guidelines until late last year.

Senator Jacinta Collins: We had to—

Senator MASON: The government itself had not. Not just me; the government had not.

CHAIR: The program has to grow with the situation, surely. You are not actually arguing that once a set of guidelines is set at the beginning of a program they are set in stone and can never be changed?

Senator MASON: It is fair to say that I may have failed in not foreseeing the future but the government did not foresee it either.

CHAIR: Can we ensure that Senator Mason is kept up to date with changes that are made?

Senator MASON: Let me just go through briefly some of the exceptions, if I can, Mr Chairman.

CHAIR: We are going to break for afternoon tea in a minute or two so would you rather do that now and then come back to that?

Senator MASON: I will come back.

CHAIR: All right.

Proceedings suspended from 15:58 to 16:15

Senator Jacinta Collins: The department would like to clarify one of the issues you were discussing previously, if we can do that before Senator Mason asks any further questions.

CHAIR: Thank you.

Ms Bloor: Senator, you asked about the amendments to the guidelines as a result of the decision about funding of the maintenance of effort component. The guidelines for the National Secondary School Computer Fund related to the rounds—rounds 1, 2 and 2.1—which were concluded in March. The guidelines were not—and I was mistaken—amended on the website to reflect the decision of the end of last year about the payment of the maintenance of effort. They were not. They applied to the rounds which closed in March, but that information is available on the website under the frequently asked questions area.

Senator MASON: Which I do have. So when the question on notice says:

Alexandra Hills State High School computer technology program will be processed through the Queensland Department of Education and Training registration process as a matter of priority to ensure that the fee aligns with the fund's guidelines...

Ms Bloor: It should more appropriately say 'the approved positions under the fund' rather than properly guidelines or words to that effect.

Senator MASON: But the approved positions under the fund would only be known by those that have a copy of Mr Garrett's letter or by the frequently asked questions. Is that right?

Dr Arthur: No, Senator. We made that information directly available to all education authorities, which is our normal channel of communication in terms of administration of the fund.

Senator MASON: When did you do that?

Ms Bloor: After the change was approved by the minister.

Senator MASON: When was that?

Ms Bloor: Towards the end of last year.

Senator MASON: The program guidelines were not changed, but you contacted education authorities.

Ms Bloor: Yes. And put the information—

Senator MASON: And how did you do that, Ms Bloor?

Ms Bloor: In writing.

Senator MASON: So you wrote them a letter saying the rules had changed.

Ms Bloor: Yes. And we also had one of the regular teleconferences that we have with chief information officers and advised them of the changes in that context and updated the information on the website.

Senator Jacinta Collins: It might help if we also explain why the guidelines could not be changed—to clarify that point for you.

Dr Arthur: The point being the guidelines were for a past round. The fund is now operating under the auspices of the national partnership. The national partnership is a bilateral agreement between ministers and is not amenable to change without a lot of process so that the position—which is essentially an interpretation of Commonwealth views—was expressed in ancillary documentation, specifically the questions and answers.

Senator MASON: I was thrown off the scent by the department's answer to my question on notice, because when I read, 'the fee aligns with the fund's guidelines,' my poor staff—

Senator Jacinta Collins: Very diligent they must be!

Senator MASON: went through the program's guidelines and could not see anything about it that would endorse such a position, but you are saying—

Dr Arthur: Perhaps we may also clarify in that this issue does not go to a matter which is within the power of the Commonwealth in terms of the expenditure of funds. The national partnership and the guidelines go to the purposes for which our funds can be expended. In this case, in every case, what we are talking about is simply the Commonwealth taking a position that it does not disapprove of other activities which school engage in for activities which are not covered by the Commonwealth funding under the fund.

Senator MASON: So the bottom line is the authorities were contacted late last year by letter. This is not correct, what it says here in the answer to the question on notice. And on the website, the frequently asked questions, when did that go up, Ms Bloor?

Ms Bloor: From memory, shortly after the advice was provided to education authorities.

Senator MASON: So late last year?

Ms Bloor: Yes, I believe so.

Senator MASON: Could you check?

Ms Bloor: I could check, yes.

Senator MASON: Thank you. That is very good. Before I go on, I was just wondering: I asked earlier today when we were talking about the DER—and I forget the gentleman's name. A senior public servant was starting to read out a long list about commitments paid and so forth in the context of DER. I was promised that list. It has not yet arrived, has it?

Dr Bruniges: No, Senator. And, indeed, during the break, I followed up for you, and they are currently working on it, and I will have it here as soon as possible.

Senator MASON: That gentleman could have actually read it out. If we cannot have it by dinner time, could he come back and read it out?

Dr Bruniges: They have advised me during the break that they are working on it, and I think the disaggregation that you ask for went one step further than the officer had here, but I will check as well. I will get someone to check for us.

Senator MASON: Could you check, and if there is further work that has to be done, I would prefer the document as is.

Dr Bruniges: We will check.

Senator MASON: And could you let us know before we break for dinner—if, indeed, it takes that long, because we are moving through at such an expeditious rate. We are doing very well. Could I move on, still on the same context of the Digital Education Revolution. Could we just look at the DER in the budget. Can I refer to the \$132.5 million cut, or perhaps redirection is a better word—that is what the government likes to call it—from the DER project pool. Could I ask what aspects or subprograms of the DER delivery will be affected by this cut, all of them proportionately or will some of the ones listed above suffer more. So let me just explain. It is my understanding there has been a \$132.5 million cut over the forward estimates to the program. It does not impact on the computer rollout; I understand that. It has been cut out of the ancillary aspects of the DER, the so-called project pool, and that includes the digital strategy for teachers and school leaders, the establishment of a digital

education advisory group and national initiatives to support the aims of the DER, such as the national digital learning resources framework. And I understand the project pool is being discontinued after the 2013-14 budget altogether. Can I ask what aspects or what subprograms of the DER will be affected by this cut of \$132 million, all of them proportionately or will some of them suffer more.

Dr Arthur: I will clarify one aspect of that, then I will ask Ms Bloor to answer the remaining element. That includes the \$100 million for fibre connections to schools. The description of that initiative has changed over the time in the budget estimates and last time round. It was included within the DER project pool so that \$100 million of that figure is what we have already discussed, which is the termination of the fibre connections to schools.

Senator MASON: Is that right?

Dr Arthur: Yes, that is correct.

Senator MASON: I can hardly follow all this sometimes. It is all too much for me, I think.

Senator Jacinta Collins: That is the element we were discussing previously that has been taken over by the NBN.

Senator MASON: Yes, which Mr Storen was good enough to locate for us.

Dr Arthur: Indeed. And Ms Bloor can answer the question in terms of the other details.

Ms Bloor: The aspects that you refer to were not subprograms of the DER project pool. With the exception of the fibre connections to schools, they did not appear as separate line items. The aspects of the pool that have been cut as part of the \$132 million, in addition to the Fibre Connections to Schools initiative, are \$10 million that was appropriated for technical support mechanisms to schools and \$20 million that was part of the digital strategy for teachers and school leaders that had been notionally put aside for an ICT teacher proficiency tool. Following consultations with education authorities, it was determined that a number of proficiency tools are available, and the additional money came from the ICT innovation fund which has funded four projects to the tune of some \$16.8 million, and so it was left over from the \$20 million.

Senator MASON: So the digital strategy for teachers and school leaders, that is \$20 million.

Ms Bloor: No, that was \$40 million.

Senator MASON: \$40 million. And that is now renamed the digital strategy for teachers.

Ms Bloor: It contained two components when it was announced, the ICT proficiency tool for teachers and the ICT innovation fund.

Senator MASON: I have got a description of it here. It says:

The strategy is a national approach to implement systemic change to increase the level of ICT proficiency for teachers and school leaders across Australia. To achieve this, teachers and school leaders require access to reach online learning resources, world class technology, curriculum and ICT professional development. This will allow schools to engage in opportunities created under the strategy to improve their understanding and proficiency in the use of ICT in the teaching and learning process.

And, sure, when you deliver all these laptops and ICT equipment, you need people that understand it and can use it properly. If this program is being stopped, does this mean the

government believes that improving the ICT proficiency of teachers will somehow not be necessary after 2013-14, Ms Bloor? What is the story?

Ms Bloor: No, Senator. The ICT proficiency tool component of that project, under the ICT innovation fund, four projects are being supported that go to ICT proficiency in pre-service teachers, in-service teachers, and also a project that deals with ICT proficiency and leadership amongst school leaders.

Senator MASON: How much is that worth, Ms Bloor?

Ms Bloor: Those four projects are in total worth \$16.8 million.

Senator MASON: The first part, which is improving the ICT proficiency of teachers and school leaders, that aspect, would be worth what?

Ms Bloor: The projects vary.

Senator MASON: But that element would be worth 40 minus 16.8, would it not?

Ms Bloor: The 40 minus 16.8 was 20 million for the ICT proficiency tool component.

Senator MASON: What is happening to that?

Ms Bloor: That has been discontinued.

Senator MASON: So who is going to ensure the ICT proficiency of teachers and school leaders, or is that not necessary anymore?

Ms Bloor: Senator, that was for a specific tool. The concept was a self-assessment mechanism, or something similar, for teachers, and we understand that there are a number available already. There is also funding in the forward estimates for the DER project pool, and part of that will be for ICT professional development for teachers.

Senator MASON: But how much has been cut from improving the ICT proficiency of teachers and school leaders? How much money has been cut—or 'discontinued', to use the government's word?

Ms Bloor: \$22 million.

Dr Arthur: Just to be totally precise, as you said earlier, it has been redirected.

Senator MASON: Redirected—fine. That is to improve the proficiency of teachers and school leaders, and there are other programs and so forth elsewhere. We have discussed over the last three years how important it is to have people who are well trained and proficient. When you are spending hundreds of millions of dollars on computers, you need to make sure that the teachers are proficient. Otherwise, it might be a waste of money. Minister, this is really a policy question.

Senator Jacinta Collins: Don't tempt me.

Senator MASON: Dr Arthur, can you assist?

Dr Arthur: I can perhaps indicate that this process was, as you would expect, part of the overall process by which the government looked for savings right across the budget and made priority decisions across the budget to achieve those savings measures. It is not possible for me to go into the detail of what those priority decisions were, but that is the context in which this was done.

Senator MASON: Sure, but there is \$22 million which would, I would have thought, have meant that the use of ICT equipment and laptops would be better utilised by students because

teachers would know more about how to use the equipment. Or are we going to expect the states to pick it up? A bit of cost shifting into states, Minister—that that would be a good idea, wouldn't it?

Dr Bruniges: Can I just clarify that the \$22 million was for the development of a tool that allowed teachers to self-assess where they were. So in terms of their own professional development and learning, the PD courses that Ms Bloor referred to in the \$16.8 million will still cover off ICT practice, including on the pre-service side. When you look at the new teachers coming out, their ICT proficiency is probably far greater than mine was when I trained as a teacher.

Senator MASON: I am sure it would be greater than mine, Dr Bruniges. There is no doubt about that.

Dr Bruniges: Therefore, it is important that we maintain that in the workforce coming through, that we look at the existing workforce as well as some returning workforce. So that probably balances out, in a way.

Senator MASON: As the Minister knows, in other contexts—I had a debate yesterday with Senator Evans about Yale TC. I do not know if you heard that discussion.

Dr Bruniges: I did, indeed.

Senator MASON: I will not be spending too much time on it because it is not fair to the committee, but in essence it is about getting better value for money for your teaching and learning in the university case. The argument that I have always put to Senator Evans—and I know he understands the argument—is that that expenditure of about an extra \$10 million a year is worth every penny because it better directs billions of dollars into teaching and learning. Without getting into that debate, it is a similar issue here. You are spending hundreds of millions of dollars and you want to make sure you are getting the best value for money and you are using that money well. It is a policy debate, I know, and Dr Arthur has explained there are other priorities. Mr Chairman, I have expeditiously, I think, careered through the Digital Education Revolution.

CHAIR: You have, thoroughly.

Senator MASON: I do not think I have anything else that I can add on the DER. But can I just ask, Dr Bruniges, for the answer to that question on notice to be given, either orally or in writing, before the tea break. If it cannot be in writing, orally will do.

[16:34]

CHAIR: We will move to 2.4, trade training centres.

Senator NASH: The budget paper obviously indicates that the Trade Training Centres in Schools Program is going to have a revised rollout. Projects that would have been funded are now going to be delayed until 2015-16. What was the reason for the revised rollout and how many projects are going to be affected by the delayed time line?

Mr Robertson: Dr Evans mentioned earlier on that there were some decisions made across government about reprioritising funding. In respect of the trade training centres, the budget decision was to essentially smooth out the rollout of the centres by moving \$102 million, I think it is, into two years beyond the forward estimates but within the 10 years of the program which the government committed to originally.

Senator NASH: How many trade training centres are officially open?

Mr Robertson: Officially open? Do you mean there having been—

Senator NASH: How many are up and running?

Mr Robertson: Up and running. Okay.

Senator NASH: I was not asking whether there had been any cakes or ribbons cut or anything like that.

Mr Robertson: Yes, sorry. That is what paused me there.

Ms Woodgate: As of the end of May, a couple of days ago, there were 89 TTCs operational.

Senator NASH: What was the initial target of how many we are going to roll out? Was there a target?

Mr Robertson: There was not a target in this regard. As I mentioned at the last estimates, we are three years into a 10-year program, and at this point in time we have rolled out funding to around about 35 per cent of schools. So on that basis, over a 10-year program, we consider we are reasonably well on schedule.

Senator NASH: So do I take from that you are actually aiming at most schools?

Mr Robertson: Yes. The original election commitment indicated that there would be a TTC or access to a TTC for all secondary schools.

Senator NASH: A bit like the double drop-off. Weren't we supposed to have children's centres attached to schools as well? So there are 89 completed. How many are actually under construction?

Mr Robertson: We have at the moment 199 projects where construction has commenced.

Senator NASH: So 89 done, 199 under construction.

Mr Robertson: Correct.

Senator NASH: How many students across those 89 completed centres are actually taking a course?

Ms Woodgate: We do not have numbers for students as yet because last year was the first year of a number of TTCs coming online with students. About 30 TTCs were expecting to report on activity of last year, as they opened across the year. Those reports were due in at the end of March and we are just cleansing the data and putting a report together.

Senator NASH: 'Cleansing the data'—that is an interesting term. How do you cleanse it?

Ms Woodgate: Because it is the first time that schools have delivered this data to us, we are just making sure that there are data definitions and things like that.

Senator NASH: So you are getting the same type of information coming across from all.

Ms Woodgate: Quality assurance, yes. And so we should have that report later this month, and then we will have an indication of the number of students within schools who are undertaking courses through the TTCs.

Senator NASH: At risk of sounding like Senator Mason, it is too early.

Ms Woodgate: It is too early for that information, yes. Otherwise we just have the enrolment figures at the beginning of their application.

Senator NASH: Sorry, what was the date that you said you might have that finalised?

Ms Woodgate: We are hoping to have it finalised this month.

Senator NASH: Can I just ask you, then, because obviously that will be some time prior to next estimates, if you wouldn't mind taking on notice when you have that data, actually providing it as a response to a question on notice?

Ms Woodgate: Absolutely.

Senator NASH: That would be great. I am very happy for you to take this on notice, but I am keen to get a list of the centres by location, where they are open and where they are under construction.

Ms Woodgate: We will take that on notice. We do have that information, but just it is part of a bigger—

Senator NASH: I do understand that they are not always just the one location. There are clusters and collections and everything else. But as best as you can, if you can give us a picture of the completion and—

Ms Woodgate: Yes, we will be able to do that.

Senator NASH: That would be great. Is there any sort of average time that it has taken from the announcement of a centre to completion, or does it vary across the board according to the school?

Senator Jacinta Collins: It probably varies a bit, depending on how many schools are in each cluster. That would be my look at somewhere you have got to stand alone within one school setting. Might have a different time frame than if you are getting three or four different schools clustering together to offer the courses to—

Senator NASH: Perhaps if you could take on notice for me and look at them separately. So those standalone centres where it is just one school, look at the average time, and then, as best you can with the clusters, the average time for the completion for the clusters.

Dr Bruniges: We can have a look for those ones that are complete for you.

Senator NASH: That would be great. Obviously just back to the shift and the delay in the funding, what sort of consultation did you have with the industry or communication with the industry prior to the decision being made to delay that funding? Was there any or was it just a decision of government to delay?

Mr Robertson: These are budget in confidence negotiations.

Senator NASH: It is worth a try.

Mr Robertson: We did know, however, in round 3, which was announced in November last year, that it was a large number of projects and schools that were announced. We did know that schools and the education authorities were under a bit of pressure in terms of capacity, and therefore a smoothing of the roll out, we would have expected them to have been reasonably okay with it.

Senator NASH: In terms of the staffing within the department that is allocated to this particular program, has that undergone any change as a result of what I will call a slow down, if you like?

Ms Woodgate: In actual fact, while we have not had a change to the number of staff in my branch, we have actually taken on additional responsibilities with no increase in staff.

Senator NASH: What are those additional responsibilities?

Ms Woodgate: We have now taken on the National Trade Cadetship initiative and the Indigenous Ranger Cadetship.

Senator NASH: I was just about to get to the cadetships. So who had the cadetships previously?

Mr Robertson: They are an election commitment.

Ms Woodgate: They are a new announcement.

Senator NASH: Okay. So that's where—it is new, of course. How is that progressing? As it is just an election announcement, I understand it is early days, but what is the plan? How is it going to work? What is the timeline for this to happen?

Ms Woodgate: With the NTC program?

Senator NASH: The trade training cadetship, yes.

Dr Bruniges: The National Trade Cadetship?

Senator NASH: Yes, sorry.

Dr Bruniges: I would have to describe that we have been off to a fairly positive start, both in discussions with states and territories, and indeed, Minister Garrett has convened an industry forum to talk to a range of industry players about the notion of National Trade Cadetship. We will progress on, in fact, next Friday in another senior officials meeting, and we have that on the agenda for further discussion. So while it is early days, we have certainly started to discuss with both initial discussion with ACARA. Indeed, in the foundation area, if you remember the foundation of pre-apprenticeship strands that are there, looking at both general capabilities in the F to 10 curriculum, employability skills, the conversation with industry in the industry forum, and indeed, a conversation with states and territories. So since that, that is where we are up to with progress.

Senator NASH: When do you expect the first students to enrol? Is there any definitive time line yet?

Dr Bruniges: We think during 2010, we would hope, and it will be—

Senator NASH: 12.

Dr Bruniges: Sorry, that is a great roll out. Beg your pardon, Senator.

Senator NASH: That is what I would term aggressive.

Dr Bruniges: A very aggressive strategy. 2012, thank you. Next year, commencing with a phased roll out, and that will be part of the negotiations with states and territories.

Senator NASH: Sorry, you mean the second half of this—

Dr Bruniges: 2012.

Senator NASH: Right. Well, we are all with the year now.

Dr Bruniges: I should correct that. 2012.

Senator NASH: Next year. Okay. In terms of raising the awareness of the availability of this, how is that going to happen through the department? What is the process?

Dr Bruniges: I think we will work with states and territories on that, and it is clear that for schools or sites, that we are in a position to do this. We will have to raise the awareness, I think, in the industry and the Industry Skills Council, and the work that we are doing through ACARA, through the state education departments as well, once we start those negotiations.

Senator NASH: What sort of collaboration will you have with those other entities to make sure you are not all reinventing the wheel?

Dr Bruniges: It will have to be fairly strong, and already we have started down that pathway with the industry forum and initial conversation with ACARA, and I would suspect that we will need to continue that close collaboration, (1) for raising the awareness, but (2) the status of it in schools. This is a particular issue, and I think this does afford an opportunity to raise the status and provide a pathway for students that is legitimised in terms of a curriculum pathway, and I know there have been several attempts before with the VET in schools program. But this one, I think, given that we have got the foundation of our new curriculum there, and the general capabilities embedded, my take from the industry forum was there is a great groundswell of interest from industry to provide support to be able to do that in ways that articulates that clear pathway for students.

Senator NASH: We had some lengthy discussions yesterday around the VET sector and the initiatives that are now in place to be demand driven, rather than supply. So is this something that will reflect that demand? Will it be tailored to reflect the demand?

Dr Bruniges: I think industry will have a huge role. The Industry Skills Council has been helping us understand that, and we will certainly look at the areas of greatest need. I did listen to that discussion that you had, and school-based apprenticeships is another area that I know you are interested in from the previous discussion. But we would take advice. There is nothing worse than having something that is not relevant for students in schools. So the importance of what industry is seeking so that you do get a true articulation of the pathway so that there are real jobs at the end that you can't miss.

Senator NASH: Because there is no point giving them a pathway to nowhere.

Dr Bruniges: That is right. I think in the past, VET in schools within the schooling context sometimes has been a choice, depending on the teacher's particular expertise, and not necessarily driven by what industry needs.

Senator NASH: Is that going to be a restriction in smaller schools or smaller towns, the availability actually of teaching staff? I suppose with that I would ask, too, if there is not—I assume that most of these would be in the trade training centres. Where there is not a trade training centre, what will be the option for rolling out the cadetship?

Dr Bruniges: There is probably a number of options available, and as I said, we are just at the start of exploring this. In some jurisdictions, many senior secondary sites are actually registered training organisations in their own right. So there would be that. Trade training centres is another way. Depending on the nature of the modules, online delivery of some modules could be a possibility. So we are looking really for a variety of mechanisms so that you get the breadth across as many areas as we can for all students.

Senator NASH: Just that question about the availability of the teaching that you raised, is that going to be—do you foresee a restriction in any particular regions or area, just simply because of the lack of expertise to teach some of these potential things?

Dr Bruniges: I think it is probably too early to tell at this point. I think once we get a handle on those priority areas and what we are going to—I know that some staff in school will have dual qualifications. They will have dual qualifications as both being a teacher and, indeed, having a cert IV to deliver a particular trade in our trades training centres, so there is a workforce capacity issue. There are some models that we see where, for example, you get the TAFE teachers coming in to deliver on school sites, so agreed industrial arrangements where you can use the expertise of the local TAFE to be able to deliver on a school site so they are getting that set of schools if the workforce within the school does not hold that. So there is probably a variety of mechanisms there as well.

Senator NASH: Is that something you will keep on your radar? Obviously, it is too early to tell if there is going to be any kind of restriction in terms of availability at this offering. Is that something you will just have in your radar, though, and if it does occur, find a way around this, I suppose, to make sure there is some equality regardless of where students are living, in terms of opportunity?

Dr Bruniges: I think that will be incredibly important for us to do.

Senator NASH: Good.

Dr Bruniges: Absolutely.

Senator NASH: Just finally, in each of the next three years, 2012, 2013 and 2014, do you have an expectation of how many cadetships will be taken up in each year and the funding that will be allocated to each cadet?

Dr Bruniges: I think we have got a total of the election commitment.

Mr Robertson: The way to think about it is that the election commitment in the first year or two is around design of the scheme. It would be expected, because there is VET in schools activity in schools at the moment. There are TTC training facilities there. But the people who take up a national trade cadetship will do that as part of their normal schooling process.

Senator NASH: So there may well be no associated extra cost? Is that what you are saying?

Mr Robertson: That is correct. There is funding, though, in the order of 25 million for work experience places. This is a very important component of the government's announcement in this regard, because often in the VET sector they will say, 'We do not quite recognise the learning that has taken place in school because it is not in a work context,' and work experience provides the work context.

CHAIR: Just before we go onto more questions, I just want to acknowledge that Senator Wortley's term expires on 30 June this year, and to take the opportunity to publicly put on the record my thanks for her time on this particular committee. This is a busy committee. It does lots of inquiries, and I do want to express my personal thanks to Senator Wortley for all her assistance, very diligently going over all my chair's drafts of different reports and her attendance and contribution to the senate estimates as well. So I just thought I would like to acknowledge that on the public record before you leave.

Senator WORTLEY: Thank you for that, Chair.

Senator NASH: Chair, can I just add to that, as somebody who came in at the same time six years ago with Senator Wortley from our side of the fence? We are all quite fortunate that

the Senate is quite collegiate, and Senator Wortley has always made a terrific contribution and been great to work with, so thank you very much, and all the very best for your future path.

Senator WORTLEY: Thank you.

Senator BACK: Chair, I can endorse that. I think you were the chair of the first committee that I was thrust upon when I came into the Senate, and I thank you for the generosity with which you allowed me to make the mistakes I did. So I endorse those comments.

Senator MASON: Senator, if all of us could only be as happy as you always are, that would be delightful.

CHAIR: While we are all feeling happy together, Parliamentary Secretary.

Senator Jacinta Collins: I will make further statements in the valedictory, I think.

[16:53]

CHAIR: Let's move to 2.11, youth and sport.

Senator NASH: Last year in the budget, the department released a youth budget statement. It seems that there was no similar statement issue this year. Is there a reason for that?

Dr Arthur: The government decided not to make a statement.

Senator NASH: I kind of gathered that.

Dr Arthur: I really cannot amplify that.

Senator NASH: So there was no reason why?

Dr Arthur: I cannot go beyond the fact they did not choose to make a statement.

Senator NASH: Okay. Why did they do one last year?

Mr Fernando: I was not present at the time of that statement last year, but I gather that the minister at the time, Minister Ellis, decided to issue one.

CHAIR: And I think that that is as good as it is going to get, Senator Nash.

Senator NASH: Enlightening, absolutely. The wonderful thing about estimates is it shines such light on so many issues in such detail and gives such clarity!

CHAIR: These are matters for the government, and I think if anyone can assist you it is going to have to be the parliamentary secretary.

Senator NASH: And I imagine that the parliamentary secretary will tell me that the officials have just given excellent answers.

Senator Jacinta Collins: The only other thin I could say is I could indeed take it on notice for the relevant minister. I think the point made was there has been a change of minister and perhaps a change of view over what matters should be separate budget statements.

Senator NASH: If you wouldn't mind, though, quite seriously, from last year when there was one, there may well be a particular issue or there may well be a particular reason. If you wouldn't mind taking it on notice. If there is not, there is not, but if you could just take it on notice and attempt to see if there was a particular reason that last year there was one.

Senator Jacinta Collins: Certainly.

Senator NASH: The funding for the youth engagement program, that increases—correct me if I am wrong—from \$7,294,000 in 2010-11 to an estimated \$11,426,000 in 2012-13. What is the reason for the increase?

Mr Fernando: I believe that is a CPI increase.

Senator NASH: That seems a rather significant amount, but if it is CPI, that is—okay. So you believe it is, or that is actually what it is?

Mr Fernando: The appropriation for 2012-13 for the youth engagement appropriation is \$7.422 million. That is the figure that I have.

Senator NASH: Okay. I might have been given an incorrect figure.

Mr Fernando: But it does increase—

Senator NASH: So for 2012-13, what figure was that?

Mr Fernando: It is \$7.422 million for 2012-13.

Senator NASH: Thank you. I think I have been given an incorrect figure there. Thank you very much. Is there a breakdown you can give me for the provision of funding for the program?

Mr Fernando: Yes. It is made up of about five components. Do you want that for this financial year or next?

Senator NASH: Actually, both would be good.

Mr Fernando: Okay. For 2011-12, one component is called the Australian Youth Forum. That amount is \$1.693 million. Another component is the transition to—

Senator NASH: Is it possible to do the current and then the next financial year just within the component?

Mr Fernando: Yes.

Senator NASH: So \$1.693 million, and then the next financial year?

Mr Fernando: Next financial year it is exactly the same. Going to the Transition to Independent Living Allowance, that is \$3.88 million this financial year and \$3.912 million next financial year. The Youth Development and Support Program is \$500,000 and the same next year. The Australian Clearing House for Youth Studies is \$317,000 this financial year and \$323,000 next financial year.

Senator NASH: Last one?

Mr Fernando: Finally, National Youth Week is \$975,000 this financial year and \$993,000 next financial year.

Senator NASH: What I would appreciate—and I am very happy for you to take this on notice—is the organisations that have received funding in grants or support through the Australian Youth Forum and I think it is the Australian Youth Affairs Coalition. If you would just take that on notice and provide it, that would be great.

Mr Fernando: Sure, I will take that on notice.

Senator NASH: The Australian Youth Forum or programs that are administered through this Youth Engagement Program, organisations like GetUp! and the Australian Youth Climate Coalition—are they involved at all in those or a recipient of funding in any way?

Mr Fernando: I do not have a list of all of the organisations that have received funding through that. Organisations like those have received funding, but I do not think the ones you have nominated have specifically received funding.

Senator NASH: Perhaps you could take on notice actually to provide us the full list. That would be good—just the National Partnership on Youth Attainment and Transitions. It is youth connections and the school business community partnership brokers that are the two major programs. Is that correct?

Dr Arthur: The two major programs, yes.

Senator NASH: In terms of the National Partnership on Youth Attainment and Transitions, the target—again, correct me if I am wrong—is that 90 per cent of young Australians complete year 12 or attain an equivalent qualification. Is that correct?

Ms McLaren: Yes, Senator, it is correct that the target is that 90 per cent of young Australians 20 to 24 years of age will achieve a year 12 or equivalent qualification by 2015.

Senator NASH: What is the percentage that is currently being met? I suppose the last financial year, what was met?

Ms McLaren: The survey of educational work in 2010 showed that 86.5 per cent of young people had that qualification.

Senator NASH: What is the target?

Ms McLaren: Ninety.

Senator NASH: Ninety. Almost. What is the prediction for the next financial year? Do you think you will hit that 90 or is there an estimation of what might occur this year? I suppose it is a hard thing to actually estimate, really.

Ms McLaren: It is.

Dr Arthur: As Ms McLaren has indicated, the data source on this is a survey and the survey is conducted by the Australian Bureau of Statistics every two years, so we will not have a figure until the survey is conducted again.

Ms McLaren: No, it is every year, sorry.

Dr Arthur: Every year, so we will have a figure.

Senator NASH: So this figure sits out a couple of years because you are waiting—

Dr Arthur: No, the figure is coming from a survey conducted by the Australian Bureau of Statistics and so it is not particularly an end of financial year figure, it is whenever the data from that survey is published.

Ms McLaren: So, if I can give you a bit of a picture, the starting point for the national partnership was 83.5. That is where we started. In 2010 the rate was 85.6, not 86.5, I had my figures around the wrong way. In 2012 the target is that we have to be at 86.73, and that is the target upon which the states and territories will receive reward funding, if they reach the target.

Senator NASH: So what is the 90 per target? When does that come in?

Ms McLaren: 2015.

Senator NASH: The reason for the gap is you are waiting for this report?

Ms McLaren: No.

Senator NASH: Sorry, I will backtrack a bit. I have got a bit confused. So 2012, 86.73; 2015, the target is 90 per cent. Why is there a three-year gap for the target?

Dr Arthur: That was essentially a negotiation between the Commonwealth and states and territories in the formulation of the national partnership, given where we were, what would be a reasonable period in which you could expect measures taken by all parties would move that figure. Since we are dealing with the choices of a very large number of individuals, essentially all of the students in those relevant years, the process led to an agreement between the Commonwealth and the states and territories that achieving a target of 90 per cent in 2015 was an ambitious stretch but should be achievable if everyone took appropriate policy measures.

Senator NASH: So in terms of the department, in those intervening years, how on an annual basis do you measure the success?

Ms McLaren: We measure the success against the target, through the rate of achievement as indicated by the survey of education and work. So all of those figures that I gave you were figures from the survey of education and work. So we are using the same data source that we used in the beginning, and we are tracking that each year to measure our progress towards that 2015 target.

Senator NASH: So those couple of intervening years there is not a specific numerical target for either of those two years—

Dr Arthur: They are two separate things. I think there are targets which have been set as reward targets in the national partnership. As well as that, at an administrative level, we certainly have trajectories which we and our partner states and territories look to in terms of our internal purposes, seeing how we are going and whether more things, in terms of particular states and territories in their own activities, need to be conducted. But there is a difference between what has been set down in the national partnership as an achievement which will produce a reward payment, and the administration of the program. The administration of a partnership is informed by the fact that annually there is the survey of education and work which provides data on how things are going.

Senator NASH: I understand it provides data, but you would certainly have to have an expectation to see if that data is actually going to meet your expectation.

Dr Arthur: Well, certainly partner states and territories would know that unless that data year on year was tracking upwards, they are not going to meet the target by the relevant date.

Senator NASH: So basically you have got a trajectory tracking upwards. You have got your top point here and as long as you are heading in that right direction over those couple of years, you would be satisfied that—

Dr Bruniges: There may be a bit of a lag effect for the year 11 to 12, Senator, so I think your summation then was exactly right. You have got the big target at the end of 2015, the 90 per cent. You have probably got a trajectory up and using the survey of education and work, the SEW, they are actually monitoring against those trajectories.

Dr Arthur: And in addition, within the states and territories, they all have their own administrative data which will be an additional rich source for them to manage their own activities.

Senator NASH: Thank you. Is there any way of tracking, or do you track the proportion of students that finish year 12 and then go on to university?

Ms McLaren: A number of the jurisdictions have destination surveys. We do not track it at the national level, but the states and territories have destination surveys so that they follow up with young people six months after they have left year 12, and find out whether they are in employment, whether they have gone on to university, whether they are studying at TAFE; any of those things come out of the destination surveys.

Senator NASH: So it just happens across the jurisdictions rather than—

Ms McLaren: Not all of them do it. Queensland, Victoria and Western Australia, I believe, have destination surveys. South Australia is introducing one. The Northern Territory is introducing one, and the other jurisdictions have plans, but they have not started the destination surveys, from memory.

Senator NASH: Maybe now we have a new government in New South Wales it might happen.

Dr Bruniges: Senator, there are offline data sources within the higher education sector itself, and quite elaborate data sources maintained by the higher education area within this department, that which can answer some of those questions, but we are not the experts on those data sources.

Senator NASH: Funding for the Youth Attainment and Transitions Program I understand ends at the end of the 2013 calendar year. Is that something that you expect funding to continue for, or not been discussed as yet, or a matter for government?

Dr Bruniges: It is a matter for government, Senator.

Senator NASH: Got in before you, Dr Arthur. There was a question on notice that you detailed the amounts of funding going to each of the 113 youth connection providers. I am sorry, I did not bring with me the actual detail of the question on notice, but if you could, and again if you need to take this on notice that is fine, can you detail which proportion of the funding to each organisation is from the Commonwealth, and which is from the state or territory.

Ms McLaren: It is all from the Commonwealth.

Senator NASH: Okay. The Youth Connections Program has a target to assist 15,000 young people achieve outcomes each year. How do you define an outcome and how do you measure those outcomes?

Ms McLaren: An outcome is defined in two ways. We have a final outcome, which means that a young person has continued in education or re-engaged in education or training; or a progressive outcome where they have overcome a significant barrier on their journey towards re-engaging with education or training.

Senator NASH: Difficult to measure?

Ms McLaren: What we are measuring really is we have an IT system where the providers enter information about young people re-engaging with education. They have to have re-engaged with education or training for 13 weeks for that to count as a re-engagement. We also have the providers identify the significant barriers that young people are facing in order to overcome those barriers and re-engage with education or training. So the providers sit down

with the young person and work out a plan for overcoming those barriers, and when they have overcome a significant barrier they record that. So we have got up-to-the-minute data about how the program is tracking.

Senator NASH: I guess the most recent lot of available statistics—do you do it by financial year or calendar year?

Ms McLaren: We do it by calendar year.

Senator NASH: For the last year how many young people would have been assisted by this program?

Ms McLaren: So we assisted 21,464 young people, and of those, 14,161 achieved an outcome.

Senator NASH: Going into that year did you have a target of how many young people you wanted to assist and what your target rate of outcomes might have been?

Ms McLaren: We were hoping to have outcomes delivered for about 15,000 young people, but that was the first year of the program, so we actually delivered outcomes for just over 14,000 in that first year of operation. You will appreciate that at the beginning of the year providers were setting themselves up and—

Senator NASH: Yes, that is fine. I suppose it is one of these things that is not cut and dried. It is obviously not a black and white program, but how do you measure the cost of the students that were not able to achieve an outcome? Obviously you can see the value for money where you have achieved an outcome, but like anything within government, if there is expenditure that does not receive an outcome, you would want at least a reasonable guess at how much the loss was.

Ms McLaren: It is actually a bit tricky to calculate because, as I said, there were just over 21,000, about 21 and a half thousand young people who were assisted or supported by the program. 14,000 of them have achieved outcomes, but that does not mean that the other about 7,000 have kind of disappeared into the ether. They are probably still being supported by the program, or many of them would still be being supported by the program. So calculating the cost that you are trying to get at is very difficult.

Senator NASH: I can understand it is difficult, but wouldn't you want to at least have a ballpark idea, given that it is taxpayers' dollars? But I suppose even more importantly, and you say those 7,000 were probably being assisted, but if you are not sure, it just looks like a bit of a grey area. I understand the difficulty in trying to do it, but is there at least an intent to try and get a clear picture of the outcomes for those that do not receive an outcome.

Dr Arthur: I think it is important to understand that this program is one of a number of interventions, both Commonwealth and state, in the area of students in that age group or at risk of long-term disengagement from employment and education, and there are a number of measures by which we try and understand the dimensions of that problem and the costs of that problem. This program is extremely valuable in providing quite concrete statistics in terms of giving assistance to this program.

Senator NASH: I am not questioning the value of the program at all. I am just trying to understand the process.

Dr Arthur: But it would not claim to be the solution to all of those issues, nor would it claim to be able to provide information on the costs of that overall issue. That is a complex problem which we come at by a number of mechanisms and there are other people in the departments whose expertise is in analysing some of those complex issues in terms of the destination experience of young people in that group and the costs associated with their lack of success.

Senator NASH: If you could take on notice to remind me to ask you to take on notice at the next estimates the figures for the end of this year and how it is looking compared to this lot, that would be great. Thanks, Chair.

Senator MASON: Thank you very much. Doctor, how are we going?

Dr Bruniges: Very well, Senator.

Senator MASON: Excellent.

Dr Bruniges: The response is fine. I will table the data for you.

Senator MASON: Thank you. I will commence then—

CHAIR: Are you moving on to 2.12, Senator, are you?

Senator MASON: Yes, I am, thanks, Chair.

CHAIR: Are you also doing 2.6?

Senator MASON: That is NAPLAN.

CHAIR: Very good.

[17:13]

Senator MASON: I will not take long, Chair. In relation to 2.12, my question relates to the Education Tax Refund, which was a 2008-09 budget measure, which allowed eligible parents to claim a maximum refund of \$375 for primary school kids and a maximum refund of \$750 for each secondary school child. Did the department provide any information to the Treasury about the Education Tax Refund, in particular about the number of students that would be eligible under the budget measure?

Ms Milliken: The department worked with the Treasury. I was not in the area at the time. The department did work with the Treasury on the development of the measure that was announced in the 2008-09 budget, which was the implementation of the 2007 election commitment. I do not have information with me that would indicate where the numbers were provided to the Treasury.

Senator MASON: Is it likely that the Department of Education provided Treasury with numbers of students that would be eligible for the tax refund?

Senator Jacinta Collins: The difficulty in part is that the department may well have provided some information but that might not have been the full picture to determine eligibility. Some other information may well have come from other areas in government.

Senator MASON: Sure, but I am just wondering where Treasury would obtain numbers about eligible students. Where would that information come from?

Ms Wall: I think we would have to take that on notice, Senator. We are just not able to—

Senator MASON: If it did not come from the Department of Education, Ms Wall, where would it come from?

Senator Jacinta Collins: Some of the eligibility is in relation to income.

Senator MASON: Sure. Eligible parents who claim a maximum refund of \$375 for each primary school child and \$750 for each secondary, so part of it would, but part of it would also be about school students, wouldn't it?

Senator Jacinta Collins: This is my point, that the department may well have provided some information but not necessarily the full information needed to determine eligibility.

Senator MASON: Can you, Minister, or the department take on notice what information was passed on to Treasury about the Education Tax Refund, and if so, what information was given prior to the measure being announced in the 2008-09 budget? That would be great. Is the department aware that the take-up rate for the Education Tax Rebate is apparently quite low, compared to initial estimates?

Ms Milliken: The Education Tax Refund is administered by the Treasury and the tax office, so that is probably a question for that portfolio.

Senator MASON: So you have not taken any particular interest in it, or are you aware of the fact that the take-up has been low?

Ms Milliken: I do not have recent information on the take-up of the Education Tax Refund.

Senator MASON: Assuming for a second the department did provide information to Treasury, has there been any reassessment of that information in the light of the low uptake, any internal discussion about that document?

Dr Bruniges: No.

Senator MASON: No. Thanks, Doctor, and thanks, Chair. I just have one group of questions left. I am sure that—

CHAIR: On NAPLAN.

Senator MASON: On NAPLAN.

[17:18]

CHAIR: We will move to outcome 2.6 with Senator Mason. Then Senator Boyce has a couple of questions also on NAPLAN.

Senator BOYCE: I think.

Dr Bruniges: Senator, ACARA normally does NAPLAN.

Senator MASON: Yes.

Dr Bruniges: But I will give it my best.

Senator MASON: Because sometimes the issues cut across, as you know, both the department and ACARA. Let us see how we go, and if you cannot answer them perhaps I can give them to ACARA on notice. Just a number of questions about NAPLAN results being used as a basis for admission to certain state schools. It has become a bit of an issue, apparently. Schools are asking for NAPLAN results for students from out of the area if they want to go into a certain area. I realise it is a matter for state departments of education, but I wonder if I can get a little information about it. Does anyone know how widespread this practice is?

Dr Bruniges: I have heard of some cases where—

Senator MASON: Cherry-picking students, I think, is the phrase.

Dr Bruniges: Yes. The parent report is issued to every parent of 3, 5, 7 and 9 each year in about September each year, so every parent gets a parent report with information which, for example, in states and territories, identifies students' strengths and weaknesses and where they are on the common scale. I have heard of cases of that information being transported by the students going to new schools, but beyond that, no.

Senator MASON: Earlier on this afternoon I asked questions about the reward payments for great teachers and rewards for school improvement and we had that discussion earlier. I was wondering if this practice is going on, and there is some evidence it is, what are the potential consequences for those programs and their implementation, if there is this cherry-picking and people being moved across cities to go to schools based on the NAPLAN results. It could actually affect those programs. Has any thought been given to that?

Dr Bruniges: Not in the context of the forward election commitments, but I think you have raised there an important issue that we will have to consider as we go through the development of those programs, if that practice is widespread, as you say.

Senator MASON: I am not saying it is widespread, but there have been reports—

Dr Bruniges: If there are isolated incidents, I think that is a different category, and I am only aware of, as I said, the parent reports. But we would certainly ensure that the measures both within the National School Improvement Framework, and indeed for teachers, cover a suite of indicators that is not totally based on one indicator like NAPLAN. That would be terribly important.

Senator MASON: I accept that, but it still could affect the result, couldn't it? It is not the only indicator, sure.

Dr Bruniges: No, it is a serious issue, and I think the consequences in use of data is always a very important issue that we have to consider in all of those policy areas, and we will need to do so as we develop that framework, and make sure that we locate a number of sources of evidence in working out where you get decisions from.

Senator MASON: I accept that. Finally, and this may be for ACARA, but I will ask you and we will see how we go, and perhaps if you cannot, I will put it on notice for ACARA. It is the case of Shalvey Primary School, and I had not heard this until recently, but it is a very unhappy tale.

Dr Bruniges: Where is this one, Senator?

Senator MASON: Shalvey Primary School in Sydney, from the *Sydney Morning Herald*, Thursday, 19 May 2011. Regrettably, at that school their tests were stolen after the students had taken the test, so I was going to ask how will the results be treated by ACARA. I only ask because the president of the New South Wales Teachers Association, Mr Lipscombe, believes a different test result won't produce comparable results.

Dr Bruniges: That would be a question for ACARA.

Senator MASON: Let me ask that of ACARA. Can I ask then how ACARA will treat the results of the students that had their initial NAPLAN tests stolen? I do not think we have got to the bottom of that. 'The police were called' et cetera, 'Minister, this is terrible,' but I do not

think we have discovered where the tests have ended up. Anyway, if ACARA will answer that, that will be terrific. Thank you, Minister. Thank you, officers.

CHAIR: Thank you, Senator Mason. Senator Boyce.

Senator BOYCE: Thank you. Again, like Senator Mason, I am not entirely sure if NAPLAN or ACARA is the place I should be asking this. I am wanting to understand who owns the intellectual property associated with the tests that are used to deliver NAPLAN.

Dr Bruniges: Again, Senator, I think that is a question for ACARA, but I would think that they would be in the best position to answer. They developed the test, but your question goes to the heart of intellectual property rights.

Senator BOYCE: They developed the test so one presumes they own the rights.

Dr Bruniges: We would need to check with ACARA.

Senator BOYCE: Don't they develop the tests for you?

Dr Bruniges: No, they do not. ACARA actually might contract the development to ACER to develop the tests and they might use practising teachers from the ground to write items of tests. There is a whole test construction process that is gone through, so the final test, I would think, would be owned by ACARA.

Senator BOYCE: So ACER would contract ACARA to develop the tests. Is that what you are saying?

Dr Bruniges: No, the other way around. ACARA might put out a tender and say, 'Look, we wish to develop a year 3 literacy test.' They would go through a procurement process and if it was ACER won the tender for that year—I go back to 2008 and that is why I mentioned ACER—they would then put in a process of test development, or whoever had won the procurement process, and that test development process might indeed engage practising teachers in classrooms to generate a series of questions. Normally the test development process is you end up with a whole pool of possible questions, say for year 3 reading. They are then trialled and really the very best questions are then taken out of the trial. Sometimes they might trial up to three or four times the final test pool, and then they would select after trialling the very best items to ensure that you have got a robust measure.

Senator BOYCE: You would be aware, though, that internationally test manufacturing is a multibillion dollar industry?

Dr Bruniges: Yes, and indeed all kinds of tests. So there are probably topic tests, there are a whole lot of tests that are done for different purposes.

Senator BOYCE: So is there any revenue coming from the NAPLAN tests to the federal government?

Dr Bruniges: No, Senator.

Senator BOYCE: None at all?

Dr Bruniges: No, not that I am aware of.

Senator BOYCE: So you are confident of that? You do not need to go and look?

Dr Bruniges: I am happy to take it on notice to double-check, but to my knowledge, in the time I have been—

Senator BOYCE: There is shaking of heads going on behind you.

Dr Bruniges: Is there? Which way, Senator?

Senator BOYCE: The 'no' way.

Senator Jacinta Collins: Part of the shaking of heads, though, is trying to understand the basis of the question. Are you suggesting that NAPLAN tests are being used in other circumstances, or what might generate alternative revenue? I am not sure what you are suggesting.

Senator BOYCE: The sale of tests generates revenue, Minister.

Senator Jacinta Collins: And the contractor might be reselling the same tests that are used in NAPLAN. Is that the suggestion?

Senator BOYCE: I am just asking that specific question: was there any revenue from the NAPLAN test?

Senator Jacinta Collins: Okay.

Senator BOYCE: How many tests are currently used on school students in Australia that have the imprimatur of the department via ACARA or anything else?

Dr Bruniges: So there would be some international tests like Australia's participation in the OECD PISA test. The TIMSS test that is carried out in maths and science would be another example of one agreed across all states and territories for students to participate. PISA, TIMSS and NAPLAN would be the three that I could think of.

Senator BOYCE: I am just wondering if it might be better to perhaps ask these questions on notice, Chair, if you could give me the list of all the tests that are used for any cohort of Australian school students, obviously with your approval. If some private school somewhere is doing something, a one-off, you will not know about that, and the intellectual property rights owners of those tests. And if the entity that has the Australian licence for those tests is different, could you give me that entity as well?

Dr Bruniges: We will try and take that on notice. The international tests would be conducted in a number of countries, not only Australia, so OECD would be the owner, but I am happy to follow up and provide a list and the information required.

Senator BOYCE: In which case perhaps someone here has the right to provide that test in Australia.

Dr Bruniges: I will need to follow up on that one—

Senator BOYCE: That body might be ACER or ACARA, but that is what I want to know.

Dr Bruniges: Okay.

Senator BOYCE: And where possible the value thereof.

Dr Bruniges: Can I just clarify the last question, Senator. So give you a list of the nationally agreed tests that are carried out in Australia.

Senator BOYCE: Yes.

Dr Bruniges: Yes, and which entity owns the test or put together the test.

Senator BOYCE: Yes.

Dr Bruniges: And then the third one?

Senator BOYCE: The entity that has the Australian rights if it is a different group.

Dr Bruniges: Yes, if it is a different group.

Senator BOYCE: And what the value of those tests in the Australian market is, if possible.

Dr Bruniges: If possible.

Senator BOYCE: I appreciate that you may not be able to find that figure.

Dr Bruniges: No, we are happy to take that on notice and see what we can find.

Senator BOYCE: And perhaps just point of time type stuff. I do not know what will be convenient, the last financial year or whatever.

Senator Jacinta Collins: But Senator Boyce, you are interested only in those tests that have some departmental involvement. Is that correct?

Senator BOYCE: Not departmental involvement, but federally—I am not sure what the word is—sanctioned tests.

Senator Jacinta Collins: By the government?

Senator BOYCE: Tests where ACER or ACARA or the department itself would say: 'This is a test that can be used for Australian schoolchildren.'

Senator Jacinta Collins: But you are not interested, for example, in the testing conducted by the University of New South Wales across some schools? This is what I am trying to flesh out.

Senator BOYCE: Yes.

CHAIR: I think we have defined—

Senator BOYCE: Perhaps I could have the answer to that question. I might be back to ask another one next time.

CHAIR: I think we did, between everyone, define the actual terms of the question. The department will do what it can.

Senator BOYCE: Thank you.

CHAIR: I think that finishes our questioning on NAPLAN. We are now really on the home straight. We are up to program 2.10.

Senator MASON: I have questions that originate from Senator Fifield. I will ask them on his behalf and we will see how we go. Is that okay?

CHAIR: Yes. I think Senator Boyce will have some questions, too.

Senator MASON: You might need to help me, I think. You know a lot more about this than I do. We will see how we go. Minister, I just refer you to the government's new announcement of \$200 million to 'improve school experiences for students with disabilities'. I note that the government's press release of 10 May 2011 from Mr Garrett states that the package has been developed after extensive consultations with school principals, disability organisations, unions, communities and educational professionals. I also note Minister Garrett's press release of November 2010 which indicated that a working party has been established to provide advice on students with a disability. Could the department provide the committee with a list of those who were consulted?

Dr Bruniges: Yes, we can do that, Senator.

Senator MASON: Do that now, Ms Wall, or on notice?

Ms Wall: I will just clarify. We convened a working group. I will just see if we have the names with us. But outside that working group we also consulted with a range of other stakeholders during that time, and I am not sure I have that list either. We could get both for you.

Senator MASON: That it on notice.

Ms Wall: Yes.

Senator MASON: Thank you. Senator Fifield will find that very useful. What was the nature of the advice provided by those consultants?

Ms Wall: What we were asking both the working group and the others we consulted were their views on what were the priority needs of students with disability in schools and what was a priority for them in terms of additional investment and effort going forward.

Senator MASON: You were asking the people you consulted with about their priorities?

Ms Wall: Yes—needs and priorities of students.

Senator MASON: Having gone through the consultation process, was a report made available to the minister or the department?

Ms Wall: Yes. The report from the working group was provided to the minister.

Senator MASON: Is that publicly available?

Ms Wall: It is not.

Senator MASON: Can it be made available to the committee?

Ms Wall: I could take that on notice.

Senator MASON: Thank you. Did the work of the working group inform the recommendations leading to the announcement of this initiative?

Ms Wall: It certainly informed the government's consideration of this measure.

Senator MASON: Did the government adopt the recommendations of the working group?

Ms Wall: I would say that the measure strongly reflects the advice of the working group.

Senator MASON: That is a very good answer for a Thursday evening, Ms Wall. That is very clever. Succinct and canny, which I like. I like succinct and canny answers. Who made the recommendation that a national partnership model of delivery of the initiative be adopted? Is that from the working group, or is that a ministerial initiative?

Ms Wall: Details such as the mechanism of funding was not discussed—it was not within the terms of reference to the working group. They were only asked to provide us with advice on need and priority. The actual mechanism of funding was a matter for government.

Senator MASON: It was not part of the working group's remit as well?

Ms Wall: No.

Senator MASON: I note that Budget Paper No. 2, 2011-12 indicates that funding will be provided through a national partnership with states and territories and through funding agreements with non-government schools. That is correct, isn't it?

Ms Wall: That's correct.

Senator MASON: Senator Fifield's brief is very, very good. That is accurate.

Senator Jacinta Collins: His staff have been referring to Budget Paper No.—

CHAIR: It is very long.

Senator MASON: I am well over half. We are doing all right. How much of the \$200 million has been allocated to each state and territory and on what basis has this allocation been made?

Ms Wall: The budget papers reflect the split between government and non-government, and they do not go any further. We obviously, in the department, have a notional allocation then by state and territory and sector, but we want to discuss those notional allocations with them. We are about to commence negotiations with them around the national partnership and implementation plans, so we will be also discussing the nature of the funding allocations in that context.

Senator MASON: It has not been finally determined as yet?

Ms Wall: No.

Senator MASON: I understand. How many schools are expected to benefit from the initiative?

Ms Wall: It will depend on the types of strategies that the education authorities wish to adopt. You will appreciate that the situation for students with disabilities in schools varies enormously. Some of them are in special schools, some are in special units in mainstream schools, many are in mainstream classes in mainstream schools, and their level of need varies enormously. So, rather than be prescriptive, we will be indicating to the education authorities, if you like, a menu of things that we expect this funding to support, and they will then work with us to agree on the approach they want to take. A very small jurisdiction, like the ACT, might want to do something very central in terms of capacity building which supports all their schools, or a larger state might want to concentrate on some regions or some particular schools. It is too early yet. We will certainly have that information in a few months time once we have undertaken those negotiations.

Senator BILYK: So this funding goes to schools?

Ms Wall: It will be used in a number of ways. In some instances, it could go to specific schools to be used but there are other ways. We very much want it to be used for capacity building. For example, a system might use it to provide a specialist teacher or specialist unit which services a number of schools. There might be a big emphasis on professional development or mentoring or in-classroom support. Certainly some will go to schools; some might be used in a more capacity-building way across the system. Those things will need to be worked through.

Senator MASON: Senator Boyce asked an important question. As I said, this is not an area of experience of mine at all. If we are operating through national partnerships—I understand generally how that works—isn't one of the problems in the Year of Disabilities that there is not a consistent national standard and that, if we operate through national partnerships, it could mean that—how do I put this—again, there will be fluctuating standards

among state and territory jurisdictions, if we are leaving it to the states and territories to design the architecture of the program?

Dr Bruniges: I think, as Ms Wall says, we would want to have a strong point to negotiate with states and territories. The importance of the flexibility to the areas of greatest need, using a resource like a speech pathologist that might support of whole number of different schools. That might be a choice that is based on need that might be deployed in a most appropriate way. It is true there is no common definition of disabilities across states and territories. That is true. I think, as we go forward with the partnership and conversations with states and territories, we will want to have a close engagement and involvement with them in looking at how that is positioned and different, because each system is actually different. The number of special schools in one system is going to vary—the way they deploy it, the way they use their own state resources is quite different—and the allocative mechanisms within states can be quite different as well.

Senator MASON: Even for someone who is not versed in the area, I understand that there might, as you said, Ms Wall, be a different program in the ACT, because it is smaller and the density of population is perhaps greater than it would be in, clearly, outback Queensland, but consistency in national supports is also a big issue. Will the Commonwealth be doing its bit to ensure that every disabled student has access at least to some base measure from this program?

Ms Wall: If you are asking if every student with a disability will get some dollars from this, the answer would be no, because that would be counterproductive. There are many students with disability who are very well supported and have excellent educational facilities—

Senator MASON: Already.

Ms Wall: and are going well. Similarly, there are many teachers who are very well equipped and well trained to support those students. We expect this to be—

Senator BOYCE: This must be another education system to the one I get brought to my attention in Queensland all the time, Ms Wall, but, anyway, go on.

Ms Wall: We expect this funding would be targeted to where there is greatest need and, with, as I said, a strong emphasis on capacity building across schools and across the teaching workforce.

Senator MASON: But it will be the states and the education authorities that will, in a sense, define student need?

Ms Wall: They will discuss that with us. We will be having to agree their plans. If they are proposing something that does not satisfy us, we will not be agreeing to them and we will be negotiating until we see a plan where we are satisfied that it is going to build capacity and it is going to greatest need.

Senator MASON: There will be some national oversight.

Ms Wall: Absolutely, yes. Senator, I need to correct something I said earlier. I understand that the notional splits to states and territories have been provided in the budget papers—Budget Paper No. 3.

Senator MASON: Senator Fifield will get to that. On the home stretch now, Chair, you will be happy to know. I also note Minister Garrett's press release of November 2010 which indicated:

Other initiatives under way include a review of disability standards for education which clarify the responsibilities of education providers and progressing a nationally consistent definition of students which disability in collaboration with education authorities.

I understand this work commenced at the ministerial council in 2008; is that correct?

Dr Bruniges: The definition of 'disability', or the DDAs?

Senator MASON: The Disability Standards for Education.

Mr Davies: No, the Disability Standards for Education 2005 have to be reviewed every five years by the minister. What has happened?

Mr Davies: The review has been underway. It commenced in 2010. There was a discussion paper released in February and we—

Senator MASON: Publicly released?

Mr Davies: Publicly released, and we conducted face-to-face meeting in every capital city with education authority representatives and with disability parent stakeholder and representative bodies. That was to basically listen to their views on the issues raised in the standards review paper. That went essentially to have the standards assist parents, communities and schools to understand and meet the obligations under the Disability Discrimination Act and also to use the standards as a way to improve services to students with disabilities.

Senator MASON: You had the publicly released paper in February.

Mr Davies: Yes.

Senator MASON: When will that be finalised?

Mr Davies: The submission period has closed now and we are in the process of pulling all the face-to-face consultations, plus all the submissions, together and reporting to government. That will be the education minister, the Attorney-General, and I think tertiary ed as well.

Senator MASON: What is the timetable for that?

Mr Davies: We are nearing the completion of pulling all that together. I will not say the exact week, but in the next weeks we will be reporting to government.

Senator BOYCE: So it will be with government within a month or—

Mr Davies: That would be my estimate—within the next month.

Senator MASON: When are definitions likely to be finalised?

Mr Davies: The definitions are a separate exercise. The trial of a nationally consistent definition is underway. There are 150 schools participating in that over the next month or so.

Senator MASON: When will that trial be finalised?

Ms Wall: The actual trial in the schools is happening in June-July. Then we will get a report. We are planning to take that report and recommendations to senior officials at ASOC in September. We would expect, then, to go on to ministerial council at their next meeting, which I think is in October.

Senator MASON: Will the development of national definitions link with the government's \$200 million initiative to improve school experiences for students with disabilities?

Ms Wall: What do you mean when you say 'link with', Senator?

Senator MASON: Let me read the question again. Will the development of national definitions—we know what they are—link with the government's \$200 million program to improve school experiences for students with disabilities? I suppose that means the definition of 'disability'—will that be contingent upon the development of a national definition of 'disability'?

Senator BOYCE: I suspect it is partly about the state variations. What is going to happen to people who are not in now or a whole group comes in state by state? A national definition will almost necessarily mean that some states have people in or people out.

Senator MASON: Yes, that is right. Is the \$200 million program contingent upon a national definition, or will states be operating within their own definitions?

Ms Wall: Regarding the national partnership, we will be relying on states to use that for the students they identify in their jurisdiction as having disability, so that will vary. The definition work, if accepted by ministers at the end of the year, would not start implementation until, hopefully, next year. It might need to be a staged rollout because it is quite a significant change in data collection. Actually, even if we wanted that to happen, the timing would not work. So, no, the national partnership is based on the way states and territories currently report students with disabilities.

Senator MASON: Will that change next year, if the definition changes?

Ms Wall: I would not expect so, because we would have signed a national partnership and they would have had plans.

Senator MASON: It will be done and dusted by then.

Ms Wall: I would not imagine you would want to change that halfway through.

Senator MASON: Thank you, Ms Wall, Doctor, Minister and Chair.

Senator BOYCE: My paperwork for this is next door. Am I right in remembering that this is funding over three years—the school improvement stuff?

Ms Wall: School improvement or the students with disabilities?

Senator BOYCE: Yes.

Ms Wall: Two and a half years, technically. The money is available from 1 July and goes till the end of 2013.

Senator BOYCE: Most things are over four years. I was wondering why this was over three years.

Ms Wall: The reason is that the funding review will be reporting and government will make a decision about future funding arrangements which will take place from the beginning of 2014, so this measure is about a boost of investment between now and when any new arrangements are implemented as a result of the funding review. That is why it is that period of time.

Senator BOYCE: Do you currently monitor whether state education and territory education entities meet the disability standards?

Mr Baker: Do we monitor them at the Commonwealth level?

Senator BOYCE: Yes.

Mr Baker: No.

Senator BOYCE: With the national partnership, will there be some core principles in that that the Commonwealth will provide?

Ms Wall: Yes, there certainly will.

Senator BOYCE: Are they available anywhere?

Ms Wall: Not yet.

Senator BOYCE: Will they be available before the agreement is finished or—

Ms Wall: As we start consultations with the education authorities, we would be starting with draft principles and, as I referred to, the menu of parameters. They will be provided to education authorities and they will be discussed, so that will certainly happen.

Senator BOYCE: But they would not be publicly available?

Ms Wall: Normally we would not publish those until first ministers have agreed and signed the national partnership.

Senator BOYCE: That was going to be my next question. This has to be signed by COAG. By when does all this have to happen for it to all roll along?

Ms Wall: Within the next few months. Again, I cannot specify a date because, obviously, it depends upon the level of agreement and needing first ministers to agree, but we would like to have agreement by around September. We actually want the activities to start at the beginning of the school year, so we would want education authorities to be then busy planning, recruiting staff, doing whatever they need to do. So at the beginning of the school year it all happens.

Senator BOYCE: Who decides what percentage of the funds goes to independent schools and to state schools?

Ms Wall: We will be using a formula to discuss with them. What we are looking at is the division. I am just trying to find my place.

Mr Baker: We are using the share of the student population across the states to distribute the total fund between the states and, because there is no nationally consistent definition across the states, we are using general student population for the macro split. Then when you are in each state, you can use the split between the education sectors, between government and non-government, on the students with disability funding, because they all use that within the state. We will be able to describe the split based on that.

Senator BOYCE: Will inclusive education be a core principle of the national partnership agreement, or will it move towards inclusive education? Will there be a philosophical view in there about where children with disabilities are best educated?

Ms Wall: That is very much a matter for education authorities, and they would all have—

Senator BOYCE: Aren't you an education authority?

Ms Wall: a commitment to inclusive education. As Dr Bruniges just said, they operate their systems in different ways, and I am sure they would all assure you that they are committed.

Senator BOYCE: I would then go to back to the point of how you quite meet the disability standards if you are not working for inclusive education.

Mr Baker: Clearly we are, but to me it sounded like this was behind your question: will we make a decision on whether the funds to go special schools?

Senator BOYCE: Are you going to do a bit of engineering in the area—

Mr Baker: No.

Senator BOYCE: I guess that is the very bald question I am asking, and the answer is no.

Mr Baker: No. We support socially inclusive education, but we are not proposing that we make a decision on how state authorities should best allocate funds between mainstream and special schools, for example.

Senator BOYCE: But, for example, if a state authority allocated a lot of the resources to the special schools they do, by default, push children out of the mainstream system and into the special school system, surely. If that is where all the resources are, that is where parents would choose to send their children.

Ms Wall: We will be looking at those issues quite carefully as we negotiate—

Senator BOYCE: My last point was that education has been somewhat underfunded. As Ms Wall said, there are some fantastic examples, but they are, in my experience, the minority, not the majority, of really good inclusive education and good support. How are you going to guard against states simply cost-shifting and reducing their own input into students with disabilities?

Mr Baker: We will be endeavouring to do that through the implementation plan, so we will want clear descriptions and evidence of the effort that is already existing and how the state authorities are proposing this would build on and add to that. We will do that on a careful forensic basis to try and make sure that they have adequate assurance that that is what they are doing. It is in their interests not to do that, because they have significant need, and so they need to add the resources on top of what they are already doing.

Senator BOYCE: I like the forensic bit, Mr Davies. Thank you.

CHAIR: Thank you. That does now conclude the budget estimates hearings of the Education, Employment and Workplace Relations Legislation Committee. I want to thank Minister Evans and Parliamentary Secretary Collins, and department officials and agencies for their answers to questions. I want to thank senators for their participation and cooperation, in particular Deputy Chair Senator Back for his assistance in running another successful estimates program. I would like to thank Hansard and Broadcasting, who I think had far too much fun during these estimates proceedings. I remind senators that all written questions on notice are due to the secretariat by Tuesday, 7 June 2011, and I remind the department that answers to questions taken on notice are due to be returned to the secretariat by Friday, 22 July 2011. Again, I thank everyone who participated.

Committee adjourned at 17:57