



COMMONWEALTH OF AUSTRALIA

SENATE

EMPLOYMENT, EDUCATION AND TRAINING REFERENCES COMMITTEE

Reference: Private and commercial funding aspects of government schools

MELBOURNE

Tuesday, 3 September 1996

OFFICIAL HANSARD REPORT

CANBERRA

SENATE

EMPLOYMENT, EDUCATION AND TRAINING REFERENCES COMMITTEE

Members

Senator Crowley (Chair)

Senator Carr	Senator Stott Despoja
Senator Colston	Senator Tierney
Senator Forshaw	Senator Troeth

Participating members

Senator Bolkus	Senator Bob Collins
Senator Brown	Senator Denman
Senator Chamarette	Senator Margetts

Substitute member:

Senator Sandy Macdonald to substitute for Senator Troeth from 12 July to 12 August 1996

Matter referred by the Senate for inquiry into and report on:

The private and commercial funding aspects of government schools. In particular, the Committee will:

1. Describe the nature and extent of fundraising mechanisms - such as voluntary contributions, levies, sponsorships and other marketing arrangements - used by government schools and their associated organisations.
2. Examine State and Territory policies and regulations regarding the collection and use of private funds received by government schools. The Committee will also assess the adequacy of existing State and Territory legislation regulating such practices, and the implications, if any, for the role of the Commonwealth.
3. Identify the purposes for which government schools raise and expend private funds, and describe the impact of private revenue on the curriculum and teaching resources deployed in those schools.

4. Assess the extent to which private funds contribute to differences in the quality of curriculum and services between government schools, and the implications of this for equity and access.

5. Examine the implications of an expanded private funding of government schools for the implementation of the National Equity Strategy for Schools and for the achievement of the National Goals for Schooling.

6. Consider the implications of increased private funding of government schools on Australia's obligations under relevant international agreements such as the *Convention on Rights of the Child* and the *International Covenant on Economic, Social and Cultural Rights*.

WITNESSES

BODE, Mrs Margaret Danielle, Immediate Past President, Victorian Federation of State School Parent Clubs, 1st floor, North Melbourne Town Hall, Queensberry Street, North Melbourne, Victoria 3051	246
BROWN, Mrs Deborah Mary, Vice-President, Association of School Councils in Victoria, PO Box 215, Box Hill, Victoria 3128	266
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HEBBARD, Ms Leigh Anne, School Council Vice-President, Elwood Primary School, Scott Street, Elwood, Victoria 3184	266
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SENATE
EMPLOYMENT, EDUCATION AND TRAINING REFERENCES COMMITTEE

Private and commercial funding aspects of government schools

MELBOURNE

Tuesday, 3 September 1996

Present

Senator Crowley (Chair)

Senator Ferris

Senator Forshaw

The committee met at 9.08 a.m.

Senator Crowley took the chair.

HIND, Mr Ian, Acting General Manager, Strategic Planning, Project Development and Evaluation Division, Department of Education, Level 21, Rialto South Tower, 525 Collins Street, Melbourne, Victoria, 3000

PECK, Mr Francis Charles, Deputy Secretary, Department of Education, Level 21, Rialto South Tower, 525 Collins Street, Melbourne, Victoria, 3000

MAGUIRE, Mr Robert James, Assistant General Manager, School and Community Support Branch, School Programs Division, Office of Schools, Department of Education, Level 21, Rialto South Tower, 525 Collins Street, Melbourne, Victoria, 3000

CHAIR—I declare open this public hearing of the Senate Employment, Education and Training References Committee. Today's hearing in Melbourne is part of the committee's inquiry into the private and commercial funding of schools. I call the committee to order and welcome the witnesses from the Victorian Department of Education. The committee prefers that all evidence be given in public, but should you at any stage wish to give your evidence, part of your evidence or answers to specific questions in camera you may ask to do so and the committee will consider your request. I point out, however, that recent decisions in the Senate mean that evidence taken in camera may subsequently be made public by order of the Senate. The committee has just received a written submission from you, which will be submission No. 64. Is there any other material that you would care to table at this stage?

Mr Peck—Not at this stage.

CHAIR—Would you like to make some opening remarks before we put questions?

Mr Peck—I have an update to that submission; there were a couple of slight typos and so on that we have corrected. I will make a couple of introductory remarks, and we would then be happy to answer any questions that the committee may have of us. In this state in early 1993 there was a significant change in the administration and organisation of schools with the establishment of what we call the schools of the future program. The aim of that program is to provide control over the resources to, as much as possible, the school level.

In Victoria, just for a bit of context, there are approximately 1,700 government schools—slightly over that figure. Last year the budget for those schools was \$2.5 billion. That was expended by the department on the provision of education in those schools. It amounts to slightly over 20 per cent of the state budget.

In addition to salary and related costs for all staff in those government schools, the government provides each school with current per capita based grants to cover items such

as administration, furniture and equipment, maintenance for grounds and facilities, cleaning, heating, lighting, stationery, school requisites, library books and curriculum materials and so on. This year these grants will amount to nearly \$300 million. It includes nearly \$40 million in minor and urgent works, which the schools have also got control of. In addition to that, outside of those global budgets, approximately \$145 million for funding of capital works and major maintenance for those schools will be expended.

One of the features of the schools of the future program is what we call the school global budget. Schools are funded for their recurrent costs through a school global budget. Later, if the committee is interested, Mr Hind can give you some details of how that budget is built up. It has various components. It has an enrolment component. It also takes into account the profile of the students in that school. So each school has a unique school global budget in its own right.

The school global budget came out of a committee headed by Professor Brian Caldwell of Melbourne University, who chairs an education committee that advises the minister. Its first report was brought down in 1995. His final report will be brought down at the end of this year, in December 1996. In response to recommendations from the Caldwell committee, as it is called, the minister agreed to put close to \$80 million additional into school global budgets, beginning this year, over the next three years. That was for the development of literacy in schools, basically.

The second thing Caldwell is now looking at is determining the needs of the various stages of learning throughout a student's career in a school. As probably most of you realise, there are differentials between the money paid for primary schools and that paid for secondary schools. That is virtually world wide, with one exception—Edmonton in Canada.

The Caldwell committee is looking at trying to overcome that discrepancy by focusing on the needs of students at various stages in their learning. He is looking at junior primary, the middle years, which would be the upper primary and junior secondary, and upper secondary as a basis for providing funds to schools, rather than simply providing it on the basis of which sector of the school program they happen to be in.

As I indicated earlier, prior to the schools of the future, the decision making for most of the money allocated and most of the money expenditure was made centrally. The school council controlled about eight per cent of the budget. As of now, the school council has control of something of the order of 87 per cent to 90 per cent of the school budget in that three years. That includes salary items as well as the operating grants. That is a significant change.

There is nowhere else, either here in Australia or internationally, to my knowledge, where the local school has such control of government money as well as their own money. In the American situation, as you would probably realise, there is a lot of locally raised

money through local taxes. That is a different situation. Where we are in a state system such as ours, it is the only state system, or large system, that I know that has that much control.

As you probably also realise, here in this state we have had what is regarded as free, secular and compulsory access to instruction since 1872. That has continued right through to the present.

CHAIR—Since when, Mr Peck?

Mr Peck—Since 1872.

CHAIR—The first one in Victoria?

Mr Peck—Yes, 1872.

CHAIR—I thought I would remind you about the virtues of South Australia, but I will wait until you have finished.

Mr Peck—I wait with interest. The other area I mention is what is regarded as education maintenance allowance. This is available to eligible parents. It is paid to the parents, not to the school. It is to those who hold a Commonwealth health card. That is the criteria. If they hold a Commonwealth health card they are entitled to it. It is paid to children under the age of 16 years. At the present time, it is paid in two half-yearly instalments. The instalment for primary is \$127 per annum. The instalment for secondary is \$254 per annum.

CHAIR—Paid to whom?

Mr Peck—Directly to the parents. At the moment, that accounts for \$34 million within our budget. I will stand corrected on it, but my understanding is that the nearest any other state comes to that kind of maintenance allowance paid directly to parents is New South Wales with something of the order of between \$3 million and \$5 million. So that is another quite significant amount of money that goes to parents to support them.

In terms of money raising, traditionally schools in this state and, I dare say, in most states have raised funds through voluntary activities. Here in Victoria that is no less true. Most of the schools do run activities to raise money. They also run business undertakings—for example, canteens. Some of them may run uniform shops, some of them may run before and after school care where they receive funds.

I will not go through the legislation—that is on the page headed ‘Section 4’ of the submission—nor do I think there is much point in going through the policy and guidelines, which I have given you in a fair bit of detail starting at No. 5. It refers to a statement by

the former minister. Then on the preceding page there is a heading 'Voluntary parent contributions'. That is a statement that is in the 'School of the future' reference guide. It simply looks at a number of situations where parents may be asked to contribute.

In some cases, they are asked to contribute prior to the event, such as excursions and so on. In others they may take advantage of bulk buying facilities that the school may offer. If they do not wish to take advantage of that, then they have to provide the textbooks themselves. That has always been a requirement in this state. However, school councils are not able to charge compulsory fees on normal school programs in this state. That is clear both in the legislation and also in the statement that is there before you. On the bottom of that page I have given you some examples that would not be appropriate for a school to undertake, and if they did they would have to undo it.

Over the page is sponsorship. Schools are entitled to enter into sponsorship and promotional arrangements with organisations within broad guidelines. It is a school council responsibility to determine that and they are responsible for that.

In conclusion, the only comment I want to reiterate is that the legislation here in Victoria precludes the imposition of obligatory fees on educational programs. The act was changed recently. The old second schedule used to have very old statements of what instruction areas were. The instructional areas now in the second schedule of the act are the seven learning areas out of the national guidelines.

CHAIR—I think there are eight areas.

Mr Peck—Eight, sorry, that is right.

CHAIR—I just wondered whether Victoria had changed.

Mr Peck—No, we are conformists. I think the other thing I would like to say—and if you wish, Mr Hind will go through it in some detail—the school global budget allocates a unique school global budget to each school determined by enrolment; it is determined by the profile of the number of students in that school. So the actual characteristics of the students in that school are what are funded—there is no general formula for funding schools. I think that is important to realise. It is public, it is transparent, it is built on the six principles that Caldwell recommended to the minister. Each school is entitled to work out what their funds are and they are able to justify their funds vis-a-vis other funds in other schools. I think that is probably enough. We did attachment 1 and attachment 2 as things that we were asked to provide. I do not intend to go through those; I will respond to questions on those.

CHAIR—Would any of the information or reports from Professor Caldwell be available to the committee?

Mr Peck—Yes, they are public documents.

CHAIR—Do we have those?

Mr Peck—You might not have them.

CHAIR—Could you provide them to the committee? That would be very useful. Can I ask you how many schools there were five years ago—that is, at the time Mr Kennett's government came in?

Mr Peck—Probably close to 2,000.

CHAIR—So about 300 schools have been closed.

Mr Peck—Roughly, yes.

CHAIR—Are they primary and secondary?

Mr Peck—Yes.

CHAIR—Can you remember what the pre-Kennett education budget was?

Mr Peck—No. I can get it for you.

CHAIR—As I read some of the documentation, I understood that it is claimed that there has been an increase in state government education funding in Victoria.

Mr Peck—There certainly has.

CHAIR—So it is not just the same dollars allocated to a smaller number of schools?

Mr Peck—We index school grants every year. They are indexed over the last two or three years. They probably average about 1.5 per cent. In addition to that, as I indicated in my submission, \$76 million has been promised over the next three years to go into literacy. From this year to next there is an additional \$20 million going in for teacher support. As well as that, over the past two years \$8.5 million per year went in for professional development into schools. We have also been making grants for reading recovery and so on. There is a whole series of policy dollars that has gone back into schools.

CHAIR—Is there somewhere in this documentation that lists for us the \$20 million teacher support and the \$8.5 million professional development that you just said?

Mr Peck—It is not in that document. They are public. They are out.

CHAIR—Where would we find that? In the annual report or is it a document you could provide for us?

Mr Peck—They are certainly in the annual report. We can provide you with documentation.

CHAIR—That would be fantastic. Could you also tell me the difference between teacher support and professional development?

Mr Peck—Teacher support is administrative support to the schools. Professional development is the professional development and training of teachers.

CHAIR—I wondered what teacher support meant. So the Victorian government has rationalised its school places, I suppose—that is, 300 schools closed—and the allocation of money is significant and, as I recollect, there are real increases. If you could give us any data from five years ago that would be a useful help too.

Mr Peck—I haven't got data from five years ago.

CHAIR—This amounts to \$2.5 billion—over 20 per cent of the Victorian state budget. By now we are probably halfway through our hearings into this term of reference. So we are now beginning to get some information from other state departments and parents and schools around the country are helping us focus a bit on our inquiry. I want to thank you for telling me that Victoria offers a free secular education.

Mr Peck—And compulsory up to the age of 16.

CHAIR—And compulsory. When did it go to 16?

Mr Peck—In the sixties. It was 15.

CHAIR—One of the things that has emerged is a considerable confusion about exactly what is in this area. For example, a lot of people think free education means you don't pay anything extra. Just about every state now says that even though they have something like a free education it is not free in the ordinary understanding of the word. That is one area of confusion. Another is that you state—and they are spelt out here very clearly—there are grants of \$2.5 billion. Then there are recurrent per capita based grants—

Mr Peck—No. The \$2.5 billion is the total budget. That includes salaries.

CHAIR—Thank you. In addition to salaries and related costs, which I presume is the \$2.5 billion, the government provides each school with recurrent per capita based

grants to cover administration, furniture, equipment maintenance and so on. These grants totalling \$287 million include \$38 million for minor and urgent maintenance, which, as I understood you to say, was allocated to the schools. How do you divide that per school?

Mr Peck—We have assessed all our schools and, depending upon their age and time since their last major maintenance upgrade, we have allocated on a formula basis an amount of about \$38 million. That goes directly to schools within their grant as dollars. They then use that money for what we used to call urgent and minor maintenance, which included spouting, broken windows and any of those types of things. They are able to use that money that they have now as cash rather than going to the public works department, as they used to, and have it done through a formal contract. The school council can let their own contracts to tradesmen in their own areas as anyone else would.

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CHAIR—Is there a limit on how much any one school can spend on minor capital works?

Mr Peck—No, they can spend up to their total budget if they like. Within the school global budget there is no division. In a sense, it is a one-line budget. They can move money between the elements at their decision.

CHAIR—Why would you be bothered distinguishing between minor and urgent maintenance and administration and furniture and equipment?

Mr Peck—Because schools have different requirements depending on the type of school, when it was built and the kind of rooms that happen to be there. Some of our schools are 100 years old and others were built yesterday. In order to be fair to schools, we take all of that into account and allocate the money on that basis. Then those schools which get those works and services can spend up \$30,000 without authority. That is their limit before we regard it as a major element.

CHAIR—What about the \$145 million further capital funding?

Mr Peck—That is for new schools and what we call major upgrades. In other words, we go into a school and redo it totally.

CHAIR—You said that you believed Victoria was way in front of anywhere else—

if not in the world, at least in Australia—in terms of school responsibility of management for their own budget.

Mr Peck—Yes.

CHAIR—What exactly does the school council manage?

Mr Peck—Over 90 per cent of all that goes into their school.

CHAIR—That presumably means?

Mr Peck—That is salaries. They hire teachers on whatever basis. There is total local selection. We have no involvement in the selection of staff at all. Even though they hire them as our agents, they remain members of the teaching service as part of the Public Service. That is a protection for the teachers.

CHAIR—So if Smith Plains school advertises that it wants a science teacher, a geography teacher and anyone who is interested applies, when they were appointed to that school, they then continue to be or are hooked into the Victorian school education assessment, or whatever.

Mr Peck—Yes, but they can also employ them on contract. They can employ them simply for three months or 12 months or up to five years on contract. At the end of their contract period, the contract is finished and they are no longer employed under the Teaching Service Act.

CHAIR—Are you saying that if a teacher was employed by a school on contract, they would not be connected to the Victorian teaching service in the same way as a salaried teacher?

Mr Peck—Yes, because they are selected staff.

CHAIR—What would the difference be?

Mr Peck—There is no difference other than at the end of their contract they do not have a position within the teaching service. They have been contracted in like a Public Service employee contracted in for a set period of time.

CHAIR—I might come back to that.

Senator FORSHAW—I wish to follow that up. Isn't it the case that new teachers are invariably employed under contracts rather than under traditional awards?

Mr Peck—That is totally a school decision.

Senator FORSHAW—Isn't that the case?

Mr Peck—Predominantly, during the year schools tend to employ on contracts because they employ to the end of that particular year. There is no requirement on the employer to give a contract; they can employ any way they like. They have all the avenues of employment open to them. That is a decision depending on their budget. If they have the money in their budget, they can employ and use any of the employment processes we have.

Senator FORSHAW—I am just trying to ascertain the distinction between another state, such as New South Wales where teachers are ultimately employed, as I understand it, by the department and allocated to a school. They are permanent employees of the department unless they are employed as casuals or relief teachers. We are talking about permanent full-time teachers.

As I understand the position in Victoria, that is not the case. It may have been the case in the past that teachers were employed in the traditional way by the department—that is, as permanent staff who could be transferred from one school to another at the end of the year. What we have now is a mix but, more and more, as new teachers come into the system, they are employed on individual contracts.

Mr Peck—At the present time that is the situation to a large extent, but the schools are responsible for handling all of their work force plans. In other words, as schools become what we call full staffing, flexibility schools—which means they can advertise outside and interstate and they do not have to take people from Victoria if they do not want to; that is their choice—they have to take account of people on leave and women on maternity leave and be able to fit them back in, because they all have the right of return.

A lot of schools were originally 100 per cent permanent staff, but they have tended to employ on contract in these initial two years in order to get their average of permanent staff down so they are able to cater for returnees from leave. However, as they move to a situation where they have a balance and they are able to handle it, there is no reason at all why they will not employ on a permanent basis, providing their budget and work force plan allows it.

Senator FORSHAW—What has prompted my question is that evidence was given in respect of this before the Senate committee looking at the workplace relations bill, where obviously we had industrial relations considerations. I was there when that evidence was given, but what I am interested in with respect to this aspect is what impact that sort of system has on school funding, as distinct from what we have been witnessing in New South Wales, where there has been an ongoing negotiation over teachers' salaries. It is a different perspective to having a whole series of individual schools presumably determining salary levels for these teachers as well as the method of employment.

Mr Peck—Yes.

CHAIR—I have a couple of questions. You said that 87 per cent of the school's budget is allocated to the school. What is the 13 per cent kept for?

Mr Peck—Thirteen per cent is kept for central administration, regional administration, services outside the school fence and those kinds of things. In broad terms, about 10 per cent of the \$2.5 billion budget is outside the school fence in central administration and regional administration.

CHAIR—Who pays insurance for schools? Does the school council or the central administration pay that?

Mr Peck—We are self-insured, basically.

CHAIR—What does 'we' mean?

Mr Peck—The department is self-insured.

CHAIR—Right. But if you had schools that burnt down regularly as against schools that never burnt down, have you equalised the insurance as the department used to?

Mr Peck—No.

CHAIR—Can I just put it this way. Although I know that everything in Victoria is greater and better than ever before, I want to remind you that South Australia's education act was, I believe, brought in in 1846, and we did have a fair amount of local school management of very significant budgets about 20 years ago. But we are very pleased to learn from Victoria.

Mr Peck—We are quite happy to provide that.

CHAIR—One of the things we had to deal with was what happened when school funding and responsibility was devolved to the schools. What happens with the insurance? Some schools are much more prone to vandalism or being burnt down than others. Some schools that were not prone to being burnt down were very pleased to say, 'Well, we'll have small insurance premiums,' and then they let the others go for broke.

What we discovered at that stage—I do not know what the state of play is now—was that the insurance budget for the education department had been equalised across all schools and there was an amount. Is that happening in Victoria?

Mr Peck—We self-insure, basically. If a school is burnt down, we replace it out of

that \$140 million for works and services.

CHAIR—So the school councils would not be carrying any insurance?

Mr Peck—Not on buildings being destroyed in that sense. Also, all our furniture and equipment is on asset registers. If a series of computers is burgled out of a room, providing they are on the assets register, then we provide funds for replacement. So, in a sense, the department self-insures, providing the stuff is all recorded.

CHAIR—In 1995 you added to a budget of \$287 million \$76.5 million.

Mr Peck—Over three years, so it is about \$25 million.

CHAIR—Okay, \$25 million. That is about 10 per cent.

Mr Peck—Yes.

CHAIR—Still, 10 per cent is a fair whack, particularly when you say it is devoted to literacy.

Mr Peck—That is \$20 million on \$2 billion. We added \$20 million for literacy.

CHAIR—Onto \$287 million?

Mr Peck—If you are going that way, yes.

CHAIR—I am going that way. You are adding it to the global budget, aren't you?

Mr Peck—We are adding it to the grants, yes.

CHAIR—You actually said that it is added to the school global budget.

Mr Peck—Yes, which consists of—

CHAIR—The \$287 million.

Mr Peck—No. The \$287 million is only the actual cash grant to schools. You have to include the salaries which are 87 per cent of our costs to make up to that \$2.5 billion, or whatever the figure is.

Senator FORSHAW—It is 87 per cent of \$2.5 billion.

Mr Peck—Yes.

CHAIR—How do you allocate that literacy grant? Were you surprised at being able to get that kind of significant contribution to one area of education requirement and is it because there was a measurable lack of literacy skills in schools in Victoria?

Mr Peck—I will ask Mr Hind to give the details of the grant, but in 1995 we had what we called the learning assessment project. That population tested all students in years 3 and 5 and came out to the extent that about 10 per cent of the students in those years had literacy problems. The government made a policy decision to eradicate illiteracy from primary education, a decision which has echoed elsewhere, probably. It accepted advice from both the Caldwell committee and from people like Robert Slavin from Boston who say that, if a child is illiterate by the end of their second or third year in a school, then it is very difficult and extremely expensive ever to get them to literacy levels and, therefore, you should put all your resources in at that level, even if it comes down to one on one.

The government accepted that advice and, as a result of that, those grants became a policy item. It was funded and that money goes in and will continue to go in next year's budget. Ian knows more of the detail of the grant.

CHAIR—How is it earmarked? Can a school decide to spend their allocation for literacy on a teacher, as apart from books?

Mr Hind—Yes. It is up to the school as to how it wishes to spend the funds. In accordance with the charter of the school, the school has to be accountable for the expenditure of the funds, but there is not a prescription as to the type of resource that the school must spend the funds on.

Senator FERRIS—Mr Peck, I would like to talk to you about voluntary contributions. Do you have any sort of documentary evidence of the range of contributions in both primary and secondary schools? Is it possible to supply that to us?

Mr Peck—I can give you some indication. The schools of the future program was fully implemented in July last year, so all schools, as schools of the future, will have to provide an annual report by the end of this year. That will be audited by June next year. So at this stage I have not got any detailed information, but I can give you some idea. Basically, if you look at money that a school raises locally, there is probably a number of things. They have business activities, which is before and after school care—they may get some funds to enable that to happen—they have excursions, they have canteens and then they have voluntary levies. The before and after school care is basically cost neutral; They make very little out of that. Excursions are usually simply money going through the books: the money comes in and it goes out, and so there is very little profit on that. Canteens generally are there to provide a subsidised service. They probably make a small profit, but not very much. Then you have got voluntary fees.

To give you some figures that may be of some assistance, as of 31 December

1994, according to our audits of schools, in the official school and investment accounts there was \$190 million that schools had invested in their official account or investment account as at the end of 1994. That is money that they had in their accounts. Twelve months later—that is, 31 December 1995—they had \$216 million in their accounts. One hundred and fifty five million of that \$216 million was in investment accounts and \$61 million was in official accounts. As you have probably realised from the legislation and the regulations, all money raised by parents and school councils has to be kept in official or investment accounts.

Even though that is an increase in money and it would seem to suggest that our schools are able to invest money, we have got to realise there has been a very significant change in the way in which we are now funding schools. For example, a school can, in fact, cash in salary: in other words, get cash for salary. If they decide to run with two less teachers, they can get the credit changed to cash and that money can go into their account. In the teacher support area that I spoke to the senator about, 50 per cent is provided in cash and 50 per cent in credit. I mentioned professional development before: there has been the equivalent of \$17 million go into schools over the last two years and \$14 million will go in next year. That is cash—

Senator FERRIS—Thank you for that. I was interested in the range of—

Mr Peck—Can I come to that, because I think the grants we talked about are important. So, there is money in school accounts out there. If you take salaries into account—which you have to do, because it is the major operating expense of a school—our indications from our audited statements are that between five and 10 per cent of the operating expenses of a school come from private sources. That may be from business activities, it may be from interest that they earn on investing government money and it may be from voluntary contributions. It is certainly no more than 10 per cent. It is somewhere in the range of 5 to 10 per cent on our best audited statements as at the moment. We will know better in June next year.

Senator FERRIS—It is the range of parent contributions that I am interested in.

Mr Peck—We have no indication of that. That is solely a school council decision.

Senator FERRIS—And there is no data collected by the department?

Mr Peck—Not in terms of what fees a school charges in voluntary terms.

CHAIR—How can you say to the senator that it is no more than 10 per cent if you have not got the data?

Mr Peck—No, there are two different questions. I was answering two different questions. One question I was being asked was: did we have figures which could show the

costs. I went through the series of money that came into schools and said, 'Of the operating expenses, including wages and salaries for teachers, from the audited statements that we have at the present time between five and no more than 10 percent comes from other than government sources.' That is, business undertakings, voluntary fees and whatever.

The second question I answered was, 'Do I know the level of fees charged?' The answer was, 'No. All we have is the audited statement of the money collected. We have no indications, school by school, of what fees they set up.'

Senator FERRIS—You no doubt would be aware of Dr Tony Townsend's surveys and the comment that his surveys have revealed that two of five respondents to a questionnaire that he conducted indicated that parents were less than satisfied with the level of contributions that they were being asked to pay. Would you have any comment to make on that?

Mr Peck—I would just note a couple of things in general terms that Tony has claimed. Firstly, they are based on a sample of 20 to 26 schools, as we understand it, across the 1,700. He analysed school charters which are about projections rather than actual expenditure. He totally ignored salaries out of the money. In other words, all he is talking about is the cash amounts. In this state, you cannot ignore salaries because schools are able to cash salaries. It is a one-line budget. It is not like any other state where you have a salaries component in your budget.

If you take the figures that Tony is talking about, he really is looking only at something of the order of 13 to 15 per cent of the operating costs of schools. I think that does not necessarily contradict the figure I gave you a minute ago of about five per cent of the total operating costs of a school. Maybe up to 10 per cent comes from those other sources.

Senator FERRIS—I am interested in issues of confidentiality about voluntary contributions. You may be going to again tell me that the department has no role in this. But I would be interested to learn whether you have any charter by which schools are obliged to try to maintain confidentiality of those parents who for one reason or another have not paid contributions. What do you think that might do to a child if that contribution is known to have been paid or not paid? And does the department have any concerns about that?

Mr Peck—The area I did not go through in the submission, particularly the statement on voluntary fees, points out that when deciding on the levels of fees and whether they should charge fees and what they do in relation to voluntary fees unpaid the school council talks about taking into account the community that they are in, the socioeconomic area of the community and the expectations of the community. We would very strongly support these things being confidential.

Nearly all schools handle them and come up with alternative ways of funding students who are unable to pay some of these voluntary fees. Even though at the beginning or end of each year there tends to be some press coverage of levies and school fees, generally schools handle it in a very confidential and realistic way. But it is, as I said, a school council responsibility. If we do have complaints we have a complaints procedure that we go through and, if the school is at fault, they have to undo it.

Ms FERRIS—Do you have any understanding, or have you done any research in the department, into the degree to which a school pursues the payment of a voluntary levy?

Mr Peck—No research. If a parent complains that they believe that they are being unduly harassed for a voluntary fee and we get a complaint, we will investigate it.

Ms FERRIS—Have you had many of those complaints?

Mr Peck—Rob Maguire handles it.

Mr Maguire—No, not many. As Mr Peck indicated, there are seasonal levels of complaints, usually when schools notify about contributions towards the end of the school year and at the start of the school year. There are small but regular phone calls which my branch gets where the branch is responsible for the policy. But, equally, a number of calls go to regional offices as well. So there is no consolidated data on complaints, but there are complaints from time to time. Most of them are just about clarifying the policy and those seem to get back to an issue of communication. One of the key issues is how things are communicated to parents.

Senator FERRIS—Do you normally have the use of debt collectors to—

Mr Maguire—No, we don't.

Mr Peck—If they were and they came to our notice, the school would not be able to pursue it. It is quite clear that the legislation, the regulations and all the policy statements are voluntary fees. So if any of that ever came to our notice, the school would be approached and would be asked to stop.

Mr Maguire—That would be totally against our policy.

Mr Peck—We do intervene. I have intervened, as the regional general manager in the western suburbs where I was, in schools. We had situations there where schools were attempting to turn voluntary into compulsory and we simply said, 'No, you can't; stop it. Withdraw the statement.'

Senator FERRIS—Yes, but having said that, I notice in here you talk about

children knowing in advance whether or not they can go on an excursion. I wonder how you go about ensuring that happens. Surely if the voluntary levies are paid at the beginning of the year and the excursion is not until the third term, if they are not paid, does that mean that all through the year the child cannot go to any of these excursions?

Mr Peck—If the excursions are not part of the normal program that would be true, but in most of the schools, if not all of the schools, the schools usually make arrangements for those children. Remember that there is \$35 million as well outside of the school that the department funds to parents as educational maintenance allowance. Sure, the parents decide how they spend that, but there are, as well as our funds through the school process, a lot of millions of dollars going out to parents of students who, under the medical health card, indicate that they have difficulties. We do have other provisions. As well as that we have the state school relief fund. There are avenues that students who find themselves in that situation and schools are not able to handle it themselves can access if they want to.

Senator FERRIS—Can I just clarify one other point on the issue of portability? If a child spends the first term in one school and then moves to another school, how is the second school notified that the fees might have been paid at the first school?

Mr Peck—It should be done through the transfer papers. If not, and it comes to our attention, we will ensure that it happens. But there is a formal transfer note that passes between schools.

CHAIR—I would like to tell you that in one other state, even though they have a voluntary contribution, we are advised that the debt collectors are sometimes sent to assist those parents to remember to pay even though it is quite clear that those claims cannot be pursued through the court. The debate in that state is about whether to make it legal or whether to back off and say it is quite improper.

I thought that your taking issue with the evidence of Dr Townsend through Senator Ferris's questions was interesting. I can see the validity in your debate about whether or not salaries are included. I can also see that it is a bit of a furphy, or at least it is a good distraction. What the evidence show is that there is a difference from one school to another about what the voluntary contributions might amount to as a percentage of what that school is able to raise or gets from its parents. I can well imagine that all sorts of factors come into account here—social and economic distribution and goodness knows what. Now that schools can make up their own minds, I am sure that there are some schools who would probably cash in a teacher for a computer. Before I go on and ask the rest of my question, do you know of any teachers who have been cashed out, or cashed in? How many people have sold their teachers for the money?

Mr Peck—It is not so much selling their teachers.

CHAIR—I know, Mr Peck. I am now being flippant.

Mr Peck—No, it is quite a legitimate question. If a teacher leaves, a school then has the choice of saying, ‘Do we replace that teacher with a teacher? Do we replace them with an experienced teacher, a contract teacher, an ongoing teacher, or do we buy in some support for the teachers?’ Victoria has the lowest teaching support of any state in this country. We have more teachers per student than any other state—or we used to—and we have less teacher support. We have always had less teacher support. Compared to New South Wales, we are well down.

The schools, of their own volition, are starting to redress that balance. So, when a teacher leaves, the school have a decision to make about how they will spend that \$50,000, so they make those decisions. Yes, we have had schools who say, ‘The teacher has gone. We will have one less teacher and we will employ two teacher aides to provide support for the rest of the teachers.’ That is occurring.

But let us just come back to your first point: whether it applies in other states or not I am not sure, but certainly now in Victoria, where you have a one-line budget you cannot exclude salaries from the consideration of the operating costs of a school for the very issue I have just talked about.

CHAIR—I appreciate the good arguments, Mr Peck; but it is true: whatever the percentage is and whatever it is a percentage of, some schools are raising far more than others.

Mr Peck—Right.

CHAIR—This may be because that school has decided to or whatever. We have been taking evidence about this. I read the submissions, for example, from your own Victorian state school parents organisations and parent council organisations. They want to say that this is a very significant concern for them. Questions of equity are beginning to be a major concern. If your child happens to live there and gets to that school with those parent councils making that decision, then you can expect a different outcome for your child than if they finished down there.

Mr Peck—Let me answer the question.

CHAIR—Before we get into how we measure outcomes—and I can say that, until 1995, 10 per cent of the children in this state were not reading; so I am glad we have fixed that bit up—

Mr Peck—No, that is not what I said.

CHAIR—No, you did not.

Mr Peck—Thank you.

CHAIR—But you did say that 10 per cent of children up to year 5 were judged as—

Mr Peck—Less than expected.

CHAIR—That is right. The point is that there is the potential and on some data an emerging, already evident difference or big discrepancy between schools. This is concerning.

Mr Peck—Can I give you some information on that very issue?

CHAIR—Yes, please.

Mr Peck—In relation to school global budgets, the point you make is valid. The point you make is that some schools in some areas may be able to raise more outside money by voluntary levies compared to other areas. All schools raise voluntary money through one source or another—all schools, from the smallest to the largest, irrespective of suburb. They all have some kind of fundraising. However, because of the way we allocate our school global budget—that is not based on enrolment solely; it is based on the composition of the students of that school—there is a differential between how we fund a school in the eastern suburbs and how we fund a school in the western suburbs.

CHAIR—I appreciate all of that.

Mr Peck—Wait a minute, though. Let me give you some information. A school in a low socioeconomic area will probably get through their school global budget up to a third more funds than a school in an affluent area, both primary and secondary—probably primary is 25 per cent.

CHAIR—I thought Mr Townsend said that he believes the Victorian government has now got the fairest formula for the allocation of funds?

Mr Peck—It is the fairest, because it takes into account—

CHAIR—So we believe him on this point?

Mr Peck—You can believe Tony all you like; I do not have to believe him.

CHAIR—But you want to believe that line.

Mr Peck—I am saying that we now have a process by which we fund the needs of the students in that school, not by numbers.

CHAIR—That is true, Mr Peck, but there is still significant discrepancy between

the money coming into one school and the money coming into another, particularly through private contributions—whether it is parental levies, whether it is fundraises or whether it is sponsorship. This is a major concern.

Mr Peck—The figure I have given you is between five per cent and 10 per cent. That is the difference. If a school in one area is getting through their school global budgets approximately a third more on the number of kids they have because of the cohort and the profile of those children, then five per cent differential in terms of levies coming into schools is catered for from the voluntary money. If it were a level playing field, then I would agree with your argument; but it is not a level playing field. The schools start off with different funding bases from government funds. If it was a level playing field, then I would agree with your argument, but it is not a level playing field. The schools start off with different funding bases from government funds.

CHAIR—I appreciate that we are at cross-purposes.

Mr Peck—I do not think we are at cross-purposes. I think we understand each other's position very well. In regard to this system of global budgeting, the beginning of 1995 was the first major time and then in 1996 it was fine-tuned as a result of the Caldwell report.

Senator FORSHAW—Do you have any proposals for the review in a few years time to measure financial and economic considerations and also look at educational outcomes and how they may have changed?

Mr Peck—That is the next area. Caldwell is to put in a final report by the end of this year. He is looking at the stages of learning. In other words, should there be differential funding for students, say, in K through 3, 4 through 8, 10 through 12? He is looking at that at the moment and saying whether we should allocate resources not only on the social, economic and educational background of the kids but also on their stages of learning. Do they need more money? Do they need more support at various stages? So that will be an interesting report when it comes back. It looks at a totally different basis of funding for schools.

The learning assessment project, the minister has announced, will go into secondary schools probably from the beginning of 1998. We will pilot it in the next year. We have population testing on literacy, numeracy and science at years 3 and 5 in the primary area. That will continue year on year. So we will start to build up some educational outcomes. Also, a secondary assessment project will come in probably at two different levels in secondary. So hopefully we will be able to start to tie what are the connections between the way in which money is allocated to schools, how it is allocated within the schools and learning outcomes. But we are a long way away from that. We are monitoring that as we go through.

Senator FORSHAW—If schools, particularly with school councils and parents having a far greater responsibility now for the finances and all that goes with it, including the hiring and firing of staff and management of the school and so forth, what sort of support, advice and regulation, if any, is there to oversee that system in the schools so you deal with the problems whereby a school may not have a school council with sufficient expertise to deal with these sorts of issues?

Mr Peck—We have a system of districts where we have 60 experienced principals who have become what we call district liaison principals and who deal with the principals and school councils of about 20 to 30 schools depending on whether it is metropolitan or country.

Senator FORSHAW—This sounds very much like the cluster directors we had in New South Wales.

Mr Peck—We have put in a large amount of training through our satellite system, which means that it can go into every school in the state, can be videotaped and played at appropriate times for school councils. School council organisations run programs right around the state to increase the expertise and so on of school councils where that is needed. There are very detailed personnel manuals. All the awards, all of that material is there. We provide information and service on that. We centrally represent the school council if it comes to an award argument or a wrongful dismissal or any of that stuff.

Senator FORSHAW—If a school council were successful—it finds innovative ways of raising money and does very well in terms of its private or commercial funding—is there any impact upon the global budget allocation for the ensuing year?

Mr Peck—No.

Senator FORSHAW—That is guaranteed?

Mr Peck—They get what they are entitled to out of government funds.

Senator FORSHAW—We have had some submissions—I cannot recall from whom but I have made a note here about this—that the Victorian Education Act states that, in the subjects specified in the second schedule, the instruction of all children attending a state school shall be free. The second schedule specifies the eight national curriculum areas. The question which has been raised with us in another submission is: can students complete that set course of study in those eight curriculum areas that are set down and meet the assessment criteria if they do not have access to the relevant resources? In other words, is it meaningful to separate instruction tuition from the materials that are needed for that tuition?

Mr Peck—The government funds provide the basis for those eight learning areas

in every school. The student cannot be excluded from activities associated with the programs in those eight learning areas because they have not paid fees. That is unequivocal. So the position is that the government funds provide the basis for that program to be run, for that assessment to be done and so on.

Senator FORSHAW—Presumably, there is an obligation on the council to ensure that those funds—

Mr Peck—That those funds go that way.

Senator FORSHAW—It will be audited somewhere that it is spent on that?

Mr Peck—They have to spell out in one of the items in their charter the programs that they are running. That has to be signed off for the next three years. In signing that off they then have to run their budget against that charter. In other words, their expenditure of funds are audited back against their charter, which is an agreed charter.

Senator FORSHAW—My final question—I think I am right but I may have to correct this; I will ask the question anyway—relates to commercial and private funding for government schools, which is what this inquiry is looking at. We know that the non-government school sector—let us say particularly the Catholic school system, which runs the largest systemic school system in this country in various states—relies quite substantially on fees plus other forms of contribution.

My recollection and understanding is that in, say, New South Wales teachers' salaries and other funds that are required for the running of a school—maybe salaries for teacher aides or support and administrative staff—are funded globally through the Catholic Education Office rather than each school being responsible for paying their own teachers. This came in some years ago because of the problems of some schools charging higher fees or having greater resources. So what, in effect, you have is an equitable approach through the system for the essential expenditure of salaries and so on. Those salaries are in turn tied in some way or another to awards which are probably counterparts to those of the government sector. So the other contributions go into things, whether it be buildings—and they get federal government funding for that—or all the other things.

That is a different system to what you are operating here in the government sector. What happens in the non-government sector here in Victoria? Would you have a comment to make about the difference? What we have seen to some extent in the non-government sector—say, in my state—is a large part of the funding following the state model in order to ensure equity between low socio-economic areas and those that are more wealthy and, therefore, the parents may be able to contribute more towards running the school.

Mr Peck—The Catholic systemic system basically operates in the ways you have indicated: the funds go centrally to the system and then the system allocates it through

whatever method they do. That is both Commonwealth and state funds.

Senator FORSHAW—I am focusing pretty much on the issue of salaries.

Mr Peck—As I understand it, that is basically how it is done here. We have moved away from—it might not quite be answering your question—saying that a school has to have so many teachers. That has been the biggest change, in a sense, to what we have done. Most other systems have some formula basis, including, I suspect, the Catholic systemic system—if you are a certain size, you are entitled to so many teachers because that is how you get your equity. We have moved away from that in the sense that we no longer strike a starting establishment with a school. We strike a global budget for the school and then say to the school, ‘You now allocate your resources as you like’, knowing that a large element of that will have to be salaries.

Fortunately, schooling is a person to person thing. We do not specify exactly how many teachers will be there or how many teacher aides or so on. They make those decisions. Most of the voluntary funds that are raised do not go into salaries generally for the simple reason that if voluntary money was to go into salary, which is an ongoing recurrent expenditure, they would have all of their fund-raising committed year on year. Voluntary funding tends to provide one-off additions to the library, additions to technology in the school, additions to playgrounds and these kinds of things. You do not get a lot of the voluntary money raising for recurrent expenditure. It is mainly to add something.

As I said, the difference that we have now moved to is that we do not specify staffing schedules at all. The systemic schools and most of the state systems still have a staffing schedule for schools, whether it be teachers, aides, paraprofessionals, office staff or whatever. We don’t have that any more.

Senator FORSHAW—As a final point, I find it interesting that as we have seen non-government school sectors become more and more reliant upon government funds and they have adopted systems that were state-wide and modelled on the departmental system, you are heading in a slightly different direction.

Mr Peck—We may meet somewhere in the middle or pass each other in the night.

Senator FORSHAW—I find it interesting in the context of the emphasis made on the voluntary contribution and the direct fee paying aspect.

CHAIR—We have run out of time. I have a couple of questions I might put to you, to which we could perhaps get shortish answers. I would like to preamble it by saying that this has just been one of those times when I wished we had a much longer session. I am not sure whether you agree, Mr Peck. I am talking about the state of your health, not your willingness to answer. I mean that. It is one of the areas that is enormously fruitful for us. It is a little different, as Senator Forshaw has just drawn out.

Do you have legislation or regulations determining anything about school councils or how they are formed? If so, can you get us that information because it might save us time now.

Mr Peck—Very quickly, school councils have a composition of parents and employees. No more than a third of a school council can be employees of the department. Then they have co-option rights, but we can get you a copy of the actual act which spells out all of that and the election process and so on.

CHAIR—Thank you. You said before that you have, as a department, intervened on occasions—for example, when people were trying to drop the word ‘voluntary’. I am not sure if that was how it was done, but it is certainly how it has been done in other places. That is interesting. Would you intervene in the question of sponsorship—for example, if it came to your attention that a school council had stitched up a deal with some organisation which the education department judged as inappropriate? Firstly, would you intervene? Secondly, what type of criterion would you judge as being inappropriate?

Mr Peck—This is a relatively new area, and I just made a short comment just before No. 6 in the submission. Basically, school councils need to take into account the values and views of their local community. We also say that they must not—so there is a restriction—enter into sponsorship with companies directly involved with tobacco or alcoholic products, and that list could be extended. In other words, if they—

CHAIR—McDonald’s?

Mr Peck—We have not had any proposal yet from McDonald’s. If a situation arose on a sponsorship, we would certainly intervene if we thought it was inappropriate.

CHAIR—How do you know about these things? I understand this whole arrangement is now about 18 months old. From what you just said to Senator Forshaw, this started in 1995. Could you send us any information about what kind of auditing you are going to require from each school about its global budget, its voluntary contributions and how it distributes them? For example, can you assure us—and you can take this on notice if you like—that the school allocations targeted to disadvantaged students do not become part of the school’s global budget and are directed to their intended need? Finally, do you have arrangements in Victoria where a state school might go into a joint arrangement with a non-state school—a Catholic school, for example—to share the provision of the library, ovals and things of that sort?

Mr Peck—We have one situation in Templestowe where the local Catholic primary school and the local government primary school actually share common facilities. So we are not averse to it at all. There have been situations, particularly in the new outer areas, where both the capital for government schools and the capital for non-government schools are in big demand. We have looked at a number of situations, but none of them

have come to fruition. The Templestowe one is about 10 years old. So it is a possibility always.

CHAIR—There are some very effective examples of this in South Australia that are more than 10 years old. I am interested to know how, under your new arrangement, that sort of thing would be negotiated. Would it be done at the school council level, or would it be done by the education department?

Mr Peck—We have a couple of schools at the moment wishing to amalgamate with neighbouring government schools to increase their student size for program reasons. The school council would put a proposal to us. We would then, through the regional office, investigate that proposal to make sure the claims being made were going to be advantageous to all concerned. We would take notice of the school councils of the combining schools. So we would investigate the proposal fully.

We would then enter into a memorandum of understanding between the department and the appropriate school councils actually spelling out what the commitments were. In other words, we would be providing capital, and they would be releasing a site. All of those things would actually come out in a formal memorandum of understanding that would go to public meetings and so on to be cleared.

CHAIR—A strange arrangement has been floated in South Australia. I do not know whether it has happened yet, but there is the prospect of a private company coming in from another state—I will leave you to guess which—and, after speaking to the appropriate people in education, it is now prepared to go and speak to school councils about whether or not they are prepared to sell some of their land so that the incoming company can build a private child-care centre on the school.

The deal is that half the money raised from the sale of the land would go to the schools, most of which seem to be very pleased to get any kind of bonus, and the other half would return to the state coffers. Has anything like this ever been mooted in Victoria and, importantly, who is responsible for the land? Is it still called crown land? Does any decision to sell it revert to you, and do all the returns from that land revert to the state and the taxpayers, or does the school get to keep some?

Mr Peck—We have indicated that out of 300 schools 50 were compulsorily closed and the others went through a voluntary process. All asset sales from any sites that are released are reverted to the department, for works and services. That is why we have been able to put more money into schools.

The land is owned in two ways usually. Some of it is reserve crown land. Most of the stuff post-war is owned by the minister. In other words, it was purchased by the department in the name of the minister and, therefore, is not crown land; it is freehold, in a sense, under the minister. That is the same as our still having an agreement with Treasury that all assets sales in education, from closing or amalgamation or whatever else

happens, come into our works and services budget in addition to what the normal allocations for works and services is.

CHAIR—Could a school decide to sell a quarter acre block?

Mr Peck—No, because the land is owned by the minister.

CHAIR—Could the school council decide it was a good thing, negotiate this with you and achieve retention of some of the funds from that?

Mr Peck—Yes, that is a possibility.

CHAIR—Has it ever happened?

Mr Peck—There have been situations where a school, which has been on an extremely large site for some unknown reason, has said, ‘We’re prepared to annex some sites for sale.’ That money—some of it; not all of it by any means—could be used to upgrade facilities in that school.

CHAIR—Have you agreed to that?

Mr Peck—We have agreed to look at the sites, in the same way as we have agreed to buy existing sites for schools.

CHAIR—Do you have to tell the minister about that, or is that a departmental decision?

Mr Peck—No, it is a ministerial decision because it is his land.

CHAIR—At that point I must stop asking questions.

Senator FORSHAW—Do you ever lease land for schools, or is it all owned?

Mr Peck—To my knowledge, we own it all. But I stand corrected on that—I think that we own it all. It is crown land either specially reserved or ministerially owned, as far as I know.

Senator FORSHAW—So you have not got into the business of selling, leasing and backing?

Mr Peck—No, we have not got into that yet.

CHAIR—Thank you for taking questions on notice. We will welcome that information. If we need anything further, I presume that we can contact you. Thank you

very much indeed for your attendance.

[10.27 a.m.]

CHIPPETT, Ms Jeanne Winifred, President, Victorian Federation of State School Parents' Clubs, 1st floor, North Melbourne Town Hall, Queensberry Street, North Melbourne, Victoria 3051

BODE, Mrs Margaret Danielle, Immediate Past President, Victorian Federation of State School Parent Clubs, 1st floor, North Melbourne Town Hall, Queensberry Street, North Melbourne, Victoria 3051

CHAIR—Welcome. The committee prefers that evidence be given in public but should you, at any stage, wish to give your evidence, part of your evidence or answers to specific questions in camera, you may ask to do so and the committee will consider your request. However, recent decisions of the Senate mean that any evidence taken in camera may subsequently be made public by order of the Senate. The committee has before it submission No. 37. Would you like to make some introductory remarks, or do you have any extra material to give us?

Ms Chippett—There are a couple of points in relation to things raised by the previous speakers. We happen to have a couple of copies of school budgets with us and, quite possibly, later speakers might have some as well. You may have had some as part of submissions but they do not quite bear out the five to 10 per cent locally raised funds that were suggested.

CHAIR—Is it the wish of the committee that this information be incorporated in the transcript of evidence? There being no objection, it is so ordered.

The document read as follows—

CHAIR—It is a terrible pity that we could not organise to have all of the witnesses today give their evidence and stay to hear the other witnesses. Some of you might have some excellent questions to add to ours.

Ms Chippett—Yes. We were entertained by the notion of free, secular and compulsory education as well—it is certainly not what we have been getting. There is not a lot that I want to add to our submission, except to say that the views we have expressed and the reasons why we continue to pursue that free, secular, compulsory and available to all education are because of the vision that the organisation has for education. We are not just interested in tinkering around the edges with things like voluntary levies, and so on. We see that in the future there has to be a much better funded education system. We are not making much progress through these bits and pieces of contributions from parents and the other ways that money is thrown into the pot.

Our schools are very poorly funded and there needs to be much better public funding of education, if other people and governments hold the same belief that education offers every person a real opportunity to fulfil their potential and is really the one time in anybody's life when they can make the most of their potential. So whether education is primarily through schooling or through later education, that is the place where people's lives can be changed and they can go on to fulfil whatever potential they have. We see it as a very important stage in anybody's life. If we believe that everybody should have equal opportunity and the best possible chance, then we have to give education a really strong position.

CHAIR—The last witnesses gave me to understand—so did some of their submissions which I have read—that Victorian state government funding for education has increased in real terms. Is that your understanding?

Ms Chippett—That is not borne out by their own figures, nor is it borne out by figures that we have from the Australian Education Union. I have a copy with me but I cannot give you this copy because it is on recycled paper and there are all sorts of other strange things on it. But I am sure that the AEU, if they have not already given you their Victorian government schools trend starter from April this year, could furnish you with a copy. It does include data which shows that the funding has shifted and that class sizes have increased considerably—a whole range of things.

A couple of pages from the department's education management system show capital outlays and current outlays from 1987-88 up to 1992-93, so it does not give you right up to the present time on this set of figures. They actually have an amazing data collection. Service these days is much better than it used to be a few years, but unfortunately they are not very good at telling us about it and distributing that information.

CHAIR—Was there a decrease 1987-92?

Ms Chippett—In 1991-92, which was prior to the Kennett government, we had \$2,744 million in current outlay. In 1992-93, that was down to \$2,723 million, so it was a slight decrease there. Under capital outlays for Victoria, it was \$147 million in 1991-92 and \$125 million in 1992-93. These figures, which have come through the department's statistics, actually originate from the ABS.

CHAIR—They are some help to us but perhaps we should not go along that line. We might get that data if we can from another place.

Ms Chippett—Some of it is also in the AEU figures.

CHAIR—How do parents' clubs sit with school councils?

Ms Chippett—They are a separate body. All the states are quite different in the way that these things are organised. In Victoria, school councils are essentially the management committee of the school. They are an elected body and I think Frank describes some of that make-up. Parents' clubs are also constituted under regulations which the department puts out. Any parent of a child enrolled at the school can be a member of the parents' club.

The parents' club and the school council tend to work towards the same sorts of aims so parents' clubs must, if they are fund raising, be working for the good of the school. They have to be providing funds for the school. If they are undertaking fund raising activities and then expending money on things for the school, they have to receive the school council's permission before they do that.

Senator FERRIS—Ms Chippett, I would like to talk to you about the issues that I raised with the previous witnesses. Would you like to make any comment on the means by which schools have changed their voluntary levies and also talk a bit about the sponsorship and fund raising aspects of schools just in a general sense?

Ms Chippett—I think we went into some of that in the submission.

Mrs Bode—Some of the processes by which school raise voluntary levies have changed in recent years. We have noticed that many more schools are requesting those voluntary levies in November-December of the preceding school year.

Many schools are being very sophisticated in how they describe those voluntary levies. Those financial statements we gave you describe subject fees, and other sorts of fees that are required for administration of the school when the department said that that was covered by government grants. Increasingly we are getting fees to pay for computer technicians, for upgrade of computer hardware and those sorts of things.

Increasingly we are getting fees to pay for computer technicians, for upgrade of

computer hardware and those sorts of things. Schools also are including fees for the maintenance of schools, for the maintenance of grounds and those sorts of things. Then the only mention often of voluntary levies is in regard to school building funds and those sorts of things. That is the only time the word voluntary might appear on a form.

Certainly thereafter many schools employ the mechanism of sending invoices to parents by about the end of term one, following that up with reminder letters that we believe verges on harassment of some families. Some of them are very skilled at getting them. I remember Easter last year getting a very distressed call from a Vietnamese woman who said that the secondary school out in the north-western suburbs had finally convinced her on Easter Thursday that she should pay those voluntary levies. She had been pressured for all that time and then she was left with no money over the Easter break to buy food for her family.

We are very concerned about the level of intimidation of some very vulnerable people in our community that is engaged in by some schools. It is certainly not all schools. Mr Peck was correct: we have over the last few years brought those sorts of cases to his attention and the then director Geoff Spring would often have a discussion with the principal involved in those cases. It was generally resolved to the satisfaction of the parent.

Senator FERRIS—Is it the school council that sends out the invoices and letters or is it the headmaster and the school administration?

Mrs Bode—It is the school administration.

Ms Chippett—The legal responsibility goes to the school council but it is something that the bursar in the school tends to do. Certainly my experience, even in my own school, has been that the bursars don't have any idea of what the actual rules are. They just go ahead and send out invoices as they would to any other debtor who has not paid any amount of money that might be owed to the school. They don't distinguish between the person at the cake shop and one of the parents who has not paid an amount.

Senator FERRIS—I was interested in the comment made by the previous witness about scrutinising opportunities for sponsorship. If a school has already signed up with what the department subsequently decides is an inappropriate sponsor, I am not quite sure what the ramifications of that would be. I am interested in whether parent clubs by observation or data or whatever have got any comments to make about that sort of activity—the appropriateness or inappropriateness of some of the sponsoring offers that schools might get and the means by which they accept or decline them?

Ms Chippett—Again, as I put in the submission, most of the sponsorship that we have seen has been from the multinationals—McDonald's, Pizza Hut and those sorts of organisations. We have had the Coles dockets for the Apple computers, which has been a

fairly popular thing, although most schools I think have IBMs. It hasn't necessarily worked out very well for them.

CHAIR—Everybody was buying their vegies at Coles, eating up big, putting their little ticket in the box and Coles was taking a percentage of that.

Ms Chippett—I actually don't know what was in it for Coles, although potentially it was more people shopping there. Whoever had the most docketts or the most money from the docketts got to apply for a computer and some of them got computers or other software.

CHAIR—Did Coles buy the computers?

Ms Chippett—They must have had an arrangement with Macintosh.

Senator FORSHAW—Off the top of my head, a couple of hundred thousand dollars worth for the school and then that qualified you for obtaining an Apple computer.

CHAIR—So once you had spent \$200,000 worth at Coles—

Senator FORSHAW—Don't hold me to the figure, but that's how it operated at my son's school.

Mrs Bode—The school or the parents' club collected the docketts. As you say, when they got over a certain amount they could contact Coles and say, 'Here we are. We've got this amount.' Then they would get a computer. But it raised equity issues. There was a fair bit of controversy at the time because there were country schools that did not have a Coles supermarket nearby and there were all sorts of schemes going on where people would send their docketts to a small country school in a town that did not even have a supermarket of that name.

CHAIR—I am also interested in Ms Chippett saying, 'Most schools ended up with IBMs so what do you do with a used Mac?'

Ms Chippett—Computers have a fairly short shelf life anyway, I think. The computer question is one that is really ongoing for schools because computers are okay for two or three years and then they are a bit slow.

CHAIR—Some schools, saving the ready to buy a computer—however you do it—would not want to hear, 'Oh, well. It is a pity you got a Mac because we are into IBMs.' Short shelf life or not, a lot of those schools are going to eke many years of use and learning out of those investments. That is something we might have to come back to. It is a very important one if schools are deciding on one lot of computers but sponsors are subsidising them for an alternative. This is madness, amongst other things.

Senator FORSHAW—One of the other things that was happening, as I understand it, was schools organising a team of kids to go down to the Coles supermarket on Thursday night and Saturday morning and literally collect the docketts off anybody who walked out of the shop. It became a fundraising, like collecting aluminium cans. It was not just the parents of the students at the school putting the docketts in.

Ms Chippett—There were a number of issues around that, with some shoppers not being very thrilled about being harassed or feeling as if they were being harassed to give over their docketts.

Senator FORSHAW—Particularly given the amount of money that needed to be raised to qualify for one computer.

Senator FERRIS—I was interested to learn that the department did not have any sort of comprehensive list of the range of fees charged. In another state where we have taken some evidence previously, we have found an enormous differential between the voluntary levies charged in, say, a primary school and a high school—from \$20 to \$600. Do you have any of that sort of information?

Ms Chippett—We have been collecting some of it. We had thought that this year we would try and collect them from all of the schools associated with us. Unfortunately, we did not ask them until March and everybody had got rid of theirs by then, so it was a bit tricky. We will ask again in November and hopefully get a much better response. We really have handfuls of them, I guess. We collect them from time to time or people write in and send us a copy of their invoices or levies letter and whatever else they have got.

Senator FERRIS—There is also clearly no indication of any opportunity to cap anything like that.

Mrs Bode—I think that is really significant. Anecdotally, we have a bit of evidence about the range. Where I live in a south-eastern suburb, a relatively affluent area, the coeducational secondary college charges between \$100 and \$200. The much in demand girls secondary college in the same area charges around \$500. Those discrepancies can be explained by whether you pay for camps and excursions at the beginning of the year or whether they are paid for later.

The girls secondary college has a building fund. They are trying to raise \$2 million to build a hall for that school. That is also the school that we mentioned in the submission where, unless the voluntary levies are paid, the girls do not get their plastic card to enter the library. Therefore, access to the library is denied those who have not paid the voluntary levy. There certainly are some innovative ways in which schools seek to encourage the payment of voluntary levies.

CHAIR—Is that a public school or a private school?

Mrs Bode—It is a government school.

CHAIR—A government girls only high school in the south-eastern area. We should be able to get close onto that one. Are you prepared to give us a name?

Ms Chippett—It is Mentone Girls Secondary College. It is not very hard to find.

CHAIR—It is clear that they actually will withhold access to the library if parents have not been able to pay?

Mrs Bode—That is my understanding.

Ms Chippett—We have had quite a number of examples like that. It could be things like locker keys as well.

CHAIR—Locker keys?

Ms Chippett—Yes. It is difficult.

Senator FORSHAW—Yet they can get a library card and go up to the local council library for free?

Ms Chippett—Well, they could, yes.

Senator FORSHAW—The point I am making is that local government provides, presumably, local libraries and do not charge for the services and we have schools preventing kids from getting into the school library.

Ms Chippett—Yes. In fact, what they have done is on their list of the things that the voluntary levies apparently pay for they have the library card worth \$12, or the locker key and whatever else, and the deposit is worth another \$12. So there are those sorts of items that they put on the list of things that the voluntary payments pay for.

One of the other things that we have seen also is that kids are being excluded from school camps not because the parents have not paid for the school camp but because they have not paid the voluntary payment. So the school has a policy that if you have not paid the voluntary payment you just cannot go; it does not matter if you are going to pay for the school camp separately. That is what they have done. We have pursued that one as it has been raised with us. But, as you might appreciate, only a very small percentage of people actually ring us and tell us this is happening so we can act on it.

Senator FORSHAW—Who is making those decisions?

Ms Chippett—School councils. It is the school council's responsibility. I guess it

is principals and bursars who lead them down that track.

CHAIR—Can you just tell me about the relationship between school councils and the principal? Does the school council yet or already have the capacity to decide who the principal of the school will be?

Ms Chippett—Yes, they do.

CHAIR—Out of an open slather, free advertising?

Ms Chippett—Yes.

CHAIR—So the principals are not from a designated pool of principals?

Ms Chippett—That is a good question. No, I think anyone can apply if they are in the appropriate category.

CHAIR—Maybe that is something that we might pursue with the department for up-to-date information. Do you know if the school council can sack the principal or terminate the contract?

Ms Chippett—That might be a question to ask the next people who are from a school council organisation. I am really not sure; I cannot think of any examples.

CHAIR—Senator Ferris asked questions earlier today about what happens when a parent fails to pay a flat voluntary contribution. Do you have any information you can give us on that? Apart from losing their library card, do they find themselves a bit stigmatised by the students at the school or other families? In other words, can you tell us about the confidentiality of this kind of information?

Ms Chippett—It is obvious that it is often not confidential. It must be on rolls or whatever. The teachers go through the roll and it is apparent to them that particular students have not yet paid their levies. So there must be a line on the roll where you tick the box if money is required. Quite often teachers do remind students about it. That is absolutely the case in primary schools, but it is quite frequent in secondary schools, too.

CHAIR—What do parents' clubs do about this. Are you able to raise questions about confidentiality of this information?

Mrs Bode—I think we certainly do. Each school will handle things differently. At my son's school, all those children who had not paid the voluntary levy were called up over the public address system. So it was fairly obvious to a large number of people in the school who had not paid their levies on that occasion. But, at the beginning of last year, we provided a discussion paper on voluntary levies which we appended to our submission.

But all of our member clubs have got that advice about what to do regarding voluntary levies in their own school.

CHAIR—Is there anything in the Education Act that talks about the confidentiality of this information?

Mrs Bode—No, I do not think so.

CHAIR—Not even under regulations?

Mrs Bode—No. There is one thing in one of the executive memorandums that no student or family should be placed in a position of embarrassment. That goes back to the previous government; I think that was from 1991 and was republished. That is the framework in which schools should operate—not to put any family or child in a position of embarrassment.

CHAIR—What are the options? Can a parent sue a school council? Can a parents' club sue a school council? Let us get real here. For example, if half the people in the school had their names read out over the public address system for failing to pay their dues, I am not quite sure what they would do—except cry.

Mrs Bode—We say in our paper that, under the current regulations, parents should be entitled to seek a refund if they have been fraudulently told that they are not voluntary. If they have paid them and then become aware that they are voluntary, we believe that parents should have the right to seek a refund from the schools. We are not aware that that happens on a large scale.

Ms Chippett—No, not on a large scale. There have been a couple of people who have gone ahead and done that and received that. Schools do not want to have a fuss made about it.

Mrs Bode—One of the areas where there has been some suggestion of legal challenges to schools is the education maintenance allowance, and Senator Ferris started talking about that. That is an area, too, where we are aware of many abuses. The department says that that payment is to parents, not to the school. However, the mechanism for delivering the cheques to parents is through the school. So the cheques actually come into the school. Again, parents are notified—either very publicly or very privately—that their cheque has arrived. Many school administrations suggest to parents that they might pay it over to the school. So there were examples of schools paying into their own bank accounts cheques made out to individual parents. That was one thing.

CHAIR—How would they be able to do that?

Mrs Bode—When it happens, the parent signs a form to say that they are signing

their cheque over to the school. One of the other abuses in regard to the education maintenance allowance is that, when those parents come up to get their \$127—which is for transport to school, buying the kids some shoes and things like that—the school says to them, ‘Well, you haven’t paid your voluntary levies. How about you give us most of this money, and we will give you the \$7 difference between the voluntary levy and your education maintenance allowance cheque?’

CHAIR—Have you any idea why on earth a payment to the parents goes via the school?

Mrs Bode—It was a government or department decision some years ago.

Ms Chippett—Yes, we have not been able to get them to change that one.

CHAIR—We might actually make a note of that and seek further information from the department on how that decision was made and/or why that decision was made.

Ms Chippett—It is quite absurd. I think very few parents actually end up with their cheque without any sort of hassle.

CHAIR—Hypothetically speaking, the department might say, ‘We are very concerned about accountability. We want these dollars spent on education and not at Mr Kennett’s casino. Therefore, if we pay it through the school, there might be some encouragement to help the parents spend it on education.’

Ms Chippett—There is probably a degree of truth in that. That would be a comment made to parents fairly frequently. I think the most common response we have had from the department on this question has actually been that they want to make sure that the kids are still at the school.

CHAIR—Still at the school?

Ms Chippett—When the parents fill out their forms and apply for their EMA cheque, the child has to be enrolled at the school. In fact, it is towards the end of the first term before they receive the first payment. The payments are in two parts—the middle of the year as well as earlier in the year. I do not know what the figures are—and I suspect they are very small—but the suggestion is that a lot of kids change schools. So if the child is not still enrolled at the school, they will not give the payment to the parent.

CHAIR—But presumably the payment is to the parent of the child, no matter which school the child is at.

Ms Chippett—That is right. I quite agree, but that is one of the excuses that has been given to us as to why it has to go to that school.

CHAIR—Is this organised with the parents going to see the bursar, for example, and saying, ‘I would like to make an application for assistance’? Because somehow or other, the school has informed the parents that, if they are on a health care card, they are entitled to the EMA. They then have to fill in a form and prove that they are on a card of some sort. Do you know what happens to that information? Is it kept secure?

Ms Chippett—It certainly should be. It is our understanding that it is. We have not had examples of that being made public, although it is probably quite clear within a school for anyone who wanted to know who were the recipients of that payment, particularly when the cheques come in and particular kids are called to the office to take them.

Senator FERRIS—I am wondering whether parents clubs have ever become aware of or have ever considered pressing school councils to enable parents to make a contribution in kind to the school, either by donating some time or some goods in return for a voluntary levy payment—in other words, if the parents cannot pay, they can make their contribution in another way.

Ms Chippett—I remember hearing some examples of that some time ago, but it is not something that we as an organisation encourage, primarily because we believe that voluntary payments are voluntary and nobody should be pressured to pay them. Fair enough, if parents want to give their time and efforts and whatever else to the school, that is fine but it should not be part of a give and take arrangement because it starts to feel a bit like blackmail in some cases.

Senator FERRIS—I just wondered whether you knew of it. You have obviously heard of it. Perhaps it might be more likely to occur in rural schools.

Ms Chippett—I really just remember a couple of examples when we started some work on one of our voluntary levies campaigns. It must be about five years ago. I have not heard anyone mention it recently.

Senator FORSHAW—Do you have any evidence as to what the major reasons for people not paying the voluntary fees and levies are? I assume that it is to do with financial circumstances. Is there much evidence of people refusing to pay out of some in principle objection?

Ms Chippett—Certainly within our organisation you would get quite a few people, like myself, who do not pay it as an in principle decision and also as a protest against the way most schools actually ask for that money. I have yet to see a request for levies from a school which actually says very clearly at the top, ‘All of these requested payments are voluntary’. They just do not do it. You have some little component of it which is voluntary and the rest of it you have to pay.

It actually takes me back to something else that Frank Peck said earlier about the bulk buying schemes. He suggested that bulk buying schemes are very common and that is part of that contribution that is asked for from parents. I have only seen a tiny percentage of schools say on their request, 'The school is undertaking a bulk buying program on your behalf. If you would like to participate in it, please pay X dollars for this.' They do not give you that opt-out suggestion. They have some notion that it is a bulk buying program on behalf of parents. It really has to be properly described to parents so they know what they are getting into.

Senator FORSHAW—It might be hard to work out some proportion. Do you have any evidence as to what proportion of people—

Ms Chippett—Are in principle as opposed to poverty?

Senator FORSHAW—Yes.

Ms Chippett—My gut feeling about it would be that the vast majority are ones who really cannot afford it or who consider it to be too expensive, particularly at the time it is requested. It is usually pre-Christmas.

Senator FORSHAW—Is there evidence of this creating tension within parent councils and among parents generally? A question was asked about students being victimised; does this occur at the parent level? I tack onto that this question: is there much involvement by teachers in the fundraising activities that a school may be engaged in?

Ms Chippett—Teacher involvement varies considerably. I would say that in most schools at least a small group of teachers would be actively involved in lots of the fundraising.

Senator FORSHAW—They run the trivia nights.

Ms Chippett—All sorts of things.

Senator FORSHAW—They are the only ones who would know the answers.

Ms Chippett—There are certainly tensions between the groups. When you talk to other organisations later you will find that the tension between some school council organisations and parents federations is mirrored in schools, where the council is saying, 'We cannot run these programs if we do not have this money, so parents must pay. How can you not support your school in this way?' And parents are saying, 'No. Education is supposed to be free. I have paid my taxes. I have already paid for this. So why am I paying again?' There is a whole range of equity issues that come up as well.

Yes, there are tensions. It varies from school to school as to just how much there

is, and it also varies from how much pressure the school council puts on parents to pay the contributions. In some schools, all of the pressure seems to come from the administration, in the form of those invoices and so on that go out.

CHAIR—This would probably be a perfect time to wind up this session. Thank you, *Hansard*. Thank you very much, too, to the both of you for coming. It is really very interesting. What we need to do is have a look at the evidence that you have brought to us, and we might be able to put the questions that flow from that to the department. The department has indicated its willingness to assist in any way that it can. This may be of double benefit to us. Thank you very much, indeed, for coming this morning.

Short adjournment

[11.23 a.m.]

BROWN, Mrs Deborah Mary, Vice-President, Association of School Councils in Victoria, PO Box 215, Box Hill, Victoria 3128

FRANZI-FORD, Mr Stephen, President, Association of School Councils in Victoria, PO Box 215, Box Hill, Victoria 3128

CRIGAN, Mr Anthony Joseph, School Council President, Elwood Primary School, Scott Street, Elwood, Victoria 3184

HEBBARD, Ms Leigh Anne, School Council Vice-President, Elwood Primary School, Scott Street, Elwood, Victoria 3184

BURNS, Mr Warwick Thomas, School Council President/Parent, Footscray City Primary School, Hyde Street, Footscray, Victoria 3011

BURSTON, Ms Caroline Jane, School Council Member and Primary Teacher, Footscray City Primary School, Hyde Street, Footscray, Victoria 3011

CHAIR—I welcome the witnesses from the Association of School Councils in Victoria, the Footscray City Primary School Council and the Elwood Primary School Council. I appreciate your grace in waiting for us. We are a little behind time today. We will do what we can to give you an adequate opportunity.

The committee prefers the evidence be given in public, but should you at any stage wish to give your evidence, part of your evidence or answers to specific questions in camera you may ask to do so and the committee will give consideration to your request. I point out that recent decisions by the Senate mean that evidence taken in camera may subsequently be made public by order of the Senate. The committee has before it submissions from all of you—submission Nos 4, 13 and 8. You are welcome to make some introductory remarks, and then perhaps we could move on to questions. Perhaps we should start with the school councils association.

Mr Franzi-Ford—As an organisation we are probably unique, with our being the only school councils organisation in Australia. We represent almost all secondary schools in Victoria and a large number of primary schools. If you would like to go on with questions, senators, you may—

CHAIR—I appreciate that, but I should ask whether the Footscray council or Elwood council would like to make an opening statement before the committee asks them questions.

Mr Crigan—I would just like to speak for a minute or two and perhaps hand over

to Leigh Hebbard. I would just like to say that Elwood is struggling with decreasing participation in the parent contributions. We were forced to put up the voluntary parent contribution in the last year and we have seen the contribution rate go down considerably. We have this policy that no child is disadvantaged financially by parents unable to pay for excursions and things. We do increase the rate to cover disadvantaged children so that we also do not ostracise any children who cannot make the voluntary contribution.

Our fund raising is limited even though we have considerable skills amongst the parents on the school council. Perhaps because of those skills, we will not touch certain contentious fund raising areas such as gambling, mobile phone towers in the school grounds, the grand prix.

CHAIR—Mobile phone towers in the school grounds? Please explain.

Mr Crigan—It is possible for schools to collect funds from the mobile phone carriers by allowing towers in the school grounds.

CHAIR—You have just made my day again, Mr Crigan. Is this from both Telstra and Optus?

Mr Crigan—I should state that I work for a mobile phone carrier, and there are very split opinions on health effects and visual effects. But it is a contentious issue and, because of that, we have not considered Telstra, Optus and Vodafone putting a mobile phone tower in the grounds. The other areas that we will not touch too are ones that are to do with junk food and chocolates and fund raising in that area.

My last comment is just on the time and the workload for the parents. Increasingly the school council is asked to put in long hours in terms of meetings, subcommittees and also self-education. The parents put in an awful lot in terms of sports, head lice inspections and so on.

CHAIR—You have raised a whole lot, Mr Crigan. The committee would be very interested to hear about school councils.

Mr Burns—I am very surprised that Mr Crigan seems to have taken the words right out of my mouth there. We also at Footscray are having a great deal of trouble raising money. We have a core of parents that are overworked, but we also really do not have the resources to bring money in.

A moral dilemma has come up in that we did have a sponsorship from a local social club. They have now gone into the gambling machines and been so successful that they are expanding into the neighbourhood of the school with the noise and parking problems that go with expanded social clubs and also an increase in gambling machines, which have flooded the western suburbs. The dilemma is that the sponsorship to the

school now seems to be coming from gambling machines and I find that quite a problem and so have a lot of other—

CHAIR—There would be lively parents at council meetings I should imagine, Mr Burns.

Mr Burns—They are lively at times and at other times I find them quite depressing. But parents do get overworked and very frustrated.

CHAIR—That is a very interesting point, Mr Burns. Does Footscray, like Elwood, having to consider falling amounts of money from a parent contribution and therefore the need to increase the voluntary fees.

Mr Burns—We have a long discussion on it.

Ms Burston—We have never had a history of high contributions so they are not specifically dropping. They have never been particularly high to start with because of the nature of the community.

CHAIR—‘High’ meaning the amount of money you ask for or the percentage you pay?

Ms Burston—The percentage we pay. That is low.

Mr Burns—Do you want the amount of the contribution?

CHAIR—That would be great.

Mr Burns—I believe it is about \$30 per child and \$50 for two. If you have three or four children I think it goes up by about only \$5 per child after that.

Senator FORSHAW—Per year.

Mr Burns—Yes. We are the best in the west, we say, because we have the lowest; but we still get a very poor response. We have approximately 300 children at the school, but we have a language centre annexe to the school which bumps up our numbers. At this stage we have had 90 people pay the levy, or whatever you wish to call it.

CHAIR—Is a percentage or all of the other students eligible for any sort of assistance?

Ms Burston—I have about 45 per cent qualify and receive the EMA, education maintenance allowance.

CHAIR—Is that paid through the school?

Ms Burston—It comes into the school and the parents go in and get it from there.

CHAIR—It is a wonderful thing to ask you, but we just heard from the previous witnesses that some of the parents who turn up to school get pressured to leave the cheque at school.

Ms Burston—I really do not know what goes on in that aspect. We have a very large number of people from a wide range of countries and not from Australia. Part of that I think is educating them to the sorts of things that the levy may include. So I think they are made aware, but I could not tell you. I think most of them receive the cheque.

CHAIR—Mr Burns, is there anything more at this stage or shall we ask more questions?

Mr Burns—No, go ahead and ask questions.

CHAIR—What I would like to do now is to ask Mrs Brown and Mr Franzi-Ford whether they would like to give the committee some understanding of the challenges confronting school councils. Both Elwood and Footscray have indicated that some parents have very great demands put on them. Some parents work enormously to be involved in school council. It is voluntary and a non-paid contribution. You probably even have to go through an election. I am not sure how hard it is to get the numbers to get on to a school council. Can you tell us a bit about what you know about the pressures now on school councils and what sort of assistance they might need? Do you have any comments about how it might be changed or improved?

Mr Franzi-Ford—We do. Firstly, we have been speaking with the Victorian government for some time regarding the EMA as one issue. We are aware that pressure is put on people when they go to the school to collect their cheque. We would rather that cheque be paid directly to the school. That would stop a lot of the problem. A lot of the people who are getting the EMA cheque, which is for educational requirements, take it away and they never pay their levy, which is the money required by the school to run some of the programs.

Education in Victoria has never been free. The instruction has always been free. Our organisation started in 1917. In 1923 it was 15 shillings a term to send your children to a secondary school in Victoria. So, historically, it has never been free. We are broken up into categories and we see that as a section that must always be and has always been provided by the government, government funded.

We have another section which we see as parent funded and as historically being funded by the parents. They are for artworks and for the food that the kids cook with in

home economics. The kids eat the food anyway, so we see no problem for the parent having to pay for that.

We have another section which is fees for service. You spoke earlier of the plastic card, where one school in particular supplies a plastic card when you pay your levy. That in fact does not stop the child going to the school library if they have not got a card; it stops them going to the school library out of hours if they have not got a card. So the child still has access to the school and the library and the resources during the normal hours. The kids who pay the levy can actually access it out of hours. So there are these problems within the schools. We see that that is a school council decision and the money has to come from somewhere to run these extra, outside school hours activities.

One situation that has come to note just recently is of a school trying to run some classes in the evening for the Internet so that children had access to the Internet, but there would be a charge for it. It was only a small amount—\$4 per child, I think. The school had to stop the program because of the number of parents demanding that their child go and not pay because it was a school activity. The school just could not afford to run it as an outside activity away from their global budget.

We see that these things have to be addressed. The only way we can do it is by charging a fee and levy, which has to be funded by the parents. So there is another group that we see as warranting a completely voluntary contribution—and we always have. That is for building funds, gymnasium equipment and things like this. We see them as a purely voluntary thing for a parent. It would make no difference to the child. Things like the deb ball and the purchase of a school diary are a parent's choice.

I am also president of a school council, and I see that the fundraising within a school forms a very important part of the school's activities anyway. I think in some schools you can relate the effort put in to fundraising as a group to the educational outcomes of that school because it brings the community together. It brings interaction between parents, teachers and students. Education is not just the kid sitting in a classroom; it is a whole interaction thing. I see quite often that that forms part of it and can be of some use. We as a school get quite a benefit from fundraising and it draws the whole community together.

CHAIR—Can you share with us which school that is?

Mr Burns—It is Yea Secondary College.

CHAIR—I think you touch a very important point there, Mr Franzi-Ford. I guess one of the questions this committee has to decide is whether free education means a voluntary contribution as well, how all of this could be done with equity and to what extent you appreciate the benefits to the educational community around a school of parents pitching in, whether sponsorship is part of that or not. So you touch on some very

important areas there.

As the school council organisation, have you been asked by school councils to assist with the education of councils about things like what is a constitution, what is your legal liability and who goes to gaol if the school goes broke? If school councils do not know it, I was wondering whether you have produced or whether the department has produced a book on the constitution of school councils. What about financial education? These councils are now making some fairly significant financial decisions. Is there a backup to school councils by way of education and so on?

Mr Franzi-Ford—Our organisation does run professional development courses, classes and lectures for school councils. We actually contract to the government to run this facility and all school councils, whether they are a part of our organisation or not, can go.

CHAIR—You contract to the government for the education of the councils?

Mr Franzi-Ford—Yes, to run this service. So all school councils do have access to it. We also run a conference once a year where most of our members go. We have a workshop during that conference—it is a three-day conference—to help them with their decision making and the processes that are used.

CHAIR—Is there a booklet about the constitution of a school council?

Mr Franzi-Ford—Yes, there is.

CHAIR—That does explain the legal liabilities of councillors, et cetera?

Mr Franzi-Ford—Yes, it does.

CHAIR—Could we have a copy of that and/or any other information about school councils that might assist the committee?

Mr Franzi-Ford—Yes, we are willing to provide it.

CHAIR—Thank you very much indeed.

Ms Hebbard—I sent in with my submission quite a bit of information about that, the handbook they hand out to us on school councils and some DSE documents that outline the eight key learning areas that we have to meet. Part of my contention was that so much of the money that our school was raising was actually to meet the eight key learning areas. A classic example is this Kennett move towards technology and everything. We had to find the \$10,000 to network the school—it was not allocated to us—so we are looking at things. This move to technology is supposed to be a key learning area, but we got \$200 to get onto the Internet. It will probably give us two hours.

Senator FORSHAW—Can I just indicate that I asked a question of the witnesses from the Department of Education about that very issue—that was from your submission. It was related to the allocation of funds from voluntary fundraising and whether or not it went to the eight core activities listed in the second schedule. The indication—the *Hansard* will tell us—was, ‘No, that is funded out of specific allocations.’ You are saying it is not?

Ms Hebbard—Definitely. Our last expense was to buy a kiln so that we could meet our target. Our six months target next year is, we have been informed by DSE, to make art a priority. We funded the money for the kiln.

Senator FORSHAW—Do you have any comment about that in terms of other schools? We know that schools are being required to raise funds from voluntary sources—levies, contributions, fundraising and so on. The problem we seem to be having is that there are instances where those funds can be directed to what could be regarded as core activities. I have a bit of a doubt these days about what the word ‘core’ means, having regard to the more recent budget. What is a core promise and what is not? This really goes to one of the essential issues in this whole inquiry, and that is where the line gets drawn and how much of the funding is now being raised to, in effect, ensure that schools can provide the resources or whatever for core subjects, whereas in the past it has always been seen as money for extras. As you say, the canteen profits went into putting a few more books in the library or something like that.

Mr Franzi-Ford—I have a comment on the technology. I see this as a problem that we have in that some schools were targeted, and have been targeted at different times, for technology programs and things. Everyone sees this particular school getting a lot of resources, then every school feels that they are now entitled to have that resource come straight into the school. It just does not happen that it is the targeted schools who will get the resource to try something out. If it works, we all think, ‘Gee, we get this next month,’ but, in fact, it is a decision that you will have to make within your global budget as to what you want to give up to take on the new or you find the money from somewhere else.

Senator FORSHAW—I appreciate that schools are at different stages but, in an area like computers, we really are in an era now where all schools should have reasonable computer facilities simply because there is so much of a requirement on the kids. In fact, now the requirement really gets down to families having adequate PCs, particularly for high school students to do their assignments.

Mr Franzi-Ford—This government and I think the federal government have been working together to get a contract for computers to be available to all schools at a reasonable price so that schools would have more access to a standardised computer.

CHAIR—The interesting question relates to the point that Ms Hebbard is making: when does a computer become part of mainstream, core mathematics? What is computer—

mathematics, literature, history?

Senator FORSHAW—It is everything now.

CHAIR—Which category of core education is it in?

Ms Burston—I would say that it would come under technology. I add to that that every primary school in Victoria has been allocated \$800 to connect to the Internet by the end of this year. So, if some schools are not quite up to where other schools may be, that \$800 is very nominal.

CHAIR—What will that pay for—the cabling or the bill for the phone?

Ms Burston—I am not 100 per cent sure. I think it will pay for a modem.

CHAIR—A modest modem, wouldn't you have thought?

Ms Burston—Yes. Some schools' computers may not be up to scratch, basically because they are not going to be able to handle the new technology quickly and effectively. If you are going to have the Internet connected, you need better computers.

CHAIR—We have just heard that the Victorian government has found \$76.5 million to fund literacy over three years. Do you know whether the Victorian government is going to have a program to assist the putting in place of computers and technology?

Ms Hebbard—No.

CHAIR—The federal government certainly was proposing to do something about it. It is something that we should follow up, too.

Ms Burston—As a teacher I am offered a fair bit of professional development. Being a primary school teacher I am the one who has to learn it all to teach it. This year I have discovered that I have to be an expert on the Internet. We are given a lot of professional courses. Some schools have different ways of paying for that. Our teachers pay a certain percentage and the schools pay a percentage. I paid nearly half for the course. That is what a lot of the teachers are doing in their own time. People are interested in doing it. People are interested in learning the new technology. It is going to be a requirement that I teach it.

Senator FORSHAW—You said that in respect of Footscray the amount of the voluntary contribution is \$30 per year per student. What is the position at Elwood?

Ms Hebbard—It is \$75. Plus, the gap between what I get on my education maintenance cheque and the voluntary fees is getting greater every year. Fortunately, I

work in the schools, I am one of the volunteers, so I can work it off. But owe them.

Senator FORSHAW—What proportion of families, or parents and students, would meet their commitment?

Mr Crigan—Off the top of my head, I would say it is in the high 60 per cent.

Senator FORSHAW—What about Footscray? I would be interested in the appropriation and in getting some data on that for a state wide position. I will come back to that because I want to ask a couple of other questions relating to schools. What proportion of school overall revenue is voluntary contributions and fundraising?

Ms Hebbard—At our school it is about 20 per cent.

Senator FORSHAW—The department said earlier that it was somewhere between five and 10 per cent.

Ms Hebbard—Nonsense.

CHAIR—They included salaries in that figure; did you?

Senator FORSHAW—You might like to come back to us on that.

Ms Hebbard—We will have to consult with our financial people.

Senator FORSHAW—You get so much from the government; we have this global budgeting system here now. I am trying to ascertain what proportion of the school's total revenue from global budget and other sources—fund-raising, voluntary levies, et cetera—does the voluntary levies and the fund-raising make up? In other words, how much are the parents putting in?

Ms Burston—Very little.

Mr Franzi-Ford—It is not a single amount. If a school had 300 students and they were putting in \$30 each, it is 90 by—

Ms Burston—It is \$2,700.

Mr Franzi-Ford—It is a minimum amount.

Senator FORSHAW—What about your other fund-raising activities such as tuck shops, raffles, fetes, sponsorships, et cetera?

Ms Burston—We get \$500 from the canteen because that is privately run. That is

the rent. We get \$1,300, which is half of the sponsorship, for our instrumental teacher. We have to find the other 50 per cent. Our annual fete may raise \$1,000, if it is a good year. We get nearly \$1,000 from raffles, lollies, pizza drives and that sort of stuff.

CHAIR—How much from the club?

Ms Burston—As I said, \$1,300.

CHAIR—This is the one that has now gone into—

Mr Burns—And it is expanding somewhat. They do sponsor our brass music program. Music is a charter priority of the school. Questions are being raised over money raised from gambling machines.

Senator FORSHAW—I have one final question in relation to all of this. Obviously each year the council, the club or whatever is looking at trying to raise as much money as it can. Do you define goals that you want to raise the money for or does it work the other way around—you get as much money in as you can and then do whatever you can with it?

Mr Burns—To make sure the parents know what they are giving the money to, we say, ‘We need either books for the library or playground equipment.’ Previous to the global budget coming in, the school was not in great shape. The teachers and the students have always been in great shape but the school itself has not been. I find that the school is in a catch-up mode. We are using the money that is coming in now that should have been spent previously to bring the school up to scratch. Perhaps before the global budgeting had come in they could have brought the schools up to scratch and said, ‘There’s your money; you’re on your own now.’ We are having great trouble catching up.

Senator FERRIS—Some of you may have heard one of our previous witnesses this morning say that there is no attempt to infiltrate the eight core subjects with outside funding and that those subjects are entirely funded from the department’s allocation to the school. Is that your experience? Do you have any comment to make on that?

Ms Hebbard—It is certainly not our experience.

Senator FERRIS—Could you give us some specific examples of that.

Ms Hebbard—What happens at Elwood is that basically at the beginning of each year the principal puts in a report. There are two columns that list the key learning areas that have to be covered, the government’s allocation and what the real cost is. We find a \$25,000 a year shortfall. That is what the voluntary levy is supposed to cover. As Tony said, we have ours set at about 75 per cent because we have about 40 per cent of our parents who cannot pay it. We have 29.8 per cent of our population targeted disadvan-

taged groups who require the EMA things. So that basically covers the shortfall in the fees.

Senator FERRIS—Would Mr Franzi-Ford have any comment on that from a council point of view.

Mr Franzi-Ford—From an organisation point of view or from a school council point of view?

Senator FERRIS—Both perhaps.

Mr Franzi-Ford—From a school council organisation point of view, we can only say that we assume that you could run the core subjects from the global budget for a particular school—and remember we do not know how that is made up, as Frank Peck said earlier; it has a lot of different components to it. But we see that the other problem is where money from that global budget to teach the core subjects is often drained out to teach subjects that are not core covered subjects where parents do not pay a levy. That is where some of this money drifts down to. This is another problem that we have where students in secondary schools may elect to do photography or outdoor education, which is a very high cost subject, and refuse to pay a levy. So the money has to come from somewhere else within the budget to run that course to make up for the kids that will not pay. That is where some of this money is drained out of the global budget for a particular subject.

Ms Hebbard—That is to relate to eight key learning areas. I think one of the classic ones is their reading recovery. I have also had teachers comment to me that if it was not for the parents who come in and do the reading, for nothing, give their time, we would have a lot more children going into grade three, four and five who cannot read because they have learning problems—they are not severe enough, and in conjunction with behavioural problems, to get the extra help. But there are children who have trouble conceptualising how you sound out words, how you put words together and how you sound out sounds. That is what we parents are doing. There are others who have problems with getting the concepts of maths. Again, it is volunteer parents helping them. This is great, but it should be in conjunction with adequate professional staffing and adequate funding for the remedial programs. That is not happening.

Senator FERRIS—Could I just pursue this question about voluntary fees. We have heard from both Footscray and Elwood about what their fees are. Could you tell me what the fees are at Yea Secondary College? Could you also tell me, from a council point of view, whether you are aware of the fees of other schools in the area, or, as an organisation, do you try to get any data on the range of fees?

Mr Franzi-Ford—Yes, we do have data on that. We are presently almost through a survey. We sent a survey out to all schools within the state—special schools, secondary

schools and primary schools. A lot of that information has now come back. We have, from the schools who returned it, a list of the fees that they charge.

Senator FERRIS—Is it possible for us to have a copy of that?

Mr Franzi-Ford—We will be able to give you a copy when we finish the survey. I am sure that our association will be willing to pass that information on.

CHAIR—I appreciate that. Mr Franzi-Ford, if your organisation were minded to pass that on, the committee would find it very useful indeed. Perhaps if we could ask you to ask your council, then it might be a matter of us looking at it—we cannot ensure the anonymity because the whole point is that you do need to know where the schools are that are paying different funds and so on. Can I suggest that you ask your council and then the secretary of the committee, Mr Holmes, will be contact to see if we can get that information from you?

Mr Franzi-Ford—Yes.

CHAIR—We appreciate what you are saying.

Senator FERRIS—I also asked the previous witness about the idea of capping fees. As an association, do you have any concerns so far in the range of differences in the fees school to school? Is there any policy on that that the association has?

Mr Franzi-Ford—The fee is a school council matter for each individual school council. So, as an association, we do not give direction on how the school council should manage its finances. As it turns out, the information that we have back is that there is very little difference between them. It is less in rural areas, but then again you would find in rural areas that the school council would be able to generate more money because of the closeness of the community. That is probably where the balancing comes from.

Senator FERRIS—But, as an association, you have not discussed any policy about an upper limit?

Mr Franzi-Ford—No. One of the questions on our survey was whether the school wanted an upper limit or not. As an association, we see that the recoverable amount should not be higher than the education maintenance allowance.

CHAIR—Do you, Mr Franzi-Ford? That is a very good point. Could you tell us why?

Mr Franzi-Ford—We see it that the education maintenance allowance goes to the parent to provide some assistance for the child's education. Although it is a school council decision, we think it would be very unfair to expect a person to pay more than what the

government has seen as that education maintenance allowance.

Senator FORSHAW—Do you know how the government came to those figures?

Mr Franzi-Ford—Does anybody?

Senator FORSHAW—Maybe you should be asking us. I just wondered whether there was some basis behind the actual amounts that they had set.

Mr Franzi-Ford—I know it varies from state to state and I am not sure how it would have been decided upon.

Senator FERRIS—It varies dramatically from state to state. Have you given any thought to a policy on sponsorship as an association?

Mr Franzi-Ford—Yes, we have.

Senator FERRIS—Could you talk to us a little bit about that? Could you also address that issue I raised earlier about, if the department learned of an inappropriate sponsor at a later time, how you would deal with the school if they might have signed a legally binding agreement with that judged to be inappropriate sponsor?

Mr Franzi-Ford—I would hope and would assume that no school would sign up with an inappropriate sponsor.

CHAIR—We are here to deal with the real world, Mr Franzi-Ford, and some of the schools will. It could be, as Mr Burns has already said that you start with a very reasonable contract or some arrangement with a club, then the club gets pokies and the school decides it want out of that arrangement. I am only being hypothetical here. I do not wish to pre-empt it all. But the rules change, the school council decides that it is no longer satisfied with that. The point Senator Ferris raises is a very important one. It may be that the education department would judge that the nutrition sponsored by food firm X was not appropriate or it could be that a school entered into an arrangement with a cigarette company. I think it is unlikely but—

Mr Franzi-Ford—I think that the government already has guidelines for that.

CHAIR—It does as a matter of fact.

Mr Franzi-Ford—And cigarette companies and alcohol.

Senator FERRIS—Yes, but there are other companies where it could come down to a personal judgment. The poker machine issue was a very interesting one. If the school had a legally binding contract with a club under some circumstances and then that club

moved to other circumstances and the school wished to disassociate itself, I would be interested to know how it would stand legally. Stepping back a bit and looking at your association, I would just be interested to know what sorts of guidelines you have developed.

Mr Franzi-Ford—Basically, our guidelines are similar to the government guidelines—tobacco and alcohol.

Senator FERRIS—So it does not extend to mobile phone towers or whatever?

Mr Franzi-Ford—No, it does not because a lot of schools do have mobile phone towers and have used that. But it is not just schools. Local government have used them.

CHAIR—Mr Kennett is running Victoria on the proceeds of casinos. Could you therefore take a leaf from that if you were a school council?

Mr Franzi-Ford—We are rather fortunate at Yea because we have no poker machines or casino in the area, so we can raise money for our schools in other ways.

Senator FERRIS—Do the guidelines extend only to, say, tobacco and alcohol?

Mr Franzi-Ford—And immoral earnings.

Senator FERRIS—Immoral earnings?

Mr Franzi-Ford—There are soccer clubs in Victoria sponsored by brothels.

Senator FERRIS—Goodness me!

CHAIR—This leaves mobile telephones in the school grounds for dead. Soccer clubs sponsored by brothels!

Ms Burston—One of the Williamstown football organisations was sponsored by the local brothel. The wives were more concerned than the players, though.

CHAIR—We hope that we are talking about cash and not ‘in kind’.

Senator FERRIS—Have you as an association given any thought to any form of total sponsorship? Say the opportunity arose in which a large computer company offered on a bulk purchase to all schools in Victoria a product, has your council, sitting as an association, ever given any thought to a more equitable distribution of those sorts of products on a state wide basis?

Mr Franzi-Ford—We would have to be guided by our membership as to how they

saw it at the time. If somebody came to Victorian schools in a state wide effort to put in cheap computers that were functional and which suited the purpose of our schools, that would be wonderful. The brand would be immaterial.

CHAIR—We are over time. Senator Forshaw and Senator Ferris, have you any more questions?

Senator FERRIS—No.

CHAIR—I have a million questions. The trouble is that we are past time. Ms Hebbard, you said that you had a page produced each year to the council in which the core subjects proposed and actual expenses were written down. I do not believe that that sort of page is in here. Is it possible for you to provide that information to the committee? It would be very useful.

Ms Hebbard—Yes.

CHAIR—I see that you have mentioned government funds and core funding—and what is CRT?

Ms Burston—Casual replacement teacher.

CHAIR—A lot of this is teaching support, ESL, print room, furniture, equipment and maintenance, which look as though they are the administrative or recurrent part of the budget and do not go to the cost of core subjects. The committee would welcome any further information that any of the school councils or the associations can offer. We may have even asked for some of the information. Thank you for your attendance.

Senator FORSHAW—I have two questions. Firstly, I would be interested in any information you have on the amount of funding that comes from commercial sources as distinct from direct voluntary contributions or money raised from the parents. If you cannot answer that now, you might be able to provide the information. Do you have any idea of what the percentage would be?

Mr Franzi-Ford—A lot of the schools would protect that information as much as they could.

Senator FORSHAW—That is a shame. It would be handy to find that out. I would assume that the commercial funding level might be increasing. Secondly—this question is more of a comment—I take it that we have added pressure because of the expansion of school curriculums in more recent years. You talked about photography and a whole range of these subjects that are available which quite often can be expensive, particularly if you have a small number of students who are placing greater needs upon the school. Are you finding that the resources are not coming through from the govern-

ment to necessarily match an expanding curriculum and greater choice for students? Is that correct?

Mr Crigan—Definitely. We are finding that we are having to use locally raised funds for not only topping up the core subjects but things such as furniture, buildings, toilets, desks and chairs around the school.

Ms Hebbard—We had a classic example in relation to our toilets. The school is made up of basically two campuses for a start. There is a nature strip that is fenced off about the width of a road. Originally it was separated by a road. We have the senior school toilets and the junior school toilets separated from the classrooms. As I said in my submission, given what was happening in Chelsea about the children being assaulted, we were really worried. So we went to the government and said, 'We need some toilets to be attached to the main building for security.' They said, 'Okay you can have money to do the senior school.' We said, 'What about the preps to grade 2?' 'Oh no', they said, 'forget about that. One lot of toilets is enough for you.'

We had to rearrange the actual plans so that we had two female, two male and one teacher toilet attached to the senior school, which is a big building. We have two more here and two more there attached to where the kids are. But that funding was added to, again, by parents raising it. It is not unreasonable to expect the government to provide a safe environment for your children to go to school. I do not think that is a voluntary levy at all; I think that is a core issue. It comes under occupational health and safety for adults; I do not see why it doesn't for children.

CHAIR—That is a very interesting point, Ms Hebbard, and I thank you for that. You say in your submission:

DSE grants for specific "tied" purposes and funds raised which are not immediately earmarked are placed in term deposits in order to earn interest. This process was used with the \$150,000.00 grant for new school toilets and will be used with the \$205,000.00 grant for maintenance requirements identified by the DSE 2 years ago.

In other words, Elwood has actually been able to add to your allocation by investing it and getting a return on the money.

Ms Hebbard—Yes, but these are things that a lot of schools do not have access to. Until I joined the council I had no idea you could do things like that. We just do not have financial analysts laid on.

CHAIR—I am sure all the parents in a voluntary capacity on school councils are very pleased to discover that they are now spending a lot of their time doing it. That is heavy irony; I should forget about heavy irony. Mr Burns or Ms Burston, does Footscray city have money in investments?

Ms Burston—Yes.

CHAIR—Where do you get that money from? Is this your increased allocation because you have a number of children?

Ms Burston—We have various sources, one of them being the district liaison principal. He is based at our school because we had space. Their funds go through our bank. I am not really sure about investments, but we reap the benefits of interest.

CHAIR—What is a district liaison principal? Are you talking about the principal of a school?

Ms Burston—No.

Mr Burns—He is in charge of a cluster of schools.

CHAIR—Not principal meaning money?

Mr Burns—No.

CHAIR—I am a little confused.

Ms Burston—Sorry; the jargon comes off so easily.

CHAIR—We do have to finish there. There may be questions that we would like to follow up after going through the *Hansard*. For instance, Ms Hebbard, I have asked you whether there are any further pages of the budget sheets that you mentioned at the beginning of the year, which could be very useful. I appreciate that you have given us some real examples of how your council has been able to organise its funds to get additional benefits from investment. I would be very pleased if Footscray City Primary School Council had any further information it could offer us about DLP or other sorts of funds that you invest. In particular, if you could tell us—not now—whether the allocation to your school contains a component because of the socioeconomic area of Footscray.

Ms Burston—It does. I can tell you that now.

CHAIR—And to what extent that money is able to be set aside or whether it is, in effect, in lieu of parent contribution and used up every year. That would be very useful. We would be very appreciative of any assistance the schools councils can give and, Mr Franzi-Ford, any decision your organisation might make about that survey you are doing.

I would like to thank you very much indeed. With regret, we cannot stay and keep asking questions. I do thank you very much because the information you have given the committee is very much real world and is a great assistance to us in balancing the

information. That is not to say that any one group is providing misinformation, but the full picture is often teased out by getting people who are at the cutting edge. Thank you very much indeed.

[12.16 p.m.]

SMITH, Mr Charles Edward, Research Officer, Australian Education Union, Victorian Branch, 112 Trenerry Crescent, Abbotsford 3067

FENTON, Mr Robert Bruce, President, Victorian Affiliated Teachers Federation, 11 Glenwood Avenue, Glen Waverley, Victoria 3150

CHAIR—I welcome witnesses from the Victorian Affiliated Teachers Federation and the Victorian Branch of the Australian Education Union. The committee prefers that all evidence be given in public, but should you at any stage wish to give your evidence, part of your evidence or answers to specific questions in camera, you may ask to do so and the committee will consider your request. I point out, however, that recent decisions in the Senate mean that evidence given in camera may subsequently be made public by order of the Senate.

The committee understands that you are representing two different associations and different groups of teachers. This could be quite a lively session.

Mr Smith—And we have never met each other.

CHAIR—Have you not?

Mr Fenton—I have seen Mr Smith in a witness box with a beard once, but he is obviously different today.

Mr Smith—Older and wiser.

CHAIR—It has started. We will take separate opening statements from you before proceeding with questions. We are also, as you are aware, running behind time. So could I ask you to try to keep your comments short.

Just to get this exact, the committee did not have before it a written submission from the Victorian Affiliated Teachers Federation, but we have just been provided with a submission which we do not have a number for, and that will be accepted as evidence. The committee also has before it submission No. 21 from the national office of the Australian Education Union, and we have been provided with supplementary evidence today to assist the committee.

Mr Smith—That relate only to Victoria.

CHAIR—Thank you. Mr Fenton, would you like to make an opening comment?

Mr Fenton—I will begin with an introduction because our submission has just

been presented to you. Historically, public education has been instrumental in binding our nation together in a common cause and blending children of diverse racial, ethnic, religious and cultural backgrounds. The Victorian Department of Education embarked several years ago on a program of increased autonomy to those who applied to be schools of the future. This autonomy ranged from responsibility for a global budget to the establishment of a school charter.

The school council, in conjunction with the broader school community, is charged with identifying its priorities and desirable education outcomes in respect of the curriculum, environment, management and accountability. The establishment of curriculum standards frameworks developed from the national priorities are being slowly implemented in Victoria's public education system. One model for monitoring and tracking curriculum outcomes has been the learning assessment program, which is the responsibility of the Victorian Board of Studies.

Assessment is necessary for the development and improvement of learning media, learning resources and student support and the refinement of the respective curriculum areas, which are confined by the set framework goals being reflected in actual outcomes. A systemic and ongoing assessment of learning is necessary and desirable. Quality assessment methods which are developed in connection with practising teachers at the enterprise can serve to refine and refocus the instructional program towards high standards of qualities for all students.

Having said that as an introduction, I note that the topic of the nature and extent of fundraising mechanisms has been covered by most contributors to this inquiry, and I do not believe that anything that I have placed in my submission is at variance with that contained in other submissions. Subsequently, there is no point in my listing the sample range of those types of voluntary fundraising.

CHAIR—Perhaps I could ask you to tell us particularly the bits where you are at variance.

Mr Fenton—Do you mean in terms of fundraising?

CHAIR—Sorry, Mr Fenton. I thought it might assist you if you wanted to move to that, but please continue.

Mr Fenton—I will go to those two points just to abbreviate. If I went to the impact on general resources—and I think there is some commonality, even so—one significant area in respect of the impact on curriculum resources in the next three years will be the interdependence of computers as a curriculum tool and the ratio of computers to each school's student population. One of the great dangers facing Australian education today is that some schools are able to generate the acquisition and access to more than adequate technological teaching tools while others are not. It is imperative that govern-

ments recognise the significance of computer access and declare them as sales tax free for school students.

In terms of the role of computers, we see that as increasing. I do not want to put too heavy a bias on it—and there is a lot of hype regarding computers—but computers do have a significant role to play. That is the area which could find a sufficient and significant allocation of funds from governments for the purpose of ensuring that a sufficient number of computers are put into schools and that students are able to access them.

In our submission I say that we agree in the main with the other submissions; that is, in conclusion, the Victorian Affiliated Teachers Federation advance that what is emerging today is an authentic approach to school renewal; that the shift in authority to schools of the future is local; and, that all educational changes must be as a response to the unique needs of the local community. At some point the distinction between resource differences and educational approaches begins to blur, since all approaches require resources. Education policy is inevitably concerned about the distribution of resources and the viable approaches to educating students.

In order to ensure equality of opportunity, the VATF believe that all schools in Victoria should be given a grant to develop a framework for business management and voluntary fund raising and to provide training to teachers with ideas that translate to improved learning and resourcing of learning, which can be utilised to the common good of students and the general school community. The task before our schools is to prepare every child in Australia for the challenging world of the 21st century. This could well demand problem solving skills, the ability to work with other people and the capacity to continue learning throughout life. In the end, the goal of any equalisation effort must be to achieve equity of educational opportunity as measured in the quality of programs, not merely comparability of per capita expenditures.

In conclusion, I do support the Australian Education Union's notion of an educational foundation in terms of corporate monies coming into the system. The AEU put forward an educational foundation as a mechanism or model of central grouping, if you like, of corporate funding. I believe that is the right direction in which to go.

CHAIR—Rather than allocation directly to a school?

Mr Fenton—It can get out of perspective; therefore, I support the foundation model.

CHAIR—We will now hear from Mr Smith, then we can put questions to both witnesses. I am particularly interested in the question that Senator Forshaw asked before about the different systems in New South Wales.

Mr Smith—I represent the Victorian branch of the Australian Education Union,

which has 30,000 members. It covers teachers in the areas of early childhood, primary schools, secondary schools, TAFE and disability services. I have already provided the committee with some supplementary evidence. It is a series of graphs on government expenditure on schools in Victoria, plus a series of press cuttings which relate to the areas I am about to address. I speak also in support, as you have mentioned, of the submission from the national office of the Australian Education Union. I will be brief.

It seems to me that there are a number of areas of fund raising in Victoria that apply to this committee and they can be broken up into fees, sponsorship, marketing and fundraising. All of these are used in Victoria. There are three sorts of fees: general fees, which have been the main topic of conversation, from what I have heard this morning; subject specific fees; and, task specific fees, which parents are expected to pay to schools. By task specific I mean such things as camp fees and so on.

There are three different forms of sponsorship active in Victoria: system level sponsorship, school level sponsorship, and program level sponsorship. By programs, I am talking about such things as the 'pizzas for literacy program', which one of the pizza chains promoted. As a result of passing certain levels of the literacy programs in the school, the kids got a pizza.

There is also the marketing of the schools. One of the prime motivating factors behind schools of the future is that they are now basically individual business enterprises. Their funding depends entirely or almost entirely on the number of students they manage to attract to the school. So all schools are marketing their school and their programs in competition with each other. There is also fundraising. Parents have used the traditional forms of fundraising, such as lamington drives, up to other things that have been mentioned this morning such as going to the casino. All those forms of fundraising are being used in Victoria.

Because I cannot resist it, I am going to show you my local paper which arrived two days ago. I live out in Knox. I also have a child at a primary school, and this is what I mean by school marketing. This is the *Knox Post*, which is owned by Mr Peter Boyle, who is active in small business. Outside is an 8-page wraparound advertising Heathmont College, which is a local government school. I have no idea how much this cost but I can well imagine. They have paid for eight pages advertising their school in competition with all the other schools in the area.

I also want to refer the committee to certain information that is available from research. In 1995 the University of New South Wales carried out a survey. I think that information has been provided to the committee along with our federal office submission on fees and sponsorship in schools. All the figures that I am about to mention exclude the cost of teachers' salaries. Parents contribute up to 27 per cent of school operating costs across Australia. On average 81 per cent of parents pay the full school fees.

Dr Tony Townsend of Monash University has been researching schools of the future, and he has found that schools rely on funds raised by parents for 23 per cent of their running costs. Some schools are much more than that, but on average it is 23 per cent. A Newspoll survey carried out this year of 300 people with at least one child in a government school found that 65.8 per cent of the people responding to the survey believed that government should put more money into government schools. Some 72.4 per cent of parents believed parents should not have to make up the shortfall in resources, and 74.1 per cent believed smaller classes would benefit their child. Obviously one of the results in Victoria of the cut in government funding has been larger class sizes.

In October 1995 the Victorian Auditor-General analysed school reorganisation in a report entitled 'The changing profile of state education: school reorganisations'. One of his findings states:

Resourcing problems most frequently mentioned by schools responding to the audit survey were staffing shortages, poor quality buildings, insufficient equipment, lack of LOTE resources, a greater need for supplementary funds to be raised by the school community and a lack of special needs for the students.

I will end my comments there.

CHAIR—This little graph from the Grants Commission report on general revenue grant relativities 1996 update tells me that from 1991-92 to 1994-95, which is a three-year period, Victorian allocation for expenditure on government schools per head of population actually fell by 10 per cent. Have I read that correctly?

Mr Smith—You have.

CHAIR—In every other state and territory, indeed Australia wide, there was an increased allocation per head of population, but in Victoria over those three years there has been a 10 per cent decline. This is from the Grants Commission, so I am concerned because this morning I said that I understood there had been an increase in allocations to education in Victoria. The Victorian education department agreed that there had been an increase in expenditure. Perhaps we will need to check with them as to what they understood from my response. You are telling us that from the Australian Grants Commission allocation the money per head of population has fallen by 10 per cent in Victoria. Can you tell us what that means in terms of a particular school?

Mr Smith—It would be hard to say in terms of a particular school, but I think it backs up all the evidence the previous group certainly was giving. The results of their survey show that parents and school communities generally are involved in raising a lot more money to just make sure the school operates as it is traditionally operated.

I want to refer to one of the questions asked earlier where, according to the evidence that was apparently given to this committee, the Department of Education funds

the core subjects. It depends very much on your definition of what is a core subject and what are the core activities in those subjects. If you take a core subject to be a subject that requires a room, students and a teacher, then I would not disagree that the Department of Education funds them.

But if you think that a core subject—take mathematics—might require more than a teacher, it might in fact require computers and software, then it is not funded by the DOE in the terms that we might refer to a core subject as being needed to be funded. Almost everything outside teachers' salaries and the immediate running costs of the school have to be funded by money raised by the parents.

CHAIR—Thank you very much, Mr Smith. Senator Forshaw, I wonder whether you might put to both witnesses, but particularly to Mr Fenton, your earlier question.

Senator FORSHAW—I will try to remember it. What I was interested in—and I asked this question to earlier witnesses—was that, in the global budgeting system that now operates in Victoria, the school council is assuming far greater responsibility, particularly for such things as the payment of salaries, the hiring of teachers and so on. That is a fair way further down the track, as I understand it, than in other states—both in the government and non-government sector. From your experience, how has it been received by teachers and by schools? Does it create additional financial problems that schools in other states do not necessarily have to worry about—say, particularly if the salaries are paid from the department directly to the teachers in the same way as other public servants might be?

Mr Smith—I will try to be brief, Senator Forshaw. You have asked a question that would probably need about three weeks of explanation.

Senator FORSHAW—I think that probably answers my question.

Mr Smith—There are three factors you have to take into account. There is the theory of schools of the future, which I will not go into. There is the global budgets, which you have already mentioned. There is also the most recent change, which is called designated schools. All schools in Victoria now, except I think for one, have been classified by the Department of Education as designated schools, which means that they are now considered for all intents and purposes to be independent businesses. They are allowed to enter into contracts on a whole range of issues for a whole range of supplies. One school can enter into a contract with another school to supply its services to that school. I say that very briefly just to show that the situation is becoming even more complex.

Senator FORSHAW—Across both sectors—government and non-government—or is it just between government and government schools?

Mr Smith—The regulations are only recent and have never been tested. It is one of the questions I have in my mind, and so far I have not been able to find an answer to it. I do not think there is any barriers to it, but I would stand corrected on that because I am not sure. I have been able to go through only what has been provided.

There is only one limit on designated schools: they are not allowed to enter into contracts that involve hire purchase in any of its various manifestations. As I understand the argument, if a school council changes or if a company changes, there is a question about who would be legally responsible for the maintenance of the hire purchase contracts. Do not ask me to justify it. I understand that is the reason.

Global budgets have been an enormous imposition on schools. Traditionally and as happens in most other states, though it is lessening, you have the central education department providing most of the support—administrative support, computer support, business support and so on—that you expect of schools. In cutting down central expenditure by removing most of the bureaucracy in the centre, all of those jobs have now been handed out to the schools. For instance, 30 people—this is a figure off the top of my head—could have been involved in furniture purchasing. All that responsibility has now gone to the schools. If you look at it I think you will find hundreds more people are now involved in those basic business practices but of course there are not hundreds more people employed in the schools. Most schools have very limited administrative support, so a huge amount of responsibility has fallen onto the principals, the school bursars, the school support staff and teachers. All of them have had to take on all of the administrative tasks previously done from the centre.

I refer also to a survey that the Department of Education completed only a couple of months ago of principals in schools of the future. Unsurprisingly, because it was an official survey, in all of the responses from those principals that did not require any response about resources, schools of the future were thought to be a good thing because they were working extremely successfully in the school of the principal who was responding. I do not think you would ever find anyone saying that they would do a bad job.

There are four points I would like to make from those principal responses. This was a major survey which took some months, and there are hundreds of pages of it. In one area of the survey, principals were asked to respond on four particular areas on a magnitude scale of one to five, with five being the high problem area and one being the low problem area. One was maintenance of quality facilities. Eighty-one per cent of the principals responded in the three to five category. On level and quality of support services, 85 per cent of principals responded in the three to five category. For equitable allocation of resources to global budget, 89 per cent of principals responded in the three to five category. For resourcing curriculum requirements, 86 per cent of principals responded in the three to five category. This means that in every one of those four areas, which I think are, leaving aside teaching, the heart of school operations, more than 80 per cent of principals had major concerns about the way they were being funded and administered. I

hope that is short enough to show the complexity of the problem.

CHAIR—I am not sure whether the committee has had access to only some of that. We have had extracts from it. Do you know whether we could get hold of that survey?

Mr Smith—It would be available, I understand, from the Department of Education or perhaps from Melbourne University, because it was organised through Melbourne University by Professor Caldwell.

CHAIR—We have asked for that this morning. Thank you for that.

Mr Smith—I might also add that it was rapidly released within a week of being leaked to us.

Senator FORSHAW—Just to follow up what you said has happened, it seems that in some ways, or in many ways, the political responsibility, if you like, or political opprobrium that attaches to whether there are sufficient numbers of teachers and so forth in the system has in many ways been passed back down to the parents and the schools.

Mr Smith—Every area in which the Department of Education can receive kudos has been retained to the centre and every area where the Department of Education may be criticised has been devolved to schools.

Senator FORSHAW—I think you have just agreed with my observation.

Mr Smith—I think I have too.

CHAIR—Can you tell us how much the Department of Education has been reduced in terms of its bureaucracy? It is a question I forgot to ask this morning, but if you cannot answer it, Mr Smith, it does not matter.

Mr Smith—I can give you an indication. Again, I stand corrected. You have to take into account the bureaucracy would be the central facilities which are now housed in the Rialto; the seven regions; the regional staff, school support centres, all of which have basically been abolished. The DLPs are the only new level of bureaucracy. There are 60 of them. The state has been broken up into 60 administrative areas which are run by the district liaison principals. Previously there would have been something like 2,500 public servants and teachers employed in the bureaucracy to administer and provide support for schools. I understand there are now something like 800.

CHAIR—That presumably too would be one of the reasons why the Victorian government can reduce its expenditure per capita and still maintain funding to schools of some sort. That presumably would reduce their allocation of funding per head.

Mr Smith—I follow that up slightly. In the reduction of funding to schools, everyone knows about the more than 300 schools that were closed, the more than 8,000 teachers who have been encouraged to early retirement or redundancy packages and have left the system. But, at the same time, funding to schools was reduced as part of the schools of the future program. Because it was such a complex area, it was not taken up by the press nor was it taken up much in public debate. Of course, there was an outcry from schools: ‘Here we are being expected to do more in administrative terms where, in fact, the global budget has given us less.’

Senator FERRIS—Mr Fenton, you have been sitting here while the previous witnesses have answered some of the questions that I was going to ask you, so I am really only asking for comment extra to what they have already said. I was interested in your support for this more corporate focus in sponsorship arrangements. How would your organisation like to see business—and perhaps industry—and sponsorship in a school? What sort of focus would you like to see it have?

Mr Fenton—I think that there are some practices, many of which have been enunciated by earlier witnesses, that should continue to prevail. You cannot take away local participation in terms of involvement and syndication towards a common goal or priority.

One of the recent examples is Microsoft’s contribution of 1,200 CD-ROMs, at a very generous price, which was done by way of economy of scale through the Department of Education. I am sure Microsoft had their commercial interests, as Apple did many years ago, to get involved with a reduced rate for their product, but I see that type of encouragement and vehicle as being integral to some of the technological material that we need for our schools. The reason that I say that about technological material is because the rate of change in technology is so great that the day you buy it, it is superseded when you walk out of the shop.

I do not know how in an educational setting, even though you might have adequate numbers of computers, one normalises the technological level of what each student may have access to. One may have a very basic system and one may have a more sophisticated system. In that sense, there is inequity. But I have no answer as to how you bridge that gap.

CHAIR—Your comments are also a very argument for why we should have centralised departmental bargaining on behalf of the people in this country or state, are they not?

Mr Fenton—Yes, absolutely.

CHAIR—So it is an argument against devolution.

Mr Fenton—I am only talking about purchasing or negotiating a specification for what would be the recommended standard for an educational setting.

CHAIR—It is a good case in point though, is it not?

Mr Fenton—It is, yes. Centralised purchasing could have economies of scale for a foundation where a company may wish to go even one step further than a reduced price, that is, perhaps with accompanying software. In the computer business now, when you buy the component it normally has three complimentary software packages which may cost a fortune if you were to buy them separately, each one wanting your business. I have heard people talk about the Internet costs. If one follows CompuServe—which, from memory, is a nice generous \$14.50 for two hours for one month—once you get past the free five hours and past the month, it runs out at \$7.50 an hour. That is an added cost in terms of conduct of computers and I do not know whether the witnesses have looked into the cumulative cost for actually operating on the web, the Internet or whatever. It is mind boggling, if one starts to pencil down the costs.

Senator FERRIS—Moving to a related area, do you have any data or have you ever surveyed your teacher members on how the changed arrangements in relation to the opportunity for sponsorship have taken their time? How much does it intrude into their teaching time? How do your teachers feel about the principle of teachers becoming more involved in the commercial aspects of school management?

Mr Fenton—The only area where this has been raised and discussed is at our council level. It was the council's view that some schools can access business skills or entrepreneurial skills external to the school and that all schools should be given the opportunity, by way of grants, training or specific professional development, to be able to make contacts or develop a framework for fundraising within that particular school. The equity would be that all schools had the same opportunity to access or promote the school for the purposes of getting voluntary funds.

CHAIR—I am distracted by the sponsorship evidence that you have in there. I know we are in Victoria today, but the sponsorship difficulties seem to be more in another state besides Victoria.

Mr Smith—The sponsorship difficulties are right across Australia. One of the major difficulties in Victoria, apart from the guidelines that have been referred to earlier about gambling and alcohol, drug, sex and rock'n'roll—

CHAIR—In fact, there are guidelines against smoking and alcohol and not against just about anything else.

Mr Smith—That is true. It is one of the things that follows on from schools of the future. Because schools of the future are independent businesses, they are allowed to

organise basically any form of sponsorship they want that is offered to them, as long as it does not contravene those regulations. It is one of the things that will be mentioned by our federal officers when they are speaking to our federal submission and it is something that has been of very great concern to our members in Victoria as well. I will not try to pretend that sponsorship is a simple issue; it is not.

There are obviously a whole range of areas of sponsorship that you would not say no to, but the schools that already well off are the schools that are going to be offered the greatest amount of sponsorship. It is in the interests of most companies to continue to support the schools that are already privileged. It is not in their interests to support the underprivileged schools that have very few resources. That is the reason we came up with the idea of the foundation, which Mr Fenton has properly supported, and I am very pleased about it.

It is a major problem. It is a major problem because of the work that has to go into administering the sponsorship. It is a major problem because of the ethics involved. It is a major problem because schools need the money.

Senator FORSHAW—The Sydney Swans might be interested.

Mr Fenton—Using that as an anecdote, it is interesting to note that some years ago when the proposed merger between Fitzroy and Footscray was mooted, it was the western suburbs that rallied to the aid of Footscray. So the notion of the more privileged being recipients of this type of sponsorship does not necessarily hold.

CHAIR—It just means they don't have to rally so often.

Mr Fenton—It is a question of priorities.

Senator FORSHAW—My comment was somewhat flippant because what we have actually seen is the move from companies, particularly McDonald's and others which have been involved in sponsorship of sporting arrangements or teams in the provision of prizes and all of that sort of thing, into more mainstream school activities. That has been my experience in Sydney.

Mr Smith—Another recent example is that in a country area in Victoria McDonald's is sponsoring the local careers expo—it is known as McCareers—with the Australian Army and various other institutions participating.

Senator FORSHAW—This is for the McDonald's university, is it?

Mr Smith—This is where most students of that area would naturally go to find out about possible careers, further education and so on. It is McCareers that they attend.

CHAIR—It is interesting that you mentioned sport. It is something about which this committee has been almost silent on to this point. Former Senator Bell, who had a very large hand in getting this inquiry initiated, carried out an inquiry with me a few years ago into physical education and sport in schools. We found that schools were retreating from this expenditure at the rate of knots. In its place has come Aussie sports, which is the states getting out and the Commonwealth coming in in a small way. It involves a very large amount of sponsorship that is actually helping schools get their basketballs, netballs or footballs.

I think we should now have a look at all the things we have talked about so far. We have not looked at sponsorship outside of the eight educational areas. They have not addressed PE or sport in any way in the inquiry to this point. It might be an area that we need to follow up. It is certainly an area which I know has been ridden with sponsorship.

Mr Smith—In Victoria physical education is now compulsory in all schools. A major inquiry has just finished on the role of sport too.

CHAIR—Mr Moneghetti's follow-up of our report.

Mr Smith—Yes, Mr Moneghetti's follow-up.

CHAIR—What does 'compulsory in all schools' now mean?

Mr Smith—That is a very good question.

CHAIR—Does it mean that all school councils will have the option to decide whether or not they employ a PE teacher?

Mr Smith—All schools are supposed to offer it to their students. That is what compulsory means. It does come into the eight core areas. But as you said, there is very little equipment currently available. What is available is very old. A number of companies are sponsoring school sport in various ways. I am sure you are aware that in New South Wales McDonald's is sponsoring the total sporting competition for \$800,000 over three years. In Victoria it more involves support for the purchase of various pieces of equipment or if the school has various numbers of lolly wrappers, it gets a basketball or whatever it might be.

Senator FORSHAW—There are other forms too. It is not just so much money that goes to the school or even to the sporting team, but it is the provision of prizes. For instance, McDonald's give out certificates which means that if your son or daughter wins an award, you take them to McDonald's and then you have to pay for the rest of the kids in the family. A lot of clubs actually rely upon that sort of sponsorship.

Mr Smith—I know teachers in New South Wales who are involved in the

McDonald's program are expected to wear the McDonald's logo on their shirts.

CHAIR—The PEN sporting inquiry we did threw up something that I had learned from an earlier inquiry I had done into women's sport in the media. The allocation of both state and Commonwealth dollars to girls' sports in schools was appallingly less than boys' sports. Thousands more girls play netball in Victoria, but until very recently—and I have not checked the figures in the last year—Victorian football, AFL type football, got many more dollars for fewer boys than netball got for very many more girls.

So it was not just a question of what local sponsorship you could get but also about having to make sure that you had a fair allocation between sponsorship for girls and boys, and sponsors were easier to find for the hairy chested end of town than for girl's sports. It is reflected in the fact that you still cannot get television coverage or anything like the same amount of media coverage for girls' sports, so it does not feed into them getting sponsorship there. It is just another subplot of inequity, and, I guess, another challenge for local sponsorship.

We do have to finish there. I have the clear understanding that we may find ourselves with more questions to put to you. I hope, if you would not mind, that you would be able to supply us with answers to questions we may put to you in writing.

Mr Smith—Certainly, Senator.

CHAIR—I think it has been very useful, indeed, to hear from you. The only trouble about today is that it has been too crowded. I also appreciate that our last witnesses have been very patient, but they also do not have very much time at the end. Thank you very much Mr Smith and Mr Fenton.

[12.58 p.m.]

BROWNE, Mr Gregory John, Convenor, Schools Education Publishing Committee, Australian Publishers Association, 89 Jones Street, Ultimo, New South Wales 2007

RICE, Ms Louise Jane, Member, Schools Education Publishing Committee, Australian Publishers Association, 89 Jones Street, Ultimo, New South Wales 2007

CHAIR—I welcome the witnesses from the Australian Publishers Association. The committee prefers that evidence be given in public, but should you at any stage wish to give your evidence, part of your evidence or answers to specific questions in camera, you may ask to do so and the committee will consider your request. I point out, however, that recent decisions in the Senate mean that evidence taken in camera may subsequently be made public by order of the Senate. The committee has before it submission No. 32. Would you like to make some introductory remarks and then we will ask you questions?

Ms Rice—Sure. We really do not want to add anything other than to say, particularly as we have not heard the last submissions, that we are here because what we do is publish textbooks. It seems to be a bit of a dirty word with all the talk about new technologies. When schools are ready to go into the electronic format, so are we. At the moment what happens in schools is that the textbooks—which cover a whole range of things, from reading programs teaching kids to read, through to big, fat, heavy accounting texts—are actually a core part of the learning of students.

All the people who work with us and who are authors are teachers. We are very much involved in the schools on a day-to-day basis, so that is why we wanted to respond. We see in schools every day the impact of funding or the variation in funding. The University of Sydney research seems to support the fact that there is not enough information out there. The only schools which are not suffering from a lack of proper, what we would call, textbook resources are either where the parents are buying the books with a booklist, as in Victoria in some private schools, or where the schools have the funding.

Certainly from our knowledge of schools out there, the schools that can attract the funding and the sponsorship are doing just fine. In those schools where they are really disadvantaged it is harder to do so. Our recommendations basically say that there needs to be more research in it.

What has happened in schools is that the emphasis is on new technology—which, quite rightly, needs to be resourced—has come out of other funds, which includes funds previously spent on books. Things like the disadvantaged schools funding, which comes from the Commonwealth, has actually been dissipated into overall general administration and so on. It is not necessarily addressing areas which really can address areas of disadvantage, such as making sure kids have adequate resources.

CHAIR—I thought the disadvantaged schools funding was directly cut in the recent Commonwealth budget.

Ms Rice—Yes, it has just gone.

CHAIR—Sorry I interrupted you, Ms Rice.

Ms Rice—That is all right. I just wanted to really put in the context of why we are here. Yes, we represent publishers, but we are very much involved in schools. We are concerned from the view of what is happening out there.

CHAIR—Do you wish to make any comment, Mr Brown?

Mr Browne—I want to add that a particular concern of ours is the inequity in the distribution of funding for textbooks in Australian schools. It seems that, within the context of global budgeting and schools of the future, the textbook budget has been the most easily cut if, as Louise mentioned, new technology items are required to comport.

What has happened is that, within a state across different socioeconomic areas, we see gross inequity in the allocation and availability of textbooks. So that within two state schools, for instance, in New South Wales you might have students who are fortunate enough to have individual textbooks available to them to study from, to take home and to return to the school at the end of the year and you might have students who really cannot even take a textbook home with them. Often there are not full class sets of textbooks available for all the students within the class. As Louise mentioned, that goes right through the scale to where individual parents are buying textbooks for their children and, consequently, the inequity scale is very wide. It is a concern of ours.

CHAIR—It certainly is. Senator Ferris, would you like to ask some questions?

Senator FERRIS—I am interested in the business arrangement that you have with various schools or state governments for the return to the company of the books bought either in bulk or as an individual book list. Can you talk a bit about the financial arrangements of that? Also, flowing on from that, I understand from your submission that you think the financial arrangements have declined because of global funding in New South Wales.

Ms Rice—In Australia teachers are free to choose their own text, so there is no question of the states saying, ‘You will use this maths textbook.’ That means there are a lot of us competing—we are competitors when we are not here—to produce books. So for the new New South Wales maths course, which is being implemented next year, there are something like eight new maths textbooks coming out.

Teachers are free to use which text they feel is right for their school, together with whichever supplementary resources they like. They often buy through a book seller with whom they will have an account, or they may buy directly from us. We have accounts with schools. They are the simple financial arrangements.

There is a letter in our submission from the Board of Studies, so the Board of Studies knows what we are doing. We talk to them about what we are doing, because what we are trying to do is resource the curriculum. The authors of our books are the teachers who will be teaching the curriculum in the classroom.

Senator FERRIS—If there are eight new books coming out on that maths course, surely that raises an interesting question of efficiency.

Ms Rice—Sure, but that is the free market and the free market says that those who wish to compete can compete.

CHAIR—Actually, what it really is is a test for the people who design the exam at the end of the year.

Mr Browne—I guess a side effect of that is that Australian school students do have available to them a wide range of very high quality textbooks. One aspect of the business arrangement that is worth looking at is what happens when a school directly purchases a class set. They will buy 30 or 50 copies, for instance, of a new textbook for this mathematics syllabus that Louise has mentioned. They will buy them at \$25, \$28, \$30 or whatever each, put them into their book room and use them for several years.

They will see them as a capital investment. I am not sure how they treat them financially—whether they capitalise them or not, or whether they are expenses in the year—but they see it as a capital purchase. Consequently, there is a reluctance to upgrade and change them—to refresh them, if you like—and to give the students new opportunities. In mathematics it may not be so significant, given that the syllabus is now 15 years old. But in history, geography, politics and subjects where the world is changing so quickly, we quite often have students using textbooks that are 10 years old and clearly out-of-date.

In a different business model where individual parents buy the books, there is no impediment to the school saying, ‘Next year we will use a new textbook.’ Also, within that model, the parents have the opportunity to sell on second-hand textbooks or pass them on to siblings, so that the economic model is very different.

It is most significant in Australian schooling that in Victoria we have a very strong book listing or individual student purchase model, whereby parents buy textbooks. Therefore, the inequity that might arise between a North Shore and a western suburbs school in New South Wales simply does not exist in the state of Victoria, because a

student in any district and in any socioeconomic strata will have a textbook available to them. The parents will have bought that textbook.

CHAIR—I am not sure of the leap. What is Victoria doing that the eastern and western suburbs of Sydney or the North Shore and Liverpool have not mastered in regard to textbooks?

Mr Browne—What Victoria is doing is supporting the book list system, where mums and dads buy books for their children. They own them. They have the pride of ownership. They have the opportunity to own that book and take it home.

CHAIR—Would that help people in Liverpool who cannot afford to get them?

Ms Rice—In the Victorian school I am involved in, which is a school in a disadvantaged area, special grants are set aside for the parents who cannot afford the books, so the parents can go to the principal in confidence and say, ‘We can’t afford to buy the books,’ and the school will provide them.

CHAIR—What you are saying is that, however the book is purchased, it is effectively the possession of the student?

Mr Browne—No, quite the contrary. However the book is purchased, it is either the possession of the student or the possession of the school.

CHAIR—In Victoria, though?

Mr Browne—In Victoria where individual students buy their own text books, sure.

CHAIR—Or where individual students who do not have the money to buy books are subsidised to do it through some program?

Mr Browne—Correct.

CHAIR—So what you are saying is that in Victoria the thing that makes the difference is that the book becomes the property of the student or the student’s family.

Ms Rice—It is only one book per subject. Then the school is hopefully able to buy extra resources around that. None of us would say that one textbook is enough to resource a course, a key learning area. It means that they are free to devote the funds that they do have to other resources.

Senator FERRIS—Have either of you got any comment to make on the earlier information relating to the shift to global funding and taking student levies into other areas? In other words, has the provision of books suffered as a result of this move to

global funding? Perhaps some choice has been made by the school council that might not involve books being a priority.

Ms Rice—There are two areas we see quite clearly. I have had schools saying very proudly that they have got \$150,000 stashed away in a nice investment account just in case. The global funding has meant that they are understandably nervous about these bills that they have not had to pay before. So they have been stowing away monies. We know that certainly happened in New South Wales. The principal or the bursar—whoever is controlling the funding—then says, for example, to the science teacher, ‘You’ve got \$2,000 this year. This is your total resource budget for the year.’ That covers all the equipment and everything. The teacher says, ‘I haven’t got any money. There may be some great new resources out there. I will buy one copy and photocopy it, because I do not pay for the photocopying.’ That comes out of the global budget. Or they just say, ‘I haven’t got any money.’ Meanwhile there is a nice little pot of money squirreled away.

The other impact is that, because there has been no extra funding for all the new technology requirements that have come in, the book budget has been one area where they have said, ‘We will cut that.’ We have definitely seen that. There is an example in the submission of a primary school which found that the only way it could bring in a new reading program or anything like that was by going to the local parents and citizens committee.

CHAIR—I thought I would start by saying that you wouldn’t want to be selling *Encyclopaedia Britannica* this year, would you?

Ms Rice—No.

CHAIR—It is a perspective, is it not? Who wants a book when you can just get it on the Internet. The whole of *Encyclopaedia Britannica* is there for you. There are millions of items from the Library of Congress, and goodness knows what else.

Mr Browne—Education resource providers, information providers, are definitely supportive of the move towards the implementation of technology in education. There is a whole world of fantastic opportunity out there. The companies and the corporations that we work for are investing in producing state of the art on-line, CD-ROM, digital information in every form. But when we visit schools—as we do in our daily working life—they use, they want, and they cannot do without good old fashioned text books. They are packaged information. They actually work. That is besides the incidental virtues in that they engender literacy and numeracy and skills that the students carry through life. They are highly effective teaching resources.

Without disclosing any commercial information here, I think Louise would agree with me when I say that the market for CD-ROM materials and on-line information in Australia is unviable. It is simply not there at present. Even though schools are pouring

money into the hardware and the Internet access fees and on-line usage fees, there is not a viable market for people to invest in producing high quality electronic product. That is in spite of previous governments' funding of this issue. Nonetheless, we all continue to invest in it because we want to be with the future and we want to support the need when there finally becomes a market opportunity for it.

In the meantime—perhaps forever; who is to say?—textbooks will remain in demand and to a large degree unavailable. The survey that was included in our submission, conducted by the University of Sydney, shows that, generally speaking, New South Wales teachers find that they do not have access to adequate textbook resources within the schools. That is the particular issue that we want to bring to this inquiry.

CHAIR—This is the question: are we at that stage when stained glass windows turned into the first printing press; or are we at that stage when the local cinema was being beaten to death by the drive-in, and after 10 years things balance themselves out? Your hope would be that people go on liking books.

Mr Browne—It is not really a hope—we really are ready. We clearly do represent a vested interest, but we are really ready, waiting and hopeful that the move to alternative technology will happen because we are very well skilled and very well resourced to provide for it. Your analogy is a good one: cinemas in the fifties and sixties started to fail, were closed down and became bingo halls. And, boy! Cinemas have re-emerged in the last 10 or 20 years.

CHAIR—It is a very hard thing to know, isn't it? I do not wish to suggest that all my questions are against you because you are nothing more than a vested interest flogging your school books. I do not mean that at all. I would like for you to be absolutely clear about that.

However, whether you are marketing school books, whether you are a state education department looking at whether you get a good deal because you are purchasing for the whole state, or whether you are now a devolved school, a local responsibility making decisions about all of this—these are really tough decisions because they are about investments. They are about whether the class owns them, whether the students own them or whether they should have them for a year.

They are interesting bits of comment and information, which I thank you for. We had not actually got down to that kind of information before. They still are terribly important decisions because we do not know whether people will still be using books in five or 10 years time. We suspect that some will be, but people will be doing much more reading off screens, will they not? Can you put in your research about where goes the book?

Ms Rice—Absolutely. It is a much broader question. The thing about technology is

that schools quite rightly are feeling very nervous. They are feeling that they should be addressing technology, they should be accessing the Internet, and they should be using CD-ROM. You are quite right about the *Encyclopaedia Britannica*, library reference resources and the masses of data which you want to search. Absolutely! Do it on CD-ROM in the library. That is fine.

In the classroom context, whatever the state of the technology is, for a long time to come—unless there is a major change in the model of school and teaching—the teacher has to achieve a certain curriculum, a certain set of outcomes. All the curriculum based on the national profiles state those outcomes. The problem for the teacher is how they achieve all the outcomes. At the moment you see teachers playing with an activity on the Internet, but somehow that has to fit in a very crammed timetable to make sure that they achieve the outcomes.

Our role as educational information providers is to say, ‘Whichever way you want the information in order to achieve the outcomes required is how we will present you with the information.’ The reason we talk about the text book at the moment is that that is a very neat model. It says ‘Here is a summary of the information. Here are some of the useful questions and activities which you as the teacher will use as you see fit.’ You may be supplementing that with Internet access, and you may be supplementing it with an activity on a CD-ROM.

Most publishers have come up with a disk for those New South Wales maths books that I have mentioned. It is simply some maths tests on disks which the teacher can work with. So all those things are happening, and the model is there. It will depend on the subject area as to how much the technology comes into play.

The model at the moment is really about saying a core textbook is a very useful thing that the kid can take home. There is a private school called Trinity Grammar in a Microsoft promotional video. The school uses laptops. It is still using books, it still spends plenty of money on books. But, on the laptop the kids are responding, if they are writing a poem, to the activities by the media. Instead of writing the work into their book, they may be putting it into Microsoft Word, going into Paintbox, decorating their poem, producing the work. They might be using spreadsheets or whatever with generic software programs. They are using Microsoft Office, which is why Microsoft have been promoting them.

The textbook is still there at the moment as the source of information, as though this is the core stuff you need to have or the place you can go and find information. So there is a change and, as Greg says, we are ready for it. But it requires a lot of thought, it requires funding. At the moment we could produce incredibly glamorous disks but the schools do not have the computers to run them. I don’t know what they are still running—I am hopeless on RAMs and megabytes—but their machines are too low-end to run the kind of technology that will give them something that is worthwhile.

CHAIR—Really what you are highlighting though is a very important challenge, isn't it?

Ms Rice—Absolutely.

CHAIR—That is the very big capital investment, whether it is in books, photocopying machines, packages that were previously reproduced by the education department or in the high tech end of town. A little while ago, you used to get a package—perhaps you still do—saying 'Everything you needed to know about the environment.' There might have been a tape, in the days when we only listened to tapes. Then we upgraded to videos, so we got pictures as well, and some material to hand out or photocopy. So we have been moving away from textbooks over a long period, have we not?

Ms Rice—No.

Mr Browne—Actually, I do think that is an interesting point because the teaching kit was a 1960s and 1970s phenomenon. Everybody produced kits and every school has, to this day, rooms full of kits. There has been a significant swing back to the textbook, not because this is a push by publishers, but simply because that is where the demand has been.

CHAIR—Do you know why?

Mr Browne—They work. Let me reinforce the very valid point that Louise has just made which is that those schools which are putting most into technology—into on-line, screen-based learning—are the schools that are buying and spending more on textbooks and book resources than they ever have before.

CHAIR—So that is a very telling point, isn't it, because you are therefore talking about schools that can afford it?

Mr Browne—Exactly, right.

CHAIR—And this is not really Broadmeadows or Liverpool.

Mr Browne—That is the point.

Ms Rice—It is not an either or scenario, it is a both. The other move about textbooks is the quality of the textbooks produced in Australia. I arrived here nine years ago. Now teachers are being presented with a range of full-colour textbooks.

Our primary language textbooks that are produced here are exported to America and around the world because they are so damn good. Australia and New Zealand lead the world in teaching kids to read. Those models are very rich and teachers, when they can

afford them, are buying them because they are so rich. They are written by teachers for teachers, that is who our authors are. They are not academic tomes, they are not sent down from God. They are people saying, 'How do I implement this curriculum in the classroom?'

CHAIR—What you have really been able to come and say to this committee is that through a quite different introduction into schools, which is on behalf of textbooks and assistance for any of that kind of book purchase in schools, you are able to confirm that there is a very significant disparity in the purchasing power of schools.

Ms Rice—Absolutely.

CHAIR—There is certainly a difference in the way they do it. But you have lines here like—and I just need to be sure that this is your comment—'Fund raising by PTAs has become increasingly hard as parents get "fed up" with dipping into their own pockets for school'. Is that you?

Ms Rice—That is the quote from the UK report. There was a third in the series of UK reports called *Book spending on schools*. They have made investments into researching this area—the only research that has been done in Australia. I echoed that because that reflects our understanding and our experience.

CHAIR—Is that right? So this is what you understand could just as easily be a quote from Australia?

Ms Rice—Yes.

CHAIR—Let me get it right. This is under dot point 2, 'Non-government funding in schools and the impact on resources and learning.'

Ms Rice—Yes.

CHAIR—It states:

In the primary school, an example from an outer Sydney suburb shows how dependent schools are on parental funding. This public school has 420 students, 85% of whom come from a non-English speaking background. It has an annual budget of \$240,000, of which \$100,000 comes from global funds and \$140,000 from parents. Of this total, only \$30,000 is available for so-called 'discretionary' spending which includes textbooks, library resources and computers.

You go on to break it down even further. That is very useful data for this inquiry, although we have learnt now to be super suspicious about what exactly those figures mean—what is meant by the school budget. We have come to understand it to mean the running costs of the school, excluding salaries and probably maintenance funds, too.

Ms Rice—I cannot remember his name off the top of my head, but I can give you the name of the person and the school. They are involved in the Primary Principals Association and I am quite sure they would be happy to give you the real details. I will get that sent to you.

CHAIR—That would be very good indeed; thank you very much. I am terribly interested to get off the red herring and talk to you about books. I can just say for your own comfort—and I am sure you do not need any comfort from me—that I had to do a book launch not too long ago. People were quite amazed because one of the things I said about it was, ‘This book feels lovely.’ It sat in your hand. I suppose there are some of us who have been ruined by being of a different age, post-coloured windows but ruined by fondness of books. It is interesting that you say that there is a going-back to books. I suppose in some ways a good textbook is a very efficient way of getting the photocopying delivered to everybody without having to do it every day.

Ms Rice—Sure. The other thing is that, leaving aside major copyright abuse issues, if the child is given a collection of photocopied pages, the quality is usually pretty lousy. To be brutally honest, the spelling and the grammar may not always be correct if it is written by the teacher. But, more to the point, those pages get lost. They end up with this kind of folder of bits. What the textbook does is say, ‘We are not pretending this is everything you need to know about history; but what it does give you is a damn good summary, with colour illustrations, photos and sources of the history—

CHAIR—Have you done any research or do you know of any that proves that reading a well-produced textbook is better than reading a photocopied A4 page?

Ms Rice—You would have to talk to the University of Sydney, but their research would look at that. It also depends on teachers’ time. That is the other thing to remember: you have to take into account the teacher’s time. There are a lot fewer free periods in the school than there used to be. Teachers used to have more free periods. They very rarely have them now. So it is about preparation time. What do you want the teacher to be doing? Do you want them to be slaving over a hot photocopier, or would you rather them focusing on, ‘How am I going to teach this? Yes, I will need additional resources’?

Mr Browne—One other thing that has come out—it is reported in the paper attached to the submission—is that the value ascribed to a course by a student is dependent to a large extent on the kinds of materials the student receives. If they are scribbled notes or photocopied sheets of paper slightly off centre, the subject is treated as a second-rate subject; the information is considered unimportant. With a well-produced textbook with ownership, the student can make marginal notes. They can develop a whole learning process which is not just taking information off a screen or off a page but having the thought processes of the note taking. There is a lot of research, not just in Australia, that supports that.

CHAIR—Can you give us any hint of whether it differs madly across Australia? Is it clear to you that one state is much worse or much better than another?

Mr Browne—I think one thing that is absolutely clear is that the Victorian situation is quite special and quite privileged in that the book list system does allow almost every student to own a textbook for almost every subject. It may be a second-hand textbook; nonetheless, it will be in good condition. That individual parent purchase of a book in Victoria is very different and removes the gross inequities that do arise in other states.

Interestingly, some five or seven years ago Queensland moved away from the book list system to the class purchase. The state government did that by allocating the money that was previously directed and made available to parents to support book purchasing to the schools. The schools received an annual pot of money which they were directed to put into a book hire scheme and they used that money to buy books.

Clearly, after they had done that once or twice, they did not need the money for books anymore. So they bought sporting equipment—hopefully, for girls—and, as a consequence, the quality of books, the age of books and the availability of new books for new syllabuses in Queensland has gone down. Here we have a case study of what happens when you move away from individual ownership and purchase to state school purchase.

CHAIR—What we actually have, though, is evidence that, whatever the state or territory, they are all trying to get the maximum amount of education for their education dollar. There is never a mad surplus flowing around and so they look each way from time to time for a new way of trying to purchase text books, high tech or whatever, that will be of benefit to the department and, therefore, to the parents. I think the cycle is every 10 years, is it not? They say that is about the time it takes for the wisdom learnt by the ones who were burnt last time to have been forgotten by the upcoming ones. It seems that this is probably true in bureaucracies too, that a lot of these things are just so cyclical.

Mr Browne—Yes, I think so.

CHAIR—The points that you make about the benefits of students having ownership of a book are very telling indeed. Do you know how many of those people sell their books on, except for those who have siblings?

Mr Browne—Anecdotally, it would be at least 25 to 50 per cent, I would think. If you have a book for one year and you take it to the school, the school generally runs its own second-hand book stall or, if you had a sibling coming on, you would give the book to that sibling.

CHAIR—Is there not a system where, when a class has 30 students and 30 textbooks at the beginning of the year, each student, for a nominal fee, gets their textbook,

it is theirs for the year and at the end of the year they give it back?

Ms Rice—That is the book hire system where the school buys the textbooks.

Senator FERRIS—That is common to Queensland, is it not?

Mr Browne—Queensland, that is exactly right.

CHAIR—Does that work?

Ms Rice—It would work if the school said, ‘Each year we are going to spend that money on books and make sure that we have new resources as better resources come along, or as we can broaden our resources.’ What they actually do is what Greg said: they drill holes in the book, put string in it and cover it in plastic, and then they say, ‘There are people who look after the textbook room and, if the books are not out with the kids, then they’re going to last for 10 years.’ It is a matter of great pride that these books last for 10 years and they say, ‘We are certainly not buying a new geography book just because the world has changed. This is real value here. We’ve got to look after it.’

We talked to some parents from the schools association in Queensland who said that lots of parents did want to buy the book but when the parents said, ‘What should I buy for my student?’ the school would say, ‘We don’t want you buying the book. We want you to give us your money, that is the levy we charge you for the book hire, because we don’t want you having control of it.’ Some parents were actively discouraged from buying the book, which was interesting.

CHAIR—Is there a very big difference between urban and suburban and also city and country schools?

Mr Browne—In terms of purchasing of textbooks? No, I do not think so. It is one thing that perhaps a good old-fashioned distribution has over the Internet, that is, books can get to anywhere in Australia within days of publication; whereas, it is hard to make an Internet connection in some of the rural areas. I think rural Australian schools are well served by their local bookseller or directly from the publisher.

CHAIR—I just want to say that we had a lot of evidence that a lot of the rural schools do not have access to anything like the same number of sponsors or contributions prior to levies. So the books might get there, but the purchasing power may not be there.

Ms Rice—No. I think the regional schools are likely to miss out on sponsorship that companies—and it is not us—such as Microsoft and McDonald’s are able to afford. The disadvantage school fund is very important to some of those regional schools because often that is where that funding goes and they rely on that to address some of those inequities.

CHAIR—Can you tell us what the percentage return is for schools that participate with the book seller? Or does that depend from one to another?

Ms Rice—Do you mean there is a rebate on the book list? About five per cent to 10 per cent of the value. For some schools that could be \$10,000.

Mr Browne—In Victoria, where a book seller supplies the student book lists to parents, they will, in turn, reward the school with, let us say, a 10 per cent cash rebate cheque at the end of the season, which the school puts into its consolidated revenue and spends on whatever it likes. In other states, where the school itself purchases the text books and writes a cheque, the school will generally get a discount from the book seller on the purchase of about 10 per cent.

CHAIR—How does this payment to the schools work again?

Mr Browne—It is a commission. A book seller will go to, say, Hobsons Bay—

Ms Rice—They pay the school for client service.

CHAIR—The school actually takes out a de facto contract with you?

Mr Browne—It is a de facto contract, that is quite correct.

Ms Rice—With the book seller.

CHAIR—With the book seller.

Ms Rice—Yes, the book list is with the book seller.

CHAIR—I might say, if I was an aggro parent, ‘Why doesn’t it come to me; I bought the book?’

Mr Browne—You might.

Ms Rice—Absolutely, you can argue that.

CHAIR—It sounds like the script from *The Man who would be King*.

Mr Browne—As far as the parent is concerned, they have received a book list at the start of the school year that tells them that their child needs the following books and the recommended retail price. They will go along to their book seller and pay the recommended retail price. It is considered fair and reasonable.

Ms Rice—Then their child goes to school on 27 January and picks up a very

neatly delivered package all at once. So they do not have to go through the class set market. Whereas, say, in a history lesson they may spend five minutes giving out the history book and at the end of the lesson they may spend five minutes taking all the books back. That is another thing. Parents often want kids to have a book to take home and get very frustrated when the student is not bringing anything home. They say, 'How can I, as a parent, know what my child is learning in history if all they ever see is a black and white work sheet of questions?'

CHAIR—That is interesting because what you are saying is that global funding, when introduced in New South Wales, has resulted in a decline in text book funding. It is interesting that global funding of the specific sort that we have in Victoria has seen an increase. So it may not be a global funding problem.

Mr Browne—In the case of Victoria, purchases are off the global budget. It is parental spending. So it is, in fact, not a school budgetary item.

Ms Rice—It is, but it is not for the core test.

Mr Browne—That is right. Let me just add to that. Where Victorian schools have in the past topped up their book list with a small class set of one book or another, there is no doubt that purchases of those books have been eradicated effectively. So now the only books in Victorian schools—that is an exaggeration; but the vast majority of books in Victorian schools are those which are purchased by parents.

Ms Rice—So it has an impact.

Mr Browne—Global budgeting has, in all states, affected the amount schools spend on books.

CHAIR—Effectively, though, I am happy to say, from what I have heard so far from doing this inquiry, it is not too different from one state to another. Every state has more or less a free separate education policy for which people have to pay. What they pay for is not the salaries of teachers, the so-called tuition costs, but the running costs, the school management budget. These are divvyed up in a variety of ways. But that is how most states are defining a free education—meaning you do not pay for this bit but you do pay for the other. It is causing a great confusion. But the arrangement about where the responsibility for books lies between one state and another is not too different. It is just interesting how it is being promoted here in Victoria.

I will just ask one last question. You said earlier—what was it that led to this? Will we be getting American resources, not Australian, for book publishing.

Ms Rice—Are you talking about the Internet and things? That is an issue.

Senator FERRIS—Could I just ask one more question? The theory of a world without books is a bit like the theory of the paperless office; is it not?

Ms Rice—I suspect so, yes.

CHAIR—That is a jolly good point.

Senator FERRIS—I am interested in the amount of book purchases that might come from mothers' clubs, or parent clubs, as they are called here in Victoria. So parents are, in addition to all these voluntary things, accepting that perhaps they also have to buy through another funding vehicle and a school to ensure that children also have books. Clearly, it would not apply in Victoria, but perhaps it would in other states, maybe New South Wales.

Ms Rice—A private school may want to say that they have a great new reading program with 700 books in each booth to cater for the starting age of zero to two that can be a major investment. It could be worth thousands of dollars and the school may well say, 'Parents, we really want to do this. there area some great features in this program.' But they will go to the parents and ask for a fundraiser to raise the money to buy books. So that does happen.

Mr Browne—Was that your question?

Senator FERRIS—Yes.

Mr Browne—Let me reinforce that. In the case of having to buy, as schools do, a brand new reading resource to teach basic literacy, there is, generally speaking, an unavailability of funds to do that. Whenever they do need to make that \$2,000 or \$3,000 purchase, they will have to seek alternative funds. That will generally come through things like the mothers' club.

Senator FERRIS—So they are in addition to all these voluntary levies.

Mr Browne—Most certainly, yes.

CHAIR—On that cheerful note, I will say thank you very much indeed for appearing before us today.

Committee adjourned at 1.37 p.m.