



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

## SENATE

STANDING COMMITTEE ON EDUCATION, EMPLOYMENT AND  
WORKPLACE RELATIONS

ESTIMATES

**(Budget Estimates)**

WEDNESDAY, 4 JUNE 2008

CANBERRA

BY AUTHORITY OF THE SENATE



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**SENATE STANDING COMMITTEE ON  
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

**Wednesday, 4 June 2008**

**Members:** Senator Marshall (*Chair*), Senator Watson (*Deputy Chair*), Senators Boyce, Crossin, Fisher, Sterle, Stott Despoja and Wortley

**Participating members:** Senators Abetz, Adams, Allison, Barnett, Bartlett, Bernardi, Birmingham, Mark Bishop, Boswell, Brandis, Bob Brown, George Campbell, Carol Brown, Bushby, Chapman, Colbeck, Jacinta Collins, Coonan, Cormann, Eggleston, Ellison, Fielding, Fierravanti-Wells, Fifield, Forshaw, Heffernan, Hogg, Humphries, Hurley, Hutchins, Johnston, Joyce, Kemp, Kirk, Lightfoot, Lundy, Ian Macdonald, Sandy Macdonald, McEwen, McGauran, McLucas, Mason, Milne, Minchin, Moore, Murray, Nash, Nettle, O'Brien, Parry, Patterson, Payne, Polley, Ronaldson, Scullion, Siewert, Stephens, Troeth, Trood and Webber

**Senators in attendance:** Senators Abetz, Allison, Boyce, Jacinta Collins, Crossin, Fifield, Fisher, Marshall, Mason, Nettle, Sterle, Watson and Wortley

**Committee met at 9 am.**

**EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO**

Consideration resumed from 3 June 2008

**In Attendance**

Senator Carr, Minister for Innovation, Industry, Science and Research

**Department of Education, Employment and Workplace Relations**

**Portfolio overview and major corporate issues**

**Cross Portfolio**

Ms Lisa Paul, Secretary

Mr Finn Pratt, Acting Associate Secretary

Dr Wendy Jarvie, Deputy Secretary

Mr Grahame Cook, Deputy Secretary

Mr Bill Burmester, Deputy Secretary

Mr Jim Davidson, Deputy Secretary

Ms Malisa Golightly, Deputy Secretary

Mr Graham Carters, Deputy Secretary

Mr John Kovacic, Acting Deputy Secretary

Mr Craig Storen, Chief Finance Officer and Group Manager, Finance Group

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

Mr Jeremy O'Sullivan, General Counsel and Group Manager Investigations, Legal, Investigations and Procurement Group

Mr Brien Armstrong, Branch Manager, Internal Audit Group

Ms Margaret Pearce, Group Manager, People, Parliamentary and Communications Group

Mr Brian Quade, Branch Manager, Parliamentary Branch, People, Parliamentary and Communications Group

Ms Kristina Hopkins, Branch Manager, People Team, People, Parliamentary and Communications Group

Mr Bob Bennett, Branch Manager, Remuneration Taskforce, People, Parliamentary and Communications Group

Ms Chris Silk, Branch Manager, Remuneration Taskforce, People, Parliamentary and Communications Group

Ms Robyn Kingston, Group Manager, Network Operations and Delivery Services Group

**Schools Groups**

Ms Lisa Paul, Secretary

Mr Grahame Cook, Deputy Secretary

Ms Margaret McKinnon, Group Manager, Schools Funding Group

Ms Deb Rollings, Branch Manager, Policy, Grants and Reporting Branch, Schools Funding Group

Ms Suzanne Northcott, Branch Manager, Quadrennium Funding Agreement Taskforce, Schools Funding Group

Ms Shirley Douglas, Branch Manager, Capital and Rural Programs Branch, Schools Funding Group

Mr Tony Zanderigo, Branch Manager, Benchmarks and Reporting Branch, Schools Funding Group

Ms Rebecca Cross, Group Manager, Schools Quality Outcomes, Youth and Transitions Group

Ms Marie Hird, Branch Manager, Curriculum Branch, Schools Quality Outcomes, Youth and Transitions Group

Ms Katy Balmaks, Branch Manager, Trade Training Centres, Schools Quality Outcomes, Youth and Transitions Group

Ms Louise Hanlon, Branch Manager, Literacy and Numeracy Branch, Schools Quality Outcomes, Youth and Transitions Group

Ms Margaret Sykes, Branch Manager, Enterprise and Career Development Branch, Schools Quality Outcomes, Youth and Transitions Group

Ms Robyn Calder, Branch Manager, Transitions Branch, Schools Quality Outcomes, Youth and Transitions Group

Ms Christine Dacey, Branch Manager, Youth Bureau, Schools Quality Outcomes, Youth and Transitions Group

Dr Evan Arthur, Group Manager, Schools Teaching, Students and Digital Education Revolution Group

Ms Shelagh Whittleston, Branch Manager, Digital Education Revolution Taskforce, Schools Teaching, Students and Digital Education Revolution Group

Ms Helen McDevitt, Branch Manager, Student Access and Equity Branch Schools Teaching, Students and Digital Education Revolution Group

Mr Chris Sheedy, State Manager, South Australia, Schools Teaching, Students and Digital Education Revolution Group

Ms Rhyan Bloor, Branch Manager, Broadband Infrastructure Branch Schools Teaching, Students and Digital Education Revolution Group

Ms Michelle Baxter, Group Manager, COAG Taskforce

Ms Gillian Mitchell, Branch Manager, COAG Taskforce Branch, COAG Taskforce

**Early Childhood Groups**

Ms Lisa Paul, Secretary

Dr Wendy Jarvie, Deputy Secretary

Dr Trish Mercer, Group Manager, Early Childhood Education and COAG Group

Dr Russell Ayres, Branch Manager, Early Childhood Education Reform Branch, Early Childhood Education and COAG Group

Dr Gabrielle Phillips, Branch Manager, Performance Management Branch, Early Childhood Education and COAG

Ms Vicki Rundle, Group Manager, Early Childhood Quality and Care Group

Mr Justin Mein, Branch Manager, Office Secretariat Branch, Early Childhood Quality and Care Group

Mr Philip Brown, Branch Manager, Child Care Quality Branch, Early Childhood Quality and Care Group

Ms Kathryn Shugg, Branch Manager, New Child Care Services Branch, Early Childhood Quality and Care Group

Ms Lois Sparkes, Branch Manager, Child Care Programs Branch, Early Childhood Quality and Care Group

Ms Allyson Essex, Branch Manager, Child Care Policy and Payments Branch, Early Childhood Quality and Care Group

**Higher Education Group**

Ms Lisa Paul, Secretary

Mr Jim Davidson, Deputy Secretary

Mr Colin Walters, Group Manager

Mr Jason Coutts, Branch Manager, Policy and Analysis Branch

Mr Rod Manns, Branch Manager, Funding and Student Support Branch

Ms Caroline Perkins, Branch Manager, Equity and Structural Reform Branch

Ms Deb Anton, Acting Branch Manager, Infrastructure and Endowment Branch

Mr Paul White, Branch Manager, Quality Branch

Ms Anne Baly, Branch Manager, Review of Australian Higher Education Branch

**Strategic Analysis and Evaluation Group**

Ms Lisa Paul, Secretary

Dr Wendy Jarvie, Deputy Secretary

Mr Matt Davies, Group Manager

Mr Murray Kimber, Branch Manager, Income Support for Students Branch

**Vocational Education and Training Groups**

Ms Lisa Paul, Secretary

Mr Jim Davidson, Deputy Secretary

Dr Carol Nicoll, Group Manager, Industry Skills Development Group

Ms Helen McLaren, Branch Manager, Technology and Communications Branch, Industry Skills Development Group

Ms Julie Yeend, Branch Manager, COAG Skills Branch, Industry Skills Development Group  
Ms Linda White, Branch Manager, Higher Skills Branch, Industry Skills Development Group  
Ms Catherine Vandermark, Branch Manager, Quality Branch, Industry Skills Development Group  
Ms Suzi Hewlett, Branch Manager, Industry Skills Council Branch, Industry Skills Development Group  
Mr Patrick Cremen, Acting Branch Manager, Skills Branch, Industry Skills Development Group  
Mr Ben Johnson, Group Manager, National Training Directions Group  
Ms Donna Griffin, Branch Manager, Australian Apprenticeships Branch, National Training Directions Group  
Ms Robyn Priddle, Branch Manager, Transitions to Training and Work Branch, National Training Directions Group  
Ms Jan Febey, Acting Branch Manager, Australian Technical Colleges Branch, National Training Directions Group  
Mr Neil McAuslan, Branch Manager, Funding and Performance Branch, National Training Directions Group  
Mr Maryann Quagliata, Acting Branch Manager, National Policy Reform Branch, National Training Directions Group

**Indigenous Education Group**

Ms Lisa Paul, Secretary  
Dr Wendy Jarvie, Deputy Secretary  
Mr Tony Greer, Group Manager, Indigenous Education Group  
Ms Loire Hunter, Branch Manager, Indigenous Business Management Branch, Indigenous Education Group  
Mr Glen Hansen, Acting Branch Manager, Indigenous Education Directions and Strategies Branch, Indigenous Education Group  
Mr Stephen Goodwin, Acting Branch Manager, Northern Territory Emergency Response Branch, Indigenous Education Group

**International Education Group**

Ms Lisa Paul, Secretary  
Dr Wendy Jarvie, Deputy Secretary  
Mrs Fiona Buffinton, Group Manager, International Education Group  
Mrs Mary Johnston, Branch Manager, International Quality, International Education Group  
Ms Di Weddell, Branch Manager, International Cooperation and Scholarships, International Education Group  
Mr Anthony Fernando, Branch Manager, International Strategy and Communication, International Education Group

**CHAIR (Senator Marshall)**—The committee is continuing the examination of the Education, Employment and Workplace Relations portfolio beginning this morning with the schools groups. Copies of Monday's opening statements setting out the procedural requirements of the estimates process are available from the secretariat. Today's proceedings

will be suspended for breaks as indicated on the agenda. I ask witnesses called upon for the first time to answer a question to clearly state their name and capacity in which they appear for the *Hansard* record. I remind participants that oral evidence and documents in estimates proceedings are part of the public record. I welcome the Minister representing the Minister for Education, Employment and Workplace Relations, Senator the Hon. Kim Carr; the Secretary of the Department of Education, Employment and Workplace Relations, Ms Lisa Paul; and other departmental officers as well as observers to this public hearing..

[9.01 am]

**CHAIR**—We will go straight to the Schools Group.

**Senator MASON**—I thought we might start with issues relating to the audit that was originally carried out in relation to computers in schools and the results of that audit. As a result of the audit how many computers are currently in secondary schools?

**Dr Arthur**—If you will just bear with me we will get those actual figures.

**Ms Whittleston**—As a result of the audit, the total number of computers available to schools for student use was 476,068.

**Senator MASON**—I think we agreed last time there were about 970,000 secondary students. Let us say one million, to round it up. I do not think we will argue about that. What is the current ratio then? It is about one in two, roughly?

**Ms Whittleston**—When you look at the number of computers that are less than four years old—

**Senator MASON**—I was going to ask that. We will go straight to that.

**Ms Whittleston**—and available for year nine to 12 students, in those secondary schools—of the secondary schools that participated in the audit—the median is one to five.

**Senator MASON**—We have 476,000 computers; we have one million students, give or take, so, on the face of it, it is two to one, but I understand your point. We will get there.

**Dr Arthur**—I think the point that Ms Whittleston was making is that that does not include the calculation of computers that are four years old or older.

**Senator MASON**—Yes, but let me get there. I am not a man who is very good with numbers? Is it the right or the left side of the brain? But I do not have it!

**CHAIR**—Could we explore that a little bit further?

**Senator MASON**—Perhaps later—privately! How many of those 476,000 computers are, to use your word, obsolete? What is the definition of obsolescence? Is it less than four years?

**Dr Arthur**—The audit's calculation was four years or less as being of utility.

**Senator MASON**—Obsolete is four years or more?

**Ms Whittleston**—Correct.

**Dr Arthur**—More than four years.

**Senator MASON**—Of those 476,000 computers, how many of them are obsolete—that is, four years or more in age?

**Ms Whittleston**—That is 124,250.

**Senator MASON**—Okay, 124,000 are obsolete. You will have to bear with me here. I am not very good at numbers. So, 476,000 computers; 124,000 obsolete. I did not bring my calculator—

**Dr Arthur**—We have that figure.

**Senator MASON**—Help me here, 476,000 minus 124,000; what does that equal?

**Ms Whittleston**—You have rounded it up to 476,000, but we have 351,555 computers.

**Senator MASON**—I have just got 352,000, let's not quibble about one or two.

**Ms Whittleston**—Okay.

**Senator MASON**—What was the word you used?

**Dr Arthur**—I did not use a descriptive term; I just said computers that are four years old or less.

**Senator MASON**—Didn't you say—

**Dr Arthur**—I did use the term in the same theme. I said computers that were regarded, for the purpose of the audit, as being of utility for their purposes.

**Senator MASON**—We have 352,000 computers of utility and we have about one million students. I think we agree on that? So, that is one in three; isn't that right?

**Ms Whittleston**—For the figures that you have done there, yes, they are right. The problem is the figures are not exact because we are very dependent on the numbers that the schools provided us at the time. But when we have done the overall calculations right across the schools it comes out at an average of one to five.

**Dr Arthur**—The element that is missing there is that also in the audit we looked at computers that were available to students in years nine to 12, which is a different figure in terms of the numerator and nominator, which reduces the one to five.

**Senator MASON**—Could you say that again?

**Dr Arthur**—The figures you have been given to date have been the figures that are available in senior secondary schools—

**Senator MASON**—Years nine to 12?

**Dr Arthur**—No, overall. We also asked how many computers that were four years-old and less were available for years nine to 12. In order to, in some cases, derive that—to refine the data—I think we made some assumptions to distribute that in a spreadsheet and produced a ratio of one to five.

**Senator MASON**—I am still not clear. We have 352,000 computers of utility, to use your word. I think we agreed that is about one in three. You do not argue about that, on the face of it.

**Ms Paul**—Yes, but not—

**Senator MASON**—I am very slow; you will have to help me here.

**Dr Arthur**—The policy was that we are providing computers for students in years nine to 12. That was the policy—

**Senator MASON**—Just bear with me. Can we take this slowly? Go ahead?

**Dr Arthur**—The policy was we were to provide funding for computers to be used by students in years nine to 12. In order to distribute the funds, a number of decisions were taken by government and one was that we would target those schools for which the computer-to-student ratio for students in years nine to 12 was the worst. At a certain point a decision was taken that we would interpret that as being one to eight or less.

**Senator MASON**—I understand that.

**Dr Arthur**—In order to do that we had to derive a ratio of not just all computers available for all students but computers that were available for students in years nine to 12 that were four years old or less. That data was all placed into a spreadsheet, some assumptions were made in terms of distribution and sometimes we had data to produce ratios school-by-school—which school had a ratio of one to eight or worse for students in that particular group. Also, looking at that spreadsheet you produce a—

**Senator MASON**—Sorry, I just want to get this clear. We are moving from one in three—roughly 352,000 computers of utility. What you are actually saying is that it is one to five, in rough numbers—

**Dr Arthur**—One to five for the target.

**Senator MASON**—For the target. Roughly, 200,000 are available.

**Dr Arthur**—Those figures will do.

**Senator MASON**—You are saying there are about 200,000 computers available, roughly.

**Dr Arthur**—Yes, indeed.

**Senator MASON**—for the target group, years 9 to 12?

**Dr Arthur**—At the time that we conducted the audit, yes.

**Senator MASON**—You mentioned a spreadsheet. Have you published anything in respect to the results of the audit? Are they available?

**Dr Arthur**—No, we have not. When we conducted the audit we advised schools that when providing the information the information would be used for the purposes of the audit. Our purpose in doing so was to ensure, frankly, that we received entirely accurate information and no schools were concerned about the fact that if they provided information for the operational purposes of the program they would be in some way publicly embarrassed by that information. That was the basis on which the information was sought. Clearly, when we publish, which will happen after the minister makes her announcement, the numbers and the details of the funding available to individual schools will reveal for the successful schools what their underlying data was.

**Senator MASON**—The ratio is about one to five in the target group?

**Dr Arthur**—Indeed.

**Senator MASON**—Those are computers of utility that these students have access to?

**Dr Arthur**—Yes. We can certainly provide, if you are interested, information not identifying any particular school but showing how many schools therefore have worse than one to five and how many were in the one to eight, and those kinds of figures.

**Senator MASON**—Can you provide that? I do not need any names, just the general information.

**Dr Arthur**—Indeed. In general terms—correct me if I get this wrong—but about one-third of schools were at one to eight or worse.

**Senator MASON**—I am going to get to that, so you will be able to expand on it. What is the ratio of computers to students that the government seeks to achieve in this program? It is currently one to five, so what are we after?

**Dr Arthur**—There is funding available under the program to achieve a one to one ratio. In the first rounds—this is a four-year program—

**Senator MASON**—There is funding available to achieve a one to one ratio?

**Dr Arthur**—That is correct. Plus going forward in terms of the scale of the estimates provided for this program.

**Senator MASON**—There is enough money again in round figures to provide a million—

**Dr Arthur**—In round figures, we are costing this exercise at an average price per unit, which is what you have to do, at \$1,000 per unit. Clearly, on reasonable mathematics that means in the four years of the program there are at least funds able to deal with the ratio of computers to students necessary, taking into account the current provision of computer equipment which is provided for in the policy.

**Senator MASON**—What is the government's aim? In the first round it is one to two—is that right? Is that what the government has said?

**Dr Arthur**—That is exactly right.

**Senator MASON**—That is the first round. Is that an interim target or is that the overall target across all schools?

**Dr Arthur**—The overall aim remains as set down in the government's policy and I think—

**Senator MASON**—What is the ratio that you are aiming for?

**Dr Arthur**—We have funding available to ensure that there is ubiquitous computing for students. We are going to be consulting—

**Senator MASON**—'Ubiquitous'—I know what that means. It is a very fair question to ask what ratio. You have told me that the ratio is one to five currently, and I take your word for it. This committee wants to know and the parliament wants to know—the executive is accountable to the parliament, as you know—what the government is seeking to do. What is the aim of its policy in terms of its ratio? It is a very straightforward question.

**Dr Arthur**—In the process we are involved in the government has appropriated funds sufficient to carry out the intent of its policy. We have consulted with all of our stakeholders on a good approach to correcting what was clearly a very large variation in the provision of computers in Australian schools through round 1 and we are continuing consultation with the

states and territories and with the non-government sector on how to take that forward in what the Deputy Prime Minister has termed round 2 of this, which is to open in July of this year. We will similarly continue to consult with all of our stakeholders as to exactly what makes sense in terms of the deployments of the dollars to achieve the overall objective of the policy.

In terms of answering your question on ubiquitous computing, I will take the example of the ACT. The ACT operates a system in their senior secondary schools of—and I apologise for using a technical term—a thin client system whereby they have very powerful computers sitting in cupboards which hold applications and hold the details of students' profiles. When students want to use a computer they go to any computer—

**Senator MASON**—This is fascinating, and I am delighted that you are so interested. I just want to know what the ratio is. But let me cut to the chase. You are saying—and I wrote down what you said—there is funding available to get to one to one if required.

**Dr Arthur**—I do not think I added 'if required'. I think I said there is funding available.

**Senator MASON**—Okay, there is funding available to get to one to one.

**Dr Arthur**—That is exactly what I said.

**Senator MASON**—Thank you. I did not want to go through that debate that we had last time, Ms Paul, where I felt I was being bewitched by language. 'Own computer' I thought was one to one and all of a sudden I discovered it was one to two, and everything else. But you say the funds are there for one to one?

**Ms Paul**—Yes, they are the funds for one to one and I thought we got to that last time as well. I could reflect on the *Hansard*. But the whole program over the four years, which has now just been extended by another \$200 million in this budget, allows for the achievement of one to one.

**Senator MASON**—I understand that. That is fine. That is straightforward. We still do not know what the aim is but I suspect it is one to one, if required. The funds are there—you have said that. They are available to get to one to one. Let me just go to the first round first, before we move on more generally. When will the first computers be delivered to schools, from the first round?

**Dr Arthur**—I am not in a position to answer when computers will be delivered. What we will do is, as required by the policy, by the government's commitments, provide funding to state governments and to block grant authorities in the Catholic and independent sectors to be available for the purchase of computers. That will be provided under a funding agreement which will provide that by a certain date computers will have to have been acquired to a certain level and the funds will have to be properly expended.

**Senator MASON**—There is no set time frame?

**Dr Arthur**—There will definitely be a set time frame for the funding agreements.

**Senator MASON**—What is it?

**Dr Arthur**—The funding agreement will be that the funds will have to be expended in full within two years, but we will not specify a date at which the first computer should arrive

because that would be to unreasonably interfere with their need to properly deploy computer equipment in their schools.

**Senator MASON**—That is the sort of time frame.

**Ms Paul**—For the first computer, the announcements will be made obviously this financial year, as I think you probably know, and then it is really up to those authorities and so on to get their act together and to get the computers out as soon as possible. If they are ready to roll they could roll within days. If they have to go through certain procurement processes, it really rests with them because they have their own procurement. Many of them already have standing arrangements for procurement, and so the rollout could be very, very fast.

**Senator MASON**—It could also take up to two years, but anyway—

**Ms Paul**—We did not say that, sorry. Dr Arthur was saying that is the time frame that our agreements are likely to offer them. Clearly, most of them are deeply interested in a much faster rollout than that, so I imagine we will see quite a bit of speed. But we cannot pin down a date for the reason which Dr Arthur has said.

**Senator MASON**—I am sure I will be asking something about that specific question at the next estimates.

**Ms Paul**—Of course.

**Senator MASON**—I asked before about the audit. Is it possible to provide the electorates and the post codes of the schools we are seeing those computers in—not their names, just the electorates and the post codes?

**Ms Paul**—I think Dr Arthur said that, when the announcements are made public, the full details will be available of each school.

**Senator MASON**—How long will that be?

**Dr Arthur**—That will be before the end of this month.

**Senator MASON**—Before the end of June?

**Dr Arthur**—Yes.

**Senator MASON**—I think we can wait that long. Of the computers arriving for the first round, will those schools have access to broadband connection speeds of up to 100 megabits per second?

**Dr Arthur**—No.

**Senator MASON**—No, I did not think so. That was what the promise was.

**Dr Arthur**—I do not think that is correct.

**Senator MASON**—Are you sure?

**Dr Arthur**—The promise was—

**Senator MASON**—I have the policy here. You tried this last time and I outdid you. Do you want to do it again?

**Dr Arthur**—I think you are trying to make a timing connection which is not in the policy.

**Senator MASON**—I see. It could be years before the policy is fulfilled?

**Ms Paul**—The election commitment was for a four-year policy. The funding has now just been extended as well, and clearly broadband at 200 megabits a second is available in some places and not available in others.

**Senator MASON**—When the computers are rolled out, the infrastructure that was implicit in the government's election promises will not be fulfilled?

**Ms Paul**—No, because we have worked with the schools, the authorities and so on to ensure that this first round of computers are, of course, actually useable. Of course, they will be computers which can be—

**Senator MASON**—Useable but not to the standard that was promised in the election.

**Ms Paul**—That is a four-year commitment and so that will be, as we discussed, the one to one which is also part of the four-year commitment.

**Senator MASON**—We are coming back to the one to one in a moment. Do not be disappointed; we will get there. This might sound like a strange question, but did any schools reject the offer of the first round of funding for computers?

**Ms Whittleston**—Not all schools chose to apply.

**Senator MASON**—Some chose not to apply?

**Ms Whittleston**—Correct.

**Senator MASON**—Do you know if any reasons were given?

**Ms Whittleston**—Some schools said they wanted to wait. They were not ready yet. Some thought they would wait for round two or for future rounds.

**Senator MASON**—What is the time frame for the schools that have a ratio of one to eight—you mentioned them before—to move to a ratio of one to one?

**Dr Arthur**—What we have is a decision which will allow those schools to move within two years to a one to two ratio. The decisions on when funding will provide—

**Senator MASON**—Sorry, within two years for them to move—

**Dr Arthur**—To a one to two ratio. That is simply a logical conclusion of information which we have previously provided in terms of the basis on which they are getting the funding and the duration of the funding agreement that they have obviously expended.

**Ms Paul**—This first round—

**Senator MASON**—Sorry; the one to eight schools will move to one to two within two years?

**Ms Paul**—This first round delivers a one to two ratio.

**Senator MASON**—I think your evidence was that there are about 200,000 computers of utility available for students in years 9 to 12. So we have currently got about a one to five ratio?

**Dr Arthur**—Indeed.

**Senator MASON**—Again, roughly, to bring that to one to one you would need to buy 800,000 computers. I do not think there is any argument there. My sums are not that good, but you would agree with that, wouldn't you? From 200,000—

**Dr Arthur**—Working on the basis of the information on the audits, yes.

**Senator MASON**—And there are 200,000 for what you might call ongoing obsolescence. In other words, some of the computers might be two years old but within two years time they are going to be obsolete. It might not only be 800,000, it could even be more, couldn't it?

**Dr Arthur**—That is one of the reasons why the government has made a decision to continue this program in the forward estimates. They clearly understand that there will be the issue of rollover of the computer fleet, and funding has been provided now in the final year of the forward estimates of \$200 million to deal with such issues.

**Senator MASON**—We agree, then, on the basic arguments here. We have 200,000 computers and we need 800,000 to get to one to one, but it could even be more because of the rolling obsolescence, which is not a bad phrase for the morning.

**Senator FIFIELD**—If I can interpose, a little earlier you said that there were a number of schools which were not ready for computers. Do we know why those schools were not ready?

**Ms Whittleston**—Of the schools that were deemed to be in the group of one to eight or worse, and therefore eligible to apply in round 1, 95 per cent applied, so only five per cent of schools did not apply. They did not apply because they indicated they were not ready at this particular point in time and they might want to wait for future rounds.

**Dr Arthur**—But did they give an indication as to why they were not ready?

**Ms Whittleston**—No, they simply said they would like to wait for future rounds. We did not ask.

**Dr Arthur**—The other reason is some of those schools were special schools dealing with students with special learning needs, and there was an agreed view amongst all of us involved in the consultation process that some of the particular decisions we need to make to deal with those students could be better handled in a subsequent round. In those cases, for example, to make it clear for Senator Mason, it would be very unlikely in some cases that we would deploy a one to one ratio to those students for whom it would be utterly educationally inappropriate. We will work closely and we have a consultative group specifically on that issue at the moment to work out within the broad intent of the policy what will actually be a solution which makes sense for those kinds of schools and those kinds of students.

**Senator FIFIELD**—Schools did not indicate, for instance, that they still had a few fundraisers to do in order to get the rewiring done at the school before they could be in a position to actually use computers or anything of that nature?

**Ms Whittleston**—Those were not the reasons given, no.

**Senator MASON**—Is there any plan for future audits to ensure the funding is being used appropriately?

**Dr Arthur**—Yes.

**Senator MASON**—What is the timetable for future audits?

**Dr Arthur**—A decision has not been made on that but, clearly, we will be looking at schools which have received funding and will wish to have information which indicates that they are moving to the desired outcome in terms of computers for students.

**Senator MASON**—You want to make sure the state governments are doing the right thing; is that right?

**Dr Arthur**—I do not think I want to go beyond the comment I just made.

**Senator MASON**—Feel free to be a bit naughty; I usually am. What about independent schools? State schools are implicit in our discussion this morning, but what about independent schools? The money will go to a different body, won't it? It will be the Catholic education—

**Ms Paul**—We have actually been talking about both.

**Dr Arthur**—We have indeed. In relation to the money, the actual recipient and the group with whom we will sign the funding agreement will be the block grant authority for the Catholic independent sector in each state and territory.

**Senator MASON**—Do any schools currently have a ratio of one to one? Do we actually have any?

**Dr Arthur**—Yes, there are some.

**Senator MASON**—I have got some of the basic facts. Let me ask some questions about additional costs. I note the Labor Premier for Western Australia, Mr Carpenter, stated on *The 7.30 Report* on 5 May this year that he estimates that the program will cost about \$4 billion. He said at page 10 of the *West Australian* newspaper of 15 May this year that, for every dollar Canberra was planning to spend in respect of this program, it would cost the states three to four dollars for the extras. Is Mr Carpenter wrong?

**Dr Arthur**—I am not in a position to comment on whatever calculations may have been made by the Western Australian government.

**Senator Carr**—I think what the officers have indicated to you is that the budgetary arrangements are based on a \$1,000 per computer funding base—

**Senator MASON**—I understand that. I have got that.

**Senator Carr**—and any casual reading of any newspaper in the country selling laptop computers today would show that computers can be purchased for considerably less than that on a retail basis. When you are talking about a major contract of this size, considerable savings can be made, well on top of—

**Senator MASON**—They certainly would not cost \$1,000. I am not suggesting—

**Senator Carr**—Any claims concerning underfunding of this program I suggest need to be seen in that context.

**Senator MASON**—It is a fair point. What do you think the laptops that are up to taking 100 megabits a second will cost? That is the aim so they have to be able to take that.

**Dr Arthur**—There is no relationship between particularly the power of the computer and the broadband connection. That is not a factor which affects this. But I would say that, in terms of a computer that is capable of carrying out the educational tasks required, I am aware

of one state which has carried out an investigation of that issue and is looking through this program to purchase an appropriately specified computer. In this case, it is not called a laptop—it is called a tablet, but we do not need to worry too much about that—and that will be around the order of, I understand, \$500.

**Senator MASON**—That is good to know. There is \$1,000 been allowed under the budgeting process and I accept you are right because I did my homework. The website [www.digitaleducationrevolution.gov.au](http://www.digitaleducationrevolution.gov.au) says a unit cost of \$1,000 is being allocated for the purchase of computers. Although, I do note—this is rather naughty, Ms Paul—below that it says:

**Will every Year 9 to 12 student have their own computer?**

The intent of the National Secondary School Computer Fund is to ensure every Year 9-12 student has access to ICT.

Let us not go there again. I do not want to make the morning unpleasant.

**Ms Paul**—I think we have answered that question. We went there last time and I was quite definite, and we have been clear this morning as well. I am sure the *Hansard* will be clear.

**Dr Arthur**—And just to be clear, those are the words in the digital education revolution policy. They are not at loss—

**Senator MASON**—We discussed this last time. That is not right.

**Ms Paul**—That is right, I am sorry.

**CHAIR**—The question has been asked and the officer should be allowed to finish his answer.

**Senator MASON**—I actually do not want to go there. How is that? It will make your day, I am sure.

**CHAIR**—Then you should not have raised it. Do the witnesses have any more to add to that question?

**Ms Paul**—No.

**Senator MASON**—That is the sort of rough estimate, \$500? I know it is a ballpark figure. Let us have a look at the additional costs in this program—one-off costs and ongoing costs. First of all, the one-off costs for this digital education revolution include ‘rewiring schools to ensure adequate electrical infrastructure to power the computers’. How much does the government estimate that will cost?

**Dr Arthur**—That is not a question that we can answer. It very much depends on so many variables which we do not have access to that we cannot calculate it. For example, in some cases state and territories may already as a matter of their routine activities have perfectly adequate power provisions in their schools to cope with an upgrade. In some cases, the intention may be to purchase laptops which students can take home with them, in which case the charging will not require the provision of large numbers of power points in classrooms. There are a number of other different scenarios. It is simply not possible for us to provide an estimate of that cost.

**Senator MASON**—Have you received any costings or advice from state governments on that?

**Dr Arthur**—On the specific question of power?

**Senator MASON**—No, on any ongoing costs.

**Dr Arthur**—There certainly has been commentary that there will be ongoing costs. I have seen some people make estimations of cost. What I have seen is that they have, in fact, quite different components within those costing formulae, so I have not seen anything which has assisted me to have an understanding.

**Senator MASON**—Have you received any advice from state governments as to what they think the one-off costs and the ongoing costs will be?

**Dr Arthur**—In the course of consultation with states and territories we have received some commentary on that issue, yes.

**Senator MASON**—Can you make that correspondence available?

**Dr Arthur**—I would need to consult with my state and territory colleagues as to the basis on which that information is provided.

**Ms Paul**—We are happy to take that on notice.

**Senator MASON**—What does that correspondence say?

**Dr Arthur**—It is not a disputed point that there are on-costs to activate computers. That is obvious and clear. The information we have received is certainly in the general realm of pointing out the obvious fact that indeed there are costs with obtaining equipment and there are costs with activating that equipment.

**Senator MASON**—In your audit did you ask questions about electrical infrastructure to power computers? Do you actually know? You mentioned in your answer before that some schools may well already have the electrical infrastructure and I accept that, but many may not. Do you know?

**Dr Arthur**—We did indeed. In the application form, which then is only for the schools that were invited to round 1, some information was sought along those lines. Yes, it was.

**Senator MASON**—What is your estimate Australia-wide of how much the average cost will be?

**Ms Paul**—I think we just answered that by saying we cannot test it.

**Senator MASON**—Okay, you do not know.

**Dr Arthur**—It is not just that we have not tabulated that information in detail; at the moment, we have concentrated our resources on processing the information necessary to provide advice to the Deputy Prime Minister to make decisions on round 1 and, in any case, that information is not the only factor you would need to calculate the costs. The deployment decision that is going to be made is another factor. So, we do not have the information to calculate that cost with any accuracy.

**Senator MASON**—I will ask those questions in a minute, do not worry about that. You do not know how much it will cost. Does the government make a commitment that it will cover that cost, whatever it is?

**Dr Arthur**—That is not the policy as specified, no.

**Senator MASON**—It is a partnership?

**Dr Arthur**—Correct.

**Senator MASON**—We are not sure how much each of the partners is paying? How much is the Commonwealth paying of that cost?

**Dr Arthur**—The Commonwealth is paying a cost of \$1,000 per unit by the number required to bring a particular school to a one to two ratio from their starting point at the time of the audit and that will not be—

**Ms Paul**—This is now a \$1.2 million program. It has not ever existed before so it is all additional to whatever efforts state governments and others would have been undertaking.

**Senator MASON**—How much does the government estimate it will cost; we do not know. I understand that. Will the government cover the whole cost? You are saying, it is \$1,000, and that is the policy?

**Dr Arthur**—That is correct.

**Senator MASON**—I come from Queensland. It is very hot up there. Additional air conditioning is going to be required. Have you done any estimates about that?

**Dr Arthur**—We have not done estimates on that, no.

**Senator MASON**—Networking all the computers within a school so we can get the most out of this digital education revolution—how much does the government estimate that will cost?

**Dr Arthur**—Again, that depends on what networking capability is in place at the moment and how a particular school or school authority proposes to do that networking. The two broad routes are obviously doing it using physical connections—the wires that are sitting in front of me—or doing it on a wireless basis.

**Senator MASON**—But again, you do not know?

**Dr Arthur**—Again, I do not have information to calculate that—

**Senator MASON**—It is not personal. I do not blame you, Dr Arthur; I did not think you did. The initial software installed on the computers, how much does the government estimate that will cost?

**Dr Arthur**—The information on the price that schools or school authorities pay for licences is normally confidential between them and their suppliers.

**Senator MASON**—What is a ballpark figure? You are teasing me today.

**Dr Arthur**—I understand that a figure for a desktop licence for basic Microsoft suites can be—and I understand this varies greatly—in the order of \$80 to \$100.

**Senator MASON**—That is the initial cost?

**Dr Arthur**—The annual cost, sorry, of a licence.

**Senator MASON**—I am talking about the initial software installed on computers? I am looking at one-off costs?

**Dr Arthur**—That is not normally how software is provided in large contracts and educational deployments. You do not normally pay, as you do in retail, for what is called original equipment, OEM, software licences. What normally happens is you have—

**Senator MASON**—It comes down to you have bought a package?

**Dr Arthur**—No, quite separate from the purchase of a computer, you normally have a contract with a software provider which is a completely separate transaction from the purchase of the computer.

**Senator MASON**—I move to additional physical infrastructure to accommodate computers. There is an argument that you cannot have a classroom of computers in a demountable building; you have got to have computers in certain physical infrastructures, for security and other reasons. Have you done any calculations about that?

**Dr Arthur**—No, we have not done calculations on that.

**Senator MASON**—What about additional security when they are providing secure facilities for storing laptops or installing security alarms et cetera? Do you have any estimate about that?

**Dr Arthur**—We have not done calculations on that, nor have we done calculations on the savings that will accrue to state and territory governments—for example, from the opportunity to replace a large and heterogenous computer fleet at the moment with uniformly specified computer fleets and thus have a considerable reduction in their total cost of ownership.

**Ms Paul**—There are considerable economies to be had from being able to move to a single platform, for example, which they have never been afforded before. We are not working from a blank slate here. Of course, every authority has had its own plan.

**Senator MASON**—We are finding out what we know. We do not know very much but we are working towards it. We are getting there. As to teacher training, from my research a teacher consultant can train, on average, about 100 teachers per year on computer use. Again, there are roughly about 110,000 secondary school teachers in Australia. Therefore you would need about 1,100 trainers to teach all teachers to use equipment in a year. I asked you last time at the previous estimates who would pay for teaching training. And you, I think, said, ‘Yes, they are still working on it as part of the partnership.’ What about that?

**Dr Arthur**—The basis for your question, if I may say so, seems very curious in that it appears to work on the assumption that teachers have no familiarity with computers—

**Senator MASON**—No.

**Dr Arthur**—at the moment and that a change in the ratio of computers available to their students will produce completely de novo costs for the training of teachers. I do not quite understand the basis of that question.

**Senator MASON**—My understanding from talking to teachers—I do not know whether you do, but I do quite a bit in my job—that the average age of teachers in the Catholic system is about 40 years-old and the national average is about 50. They are older than me. And only one in five is younger than 30, compared to one in 10 in government schools. Only one in 10 government school teachers is under 30. There are all sorts of implications for computer knowledge. I think we would all agree that if the parliament is going to provide to the executive \$1.2 billion, we want to get the best value for money; wouldn't you agree? We need to have teachers who know how to use the equipment; wouldn't you agree?

**Dr Arthur**—There is no question that the competence of teachers not merely to have 'used computers' but to use them productively for curriculum purposes is certainly a very important issue, and the government accepts needs considerable attention. It is not the case, however, that there is any simply linear relationship between the costs involved in providing computers to students and that particular issue. That is a very important ongoing issue in terms of the future workforce in this country.

**Senator MASON**—What are you doing about that important issue?

**Dr Arthur**—There is already considerable Commonwealth involvement in the general issue of teacher professional developments. There is an existing program; the Australian Government Quality Teacher Program provides funds in that area. We are—

**Senator MASON**—That program is not just about computer training; that is more general.

**Dr Arthur**—A decision has been taken, in fact, for the coming financial year to require recipients of AGQTP funds to expend 50 per cent of those funds on issues associated with ICT competence, so yes indeed, that is an issue which we do need to address and which we—

**Senator MASON**—How much is that going to cost?

**Dr Arthur**—That fund provides \$22 million and that is a reflection of the overall fact that the Commonwealth is not the authority principally responsible for the issue of in-service teacher professional development.

**Senator MASON**—That is right, it is the state generally.

**Dr Arthur**—The level of funding for that particular program and therefore the level of commitment which the Commonwealth accepts in that space is of long standing.

**Senator MASON**—Should state governments foot the bill?

**Ms Paul**—The policy was clear about the nature of the partnership and, as Dr Arthur has just spelt out, it is a \$22 million fund which will in large part be directed towards these very issues.

**Senator MASON**—Do you know how many trainers then are needed to up-skill secondary teachers? Do we know? Is there any examination in the audit of that?

**Ms Paul**—I do not think we would know that yet because we have been focusing on this first round. Certainly, at future meetings of this committee we will be able to spell these things out for you in much more detail. What we will know from this first round is a lot of information about those particular schools and, as Dr Arthur started by saying, we have been working closely with states and independent Catholic school systems for four years. It is a

four-year rollout, so we would not have the whole answer for every school yet. We might have answers for subsets but—

**Senator MASON**—Have you any idea how much it is going to cost to up-skill? No.

**Dr Arthur**—Again, working on the basis that there is some form of direct linear relationship between the provision of these funds—

**Senator MASON**—I am not asking that. I am asking—

**Dr Arthur**—Excuse me.

**Senator MASON**—I understand your argument about the linear relationship. That is not my point. I think you just agreed that it is necessary to ensure that teachers upskill. How much is it going to cost?

**Senator Carr**—The government has provided and the minister has recently announced a \$650,000 program to assist the professional development—I am just reading from her press release here—‘to initiate and fund professional development activities for the next 12 months. This is on top of the \$10 million to provide assistance to schools for the use of IT development in terms of support mechanisms’. I understand there is a further \$32 million to provide online curriculum tools and resources. There is a range of programs, as I understand the officers—

**Ms Paul**—And an extra \$10 million to establish national support mechanisms as well.

**Senator MASON**—So, you have some idea how much it might cost but we are not quite sure how much overall?

**Ms Paul**—In other words, there has been a considerable commitment to date which is now—

**Senator MASON**—It was put in the Commonwealth area.

**Ms Paul**—It is \$32 million and \$10 million and so on—

**Senator Carr**—This is the beginning of a four-year project.

**Senator MASON**—Bear with me, Minister.

**Senator Carr**—There is only so much patience you can have with this.

**Senator MASON**—I have always found you a very patient man. We have just discussed the one-off costs and now we are going to the ongoing costs? Additional electricity costs to power the units and to air condition them; have you got any idea how much it is going to cost over the next five years to do that?

**Dr Arthur**—I do not have calculation of that.

**Senator MASON**—How about insurance?

**Dr Arthur**—In the great majority of cases, as I understand it, state and territories self-insure.

**Senator MASON**—Do we know how much it is going to cost them?

**Ms Paul**—They are subject to the Crown insurance like we are, so it would be covered by the state budget.

**Senator MASON**—What is your estimate over the next five years for repair and maintenance?

**Dr Arthur**—We do not have an estimate for that figure.

**Senator MASON**—Technical support: here at Parliament House we have 2020, don't we, Minister, when things go wrong?

**Senator Carr**—It is a very reliable service, too.

**Senator MASON**—It is a very reliable service. How much is that going to cost? What is your estimate for that over the next five years in all these schools?

**Dr Arthur**—We have not sought to get the figures which would make that calculation possible.

**Senator MASON**—I did not think so. How much are software updates going to cost?

**Ms Paul**—I think we answered that.

**Dr Arthur**—Yes, indeed.

**Senator MASON**—How much is replacing stolen and damaged units going to cost?

**Ms Paul**—That is probably similar to the insurance question, I would wager.

**Senator MASON**—Let me get this right, you have said that there is a budget of \$1,000 per computer; that is the Commonwealth budget?

**Ms Paul**—That is correct.

**Senator MASON**—A ballpark figure of \$500?

**Dr Arthur**—That is what I said.

**Senator MASON**—The \$500 would have to cover all those one-off costs and all the ongoing costs—

**Dr Arthur**—If the basis were that in terms of a new Commonwealth initiative in a particular area of education policy it was that the Commonwealth were undertaking to take up 100 per cent of every cost—

**Senator MASON**—Yes, it was a partnership.

**Dr Arthur**—I am not aware offhand of where Commonwealth policies in the past which have adopted that approach.

**Senator MASON**—Let me just quote Paul Harapin, the Managing Director of VMware. That is one of Australia's major hardware sellers alongside ASUS and Intel—

**Dr Arthur**—I am aware of that.

**Senator MASON**—He says this: 'The capital cost of a computer is only a fraction of a three-year life-cycle costs of keeping it running and supporting it. Analysts' estimates are: 20 per cent capital costs, 80 per cent operational costs over a three-year period.'

**Ms Paul**—You are offering someone's opinion there.

**Senator MASON**—Do you have an opinion to—

**Ms Paul**—I cannot offer you an opinion, no.

**Senator Carr**—I think there is some confusion here. I think you are aware that I was a schoolteacher. I remember seeing the first computer at Glenroy Technical School. It appeared in the school in about 1981.

**CHAIR**—On the back of a truck it would have been then.

**Senator Carr**—So schools have actually had computers and school authorities have been providing assistance to schools to provide computers now for nearly 30 years. The presumption that you make that the digital revolution election commitments that have been made are the beginning is of course a mistake. As I say, there have been states and education authorities who have been providing assistance for the better part of 30 years. We do not start from scratch with a blank sheet of paper. The long-established principle of education policy in this country is that there is a partnership between the Commonwealth and the states. It is my understanding that this portfolio is providing the better part of \$42 billion. Let me finish my proposition to you. You have asked me to be patient so I am now going to provide you with some advice that might assist you in your inquiry. This commitment of \$1.2 billion is on top of the \$42 billion provided. Any calculations that you care to make about what has been left in or left out—I mean, you have not mentioned ink cartridges for printers yet. There is a whole series of activities that are engaged in the education process. Maybe school uniforms will wear out more quickly. The point is it is a ludicrous proposition to try to load every aspect of educational activity onto this particular commitment. The fact remains that education is a partnership between the Commonwealth and the states in which the Commonwealth provides to states and education authorities in the private sector some \$42 billion per quadrennium. This is \$1.2 billion on top of that and, frankly, if schools and authorities cannot work out how to spend that then I think they are not really trying very hard.

**Senator MASON**—I return to my point. There is \$1,000 allocated for each computer, \$500 or so for the capital cost and I have got the estimate from Mr Carpenter that for every dollar Canberra is planning to spend as the capital cost, it will cost the states \$3 to \$4 for the extras—

**Senator Carr**—The premier of Western Australia—

**Senator MASON**—I have not finished asking my question—

**Senator Carr**—He is a very good advocate for Western Australia—

**CHAIR**—Minister, let Senator Mason finish his question.

**Senator Carr**—You should never, ever try to get between a premier and a bucket of money. You know the rules of the Commonwealth.

**Senator MASON**—We are going to get to the states in a second; just hold your horses. I have never disappointed you before, Minister, and I will not this morning. We have got what Mr Carpenter says, which is roughly the same as Mr Harapin, the managing director of VMware, one of Australia's major hardware sellers alongside ASUS and Intel. He says: '20 per cent capital costs, 80 per cent operational costs over a three-year period'. Ms Paul, you said that is an estimate. Do you have a better one?

**Ms Paul**—The point I am making, and the point the minister made a minute ago as well, is that none of these school systems are coming off a blank slate. All of them are coming off an existing program of procurement and support. Therefore, to start from a base of 20 per cent, 80 per cent or whatever, is starting from a base of assuming there has been nothing before, but of course that is not the case. Not only does it mean that—

**Senator MASON**—These are additional costs for each computer; 80 per cent are the running costs—

**Ms Paul**—Yes, but what I am saying—

**CHAIR**—I have a difficulty with asking the witnesses to comment on something that is not before them. I do not know whether—

**Senator MASON**—I can show it to them.

**CHAIR**—you are quoting part of it or whether it is a full documentation or a full economic analysis; I am not sure. But it would be better, if you want to go through that document, which appears to be a press report about—

**Senator MASON**—Yes. I will even mark the passage.

**Ms Paul**—The point here is that this \$1.2 billion is completely additional. It is on top of all the existing programs of procurement, which are all very active—we know that from our work with the states and the other systems—and their own systems of repair and maintenance and all the things which you name. So it is not actually possible to come to a singular cost because of the different bases that each authority is coming from. And it is also not possible to assume a cost from scratch because each of them is coming off their own history.

**Senator MASON**—That is not what Mr Harapin is saying—nor, indeed, Mr Carpenter. What he is saying is that, for every one of these new computers—800,000 of them—the initial cost, the capital cost of the computer, is 20 per cent of the total cost. Let me put this squarely. If the computers cost \$500—that is the ballpark figure—it will cost four times that, \$2,000, for the ongoing costs over three years; that is, not \$500 but \$2,000. Who is going to pay that \$2,000 for every additional computer?

**Dr Arthur**—There are two answers to that question. One is that the calculation that Mr Harapin is making is a total cost of ownership calculation, and those calculations are highly dependent on the way in which computers are deployed. In order to answer that question you need to understand both the extra costs and the savings. I pointed out earlier that a large injection of the type that we are making through, as Ms Paul says, additional funds will allow states and territories to recoup very significant savings from the movement of reasonably, in some cases very, heterogenous computer provision, to a far more uniform provision. Therefore, figures—in terms of the relationship of the particular computers that were being provided to the long-term run total cost of ownership in a particular state and territory—will differ in every instance.

*Senator Mason interjecting—*

**Dr Arthur**—Beyond that, however, if I can complete my answer, it has been made completely explicit, by the minister at the table, by government policy, and by government statements as the policy has been executed, that the specific funding for the computers in

schools program is not intended to cover every cost in terms of computer provision in schools. The Commonwealth has made a specific statement as to the process by which this will be addressed. As the minister indicates, there are already large existing payments and, as was stated in the COAG communique issued in May, there will be a process to look in detail at all of the ons and offs of Commonwealth funding provision to the states and territories, gains they will make through the reform which is currently in process in terms of special purpose payments, and a holistic decision will be made about what is the appropriate level of funding from the Commonwealth and the appropriate contribution of the states and territories. That is a proper, well-ordered process to address these issues, rather than attempting to look at them within a very narrow focus of one particular new funding objection.

**Senator MASON**—Good try, Dr Arthur. But, you see, you gave evidence that you did not have any estimates as to most of the one-off costs or the ongoing costs. I accept that there may be some savings across the board in certain areas. But, on these estimates, you will not be able to bring the cost back from \$2,500 to \$1,000 by that sort of initiative. Good try, and you are doing a good job for the government, but I am afraid that is the estimate I have. I have got Mr Carpenter's estimates. And you have got nothing to counter that.

**Ms Paul**—What we are saying is quite clear. The policy was clear about this being based on a partnership.

**Senator MASON**—Let us go to the partnership.

**Ms Paul**—And it was also clear that the \$1.2 billion is completely additional to all existing and historical effort both in the state and in the Catholic and independent sectors.

**Senator MASON**—Let us go to the partnership. What we now know is we have got \$1,000 for each computer being outlaid, the capital cost being \$500, and we have estimates that that is 20 per cent of the total cost and you have got nothing to counter that—

**Ms Paul**—That is your view—

**Senator MASON**—Hang on, I am asking the question. And we also then know that the Commonwealth does not know the cost of most of those initial ongoing costs. Let us go to the partnership.

**CHAIR**—Senator Mason, you have actually put a proposition which I think the officers want to dispute, so I do not want to leave that hanging. They ought to have an opportunity to respond to that.

**Dr Arthur**—Senator Mason, we have certainly indicated, and I have indicated, that the figure that you chose to use as your multiplier is not one which can be confidently used. You would need to know a great deal more about the ons and offs in a particular deployment in a particular jurisdiction to be doing any such calculations.

**Senator MASON**—What is yours? What is your estimate?

**Ms Paul**—I have answered that.

**Senator MASON**—No, you have not.

**Ms Paul**—Yes, I have.

**Senator MASON**—I have asked you all those one-off costs and ongoing costs—and you have not even looked at the costs.

**Dr Arthur**—Senator, I indicated clearly to you the process by which the government will be addressing that issue is the process—not just for this program but for the range of interactions between the Commonwealth and the states and territories in the context of the discussions in COAG—that has been agreed by which those issues will be examined as a whole, taking into account, as the minister has indicated, the overall funding stream that flows from the Commonwealth to the states and territories in education.

**Senator MASON**—I bet Mr Carpenter and the others are going to be delighted when they are lumped with, according to these figures, about \$1,500 per computer for the ongoing costs. Let us go to the partnership—why don't we do that? We have heard what Mr Carpenter said. He is not going to pay you \$3 or \$4. We know what Mr Carpenter's view is. Western Australia is not going to fork out \$3 or \$4 for every dollar of capital cost. I looked at the Queensland budget which, as you may know, came out yesterday. Do you think there is any provision for the ongoing costs in that? Just take a guess.

**Dr Arthur**—I am not actually employed to comment on the Queensland budget.

**Senator MASON**—No, perhaps it is good that you are not—because there is no mention. What do you think was in the New South Wales budget, Ms Paul?

**Ms Paul**—I do not know what was in the New South Wales budget.

**Senator MASON**—Let me read it out for you.

**CHAIR**—The whole budget?

**Senator MASON**—No, the relevant part of it. I could do the whole lot if you like. I refer to page 8-5 of Budget Paper No. 2. It has 'New South Wales Government', 'the Treasury' and 'Office of Financial Management'. Under the heading 'Funding the Commonwealth's Election Commitments' there is this. I will read out the entire bit as I do not want to mislead anyone:

To date, the COAG Working Groups have primarily focussed on developing detailed implementation plans for the major Commonwealth election commitments, such as the *Digital Education Revolution* and the *National Rental Affordability Scheme*. At its March 2008 meeting, COAG:

. . . acknowledged—

this quote is from page 4 of the communique from the COAG meeting in Melbourne held on 26 March 2008—

that the Commonwealth should be responsible for its election commitments . . . Commonwealth election commitments have legitimate and additional financial implications for the States and Territories. Consideration of these costs will be included as an addition to the work of Treasurers in the final determination of the new generation SPPs at year's end.

And back to the budget paper comments:

This acknowledgment recognises that the Commonwealth election commitments and the policy objectives and programs underpinning them reflect the Commonwealth's priorities and preferences for service delivery. Whilst some of these election commitments relate to NSW broad policy objectives, they do not necessarily reflect the core commitments and priorities of the NSW State Plan.

The NSW Budget therefore has been prepared on the basis that the Commonwealth fully pays for all “legitimate and additional” State costs in implementing the Commonwealth Government’s election commitments.

What do you say about that?

**CHAIR**—Senator Mason, you are not delivering the budget; you are just reading it.

**Senator MASON**—What about that, Dr Arthur?

**Ms Paul**—I do not think we can comment on that.

**Senator MASON**—No, I did not think you would be able to comment. This is the problem. It was all about a partnership. Mr Costa has slammed it. Mr Carpenter has slammed it. There is nothing in the Queensland budget and you do not even know all the on-costs.

**CHAIR**—That is not right. The officers cannot comment on that because they are not able to comment on government policy.

**Senator MASON**—Minister, can you comment on that?

**Senator Carr**—I am happy to comment on that.

**Senator MASON**—I am waiting with bated breath.

**Senator Carr**—This is a theatrical performance which does not change one simple fact: that the Commonwealth is providing \$42 billion for educational purposes—just a normal funding arrangement through the States Grants Act—and there is an additional \$1.2 billion provided on top of that—

**Senator MASON**—Oh, dear!

**Dr Arthur**—I apologise that the COAG communique that I was referring to was in fact the one that you read out but I stated it was in May; it was in March. I apologise for that.

**Senator MASON**—That is fine. But this paper came out yesterday, so I gazump you. Thank you for your help. The partnership flounders: Mr Carpenter has had his say, Queensland—my state—has had its say and there is no commitment from the states as to these on-costs.

**Dr Arthur**—So there is no partnership.

**Senator MASON**—There is no partnership and you came in here and deceived the parliament by saying there was. I do not like that. There is no commitment.

**Senator Carr**—I think the word ‘deceive’ is a little strong, even for a theatrical performance like this.

**Senator MASON**—How about ‘misled’?

**CHAIR**—I think we are now going down a path which I would rather us not go down, Senator Mason. I do not want to be in a position where propositions are put by either party and then left and we have simply moved on without the opportunity to properly have all the views on the table. If the officers or the minister have anything to say in response we will take that and then we will move on.

**Senator Carr**—Senator Mason, you have made your point known. I just indicate once again that the nature of the education compact in this country, as has historically been the case since Prime Minister Menzies changed the funding arrangements with his science laboratories program, is that there be a partnership between the Commonwealth and the states with regard to the provision of education facilities. That has led to a situation now where the Commonwealth is providing \$42 billion for the operation of schools in this country, \$42 billion in the quadrennium; this is on top of that \$1.2 billion for this particular initiative. The Commonwealth is not responsible for the running of the schools at every level. It is a partnership. The states have obligations. The education authorities have obligations. The Commonwealth does not provide school uniforms, it does not provide cleaning services and it does not provide chalk. It provides facilities and capital and other funding, but the way in which the funding is spent is in cooperation with the states and territories and education authorities. That is the nature of the partnership.

**Senator FIFIELD**—You would have to concede that at the very least, on the basis of the New South Wales budget papers, there is a totally different view as to what constitutes a partnership.

**Senator Carr**—You are a Victorian, and I am sure you are very familiar with the Victorian state budget papers. I am not in the position to tell you that I am familiar with the New South Wales state budget papers, I must say, any more than I am really familiar with the Victorian state budget papers, so the assertions that you are making I cannot agree with.

**Ms Paul**—I probably need at this stage to spell out some of the COAG processes that we are actually going through because it is pertinent—

**Senator MASON**—The minister has had his go. I want to just re-address—

**CHAIR**—I want to make sure that all of the views have been put on the record before we move on.

**Senator FIFIELD**—It is the duty of the relevant ministers—and I appreciate Minister Carr is just representing the minister at the table—and it is the responsibility of the department to be fully aware of the relevant sections of state budgets that relate to education.

**Senator Carr**—Wait on. The state budget was brought down yesterday in New South Wales. There are COAG processes which officers are familiar with—

**Senator FIFIELD**—There is a thing called the internet which assists us—

**Senator Carr**—I am sure you have read the state budget of New South Wales very thoroughly, haven't you?

**Senator FIFIELD**—Could I point out I am not a Commonwealth education department bureaucrat, so—

**Ms Paul**—I am trying to make a comment actually which goes directly to your points.

**CHAIR**—And I will come to you.

**Ms Paul**—It is probably worth pointing out at this stage that the COAG in December set up a series of processes to establish these partnerships which we have been talking about. Those were confirmed at the March COAG meeting and are still ongoing. So through the

productivity working group of COAG there is ongoing work on developing the partnerships to support this and other programs. Through the schools subgroup of that productivity working group we continue to work with the state governments and we are shortly moving into consultation phase with the independents and Catholic sectors. Basically, the bottom line here, while I cannot comment on state budgets at this point, is that the actual process of the partnership is not finished at all. In fact, it is underway and so the relationships between the Commonwealth and each state or each system and so on are actually ongoing. The budget of course is important, I am sure, for each state but it is actually not the answer here. The answer is through the COAG processes.

**Senator MASON**—Were you aware of this statement from the New South Wales budget until I—

**Ms Paul**—No.

**Senator MASON**—Dr Arthur?

**Dr Arthur**—No.

**Senator MASON**—It was a nasty surprise. Minister?

**Ms Paul**—I do not have experience—

**Senator Carr**—Nothing surprises me coming out of New South Wales.

**Senator MASON**—We might agree on that—

**Senator FIFIELD**—Mr Costa is saying he does not give a stuff what Commonwealth priorities are.

**Senator MASON**—Let me just summarise. We have got nothing in the Queensland budget about their commitments to this process and nothing from Western Australia except Mr Carpenter saying, ‘I am not going to pay.’ We have got Mr Costa delivering the budget from New South Wales saying:

The NSW Budget therefore has been prepared on the basis that the Commonwealth fully pays for all “legitimate and additional” State costs in implementing the Commonwealth Government’s election commitments.

Those commitments had been specifically referred to as including the digital education revolution. And then we also know that there is a capital cost of roughly \$500. We know the government has outlaid \$1,000 to cover all costs. That is \$500. The estimates are that capital costs are about 20 per cent, roughly \$2,500, so the state governments are out by about \$1,500 per computer and they have made no commitment to pay. Well done.

**Ms Paul**—My point here was that that is not actually completely surprising because the relevant processes are COAG processes and they are still underway—

**Senator MASON**—You had better have an executive holiday.

**Ms Paul**—That is exactly what I would expect, that these processes are not actually to a point where you would have expected to see a reflection at this point.

**Senator MASON**—Ms Paul!

**Senator FIFIELD**—Mr Costa is not qualifying his comment with COAG processes.

**Ms Paul**—I have not seen them; I cannot comment.

**Senator MASON**—Nor did the Prime Minister with his promise.

**CHAIR**—We seem to have gone over this ground several times. I think we are actually in competition about who wants to have the last say, so it may mean that we keep going to the break and then start afresh after that. But are we going to move on?

**Senator MASON**—I have got questions about ongoing costs. Isn't that delightful?

**Senator FIFIELD**—The blame game goes on.

**CHAIR**—Let us just keep it to questions.

**Senator MASON**—Physical fibre connection to the school is a one-off cost, isn't it?

**Dr Arthur**—It can sometimes be a one-off cost.

**Senator MASON**—What is the government estimate of rolling out a broadband connection to schools, both average per school and the total sum? What is the estimate?

**Ms Paul**—I think we answered this before.

**Dr Arthur**—We did answer this question last time.

**Senator MASON**—Just remind me.

**Ms Paul**—I think we answered it earlier this morning.

**Senator MASON**—You said it was part of the partnership.

**Dr Arthur**—It goes to the—

**Senator MASON**—It is not looking very healthy today.

**CHAIR**—Please let the officers answer your question.

**Dr Arthur**—It goes to the answer I just gave that in some cases there can be a requirement for a one-off payment for the rollout of a physical connection. In other cases, there is not. It depends completely on the basis on which you purchase that connection.

**Senator FIFIELD**—This comes back to that freebie—

**Senator MASON**—I remember that.

**Senator FIFIELD**—It is like the mobile phone package where the mobile phone is theoretically free, but it is not.

**Senator MASON**—What is the government estimate of rolling it out throughout the country? We have only allowed \$1,000 per computer. How much of that is going to be used to supply broadband connection to schools?

**Dr Arthur**—At the moment we are engaged in a detailed process of consultation with state and territory governments—

**Senator MASON**—The partnership—

**CHAIR**—Senator Mason, please.

**Dr Arthur**—We are engaged in that process of consultation with the states and territories and with non-government authorities on the issue to get good data on where they are currently

in terms of connections, the basis on which those connections are obtained, the length of their current contracts and their plans for moving forward in terms of broadband connections so that we can formulate with them an agreed understanding of where we would want to take this particular policy and a time frame within which it would be possible to execute the policy.

**Senator MASON**—You do not know how much it is going to cost to bring a broadband connection to every school, do you?

**Ms Paul**—We have answered that several times, I think, in terms of noting that this \$1.2 billion new initiative picks up off existing baselines, and so on, and that our current effort has been on the first round. As the policy exists over a four-year period, and now a five-year period with the injection of another \$200 million, those things will become clearer and we are happy to address them in future estimates.

**Senator MASON**—Yes, but you do not know now?

**Ms Paul**—We would not because of the different status of different systems and the focus on the first round.

**Dr Arthur**—Also, a calculation at the moment which worked, for example, off an estimate of the cost of civil works to connect a particular school in Australia to a nearest fibre point is essentially meaningless because it depends on the market, what you are able to buy. For example, under the previous government we were engaged in an activity to provide connections to all Australian universities at a very high-speed level. The physical cost of doing that, in one sense, could be calculated at something around \$900 million. However, because of a particular market opportunity, we were able to do something which equated to that for a figure which I cannot provide, because of commercial-in-confidence, but which certainly was less than \$20 million.

**Senator MASON**—This is the free mobile phone offer again?

**Dr Arthur**—It is the market.

**Senator MASON**—Sure, which is great. But what it means is the cost is picked up elsewhere.

**Senator FIFIELD**—Nothing is free.

**Senator MASON**—No, nothing is free, Dr Arthur.

**Dr Arthur**—That is not what I said. What I said was: it depends on how you buy a service in what you pay for it.

**Senator MASON**—There are 39 universities, and you said it would cost about \$900 million to hitch them up.

**Ms Paul**—You cannot compare the universities.

**Dr Arthur**—It could have cost that, in terms of your physical cost to do that. The actual cost was less than \$20 million.

**Senator MASON**—Sure, because of the market. I understand that.

**Dr Arthur**—I am trying to give you an idea of the amplitude of issues that are there. It depends on how you buy something.

**Senator MASON**—We are talking about 2,650 schools being connected up and we still do not know how much that is going to cost. I understand there are all these vagaries. You are quite right, Ms Paul, there are vagaries. But we do not know, and you have not allowed for it. This is another cost that has to be added that has not been allowed for, another one.

**Dr Arthur**—We covered that last time and we stated at that time under questioning that the government has provided \$100 million for that purpose and no evidence has been adduced which indicates that that is not an adequate sum to deal with that issue.

**Senator MASON**—You do not know how much it is going to be, do you? That is the problem. That is the problem of the whole morning.

**Ms Paul**—I think we have answered that question several times.

**Senator MASON**—Hardware in schools—

**Ms Paul**—I am sorry?

**Senator MASON**—I am not a computer buff, that is obvious. Schools would need to set up and manage—

**Senator Carr**—You are attempting to ask the same question. We have been here now for an hour and 20 minutes—

**Senator MASON**—And I am loving every minute of it! So are you, I can tell!

**CHAIR**—We all are!

**Senator MASON**—I have another point going to costs. Schools would need to set up and manage a virtual private network within the school to establish intranet facilities for the types of activities that Mr Rudd has proposed, and that requires a router, a firewall and cabling. What is the government estimate of providing a router, a firewall and cabling, in the intra-school sense?

**Dr Arthur**—That is simply a different way of asking the questions you have already asked about providing a network in schools.

**Senator MASON**—We do not know.

**Ms Paul**—We have already answered that question.

**Senator MASON**—All right. I didn't think you did. What about line rental? Again, that is a bit like phone rental?

**Ms Paul**—I think you will find that we have answered these questions and the answer basically goes to where we are now in the program. It goes to the nature of the policy, which outlines the basis for partnerships. It goes to a focus on the first round and it goes to where we are up to in the COAG process, which is by no means finished, but it is part of the ongoing work of the productivity working group through COAG. There is probably not too much more we can say although we are happy, obviously, if you wish to go through more. But there may not be too much we can add to the answers we have already given in this broad area. I suppose, I would just add, as I said before, that we note that this is off an existing base and so on, and so each starting point is different. The starting point may be different for a school. A starting point may be different for a system, and so on. That does not alter in any way the

nature of the program or the outcome that the program will achieve, but I just try to paint the picture of where things are at now.

**Senator MASON**—The problem is that there are no firm estimates of the cost and what proportion the states and Commonwealth and independent schools and parents and teachers are going to be paying. I think the joyous occasion in February when we relied on partnerships is well and truly over.

**Ms Paul**—We are still working within the partnerships, actually very positively, with each state and territory and with the other sectors.

**Senator FIFIELD**—A shaky looking marriage.

**Senator MASON**—It is with Queensland and New South Wales.

**Ms Paul**—It is actually New South Wales that chairs the subgroup of the productivity working group and that is working very successfully.

**Senator MASON**—I salute your try, but have a look at the budget.

**CHAIR**—We will go to a break now. We will suspend for 15 minutes and resume at 10.40.

**Proceedings suspended from 10.23 am to 10.42 am**

**CHAIR**—We will resume with questions in outcome 2.

**Senator ABETZ**—I thank my colleagues for allowing me to have this interlude. I have three brackets of questions. The first one is on behalf of Senator Bernardi, who has drawn my attention to the fact that as a result of COAG there are certain working groups on the productivity agenda and related subgroups, such as schools and early childhood. Are you aware of those?

**Ms Paul**—Yes.

**Senator ABETZ**—That is excellent. I confess I am not. Senator Bernardi is. But you will know what I am talking about on behalf of Senator Bernardi?

**Ms Paul**—Yes, I do.

**Senator ABETZ**—Can you confirm to me that in these working groups and subgroups, which are planning implementation strategies for key government policy initiatives, there are no representatives of the non-government school or non-government provider sector? Is that correct?

**Ms Paul**—Yes, that is right. This is a COAG process, so it is a process coming from ministers first. I am happy to go into how the other sectors will be involved, which will be extensive. Starting next week, on the 12th, the Productivity Working Group, which is our relevant working group with those subgroups under it, will be holding an open day, as it were, or the beginning of a quite intensive consultation process. Of course, naturally, we have been very conscious of the need for the Catholic and independent schools sectors to be fully involved as we move towards the beginning of the next funding agreement from 1 January next year.

**Senator ABETZ**—Have you selected the personnel? Will they be on the working groups or are you going to be consulting with them from time to time?

**Ms Paul**—That would be a matter for the working group. That has not been settled yet. That may well be a topic for next week.

**Senator ABETZ**—Will you be there?

**Ms Paul**—Yes, I will.

**Senator ABETZ**—Can I encourage you and those others to engage that which is a very important sector in terms of 33 per cent of the school population? I think that does deserve representation in these very important areas.

**Ms Paul**—Yes, they are very important.

**Senator ABETZ**—Thank you for that. That was one bracket. Chances are that was the shortest bracket. I have another short bracket in relation to therapy services and in particular speech specialists. I refer to an article in the Launceston *Examiner* on Wednesday, 30 April 2008, where there was concern expressed that St Giles therapy service for speech pathologists, psychologists and part-time therapy assistants would be running out of funding as of 30 June this year. Are you able to advise whether that service and those programs are being continued?

**Dr Arthur**—I am not aware of that particular service and I am not aware of the basis on which it might be funded. It does not strike me offhand as something that is likely to be directly funded by the Commonwealth. I will get my colleague to assist.

**Ms McDevitt**—I cannot confirm whether or not we fund that specific service. We possibly may do so. There is a program called Non-Government Centres Support through which we provide funding to state governments and they run their own processes. Sometimes it is through grants. They fund non-government organisations that provide assistance for children and students with disabilities.

**Senator ABETZ**—Yes, St Giles is a disability service provider.

**Ms McDevitt**—It is possible, but I would have to check through our state colleagues.

**Ms Paul**—Would you like us to take that on notice?

**Senator ABETZ**—I have another bracket of questions, so I will give you the newspaper article and then we can return to it after my next bracket, just in case you can provide me with some information.

**Ms McDevitt**—I am sure I can provide some information later in the day on whether we fund them.

**Senator ABETZ**—See how far you can get in the next 15 or so minutes, because I hope I will not be much longer than that with my last bracket of questions. Who can assist me in the area of the implementation of the Schools Assistance Learning Together Achievement through Choice and Opportunity Regulations 2005?

**Ms Paul**—It probably touches right across our schools area. It depends on which area you are interested in.

**Senator ABETZ**—Can you confirm that these regulations are operative?

**Ms Paul**—Yes.

**Senator ABETZ**—Do they apply equally to state government schools and non-government schools?

**Ms Paul**—I believe so.

**Senator ABETZ**—That was my understanding as well.

**Ms Paul**—There may be some that do not, but I imagine they mostly do.

**Senator ABETZ**—That was my understanding, but in the event that they did not that would have stopped me in my tracks in relation to the rest of the questions.

**Ms McKinnon**—That legislation also covers things that specifically apply to the non-government sectors, such as the SES funding methodology.

**Senator ABETZ**—Can you advise as to what has been done to enforce these regulations in relation to non-government schools? What I am specifically referring to is regulation 2.6, which requires educational accountability and school performance information, and under regulation 2.6.2 it states:

The school performance information must be made publicly available within six months after the end of each program year and in at least two of five particular forms.

Is that correct?

**Mr Zanderigo**—Yes.

**Senator ABETZ**—Is it monitored with the independent or non-government schools that these regulations are in fact being followed?

**Mr Zanderigo**—Yes.

**Senator ABETZ**—What about state government schools?

**Mr Zanderigo**—Yes.

**Senator ABETZ**—Are you satisfied that state governments have been abiding by these requirements?

**Mr Zanderigo**—To date the state authorities have written to us in a process that we manage on an annual basis and certified that they have done these things, or if they have not done them fully the proportion of their schools that they believe have done these things.

**Senator ABETZ**—The proportion of schools?

**Mr Zanderigo**—Yes. Generally it is high, if not 100 per cent.

**Senator ABETZ**—Do you have 100 per cent with independent schools?

**Mr Zanderigo**—It is above 90 per cent, and we ask them individually to certify to us that they have done these things.

**Senator ABETZ**—Who does the certification in relation to state government schools? Does the state minister sign off on behalf of all the state government schools?

**Mr Zanderigo**—A competent authority within the state is generally a director-general or deputy or similar level person who writes to us advising the situation.

**Senator ABETZ**—Is that in the form of a statutory declaration or just a letter saying that this has occurred?

**Mr Zanderigo**—It is a letter stating the situation as they deem it to be.

**Senator ABETZ**—Do you look behind that letter? Do you ask for proof or do you accept it at face value?

**Mr Zanderigo**—We generally accept it on face value. On occasion, we will follow up depending on the nature of their letter.

**Senator ABETZ**—What enforcement procedures, if any, have been undertaken?

**Mr Zanderigo**—This legislation is not legislation that operates with regulatory force. It is under a funding act and the terms of the legislation are that the recipients of the funds agree to do a number of things, including for schools to publish that information.

**Senator ABETZ**—Are you satisfied that every state school is in fact publishing that information for the benefit of its school community?

**Mr Zanderigo**—I would not be able to say to you that every state school in the country has this information published in the form that it should be. We rely upon the certification from senior officials in the states.

**Senator ABETZ**—We will drill down for my home state of Tasmania. Who does the certification? I can understand it if you do not know it off the top of your head, but if you do that would be helpful.

**Mr Zanderigo**—I would need to check that for you.

**Senator ABETZ**—I would appreciate if you could take that on notice for me. Could you also advise us about the last certification that you received from the state of Tasmania and whether that certification had in it any exemptions or non-exemptions, because it would be for the Commonwealth to provide the exemption. What is the term I am looking for, Senator Mason? Are there some exceptions? Is it the case that they believe that 90 per cent or 99 per cent of schools—schools A, B and C—did not comply for whatever reasons, or was the certification for 100 per cent of state government schools? Can you take that on notice for me?

**Mr Zanderigo**—Yes, I shall do that.

**Senator ABETZ**—You have told me who signs off. When I ask who is policing these requirements in relation to the state system it is really nobody, because you take it at face value. Is that right?

**Ms Paul**—No. We did say that we would go further if we thought that we needed to.

**Senator ABETZ**—What would alert you to that? What would make you think you had to go further if you got a certification that said everything was okay from a deputy director-general?

**Mr Zanderigo**—If there was information in the public domain that led us to believe that there was some doubt about that certificate, we might follow it up. Otherwise on occasion the certification itself will say what the situation is at a particular point in time. For example, if

they were to say that they are unable to tell us exactly what the situation was, we might write back to them requesting further information as to exactly how they go about doing something in their jurisdiction. On occasion we have done that. It depends on the certification and whether there is anything significant in the public domain that would lead us to believe that the certification had not provided the full picture.

**Senator ABETZ**—Have you received appropriate certification from all the states and territories in recent years?

**Mr Zanderigo**—Yes. We have a conclusion of the process for program year 2006 in respect of the indicators that you have mentioned. There is a process underway at the moment in respect of program year 2007.

**Senator ABETZ**—In relation to the year 2006, every state and territory has signed off?

**Mr Zanderigo**—They have all responded to our request for a letter, yes.

**Senator ABETZ**—How have they responded? Have they said that they have fully complied or have they responded by saying, ‘That is interesting. We will get back in touch’?

**Mr Zanderigo**—I will need to get back to you with the details of exactly what they have said.

**Senator ABETZ**—Would those letters be able to be tabled? Is there anything that is of a confidential nature about them?

**Mr Zanderigo**—I will need to take that on notice.

**Senator ABETZ**—I would appreciate it if you could. Can you table those for eight separate jurisdictions?

**Mr Zanderigo**—Either that or I could give you a summary overview of the information that we have been provided.

**Senator ABETZ**—Depending on whatever rules and restrictions you have, I would appreciate the full correspondence in relation to all eight. In relation to the independent sector, does that come to you from each individual school?

**Mr Zanderigo**—Yes.

**Senator ABETZ**—For example, does the Catholic Education Office in Tasmania sign off on all the Catholic schools or do they all write in individually?

**Mr Zanderigo**—For the Catholic sector they sign off for all their schools, as they are in a similar situation to a state where they own and operate the entire set of schools, and fundamentally the process is based upon the nature of the funding agreements that we have. We have an agreement with the Catholic Education Commission in respect of all their schools.

**Senator ABETZ**—Would the same thing happen in my home state of Tasmania with the Association of Christian Schools, Anglican schools, Muslim schools and Jewish day schools? Would their state or national body sign off on behalf of all the schools under their jurisdiction?

**Mr Zanderigo**—Only where they happen to own and operate those schools and we have a funding agreement with an entity that owns that group of schools. Otherwise it is directly with the independent school themselves.

**Senator ABETZ**—Thank you for that clarification. That does assist me. You have told me the compliance rate is very high. Are there any particular sectors that are less compliant than others? Are you able to tell us whether the state governments are more compliant, let us say, than the Catholic schools, the Jewish day schools, the Muslim schools or the Christian school associations?

**Mr Zanderigo**—Generally the level of compliance is similar across the types of schools.

**Senator ABETZ**—It is good to hear that. So that we do not get caught out in verbiage, what do you mean by ‘similar’? Is it that it is within a couple of percentage points?

**Mr Zanderigo**—You are stretching me here on the detail.

**Senator ABETZ**—You can take that on notice and I will rely on your Public Service ethics and other things to ensure that in responding to me you give us a fair indication as to whether there is any variation between sectors. I understand the situation is that there is a national performance test that is required to be undertaken by each student, which then provides a benchmark in relation to years 3, 5, 7 and 9 students in the areas of reading, writing, spelling and numeracy. Is that correct?

**Mr Zanderigo**—Yes: reading, writing, numeracy and a domain that is named language conventions, which covers spelling, grammar and punctuation.

**Senator ABETZ**—Thank you very much. The term ‘spelling’ should be replaced with the terminology that is now recorded in *Hansard*, thanks to Mr Zanderigo. I also understand the school performance information requires information in relation to staff attendance, staff retention, teacher qualifications and a number of other matters. Is that correct?

**Mr Zanderigo**—Yes. That is the information that you have referred to before, which is an obligation for schools themselves, rather than any other entity, to publish information on those indicators.

**Senator ABETZ**—The school itself has to publish that?

**Mr Zanderigo**—Yes. That is different from other reporting requirements that are in place under those regulations.

**Senator ABETZ**—In those matters the deputy director cannot sign off, for example, or the state director of education or his or her deputy cannot sign off in relation to that requirement?

**Mr Zanderigo**—Do you mean in relation to the requirement for schools themselves to publish information?

**Senator ABETZ**—Yes. That would be in relation to staff attendance, staff retention, teacher qualifications and those other matters.

**Mr Zanderigo**—Yes, they can in that they are a representative of the state that owns those schools.

**Senator ABETZ**—Does the same apply as to what we were talking about before in that they can sign off?

**Mr Zanderigo**—Yes.

**Senator ABETZ**—Going back to the key student outcomes, can you confirm that the test requires the school to pay \$45 per student tested?

**Mr Zanderigo**—That amount varies state by state. I do not have them to hand. That is a number that I am familiar with, certainly from a jurisdiction. I would have to check to see which ones charge and how much and whether or not they charge schools. Whether a state testing authority charges a school is a matter for the states themselves to decide. In some cases they do and in some cases they do not.

**Senator ABETZ**—Is this a Commonwealth test mandated by the Commonwealth but administered through the state system?

**Mr Zanderigo**—It is a collective test that has been developed by the states and territories collectively with support from the Australian government. The requirement for the tests to occur has been in our funding legislation for some years.

**Senator ABETZ**—That is right.

**Mr Zanderigo**—Until 2007 each state and territory ran their own tests. This year they collectively put together a single national test.

**Senator ABETZ**—Is whether a school is charged for conducting these tests determined by the state or territory jurisdiction?

**Mr Zanderigo**—Yes. For the government schools, the state meets those costs as they own and operate those schools.

**Senator ABETZ**—Where does that \$45 go to? I understand that is the charge in my home state of Tasmania.

**Mr Zanderigo**—That charge would apply to schools that were not owned and operated by the state itself and the funds take the form of some cost recovery by the state from non-government schools within the state for the testing service.

**Senator ABETZ**—That \$45, if that is the correct figure, goes into state government coffers and not into Commonwealth coffers?

**Mr Zanderigo**—That is correct.

**Senator ABETZ**—The particular school that has put me on to this will be very interested in that because it was under the impression, courtesy of those that charged the fee, that it was going up to Canberra, as opposed to Hobart.

**Mr Zanderigo**—I believe that is the case.

**Senator ABETZ**—That is just a reflection by me. Is there a limit on what the state government can then charge these non-government schools for administering this test?

**Mr Zanderigo**—That is entirely a matter for the state concerned.

**Senator ABETZ**—One would hope this would be ridiculous, but if a state government wanted to it could charge \$1,000.

**Ms Paul**—That is a hypothetical and we cannot comment on that.

**Senator ABETZ**—Yes, but there is no limit?

**Ms Paul**—Mr Zanderigo has given you the rule, but I do not think we can comment further on what somebody might or might not do.

**Mr Zanderigo**—I can add that the costs of delivery are relatively transparent to those who participate and the different per capita costs of different testing authorities around the country are known to each authority and to the non-government sector. The sense of the reasonableness of those costs would be something which the non-government schools would themselves form a view on. They have been charged these costs for some time now.

**Senator ABETZ**—That is fine. I would ask you to take on notice, if you can, what the fee or administration cost is for each state and territory?

**Mr Zanderigo**—Certainly.

**Senator ABETZ**—Are the state schools required to give individual student reports to individual parents?

**Mr Zanderigo**—Yes, from these tests.

**Senator ABETZ**—Thank you. These school performance indicators are a precondition to obtaining funding assistance? We have been through that already. Can that be confirmed?

**Mr Zanderigo**—Yes.

**Senator ABETZ**—Thank you. I would like to ask about the posters that MCEETYA developed—the National Safe Schools Framework poster and the Values for Australian Schooling poster. Dr Arthur, would you have any information about them?

**Dr Arthur**—Sort of.

**Senator ABETZ**—Let me ask my question and then we will see.

**Ms McKinnon**—It will depend on whether it relates to content or compliance.

**Senator ABETZ**—I understand schools are required to display these posters as part of the funding arrangements. Is that correct?

**Mr Zanderigo**—Yes.

**Senator ABETZ**—What is the turnaround time from when a request is made by a school for a new poster to it being received by the school? The reason I ask that is that, as I understand it, schools think that the values behind these posters are very good; they are willing to display them, but if they get damaged or whatever they want them replaced. However, there has been a substantial lag between making a request for a new poster and it actually being sent out. Who can tell us the reason for that?

**Dr Arthur**—Could you repeat the question for Ms McDevitt?

**Senator ABETZ**—Yes, of course. It relates to the National Safe Schools Framework poster and the Values for Australian Schooling poster. Schools are required to display those posters

as part of their funding arrangement. How quick is the turnaround if a school wants a replacement poster or if it starts up a new campus somewhere to get posters for that new campus?

**Ms McDevitt**—That is a requirement under the existing arrangements. We are contacted by schools or school systems and we are able to provide those fairly well immediately.

**Senator ABETZ**—Minister, I should ask you this. Is the new government committed to the values and principles behind the National Safe Schools Framework and Values for Australian Schooling?

**Ms Paul**—Those things are continuing.

**Senator ABETZ**—They are continuing, so there has not been a culture change in recent times that this is no longer being emphasised or about to be dropped off the agenda?

**Ms Paul**—No.

**Senator ABETZ**—Chances are it was just a logistical hiatus that occasioned the delay of this particular case that I have been told about.

**Ms Paul**—I would expect so.

**Senator ABETZ**—That is very reassuring. Thank you very much. Ms McDevitt, before you leave you may or may not be able to assist me with a matter that I raised earlier.

**Ms McDevitt**—Yes, I can. The funding specifically referred to in the article is funding provided under the Strengthening Local Communities program, which is run through the Department of Families, Housing, Community Services and Indigenous Affairs.

**Senator ABETZ**—I am in the wrong committee.

**Ms McDevitt**—The current funding agreement ceases on 30 June, but I understand that there is another round in progress. I can also confirm that St Giles has in the past and does in this current year, 2008, receive funding from this department through the Literacy, Numeracy and Special Learning Needs Program, which has a specific element called non-government centre support. They have received funding for early intervention services, therapy services and for school based assistance within the school for students with disability.

**Senator ABETZ**—What do I tell the mums and dads of St Giles—that I fronted up to the wrong committee to talk about their concerns or that you are in fact of the view that, whilst the funding runs out on 30 June, there is every expectation that there will be a new round of funding and therefore these therapy services will continue?

**Ms McDevitt**—I cannot confirm that. It would have to be pursued through our colleagues in FaHCSIA.

**Senator ABETZ**—You cannot confirm that basically because I am in the wrong show?

**Ms McDevitt**—I am afraid so.

**Senator ABETZ**—Thank you very much and thank you to my colleagues for their indulgence on that.

**CHAIR**—Ms Paul, as to the Australian technical colleges area in outcome 2, is it your intention for the questions around that to be dealt with in outcome 4?

**Ms Paul**—Yes, thank you.

**CHAIR**—The Australian technical colleges will be dealt with in outcome 4.

**Senator MASON**—Before the break we had a friendly chat about the partnerships with the states with respect to the rollout of computers. The argument was put that the states can readjust their priorities to meet the additional ongoing costs of computers for computer infrastructure. What about independent and Catholic schools? How do they pay for these ongoing and extra costs?

**Ms Paul**—The process that we are working through is the same process, basically. That is a good question, because I was describing the current process and Senator Abetz asked some questions about how we will involve the Catholic and independent sectors, and indeed we will and we are. In all of the consultation processes that are going on and the formal working groups those sectors are involved as well.

**Senator MASON**—As to independent and Catholic schools receiving their computers, the budget is \$1,000 for every one of those computers. The base cost is \$500. If the ongoing costs, which I have detailed throughout the morning, are more than \$500 who will foot that bill?

**Ms Paul**—We have probably already answered that. The policy is clear. There is a partnership. Those are exactly the sorts of questions we are working through with the states.

**Senator MASON**—In the case of state schools any additional costs would be met by state governments, and any additional costs above \$1,000 would be met by the schools and parents?

**Ms Paul**—No, I did not say that. I think I spelt it out before.

**Dr Arthur**—The minister made the comment in terms of the \$42 billion that goes to schools in the Commonwealth budget. The great majority of that of course goes to non-government schools under the special purpose permanence arrangements.

**Senator MASON**—I am not sure whether they want to redirect their priorities to cover the infrastructure costs of a Commonwealth government election initiative. Do you follow that?

**Ms Paul**—We have already said that this is \$1.2 billion on top of everything else.

**Senator MASON**—I think we have heard enough on the issue.

**Senator Carr**—There is a further \$4.4 billion to help families meet schooling costs through the new education tax refund initiative.

**Senator MASON**—That is right.

**Senator Carr**—We are now getting a few more billions on top of the \$42 billion.

**Senator MASON**—You are asking state governments to redirect their educational priorities to pay for the additional ongoing infrastructure costs of computers promised—

**Senator Carr**—No.

**Senator MASON**—Yes, you are. I listened to what you said in your answers before the break.

**Senator Carr**—You are a former teacher of sorts.

**Senator MASON**—An academic.

**Senator Carr**—I acknowledge that is not quite the same, but even in the rarefied world of university teaching you would have observed there are changes in technologies that occur over time. The Commonwealth responds to those changes by providing support to schools to allow schools to move with the times. These things here are the toolboxes for the 21st, and provision is being made by the Commonwealth to assist schools, parents and students to meet the requirements of the times. That is what has occurred. I have now indicated to you that there is \$42 billion with the general school funding, \$4.4 billion in an education tax refund and \$1.2 billion for the specifics of the provision of the hardware. That seems to me to be a remarkably large sum of money, and I would have thought that it is not beyond the wit and wisdom of the Commonwealth of Australia, including all its constituent parts, to be able to come to a conclusion about how that money should be spent.

**Senator MASON**—Again, the implicit assumption is that state governments will rearrange their priorities to look after the infrastructure costs of an election commitment. Mr Costa said yesterday that he would not do that. I think we have heard enough on this issue.

**Senator Carr**—The states have already agreed to a process through COAG. They have signed up in a whole series of measures through COAG. We have spent the better part of an hour and a half on this issue and I really do not think we have advanced one millimetre.

**Senator MASON**—Believe me we have.

**Ms Paul**—The states have actually signed up to implementation plans on this initiative through COAG.

**Senator MASON**—Yes. I just keep looking at this statement that I printed out late last night and I am a bit surprised you and Dr Arthur had not been made aware of it. I am very disappointed.

**Ms Paul**—As I said, COAG is on a different timeline, so I am not surprised.

**Senator MASON**—It is very disappointing all around. I am delighted with your answers with respect to this issue this morning.

**CHAIR**—Does that finish your questioning on this issue?

**Senator MASON**—On that issue.

**CHAIR**—Thank you.

**Senator ALLISON**—I wanted to go to Indigenous literacy programs. I understand that a decision has been made to extend the funding for the Yachad Accelerated Learning Project. Do we have someone who is able to discuss that?

**Ms Paul**—We would need to take that under Indigenous.

**Senator ALLISON**—I thought that was what we were doing.

**Ms Paul**—Unfortunately, outcome 2 has been split. Indigenous education comes later in the program. In other words, I do not have the people here. Senator Crossin would be well familiar with the people who need to be here.

**Senator ALLISON**—I am sorry. It does say ‘Closing the gap for Indigenous Australians’ under ‘Schools Groups’ and I thought that might have been part of it.

**Ms Paul**—That is a good point. That might be referring to some of the COAG work. I do not mean to make a meal of it, but the right people will be coming later on.

**CHAIR**—Senator Crossin, did you want to ask your questions now?

**Senator CROSSIN**—I would be delighted to. I wanted to ask about the Investing in Our Schools program. Can you confirm that there was no allocation of funding from the previous government in the Investing in Our Schools program in the forward estimates? Is that correct?

**Ms McKinnon**—That is correct.

**Senator CROSSIN**—Was that program due to finish on 30 June 2008?

**Ms McKinnon**—It was finishing in 2008, yes.

**Senator CROSSIN**—Can you confirm for me whether the previous government returned any funding from the Investing in Our Schools program to consolidated revenue?

**Ms McKinnon**—There was an additional \$181 million allocated for a final year round of the program and, of that, in the order of \$26 million was returned to consolidated revenue at the end of that final round.

**Senator CROSSIN**—\$26 million out of the \$181 million. When was the final round?

**Ms Douglas**—The final round was in 2007 for state government schools.

**Senator CROSSIN**—What was the final date that they would have had to have their applications in for 2007?

**Ms McKinnon**—It varied from state to state. We can take that on notice, but it was a rolling program from as early as March to June.

**Senator CROSSIN**—Was there only one application round per year?

**Ms Douglas**—There were a number of rounds. If you give me a moment I can tell you which ones they were. The first round was in 2005; round one was in 2005; round two was in 2005; round three, in 2006; and round four, in 2007.

**Senator CROSSIN**—Was there an opportunity to have another round of funding in the middle of last year?

**Ms McKinnon**—There was one additional small round conducted almost in a sense bilaterally with state governments and that was to do with schools with transient populations, generally hospital schools or detention centres with schools, because they had previously been excluded from the definition in the guidelines. That was concluded late—

**Ms Douglas**—It was concluded in 2008. The money has gone out, but the actual applications came in towards the end of 2007.

**Senator CROSSIN**—I see. What is the reason why \$26 million was sent back to consolidated revenue?

**Ms Douglas**—It was returned because of the undersubscription of the money set aside for government schools in the final funding round.

**Senator CROSSIN**—When you say an undersubscription, what is that?

**Ms Douglas**—There were fewer applications from government schools than anticipated.

**Senator CROSSIN**—Is the \$26 million because there were not enough funding applications to allocate that money to?

**Ms Douglas**—That is right. All of the eligible applications were funded and that left an unallocated \$26 million, which was returned to consolidated revenue.

**Senator CROSSIN**—Were you ever asked by the previous government to investigate an expansion of the programs or options to extend it?

**Ms McKinnon**—I indicated that we did run a small round for schools with transient populations. Any other costings et cetera would be in the nature of advice to the previous government.

**Senator CROSSIN**—I understand that. Was there any request from the previous government to the department to look at options of expanding this program beyond June of this year or to develop options to either extend it or vary it in some way?

**Ms Paul**—It probably would suffice to say that the former Prime Minister announced in February last year or thereabouts—early in the year—that the next round was the final round.

**Senator CROSSIN**—I take it there were no requests made because a decision had been made early last year that this program was not going to continue beyond June of this year?

**Ms Paul**—We cannot go to what we might have advised the former government, but suffice to say the Prime Minister himself announced that the last round would be the final round.

**Senator CROSSIN**—I had some questions about teacher training. Is that in outcome 2?

**Ms Paul**—Yes.

**Senator CROSSIN**—What was the commitment given by the previous government in terms of what universities would receive per student to improve the practical component of teacher training?

**Dr Arthur**—The commitment that was announced by the former government as part of their 2007-08 budget was to provide \$77 million over four years to the program known as Improving the Practical Component of Teacher Education, and media releases issued at the time of the budget stated that it would translate to the equivalent of \$450 per equivalent full-time student load per year.

**Senator CROSSIN**—What did universities actually receive?

**Dr Arthur**—In 2008 universities received \$394 per EFTSL.

**Senator CROSSIN**—As opposed to?

**Dr Arthur**—As opposed to \$450.

**Senator CROSSIN**—Can you explain to me why there was a difference?

**Dr Arthur**—That was because the funding that was available in the budget annualised when compared with the actual enrolments in the relevant programs in education in Australian

universities was only sufficient to provide that number rather than the previous number. It is quite a simple calculation. The available dollars are divided by the final numbers of EFTSL, which are obtained from universities, and that particular division gives the figure of \$394.

**Senator CROSSIN**—Was the problem that there was not enough money allocated in the budget?

**Dr Arthur**—The money in the budget was allocated according to the estimates made available and, as it turned out when we had the final figures of enrolments, the money available was only sufficient to provide that particular amount.

**Senator CROSSIN**—Did you underestimate the number of students?

**Dr Arthur**—This was done before my involvement, but as I understand it the estimates were done on the basis of the data that was available at the time the estimates were to be prepared and when the final enrolment figures were available the numbers were somewhat different.

**Senator CROSSIN**—When you got the number of students, was there any attempt made to maintain that commitment of \$450? Did the previous government say that there was an underestimation there and that the number of students we have got is greater and therefore we will increase the allocation of money to maintain our commitment of \$450 per student?

**Dr Arthur**—As I understand it, our knowledge of the issue did not arise until after the change of government, so I do not think I can answer that question meaningfully in terms of the previous government.

**Senator CROSSIN**—I wanted to ask some questions about the Australian technical colleges.

**Ms Paul**—I am sorry, that is outcome 4.

**CHAIR**—That is a different outcome.

**Senator CROSSIN**—Yes. That is all I have for outcome 2.

**CHAIR**—Senator Allison?

**Senator ALLISON**—I would like to go to the National Action Plan on Literacy and Numeracy. I understand you are talking with the states now and that this is being prepared. Do you have a time line for when that will be complete?

**Ms Hanlon**—The components that we are aware of at this point in time are that in 2008 there will be literacy and numeracy pilots that will be conducted through an agreement that MCEETYA has come to. There is an estimated \$20 million to \$30 million of the first year's funding from the action plan that will be committed to those pilots. A further \$10 million has been earmarked for evidence based research work to gather data and research to inform the evidence base for the action plan itself. The expectation is that by the beginning of 2009 there will be agreements through consultations with the states and territories on the distribution of the rest of the funding.

**Senator ALLISON**—We will have agreement by 2009. If there is agreement at the beginning of 2009 when will the provisions of the plan begin to be implemented?

**Ms Hanlon**—The plan itself is to be developed in consultation with the states and territories over the next few months, so it will be a partnership arrangement that will work towards the criteria and the types of initiatives that will be jointly funded under the action plan itself.

**Senator ALLISON**—It has been said that the plan will rely on the test results for year 3, 5, 7 and 9. Is that correct?

**Ms Hanlon**—Yes, in part.

**Senator ALLISON**—What research has led you to suggest that this is the appropriate, can we say, diagnostic tool?

**Ms Hanlon**—The tests themselves I would not describe as a diagnostic tool. I would describe them as a standards based test that will inform the proficiency levels of students at years 3, 5, 7 and 9.

**Senator ALLISON**—A standard tool to inform the efficiency levels?

**Ms Hanlon**—Proficiency levels.

**Senator ALLISON**—Is that diagnostic? Are you relying on the test results to tell you what needs to be done with regard to literacy and numeracy?

**Ms Hanlon**—We rely on the test to tell us where students fall within a band of proficiencies. I am not responsible for that.

**Senator ALLISON**—What does that tell you?

**Dr Arthur**—I will just add to that. We do not actually use the word ‘diagnostic’, but they certainly would not be diagnostic of the situation of literacy in schools. They would not necessarily be diagnostic of particular needs and the particular interventions required for an individual student.

**Senator ALLISON**—I am still having difficulty understanding what role they have in all of this.

**Ms Cross**—The main aim of using the test is to identify where the students are who are having problems with literacy and numeracy proficiency. It is not to determine specifically what assistance they need, but it is to determine which states and territories they are located in.

**Senator ALLISON**—The purpose of that might be, for instance, to provide special funding to some schools that have higher numbers of students in this category?

**Ms Cross**—The government have indicated that they would like to help the students who need assistance most, so they would intend that schools be targeted.

**Senator ALLISON**—What evaluation has been made of the testing regime so far? How reliable is this test for this task?

**Dr Arthur**—It is the first year of the test. Mr Zanderigo can answer in detail.

**Senator ALLISON**—Did you say it is the first year of these tests?

**Dr Arthur**—Of this national test.

**Senator ALLISON**—Is the national test different from the tests that have conducted so far?

**Dr Arthur**—Certainly.

**Senator ALLISON**—In what respect?

**Dr Arthur**—The items in them will be different. They are prepared by the same groups of people. There are in fact a limited number of people in Australia who have the expertise to prepare these kinds of tests. The consultation processes involve states and territories and have experts such as the Australian Council for Educational Research. The same people are developing these tests, but clearly when you devise a new test it is a new test; the methodologies, however, are parallel.

**Senator ALLISON**—When you devise a new test, it is a new test?

**Dr Arthur**—That is correct.

**Senator ALLISON**—So long as you pass the test, really—

**Dr Arthur**—There are quite elaborate mechanisms applied in this case whereby you test the test to ensure that it is valid and it will provide the results. That is the domain of some people who have a very elaborate jargon of their own to describe methodologies by which they do that.

**Ms Paul**—The difference is that it is the first time that it is the same test.

**Dr Arthur**—Indeed.

**Senator ALLISON**—Do you mean that it is nationally consistent?

**Dr Arthur**—Yes. It is the same items. Previously what occurred was that each state and territory would have students tested against their own test and then statistical techniques were applied to attempt to equate the results of those tests and produce results with a sufficient degree of validity to provide numbers of students who were at a particular benchmark. The new tests, because all students will sit the same items throughout Australia, will do away with the necessity for that benchmarking and equating process, and will in fact allow a much richer set of reporting information because they are the same tests right around Australia.

**Senator ALLISON**—Yes, I understand that. Are the tests finalised for each year level? Do you know what these tests of tests are?

**Mr Cook**—Mr Zanderigo can give you the details, but the tests have been sat for the first time. They were sat in about the middle of last month, and the data from those tests is currently being collated so that the results can be analysed. It is quite groundbreaking for Australia to achieve this level of national consistency across those year bands, using a methodology developed with the states and territories, and independent and Catholic sectors, using experts—psychometricians—to identify the items that need to be tested and then how those items relate to the different year groups and across the different bands of proficiency tested. It will actually provide a rich source of information that we have not had before.

**Senator ALLISON**—Are they more like any one state's previous testing questions?

**Mr Cook**—I do not know the specific answer to that.

**Senator ALLISON**—I am trying to get a grasp of how different they are. Have we simply made them all the same by dropping some things and not others? How does this process work?

**Mr Zanderigo**—The process in simple terms is as follows. The sorts of things that kids need to know that have been tested in state tests in the past are written in documents called statements of learning. The states in the past have had regard to those statements of learning in developing their own test items, and similarly the process to develop a single national test has had regard to those too. The process for developing a bank of test items for the national tests has drawn upon a range of pre-existing test items that are in use, and new items have been developed that are relevant to testing literacy and numeracy. They were all trialled in a process that was supervised by the states, territories and us, with expert assistance to derive the single scales and the bank of test items. There will be considerable similarity in the type of items, but no single state's previous test would feature in any particular way.

**Senator ALLISON**—Did you road test them on any teachers in the classroom?

**Mr Zanderigo**—I believe there were processes of that kind in the trialling. I would have to take that on notice to be precise about that.

**Senator ALLISON**—I would also be interested in the feedback. As you know, we are talking about something that is pretty contentious with teachers. There are a number of teachers and schools who say that this kind of testing is frankly useless.

**Ms Paul**—This is the first time ever that there has been a national test, and so far so good. Certainly the items were tested. I am not quite sure of the teacher involvement. We would have to take that on notice, but the items were tested as they were being developed. It has taken quite a long time to get there.

**Senator ALLISON**—Another criticism has often been that year 3 is too late to be identifying kids with learning problems. What is the rationale for not going back to the earlier stages in child development?

**Mr Cook**—There is a different process around early childhood. This would come up under a different outcome. Essentially, we are conscious that you need to identify learning capabilities earlier, and the Australian Early Development Index has been developed. It is designed to identify those sorts of issues with children. I cannot talk to you about that in detail, but it will come up under another outcome.

**Senator ALLISON**—Are you saying that grade 2 and grade 1 children would not come under literacy and numeracy programs?

**Mr Cook**—Not in these formal testing arrangements, because there is an issue about the age at which it is appropriate to start testing a child in this area. Also, of course, teachers in the schools themselves make assessments about younger children. My understanding is that the expert opinion was that the testing at years 3, 5, 7 and 9 would give a very good indication of the progression of a student through their proficiency levels in the various strands being tested and that it would not be appropriate to test younger children in that same way.

**Senator ALLISON**—Indeed. I have been interested for some time in the percentage of children who have learning disabilities, difficulties and the like, such as dyslexia and

dysnumeria—and there are a whole range of them, as you would know. How will this test and this action plan deal with those children?

**Mr Cook**—On the specifics of the testing regime, whether or not a child in those categories with those difficulties sits the test is really an issue for the individual school as to whether or not they believe it would be useful for the child. There are a number of children who are exempt from the test because it is not appropriate for them given their personal circumstances. In respect of disabilities more generally, I will turn across to—

**Senator ALLISON**—Does that mean that they might get missed entirely from the statistics that are collected?

**Mr Cook**—I will ask Mr Zanderigo to deal with the technical questions.

**Mr Zanderigo**—For the purposes of a national test a range of students are identified as having certain learning difficulties and they are exempt from the tests. They are able to sit if their parents and teachers wish them to and certain accommodations must be provided to help them in that testing situation. So the statistics would, to some extent, reflect the scale of the numbers of those types of students.

**Senator ALLISON**—How?

**Mr Zanderigo**—In the exempt category.

**Senator ALLISON**—Do you take all the exemptions and assume that they are all kids with disabilities?

**Mr Zanderigo**—No. There is a range of learning difficulties identified that might lead to a student being exempt. There is a distinction between students with a disability of a particular type that would create learning difficulties and students that have learning difficulties more broadly.

**Dr Arthur**—All these figures are captured in the number of students in the school and becomes an issue, which is one which no doubt the committee will agree on, on how you report this. This is not a new issue. The previous regime of reporting against benchmarks had exactly the same issue and if you look at the relevant tables you will find all sorts of footnotes that provide information on what the agreed breakdown is on why people are not reported in particular parts of the outcomes. It is an issue that people have been grappling with for some time.

**Senator ALLISON**—Indeed. This committee has conducted an inquiry not many years ago into exactly this subject. That is why I am asking the question. I am not sure that the recommendations of that committee have really been taken up by anybody and it was probably 10 years ago that we did that inquiry. The UK is looking at this issue in some depth, and it is my understanding that they make an assessment that two million children are in this category of learning disability or a clearly definable, diagnosable, identifiable learning problem, which in many cases can be corrected with the right kind of teaching and expertise. Have you looked at that study and does it tell us anything about Australia?

**Dr Arthur**—I cannot comment offhand on that particular study.

**Senator ALLISON**—It came out just in the last two weeks.

**Dr Arthur**—No, I cannot comment on that particular study. I would comment only that in terms of looking, for example, at the results of the years 3, 5, 7 and 9 figures, as to whether there was a particular problem, you would not look just at the figures of students who sat the test and received a particular result. You would also look at the figures for students who did not sit the test for particular reasons and that would all be part of your consideration behind your interventions.

**Senator ALLISON**—Will the kids that do not sit the test have some sort of assessment of the problem that they have? How does that work?

**Dr Arthur**—I would suspect that in almost every case they have been subject to some form of assessment and that is the basis on which a judgement has been made that it would not be appropriate for them to sit a standardised test for standardised reporting purposes; that they have come to the attention through the processes that exist in schools at the moment to provide diagnostic assessment of students that are helpful for individual interventions but do not need to be standardised for reporting purposes.

**Senator ALLISON**—In fact, the committee found the opposite in its inquiry—that there were many children who were understood to have some sort of learning difficulty or disability but that the cost of a proper assessment of their problem was prohibitive and that parents could not pay it and that there were few people properly trained in the business of doing the assessment.

**Dr Arthur**—I do not think that is inconsistent with the position that we have been stating on this.

**Ms Hanlon**—I would like to just comment about the national action plan and the development of that over the next few months. The thing that we are very keen to do is to look at what is working well for all types of students, both internationally and nationally, and that would form the foundation of the action plan in terms of an evidence based approach. We will be looking at all types of students and the types of interventions, models and approaches that may work best with them.

**Senator ALLISON**—That is excellent to hear we are doing that at last, but I am still concerned about whether or not these test results will give us the data that will tell us where the effort is needed with regard to kids with learning disabilities. The UK study concluded that training in learning disability should be mandatory for teachers. Is that something that you have come up with as well? That was one of our recommendations too.

**Dr Arthur**—Indeed. The issue of teacher training is one that needs continual examination. In fact there is a process underway in the COAG context to look at the overall approach between the Commonwealth, states and territories with regard to teaching quality, and as part of that the work that Ms Paul referred to in the schools working group is already identifying the issue of the need for a more concerted view between the Commonwealth, states and territories, and indeed non-government providers, on the quality of future education. We would certainly expect that issue to be one of the things that we would want to look at in that process.

**Senator ALLISON**—I suggest it would be a good idea to have a look at what the UK has done, because they are also putting money into pilot programs and research, which I am sure we will be able to learn something from.

**Dr Arthur**—There is no doubt.

**Senator ALLISON**—There is \$10 million associated with this for research, but is there other money as well put into the budget? The pilot is \$20 to \$30 million. It would have to be as obvious as the nose on your face that ultimately we are going to have to pay some money to correct some of these problems. The previous government recognised that and put a voucher system in place, flawed though it was, and if this plan is going to be ready by 2009 for implementation, where is there in the budget provision for the additional services and perhaps one-to-one learning that will be necessary as a result of this?

**Ms Cross**—The vouchers program will continue for 2008 and then the national action plan will commence from 1 January 2009. In total there is \$577.4 million for the national action plan.

**Senator ALLISON**—That was in the voucher arrangement.

**Ms Cross**—It is taken from the voucher programs and other initiatives. That funding of \$577.4 million will be targeting additional support for the students with literacy and numeracy learning needs.

**Senator ALLISON**—You presumably cannot know if that is going to be adequate. Your work may suggest that a much higher level of funding is necessary.

**Ms Cross**—Yes. There is considerable funding going to states and territories and the non-government sectors, a lot of which is used for literacy and numeracy. This is just some additional funding on top of that.

**Senator ALLISON**—Thank you.

**CHAIR**—Senator Fifield?

**Senator FIFIELD**—Thank you. Ms Paul, Senator Crossin was asking you questions about the Investing in Our Schools Program and seeking evidence as to whether the former government had commissioned any work in relation to the future of the plan, and you quite rightly indicated that that went to advice to government, and also indicated that the former Prime Minister had flagged in February of last year that that was the final Investing in Our Schools round. I wanted to confirm my recollection with you that Minister Bishop, prior to the last election and indeed prior to the caretaker period, publicly indicated on behalf of the then government that the intention was that the Investing in Our Schools Program would continue if the government were re-elected. Is that correct?

**Ms Paul**—I do not think that it was in the nature of an election commitment. It was a comment made before the election campaign period.

**Senator FIFIELD**—That is what I am saying.

**Ms Paul**—I am not sure. Somebody might know.

**Senator Carr**—I have got here the press release that you might find helpful to assist you in this process. The former minister on 28 August stated, ‘The fourth and final round of the current funding was announced today.’ That is the fourth and final round.

**Senator FIFIELD**—And subsequent to that?

**Senator Carr**—I understand there may well have been remarks made on 28 August which said that there would be further announcements in due course, but no further announcements were ever made.

**Senator FIFIELD**—That is not correct. I am sure Ms Paul can help us there in that Minister Bishop did issue a press release subsequent to that indicating that the government if re-elected would be continuing with the Investing in Our Schools Program.

**Senator Carr**—There were no costings issued under the Charter of Budget Honesty in the lead-up to the 2007 federal election, which would suggest that there would be further evidence that there was no commitment.

**Senator FIFIELD**—I am not saying that there were in the Charter of Budget Honesty. My question to Ms Paul is that Ms Paul left the impression that the final word from the previous government in relation to Investing in Our Schools was the Prime Minister in February of last year saying that that was the final round.

**Senator Carr**—I have the minister’s statement here from 28 August.

**Senator FIFIELD**—I am asking Ms Paul whether it is true that Minister Bishop before the last election and indeed prior to the caretaker period issued a press release saying that it was the government’s intention to continue with the Investing in Our Schools Program.

**Ms Paul**—When I mentioned the former Prime Minister’s media release I was not saying anything about who said the final word from the previous government. There was a debate about the final round. I do recall the statement on 28 August when the former minister made a statement that was prepared for the election period, but there were no costings done under the Charter of Budget Honesty.

**Senator FIFIELD**—I was not asking if there were costings. I was asking if the minister issued a statement on behalf of the previous government that it was its intention that there would be a further round of Investing in Our Schools?

**Senator Carr**—Unfortunately what we have here is the press release that the former minister published under her name, which said that it was the fourth and final round. They were the words used.

**Senator FIFIELD**—I am aware of that press release, but I am also aware that Minister Bishop issued a subsequent press release.

**Ms Paul**—Yes, we have confirmed that. The words were ‘details of the continued support for the Investing in Our Schools program will be announced in due course’.

**Senator FIFIELD**—Thank you.

**CHAIR**—Senator Boyce?

**Ms Paul**—That was the final word. There was nothing done during the election campaign in terms of costings.

**Senator FIFIELD**—I appreciate that, but I just wanted to clarify that it was the previous government's intention.

**Senator Carr**—On 28 August the former minister said, 'The fourth and final round of the current funding was announced today,' and in this last paragraph of that same press release, which it had already stated was the final round, she said, 'Details of the continued support for the Investing in Our Schools Program will be announced in due course.' No subsequent statement was made. On 28 August 2007 the final statement was made by the previous government in which it was said that the fourth and final round of current funding was announced on that day.

**Senator FIFIELD**—There was a subsequent statement by the minister.

**Senator Carr**—No, there was not. This is 28 August. That is the final statement.

**Ms Paul**—Yes, that is the final statement.

**Senator Carr**—28 August. I know opposition does terrible things to your memory.

**Senator FIFIELD**—No, it does not, but I will check my records given the department does not have anything further.

**Ms Paul**—I am sorry?

**Senator FIFIELD**—I am saying that I will check my records given the department does not have anything further.

**Ms Paul**—We have nothing further.

**Senator FIFIELD**—As I said, it was the previous government's statement before the election that it was still committed to the Investing in Our Schools Program.

**CHAIR**—Senator Boyce?

**Senator BOYCE**—Thank you. I wanted to follow on from some of the questions Senator Allison was asking and perhaps extend that out a bit further. Listening to the responses regarding the national testing from the questions that Senator Allison was asking, it occurs to me that we have a new method for assessing the numbers of students with special learning needs throughout Australia by looking at those who did not sit the test and the reasons for them. Is this a way of collating information about those students and their needs?

**Dr Arthur**—It will provide some information.

**Senator BOYCE**—Do we have that collated differently in other forms?

**Dr Arthur**—We certainly have the previous years of the report against the benchmarks of people who did not sit the state and territory tests.

**Senator BOYCE**—What I am trying to get at is understanding the population of students with special learning needs or disabilities.

**Ms McKinnon**—I use that as a measure to define that group because there may be students with special needs that sit the test because accommodations are made for them. It is not a way to arrive at the population of students with a special need for a broader purpose.

**Senator BOYCE**—My questions then go to the helping children with autism item. We are talking about professional development for teachers and other school staff working with children with autism spectrum disorder. Senator Allison also mentioned the need for teachers to have training in teaching students with learning disabilities. Would this be as well as, on top of, or instead of? How does it fit?

**Ms McDevitt**—The Helping Children with Autism package and the teacher professional development component is an addition. It is additional funding and there will be specific additional training that is provided to teachers and other school staff who work with children with autism.

**Senator BOYCE**—Is this training best delivered to people who already have an understanding of teaching students with learning disabilities?

**Ms McDevitt**—It will be open to all teachers and school staff and we will go through a process where we consult with states and territories and all school sectors in terms of teacher selection. The training will be up to five days, not necessarily all together, of residential days of training, but factored into that will be ongoing professional support for those teachers and other staff, so there may be more than one staff from each school who attend. One of our overall objectives is to build the capacity at the school level to be able to work with these students. It may include teachers with some experience or may include teachers with little experience.

**Senator BOYCE**—We will start with teachers rather than support staff. How many teachers would you anticipate would be trained under this scheme?

**Ms McDevitt**—Over the duration of the program a minimum of 1,800 teachers and other school staff. We have not separated out those groups, because it will be up to schools to decide who they teach.

**Senator BOYCE**—Teachers and support staff?

**Ms McDevitt**—And other school staff.

**Senator BOYCE**—Is the 1,800 over a 12-month period?

**Ms McDevitt**—No, the 1,800 is over the five years of the program. We have just entered a contract with a provider and we are anticipating about 450 per year.

**Senator BOYCE**—That does not get me to 1,800.

**Ms McDevitt**—I probably should have said per year over four years. I am sorry; I did say five years. That includes this year, which is basically an establishment year.

**Senator BOYCE**—It is for four and a bit years?

**Ms McDevitt**—Yes.

**Senator BOYCE**—Now I understand that. We have 1,800 doing this training. Do we have any idea of how many teacher aides there are in schools in Australia?

**Ms McDevitt**—No, I do not.

**Senator BOYCE**—Does anyone know?

**Ms McDevitt**—State and territory education authorities may, but we do not have that information.

**Senator BOYCE**—It is not collated?

**Ms McDevitt**—No, it is not collected.

**Senator BOYCE**—Does the federal government provide any assistance to the states for these teacher aides or other support staff?

**Ms McDevitt**—There is a program called the Literacy, Numeracy and Special Needs Program, which provides funding in general for students with needs and there is a component of that that is specifically estimated on a per capita basis of numbers of students with disabilities as advised to us by the school systems.

**Senator BOYCE**—School systems being?

**Ms McDevitt**—Both government and non-government.

**Senator BOYCE**—In a state?

**Ms McDevitt**—Yes. Funding is provided through the state authorities and they determine how that is then distributed to schools and for what purposes, so there is specific funding to assist schools in working with students with disabilities.

**Senator BOYCE**—Where would I find those figures for each state?

**Ms McDevitt**—I can provide them either now or later for each state.

**Senator BOYCE**—I do not mind. I would like to have them for government and non-government in the state organisation.

**Ms McDevitt**—Yes. I can give you some figures if you would like them.

**Senator BOYCE**—Is it going to take very long?

**Ms McDevitt**—No.

**Dr Arthur**—I should add that those figures are merely the supplementation that the Commonwealth provides under this particular program. They are a lot less than the amounts that schools spend on students with disability in general.

**Senator BOYCE**—Is that because schools are generally funded by states?

**Dr Arthur**—Schools in general are funded on the average cost of students and there is no such thing as an average student. They receive broad-brush funding from us, which, as I said, is calculated on the average cost of a student, and then they are obviously free to provide higher amounts of funding within that for students with special learning needs and then lower amounts of funding than the average for other students, so overall they make those decisions.

**Senator BOYCE**—It is supplementary funding for what the states themselves are doing.

**Dr Arthur**—That is correct.

**Ms McDevitt**—Yes.

**Senator BOYCE**—Those figures are not collated?

**Ms McDevitt**—No.

**Senator BOYCE**—Do you have any figures on the number of students with special learning needs as a proportion of the student population?

**Ms McDevitt**—We do not have figures on special learning needs. We do have some figures on numbers of students with disability, because that is a subset of special learning needs.

**Senator BOYCE**—I would be interested in those.

**Ms McDevitt**—For 2008 I can give you the numbers by sector—government, Catholic and independent. It is 120,388 in the government sector, 21,578 in the Catholic sector, and 8,486 in the independent sector. That is as identified through a school census undertaken in August each year.

**Dr Arthur**—I will just clarify that that is students with disability, which can include students with learning need, but can include other students who have physical disability but do not have a specific learning need.

**Senator BOYCE**—I have a daughter with an intellectual disability.

**Dr Arthur**—You are familiar with all of that.

**Senator BOYCE**—I understand that. ‘Understand’ is probably a big word to use, but I know a bit about it. Are we going to get a figure that tells us how much the Commonwealth provides to assist for all students with disabilities?

**Dr Arthur**—Yes, that category.

**Ms McDevitt**—There is about \$2 billion in the current quadrennium to support those students with special needs under that LNSLM program that I mentioned. That is the order of funding.

**Senator BOYCE**—Sorry—\$2 billion for special needs or \$2 billion for disabilities?

**Ms McDevitt**—No, the \$2 billion is under that program over the quadrennium.

**Senator BOYCE**—Does that break up any further into learning needs and disabilities?

**Ms McDevitt**—Yes. Under the LNSLM program there are some school grants elements, which includes that per capita assistance, which is based on those figures I just gave you. It includes, as I mentioned before in answer to the question from Senator Abetz, the funding that we provide to the non-government organisations to help young people and students.

**Senator BOYCE**—Is it possible to get that figure as well?

**Dr Arthur**—We can. Just a caveat on that figure: what we have done there is to provide you with the basis on which we calculate the numbers. We do not require the states and territories to spend the money in particular ways. For example, if they have students who do not have a particular learning need or do not have a particular disability but have poor literacy skills, then those needs will certainly be addressed by this program. We are providing supplementary funding on a broad basis, and that decision was taken a number of years back.

**Senator BOYCE**—It is a very wide definition of a special learning need.

**Dr Arthur**—The previous government took a decision some considerable years ago to put all of those programs into one pool and to allow the states, territories and non-government authorities to have discretion as to how to spend the particular amounts of money to achieve the broad purposes of the program.

**Senator BOYCE**—That sounds like a sensible approach to me. Am I right in thinking that students with autism would fall into both categories—students with a disability and students with special learning needs? You are not necessarily a student with a disability if you have autism spectrum disorder?

**Ms McDevitt**—That would be a matter for each state and territory to decide. Each state and territory has their own definitions of funding.

**Senator BOYCE**—I was thinking more about the abilities of individual students.

**Dr Arthur**—It certainly can be the case that there are going to be wide spectrum abilities and a person with a particular version of autism may indeed be high performing in a number of particular domains, so that could well be true.

**Ms McDevitt**—The point I was making is that we defer to the state government definitions and the way that they categorise certain students.

**Senator BOYCE**—Again, with this particular additional funding for teaching students with autism spectrum disorder, that will simply be based on assessments of the state?

**Ms McDevitt**—Yes, it will.

**Senator BOYCE**—Is there a breakdown of where those 1,800 staff are? Have you said you will give a certain amount to New South Wales?

**Ms McDevitt**—We are working very closely with states and territories in implementing this measure and we will probably make some notional allocation. We do not have exact numbers of teachers or students at this point in time—that is, of students with autism or teachers for autism—so we will be going through a process of working with each of the jurisdictions in identifying numbers and numbers of teachers and where they come from, but the program will be delivered nationally, including in regional centres.

**Senator BOYCE**—Will this funding be available to staff in special schools?

**Ms McDevitt**—Yes.

**Senator BOYCE**—You have said that you are working closely with states at the moment. Does that mean that you have not sorted out the criteria by which this funding would be proportioned?

**Ms McDevitt**—We have some notional allocations. I can take that on notice. I do not have the actual state split-up with me.

**Senator BOYCE**—That would be good. That is all I have in that area. The other area that I am trying to get my head around and I understand quite a lot of other people are too—and probably, Ms Paul, you would be the one to tell me about this—is social inclusion and the education department. Can you explain?

**Ms Paul**—And the question is?

**Senator BOYCE**—What are we doing? What involvement has the department had with the social inclusion agenda? Is that the broadest and easiest place to start?

**Ms Paul**—Yes. We had a bit of discussion on this on Monday. I am not sure. It is coming back to me, unless we had this somewhere else. I feel we had a bit of conversation here.

**CHAIR**—Yes.

**Ms Paul**—Thank you, Chair.

**Senator BOYCE**—I am asking about it in most groups.

**Ms Paul**—That is fine.

**CHAIR**—We have already done it.

**Senator BOYCE**—Not here. I would remember if I had asked Ms Paul.

**Ms Paul**—What I went to on Monday was to talk about the responsibility for the Social Inclusion Board, and the support for that of course rests with Prime Minister and Cabinet. It may have been you, I do not know, but I know there were some questions asked of Prime Minister and Cabinet. The Deputy Prime Minister is of course the Minister for Social Inclusion and so we are taking a large focus in our portfolio.

**Senator BOYCE**—I am talking about within education, not from a departmental perspective.

**Ms Paul**—I beg your pardon. Similar to what I said on Monday, what the social inclusion perspective really means is focusing on people who are the most disadvantaged, if you like, who face particular barriers. There is a wide range of ways in which we are looking at that inside education. Just to take school education, for your interest, one of the main focuses that the COAG process is having at the moment is on low-socioeconomic status schools. That is absolutely a social inclusion perspective. That is a good example as well because, as I said on Monday, it takes a place based approach. A social inclusion approach will generally focus on not only people or families that face the most disadvantage in Australia but also communities. The COAG work in this area is taking an interest in the most disadvantaged school communities, if you like, and that will include looking at a range of things for a school community. That work is still going on and it is reasonably early days. That is an example.

**Senator BOYCE**—Is educational inclusion to be viewed as a subset of social inclusion?

**Ms Paul**—I would think so. Social inclusion has a very broad meaning and it goes to what I said about focusing on people, families and communities that face the most disadvantage in our society. For example, in the employment area in the department, which is probably where this came up on Monday, a focus on jobless families is relevant to this consideration.

**Senator BOYCE**—In which case, where do special schools sit within a social inclusion agenda?

**Ms Paul**—You would see that anything focusing on individuals, families and communities that face barriers to achievement and opportunity and barriers to productivity could be

considered under the social inclusion rubric. We might not necessarily brand everything as social inclusion, but it is certainly right up there.

**Senator BOYCE**—If we are talking about barriers to engagement—

**Ms Paul**—Absolutely.

**Senator BOYCE**—special schools strike me as a fairly large one.

**Ms Paul**—That is right. It is a good example of the need to take a social inclusion perspective.

**Dr Arthur**—By way of example, in the case of the National Secondary School Computer Fund we have a specific group to work with special schools and students with special learning needs to discuss the way in which we need to roll out the policies in order to meet the needs of those groups. There is a group of experts in that field.

**Senator BOYCE**—To roll out the social inclusion policy?

**Dr Arthur**—No. For example, for a special school you would not want to roll out X number of desktop computers. You would want to talk to the people involved in that process about what the contribution is that ICT could make to reducing the barriers for those students. We have not worked specifically on that agenda as part of the wider process. That is an example that fits with the overall picture.

**Senator BOYCE**—Would that be the case in mainstream schools as well?

**Dr Arthur**—Those issues likewise arise and we are also looking at the issues in mainstream schools too.

**Senator BOYCE**—Thank you.

**Senator ALLISON**—I would like to ask about the trade training centres' \$2.5 billion budget. We have briefly touched on it.

**CHAIR**—Australian technical colleges is outcome 4.

**Senator BOYCE**—Trade training centres is here.

**Senator ALLISON**—Was there an audit done of secondary schools to understand the extent to which they have trade training centres?

**Ms Balmaks**—No, an audit done was not done.

**Senator ALLISON**—Will one be done?

**Ms Balmaks**—The government position on this program is that they have announced the \$2.5 billion over 10 years and they have announced that all secondary schools will be eligible to apply for funding. It is an application based program, so all secondary schools can apply for the funding.

**Senator ALLISON**—The risk associated with a grant based system, as I understand it, where you do not have an audit of schools—who has got them; who has not; which are lousy; which are good; where does the money come from?—is that the schools that get the money are the ones that write the best grant applications. How will you overcome that? Where is the equity? Perhaps the minister might have a view on this. How will this operate in equity terms?

**Ms Paul**—We require the systems themselves to sign off and to support a strategic approach to the trade training centres. There are quite a lot of protections built right through the assessment process. In other words, it is quite an ornate and robust assessment process and we will not just rely on the quality of the words, for precisely the reason you named. We are involving each of the systems as well to take quite a strategic approach. This is one of the main implementations in COAG.

**Ms Balmaks**—I might be able to add something else that might help on that. If you look at the guidelines for the program, the position has been that in the early years of the program priority will be given to those schools that can demonstrate need and capacity to benefit. It is actually within the intent of the program that in the early years that priority will be taken into account through the assessment process. I do not know whether that helps with answering that question.

**Senator ALLISON**—I will repeat the point that experience with grant based project funding is that it does not always go to the schools that most need it; it is about whether the school community gets behind it. We all know what the arguments are.

**Senator Carr**—There have in the past been criticisms of the assessment processes for schools, and particularly for discretionary based programs. The government has introduced a process by way of ensuring that decisions regarding notification for grants of a discretionary nature have to also go through other ministers, particularly the Minister for Finance and Deregulation, so that there is a broader process within government in terms of awarding discretionary grants. So far there have been quite a large number of grants, and expressions of interests about grants, and the advice that I have here is that for the May phase of the funding over 80 applications have been received and for October 300 expressions of interest have been received. There is a whole series of very strong interest in this, so there will need to be a rigorous process to ensure that the funding allocations are made properly.

**Senator ALLISON**—If a wealthy private school, for instance, makes application on the basis that they do not have a trade centre at present, what sort of criteria would you apply in circumstances like that?

**Senator Carr**—The advice is that there is a rigorous assessment process against published assessment criteria, which goes to such issues as the quality of the proposal—

**Senator ALLISON**—I do not have the benefit of that in front of me. Perhaps in this case you could explain how that would apply.

**Senator Carr**—I will let the officers explain about each individual case. I am saying the policy position is that there has to be a rigorous assessment process measured against published criteria. It is not about picking and choosing whether you like a school or otherwise. I will let the officers explain the specifics of any particular proposal.

**Ms Cross**—In looking at all of the applications we do look at how needy a school is, and the published criteria go to statistics on their current year 12 retention rates—are they having a lot of students drop out before completing year 12? We look at local skill shortage data—can we actually support skill shortages or help address skill shortages through the program? There are a series of criteria which go to the need of the school to have a trade training centre.

We look at what infrastructure investment they have had in the past. That is all built into the application process.

To help schools in putting their applications together we have established support units in every state and territory, so that means that smaller schools can have assistance in developing their application. That is going to your earlier comment about the difficulty that they may have had in the past in putting together a quality proposal. To ensure that it is strategic we have asked the states and territories to develop a 10-year plan for how they will use the resources over the life of the program.

**Senator ALLISON**—Is there a breakdown of this \$2.5 billion into what can be used for capital works, what can be used for fitting out with equipment, what can be used for mentoring with tradies coming into the school—I think that is part of the plan—what can be used for training for teachers?

**Ms Balmaks**—It is actually a capital works program, and in our discussions with the states and territories in developing up how we will implement the program—

**Senator ALLISON**—The \$2.5 billion is all capital works?

**Ms Balmaks**—Yes.

**Senator ALLISON**—Is it equipment?

**Ms Balmaks**—Equipment is included in that, yes, so the refurbishment and the equipment is included in that. It is really based on the applications that the schools put forward when they determine what need they have. We look at the models that they put forward within their application.

**Ms Cross**—There is no set amount for equipment or capital. It is determined by the—

**Senator ALLISON**—It is a maximum of \$1.5 million.

**Ms Cross**—That could be for capital or it could be for equipment. We have not set aside any portion for any type of bid.

**Senator ALLISON**—If a school decided that they wanted to spend all their money on an automotive workshop, would that be acceptable? Are there guidelines that say that you have to have some gender equity?

**Ms Balmaks**—One of the issues that we look at when we look at need is actually the availability for trade training within that region. We ask the schools in their application to consider where the skills shortages are. They do look at their regional needs and what the are facilities within the regions. It is not just what is within that individual school. That might help address the issue that you are talking about there.

**Senator ALLISON**—Let me give you another ‘what if’. If there were an armaments factory close by, say, and the Bendigo secondary college wanted to put in a trade school that was all about building rifles or whatever, would that be acceptable?

**Ms Paul**—That is a hypothetical question and I do not think we can go there.

**Senator ALLISON**—I am just trying to see if there is an overall. Is there some philosophical statement or something that guides schools and this whole process in a more strategic way?

**Ms Paul**—Yes. The philosophy is about year 12 retention and meeting skills shortages. Those two things would be the guiding principles and then there is a range of criteria, which Ms Cross and Ms Balmaks have been able to outline for you.

**Ms Cross**—There are guidelines for eligible training areas, and they are traditional trades and emerging industries in skills shortage. There is a limit to the type of training, and then you have to demonstrate that that is a skill shortage in your local region.

**Senator ALLISON**—One of the criticisms of this is that we already have a TAFE sector doing training for students in secondary schools. How does this relate to the TAFE sector?

**Ms Balmaks**—That is another issue that is highlighted throughout the guidelines. The issue is looking at regions and looking at the needs in a region. One of the criteria that we look at with applications when they come in in terms of how we assess it is the strength of the partnerships that have been developed. When you look at the COAG agenda of looking to improve year 12 retention and trying to improve the attainment of year 12 and equivalent qualifications and skills needs—I am sorry, I have lost track of my thoughts there—

**Ms Cross**—We do want to give priority to proposals that build on existing infrastructure, so as part of the closer partnership with the states and territories we are looking to build on the infrastructure that is already in TAFE or already in schools. That is one of the program priorities.

**Senator ALLISON**—Can, say, a Catholic school and a government school put in a joint application for one facility which they chair?

**Ms Balmaks**—They certainly can.

**Senator ALLISON**—Is that encouraged?

**Ms Balmaks**—In our discussions with the different sectors we have indicated that school clusters are something that are a priority within the program and across clusters would be encouraged as well.

**Senator ALLISON**—Will this be available to the previous government's technical colleges? Are they called technical colleges?

**Ms Balmaks**—The Australian technical colleges. Schools that are eligible to apply are schools, and as the Australian technical colleges are schools in receipt of general current grants they are considered as eligible.

**Senator ALLISON**—They can apply for the funding?

**Ms Balmaks**—Yes.

**Senator ALLISON**—How are they going? There was a problem with getting projects off the ground and attracting students, as I understood it.

**Ms Paul**—Do you mean for the technical colleges?

**Senator ALLISON**—Yes.

**Ms Paul**—That is under outcome 4.

**Senator ALLISON**—They are secondary schools.

**Ms Paul**—Yes, that is right, but they have a close relationship with vocational education. I can give you my impressions of course, but I am sure we will be going into more detail later on.

**Senator ALLISON**—Thank you.

**CHAIR**—We might break for lunch now and resume at 1.30. Thank you.

**Proceedings suspended from 12.26 pm to 1.30 pm**

**CHAIR**—This committee will now resume with questions in outcome 2. Senator Mason.

**Senator MASON**—Mr Chair, I did not mean to mislead the committee when I said there were no more questions about the computer issue. There are not, but these are administrative issues in relation to it, so they are quite different. Ms Paul, how many staff from the department are working on the planning and implementation of the so-called digital revolution?

**Ms Whittleston**—Just in the Digital Education Revolution Taskforce, which is managing the computer fund, there are 27 of us.

**Senator MASON**—Twenty-seven? Was there a precursor body to this, or is this all a result of the new initiative?

**Ms Whittleston**—This is the new initiative.

**Senator MASON**—Who heads that? Is that you, Dr Arthur?

**Dr Arthur**—That is within my group. There are other functions within my group. Ms Whittleston is directing the rollout of the computer fund.

**Senator MASON**—Of these 27 staff, were they procured from other areas of the department or were new staff hired?

**Ms Whittleston**—All procured from within the existing staff of the department.

**Senator MASON**—Okay. So, Ms Paul, there has been, I suppose, under your tutelage or at your direction a reorganisation of the department to accommodate this initiative?

**Ms Paul**—That is right.

**Senator MASON**—Has any advertising or promotions material for the digital revolution been commissioned?

**Ms Whittleston**—No, there has not been.

**Senator MASON**—Has any package of material been put together for members of parliament in those electorates receiving computers in the first round?

**Ms Paul**—Those decisions have not been taken yet. The computers in the first round is not a finished—

**Senator MASON**—Sorry?

**Ms Paul**—Those announcements have not been made yet about the first round.

**Senator MASON**—Yes, but they will be made by the end of the month, will they not?

**Ms Paul**—Yes.

**Senator MASON**—When the announcements are made by the end of the month, will there be a package for MPs in those electorates receiving those computers to help publicise the issue?

**Dr Arthur**—The nature of the announcement is still under discussion.

**Senator MASON**—So the package has not been ruled out?

**Dr Arthur**—I am just saying that the nature of the announcement has not been decided, and the details of that advice to the minister at this stage.

**Senator MASON**—I will be watching, Dr Arthur, be assured of that. Have any brochures been printed for this program?

**Ms Whittleston**—No.

**Senator MASON**—To summarise, by the end of this month, within four weeks, there will be a public announcement as to the schools?

**Ms Paul**—Yes.

**Senator MASON**—It will be made public, and by then we will know whether there is any public relations material to be distributed with the computers?

**Ms Paul**—Yes.

**Senator MASON**—Mr Chairman, I have questions on trade training centres, I have some questions on music education, and then a whole host of ancillary questions relating to schools. That is where I am going.

**CHAIR**—That all falls within outcome 2?

**Senator MASON**—Yes.

**CHAIR**—The day is yours.

**Senator MASON**—That is a thrilling prospect, Mr Chairman. Let us turn our attention to trade training centres in schools. We touched on this in the February estimates, you might recall. I understand that the government has allocated \$2.5 billion over 10 years to build trade training centres in each of Australia's 2,650 secondary schools. The policy will provide between \$500,000 and \$1.5 million to each school to build or upgrade those facilities. I was just having a look at the program guidelines, and the trade training and schools program guidelines state at page 11 that 'Program funding levels will be indexed annually over the life of the program'. What does that mean, because there are some complexities with that?

**Ms Balmaks**—As is usual practice through the appropriations, there is indexation applied, so the appropriation itself will have indexation applied each year. That is my understanding.

**Senator MASON**—In the program, there is a maximum of \$1.5 million to be allocated. Is that \$1.5 million indexed annually, or does that remain simply a cap?

**Ms Balmaks**—It is correct that all schools are able to apply for between \$500,000 and \$1.5 million over the life of the program—

**Senator MASON**—Over the 10 years, is it not?

**Ms Balmaks**—Over the life of the program, yes. But each individual application that a school may put together, either as a stand-alone school or as a cluster with other schools, or indeed as a cluster with schools and with other organisations like a TAFE, that would be up to the school to decide what its needs were. It is not so much that you apply for X amount of money and that amount of money is given to you in that first year and you then spend it over time; with respect to each proposal that you put forward, you need to determine your need within that.

**Senator MASON**—But the maximum amount that you can apply for at any given time is \$1.5 million. Is that right?

**Ms Balmaks**—A school is eligible over the life of the program for between \$500,000 and \$1.5 million. They may or may not apply for the maximum amount in one application. They may—

**Senator MASON**—That is fair enough. But if a school applied for \$1.5 million now, that would be the maximum they could apply for as in 2008, would it not?

**Ms Balmaks**—They are eligible for the maximum amount of \$1.5 million.

**Senator MASON**—What is the maximum you could apply for in 2018? That would also be \$1.5 million, would it not?

**Ms Balmaks**—At this stage, yes, that is in the guidelines.

**Senator MASON**—Right. So, this is the problem: while the amount is being indexed, the maximum amount is not going up, it is simply staying at \$1.5 million?

**Ms Balmaks**—That is in the guidelines that have been issued at this point in time. I cannot anticipate what may happen over time. That would be a decision for the government to make.

**Senator MASON**—I am just highlighting the fact. You can see why I am, because is it not fair to say that you get a lot more bang for your buck in 2008 with \$1.5 million than you will get in 2018? Inflation is at 4 or 5 per cent, and the purchasing power of the \$1.5 million will just about halve.

**Ms Paul**—We are just saying what the policy is. It is in the guidelines. We cannot go beyond that, as you know.

**Senator MASON**—I know, Ms Paul. I am not blaming you, as you know; I am simply highlighting the deficiencies in the policy, as you know. Is that right?

**Ms Balmaks**—The current guidelines state that schools are eligible for \$1.5 million.

**Senator MASON**—I just simply make that point that the purchasing power of \$1.5 million in 10 years time is about half what it will be today. I just thought I would raise that. All right, thank you. Last time we had a long debate about state of the art training facilities. You might recall my scepticism, Ms Paul, about what you would get for \$800,000, and I think when we added it all up, the average would be about 930. Do you remember when I did those calculations? I recall it well, Ms Paul. I think I argued that you would not get state of the art training facilities, certainly in automotive engineering, woodwork, metalwork, commercial kitchens and so forth. In fact, with about \$1 million, you would only really get perhaps

training facilities in one of those areas. I read the transcript; I do not think you cavilled much with that, Ms Paul?

**Ms Paul**—I am sorry?

**Senator MASON**—You did not argue much with that, uncharacteristically. You did not try to defend the policy.

**Ms Paul**—Do you have a question, Senator?

**Senator MASON**—Yes, I was just wondering why, when I raised the issue, that \$900,000—

**CHAIR**—Senator Mason, you should not be asking the officers to comment on—

**Senator MASON**—Well, let me ask this question.

**Senator Carr**—It is an opinion.

**Senator MASON**—Well, let me ask you, minister. I can ask you this question.

**Senator Carr**—Yes, I am happy to answer any question you like. I am more than happy.

**Senator MASON**—All right. Minister—let me use your words or the government's words—how many state of the art training facilities?

**Senator Carr**—No cap has been set on this.

**Senator MASON**—Sorry?

**Senator Carr**—No cap has been set on the number of facilities that will be provided.

**Senator MASON**—No, that is not my point. My point is: of the suite of possible disciplines that can be taken by trade training schools—automotive engineering, woodwork, metalwork, commercial kitchens, and so on—how many do you think you would get for about \$900,000, and can I use the words from the program, that are 'state of the art'?

**Ms Paul**—I imagine what I said last time, although you may be more refreshed on the last hearings than I am—

**Senator MASON**—I always have a look over it.

**Ms Paul**—That is really hard to say because it depends on exactly how schools apply, what base they are coming from and what sort of configuration they form. So, for example, if they apply in a cluster, they may well cover everything, they may cover one, they may cover more. As we said in evidence to Senator Allison, it is about looking at the criteria in terms of local skills shortages and the needs of the school, and I would ask Ms Cross to pursue that if she wishes to. I do not know if there is anything more to add.

**Ms Cross**—Just to restate that the guidelines give priority to bids from clusters of schools or regional school centres so that they can actually pool funds and have major facilities.

**Senator MASON**—How would that work, Ms Cross? For example, would three or four schools get together and do what? How does that work?

**Ms Cross**—If four schools get together, they could bid for between \$2 million and \$6 million.

**Senator MASON**—Let us just say four; let us go for \$4 million, about \$1 million each, on average. I do not think I am pulling too many legs saying that. How would they spend that \$4 million? What would be the greatest—to use Dr Arthur's word this morning—utility?

**Ms Paul**—I think Ms Cross just said they could apply for up to \$6 million. There were four schools, up to \$6 million.

**Senator MASON**—Yes, they could apply for it, but let us just say they get the average, which is about \$1 million.

**Ms Paul**—Are you going to a hypothetical now, Senator?

**Senator MASON**—Yes.

**Ms Paul**—Right.

**Senator MASON**—Because we are talking hypothetically, because none of this has happened yet, Ms Paul, has it?

**Ms Paul**—No, that is right.

**Senator MASON**—No, that is why it is hypothetical. Thank you. Ms Cross?

**Ms Cross**—They could utilise the funds however they saw fit, as long as they were for equipment, minor refurbishment and capital.

**Senator MASON**—Right. What would happen? Four schools would get together, say, in Brisbane, where I live, where there are areas that have some automotive industries. Those four schools might have an automotive industries state of the art training facility, is that right?

**Ms Cross**—That is certainly possible under the guidelines.

**Senator MASON**—Do you know how much a state of the art automotive training facility costs, Ms Cross?

**Ms Cross**—The costs vary significantly according to the range of training that is being delivered.

**Senator MASON**—Yes, if it is state of the art, do you know how much it is going to cost?

**Ms Cross**—As I said, it depends entirely on the amount of training that is being delivered, how many competencies within a training package are being offered to the students, whether you are offering it in partnership with a TAFE college, whether you are offering it in partnership with industry—there is a whole range of variables.

**Senator MASON**—All right. Well, you have allowed under this arrangement on average about \$1 million per program. Do you have any idea how much it would cost? What you are really saying is it depends on the project and the scope of the project. Is that right?

**Ms Cross**—Yes.

**Senator MASON**—How many competencies?

**Ms Cross**—Yes.

**Senator MASON**—Let us just say hypothetically that the automotive engineering project cost \$4 million. It is possible that all the money for those four schools could be, as it were, used on one project, could it not?

**Ms Cross**—Yes, Senator, you could do that within the guidelines.

**Senator MASON**—Yes.

**Senator Carr**—What we do know is that, in the applications to date, there have been 34 applications from clusters of schools seeking a total of \$129 million. It is apparent that the individual applications that you speak of apply in an additional 52 cases, but there are 34 applications currently before the department involving a great deal more money than you have indicated.

**Senator MASON**—Yes, but I am just trying to get an average. It is very difficult—

**Senator Carr**—You can average out, but education is a bit more complicated than that.

**Senator MASON**—I know it is.

**Senator Carr**—We are not dividing up jelly beans here.

**Senator MASON**—We found out that this morning, did we not?

**Senator Carr**—We are talking about major infrastructure.

**Senator MASON**—We found out this morning that it is a bit more complicated. I think we all agree on that.

**Senator Carr**—Pity you did not learn more then. What you have here is an opportunity for schools to upgrade facilities, to work in cooperation with one another, to work in cooperation with the TAFE facilities, and, having worked for 10 years in a technical school, I can tell you that there is quite an important question here about what the cost of infrastructure is, and how you actually ensure that it is utilised to the fullest. These clustering arrangements will allow for students to come to the workshops, rather than seeking to provide the workshop in individual sites.

**Senator MASON**—As I pointed out last time, Minister, the issue is, if a student wants to pursue a program that is not in that cluster, they have to change schools.

**Senator Carr**—No, no, that is not the case. It depends.

**Senator MASON**—I do not quite get that.

**Senator Carr**—I do not know in what part of Queensland you live, but the fact is that students can be moved to facilities; they do not have to move the school.

**Senator MASON**—No, I understand that. What I am saying is that they can only offer a certain amount of programs at any given school. I think we agree on that.

**Senator Carr**—It does depend on the location, surely. There is obviously a broader range of facilities in major centres of population than there are in remote parts of the country; that is true, I would have to acknowledge that. But the logic of what you are saying does not apply with a student enrolled in Brisbane or one of the major capital cities.

**Senator MASON**—What I am saying, minister, is pretty simple: for, on average, of \$1 million for each school, the sort of state of the art training facilities that can be offered will be—how do I put this—infrequent, and very few for that cost.

**Senator Carr**—Only if you are trying to duplicate the same facilities at every school. Now, that was the old way of doing business. The old way of doing business was that a lathe was provided at every high school—

**Senator MASON**—How much is a lathe? Do you know how much it costs?

**Senator Carr**—It depends on how old it is.

**Senator MASON**—They cost a lot of money.

**Senator Carr**—I am indicating to you that there has to be a degree of specialisation to actually get the sort of economies that are needed.

**Senator MASON**—I think you have the economies of scale, absolutely. That I do not dispute. What I dispute is the amount of money; whether this will in fact give state of the art training facilities for, on average, \$1 million per high school. As you can imagine, minister, this will be an issue—it is still too early—that we will be pursuing over the next little while.

**Senator Carr**—We are agreed on that.

**Senator MASON**—In Labor's election policy document, *Labor's Education Revolution: New Directions for Vocational Education and Training*—and this brings back one of our themes from this morning, which you will be delighted at—it states the following at page 19:

... State and Territory Governments will be required to maintain existing effort, and match the provision of capital assistance with high quality vocational education and training programs.

In addition, there was a media release from the government on 10 May 2007 that stated:

In return for Trades Training Centres in Schools Plan capital funding, State and Territory Governments will be required to lift the overall quality of school-based apprenticeship training. This requires a commitment to provide appropriate physical infrastructure...

This has the smell of a partnership, Ms Paul—

**Ms Paul**—Yes.

**Senator MASON**—Doesn't it? Oh dear—

**Senator Carr**—You do not like partnerships, do you?

**Senator MASON**—It has not been very happy with partnerships, Minister.

**Senator Carr**—Let me just say on the question of partnerships, it has been brought to my attention that the figure I gave you before of there being \$42 billion in the forward estimates for the State Grants Act does not cover the full range of Commonwealth assistance. There is probably closer to \$45 billion of schools assistance; that is not to mention the \$4.4 billion in terms of the taxation assistance, so we are now looking at a situation here where we are pushing \$50 billion in the forward estimates of assistance to schools. I think it is a reasonable contribution from the Commonwealth to the partnerships, because the states were then asked to contribute on top of that.

**Senator MASON**—Minister, I know you are trying, and for that I salute you—

**Senator Carr**—Many have said—

**Senator MASON**—I salute you for this, but the bottom line is that the states have their priorities, but you want them to readjust them to meet your election commitments and they

will not do it—sorry. Ms Paul, can you add something about partnerships that makes us feel better?

**Ms Paul**—Do you want to summarise your question? That might help.

**Senator MASON**—Well, the minister has had his go, not successfully, Ms Paul. If we go to you, can you tell us about the new partnership arrangements in Trade Training Centres?

**Ms Paul**—Certainly, we can do that.

**Ms Balmaks**—Partnership arrangements for the Trade Training Centres have been collaboratively negotiated, and within those arrangements the states and territories have given in-principle agreement to them. They include that the states and territories will maintain their current capital commitment to the vocational education and training sector. They will also cover the recurrent costs of the Trade Training Centres. To date we have in-principle agreement to those—

**Senator MASON**—Sorry, could you speak a bit slowly? I know I take my time sometimes, because I just do not follow it sometimes. What will the state governments pay for?

**Ms Balmaks**—Within the partnership arrangements, it is included that the states and territories will retain their current commitment to capital infrastructure for the vocational education and training sector in schools.

**Senator MASON**—Capital infrastructure for VET, yes.

**Ms Balmaks**—In schools, sorry.

**Senator MASON**—Yes, VET in schools, okay.

**Ms Balmaks**—And that they will cover the recurrent costs of the Trade Training Centres.

**Senator MASON**—The recurrent costs?

**Ms Balmaks**—Of the Trade Training Centres.

**Senator MASON**—And that is what the states agreed in principle to do?

**Ms Balmaks**—It has been agreed in principle. To date, the independent sector and the Catholic sector have formalised those agreements, and we actually have three states that have also agreed to formalise those agreements, and the others are currently progressing.

**Senator MASON**—Of course, I am sure you heard this morning's conversation; I am now a cynic about the partnerships. I am a romantic in general, but a cynic about partnerships.

**Ms Balmaks**—With the partnership arrangements, in the case of the Trade Training Centres, the Deputy Prime Minister wrote to her education colleagues seeking their agreement to the partnership arrangements, and three of the state and territory education ministers have already responded and agreed, and we are still progressing the discussions with the others.

**Senator MASON**—So there is correspondence from the states—I do not trust the states; I am awful, I know, but I do not trust them after this morning's performance. But do we have correspondence from the states saying that the states will pay for capital infrastructure for VET in schools, and the recurrent costs of the Trade Training Centres? Do we have those documents?

**Ms Paul**—Yes, they are agreements that have been signed up to.

**Senator MASON**—Can I see them, Ms Paul; is that possible?

**Ms Paul**—I am happy to take that on notice.

**Senator MASON**—Thank you. I bet you can guess what I am going to ask next, Ms Paul.

**Senator Carr**—Surprise us; come on.

**Senator MASON**—I am going to ask about the budget, Minister, from yesterday, for Queensland and New South Wales. Was there any commitment in the budget for capital infrastructure for VET in schools and the recurrent costs? Was there any specific mention of that in the budget?

**CHAIR**—I am not sure that the state budget is really the responsibility of this department on which to have an opinion or on which to provide answers.

**Senator MASON**—After this morning, Mr Chairman, I have become a cynic, as you know, about partnerships.

**Senator Carr**—One thing you can be absolutely certain of is that the officers are not cynics, and they cannot comment on state budgets.

**CHAIR**—You might seek a position in the state legislature and ask this question.

**Senator MASON**—No, I am not asking them to comment in terms of the policy; no, that is not my point, let us be fair. I am not asking officers to comment about policy with respect to state budgets; I am not doing that—let me make that clear.

**CHAIR**—No, it is not even about policy. You are asking questions about an area that they have no responsibility in.

**Senator MASON**—Well, to be fair—

**CHAIR**—They do not have responsibility for the state budget, surely.

**Senator MASON**—Exactly. I just want to ensure that the Commonwealth parliament, that votes money to the executive, is not being misled. We have been misled about this computer program. I do not want to be misled about this. You can see that I have become a cynic.

**Ms Paul**—You are not suggesting that I have been misleading?

**Senator MASON**—No. These wicked states are not going to give us the money for the computers they said they would, Ms Paul; we now know that.

**Ms Paul**—Is your question to do with the relationship between state budgets potentially and this program?

**Senator MASON**—Yes. You have brought the computer issue to a new issue. Do you follow that, Mr Chairman?

**CHAIR**—Well, I am, but it is still covering the same ground that we covered this morning in relation to the issue you are putting about the states' contribution.

**Senator MASON**—So you will not allow me to relieve myself—

**CHAIR**—No, no, I am happy for you to ask appropriate questions—

**Senator Carr**—You can relieve yourself all you like.

**CHAIR**—Ask your questions, but seriously—

**Senator MASON**—It is a serious issue.

**CHAIR**—But if you are asking questions about the state budget, I just do not know how you would expect the officials to be able to respond.

**Ms Paul**—It is probably worth saying that this is—

**Senator MASON**—Can you help me like you always do?

**Ms Paul**—Well, thank you very much. The process here is a COAG process, so the process is actually not linked to state budgets. The process is a COAG process, and it is under the COAG auspice that these states and the other parties are signing up to these partnership agreements.

**Senator MASON**—I hope you trust these people, Ms Paul, because I will be keeping a little eye on this process. My cynicism, garnered from this morning's little conversation—

**Senator FIFIELD**—The fruits of the COAG process will manifest themselves in the state budgets at some point.

**CHAIR**—I do note you have admitted already to not understanding numbers in hearings today.

**Senator MASON**—I am not good with numbers. I can only count to 10, as you know, Mr Chairman. Thank you; we will keep a watching brief on that issue to make sure the states are not going to diddle the Commonwealth parliament, Ms Paul. With respect to teachers, I think we would all agree that the success of the Trade Training Centres will depend largely on the quality of teachers. On page 19 of Labor's election policy document, Labor's Education Revolution: New Directions for Vocational Education and Training, it says:

Labor will also negotiate with State and Territory Governments to lift their overall investment and improve the quality of school-based vocational education and training. This additional effort will focus on:

- Quality vocational education and training teachers—

and so forth. How are those negotiations progressing?

**Ms Cross**—As part of the Trade Training Centres in Schools program, we are providing the funding for major capital and equipment, but we are looking at the quality of the training program that will offered in the Trade Training Centres. If you turn to the guidelines, you will see a range of quality criteria which are being applied to this program that will lift the quality of training that is available to students, both in terms of higher level qualifications and the range of support and assistance that students receive as part of the program.

**Senator MASON**—Fair enough. We will get to those specific issues about standards in a second. I say this as a layman, because I do not know, but I had a recent experience when I could not get a plumber for my unit in Brisbane. I am concerned that, in any of the trades or technical education, there will not be these teachers. They will be hard to find, let us be frank. Is the government confident that it can in fact attract teachers to ensure state-of-the art

training facilities? Can we attract the teachers? That is not a straightforward question; perhaps it is difficult to answer, but that is my layman's feel.

**Ms Balmaks**—During the consultation process that we held in February and early March, it was raised as a concern that we needed to make sure that the program was designed in as flexible a way as possible to enable the capacity that was available in regions already to support the Trade Training Centres in Schools Program, so there were numerous flexibilities built into the program; namely, the facilities could be on a TAFE site so that the students could go to the TAFE and the TAFE teachers that are already in place within the TAFE could provide training, therefore, to the students from the school. Alternatively, as part of the consortium arrangement, a school and a TAFE could work together where the facility might be on the school ground and the TAFE teachers could come to the school ground and provide support there. So, it is using capacity where it is already in an area.

One of the things that is in the program—and certainly something that some of the stakeholders suggested and we were receptive to—is that, if you have a consortium that involves a TAFE, you could also have the capacity, if it suited the situation, where the TAFE teachers could help upskill the schoolteachers for certain training. We have built into the program as many flexibilities as we can to ensure that the capacity issues of teachers within regions can be maximised. While it was raised in the early consultations, we actually have not had it raised as an issue in more recent times, so we will be keeping an eye on it. In the application form, schools are required as part of their demonstration of the quality of the model to demonstrate that they have access to teachers now and in an ongoing way to provide the training for which they are asking for the facility. In more recent times, they do not seem to have had trouble with that.

**Senator MASON**—Schools will have to show that they have access to or have found teachers that can teach in, for example, automotive engineering? Is that right?

**Ms Balmaks**—Within the application form, when they apply for funding, whether it be for equipment or capital works, they demonstrate within their model the training that they will provide, and they also need to demonstrate how they will be able to provide that training, so access to teachers is one of those issues. At this point, we will be keeping an eye on it, but the indications in more recent times are that they seem to be able to do that. But we will be monitoring that.

**Senator MASON**—I hope that the policy is successful in the sense that it attracts sufficient teachers. It is just that my everyday experience at the moment is with tradesmen and so forth—

**Senator Carr**—Senator Mason, the question of the employment of teachers is obviously a responsibility of the states and education authorities. The Commonwealth does not employ any teachers directly—

**Senator MASON**—Yes, but the model is based on—

**Senator Carr**—Hang on; let me just make a couple of points. There was a Commonwealth Teaching Service many years ago. Since that time, the Commonwealth has not employed teachers directly. There was a time when the Commonwealth actually employed special needs teachers in state schools. That has not happened for a very long time. The reasons that people

take up teaching and leave teaching are quite complex and, as you would be aware, there are shortages of teachers in a range of areas—maths, science and engineering of course being part of that.

**Senator MASON**—But not in the trades, Minister. I am not trying to be difficult—

**Senator Carr**—No. I make these points: often trade teachers are older; they are a different employment profile from people working in private industry.

**Senator MASON**—Yes. That is fair.

**Senator Carr**—They undertake school teaching for a range of reasons, not necessarily the money; they do it because they want a change of career. All sorts of motivations come into considerations of that type. What the officers have explained to you is that the program is flexible enough to actually pick up RTOs, other TAFE colleges and various other employment arrangements. I think it is a much more complex picture that emerges from this issue than whether or not you can get a plumber.

**Senator MASON**—That is a fair comment, Minister, but it is still too early. I am speaking hypothetically, as we all are, because we do not have the program yet. I asked the questions because I think this will be a problem. I flag it now. The minister might not think it will be a problem, but I have this feeling—and I am usually not wrong, Minister, am I?

**Senator Carr**—Really?

**Senator MASON**—I think there will be a problem with it.

**Senator Carr**—You have a long list of crimes to admit to today, so I do not want to put that on the list.

**Senator MASON**—Anyway, my concern is on the public record. As the policy unravels, or rolls out, I will be watching. Ms Cross, could we go back to training standards that you mentioned initially? Will there be a set teaching standard for Trade Training Centres? In other words, we do not want a PE teacher teaching woodwork or metalwork. Are there some quality controls?

**Ms Cross**—The Australian Quality Training Framework, or AQTF, is the quality assurance framework for vocational education and training qualifications. Any training offered in a Trade Training Centre has to meet AQTF standards, and, depending on the industry in which the training is being offered, that standard is specified.

**Senator MASON**—That is fine. So it is the same as teachers?

**Ms Cross**—It is the industry equivalent, so if you are delivering a certificate II or a certificate III in plumbing, there are standards that you must meet.

**Senator MASON**—You mentioned before that it will be a prerequisite that a school must adequately demonstrate that it can provide quality VET teaching. In other words, they will not get to the first bar unless they can somehow demonstrate that. Is that right?

**Ms Cross**—It is correct that that is part of the assessment process.

**Senator MASON**—I will be watching all of this with great interest. With regard to the application process, the rollout of the Trade Training Centres will happen over 10 years. The

program guidelines state that the initial stages will be prioritised to schools with the greatest need, and the capacity to benefit from a new or upgraded Trade Training Centre. So they are the people or schools that will benefit initially. The application process for this year has already started, I understand. Is that right?

**Ms Balmaks**—Yes.

**Senator MASON**—What is the application process? What are the dates?

**Ms Balmaks**—The application process will have an annual application round. For this year, the first year of the program, there are two phases to the application round. The first phase applications closed on 9 May, so they are in, and we are currently in the assessment phase of that process. The applications for the second phase are due in October.

**Senator MASON**—I understand the priority accorded to ‘greatest need and capacity to benefit’. How do we determine what schools receive this funding in 2008 and those that receive it 2018? In other words, how do we determine the rollout? Who gets it first and who gets it last?

**Ms Balmaks**—There are a couple of different aspects of this. Schools are being encouraged to consider this within their strategic planning. As you have already highlighted, it is a process to go through to develop an application, so schools that are well progressed in their planning were able to apply in phase 1, if they were ready, as some of them had been doing quite a bit of thinking already. Those who were quite well progressed but not as well progressed as those that applied in May have until October. When schools talk to us, we are saying to them: you have time over the life of the program to develop the proposal. As Ms Cross said a few moments ago, it is all about the quality of the training that is being offered, so we are encouraging schools to work with their education authorities to ensure that they actually develop good models. Part of it is that the school needs to apply. Another part of it is that we are working with states and territories and education authorities, and we are in early discussions at this stage but talking about doing a 10-year plan so that we can work out how we step this out. Another aspect of this is the way we are assessing, and in the early years our assessment process is looking at prioritising those that have the greatest need and capacity to benefit where the application is of quality.

**Senator MASON**—You might not agree, but there is an inherent tension: the greatest need and capacity to benefit and the best application. They might be from quite different schools. You might have a great application from a school that is relatively well off, yet the greatest need might be from a school that does not have the capacity to put together a great application. Do you see the inherent tension within the criteria? How do we overcome that?

**Ms Balmaks**—The assessment process that we are going through is quite rigorous, and it does mirror the priorities as they are written in the guidelines. Numerous issues are highlighted in the guidelines around there being a focus on Indigenous issues, prioritising where there are not facilities—rural and remote, trying to make clusters and hubs, so the assessment process reflects that, as would be appropriate, to make sure that we have designed an assessment process that will honour the commitment that has been put in the guidelines.

**Senator MASON**—So to put the negative: what schools will not get anything until 2018? It will be a school that does not put in an application, one that does not have a need, one that does not have a capacity to benefit? What schools will not get anything until 2018?

**Ms Balmaks**—I cannot speculate on which schools will not get—

**Senator MASON**—No, not the name of the school, just the criteria?

**Ms Balmaks**—Once again, I cannot speculate on that. We are in the early stages of discussions with the states and territories around the 10-year plan. I would be speculating on what will go into that. We are just starting to discuss that, how to do the 10-year plan, to look at needs across regions and different issues, but it is all too conceptual at this stage.

**Senator MASON**—Still early days?

**Ms Balmaks**—It is, yes.

**Senator MASON**—So frustrating for me, these early days.

**Ms Balmaks**—Sorry.

**Senator MASON**—It is frustrating for me, Mr Chairman. I do not like it.

**CHAIR**—A lot of things in life are frustrating.

**Senator MASON**—Thank you, Mr Chairman, for your care and your concern. This morning I asked about an audit. The government did an audit with respect to computers in schools. Is there an audit of existing infrastructure facilities in this context of trade training centres? Is there any sense of an audit being appropriate?

**Ms Balmaks**—A similar question was asked before the lunchbreak.

**Senator MASON**—Sorry. You may admonish me; I do not mind.

**Ms Balmaks**—What I said at that point was that this is an application based program that is designed around the government commitment that all schools are eligible to apply for funding for them to develop trade training facilities. It is not so much that there is a set trade to a set level, as you have in the Digital Education Revolution—

**Senator MASON**—Yes, let us not go there.

**Ms Balmaks**—It is more analysing the need. It is a different process.

**Senator MASON**—When will the Trade Training Centres commence? I am waiting with bated breath for them to commence. When is the first one due to get going? I might even turn up if I am allowed, Minister.

**Senator Carr**—I am sure you will be invited.

**Senator MASON**—You and I, minister, can go along.

**Senator Carr**—No, it is a standard practice to invite opposition members to these sorts of things.

**Senator MASON**—You are always very courteous, Minister; I always acknowledge that.

**Ms Balmaks**—We are currently in the assessment process for the first phase of funding. Once the assessment process has been completed and decisions have been made about

successful applicants, we will then move into the funding phase. Once that happens, there is an appropriation of funding for this financial year, as detailed in the PBS. We would anticipate that some of the funding will start to flow by the end of the academic year.

**Senator MASON**—Really, as soon as that? Okay. So the end of the academic year this year?

**Ms Balmaks**—We anticipate there will be funding by this year, yes.

**Senator MASON**—By November or December this year, all right. In terms of expressions of interest, the date was 9 May, was it?

**Ms Balmaks**—Yes.

**Senator MASON**—How many expressions of interest did the department receive?

**Ms Balmaks**—It was over 300—306 I think. I will just check.

**Senator MASON**—Is there a list that I am allowed to have, or is that again not to be—

**Ms Balmaks**—We have mainly been focusing on assessing the phase 1 applications, so we will be looking at the expressions of interest. In the guidelines we indicate that the aggregated data will be used to help manage stakeholder expectations and to work out how we go forward into the next phase. We have not actually started doing that yet.

**Senator MASON**—The list of 300 schools—can I have that list, Ms Cross?

**Ms Cross**—At this stage, the guidelines allow us to use aggregated data from the expression of interest process rather than individual school data, so there is no list available of all of the individual schools.

**Senator MASON**—Well, the aggregated data, Ms Cross?

**Ms Cross**—The aggregated data is that there have been 306 expressions of interest, totalling over \$600 million.

**Senator MASON**—Is that the aggregated data?

**Ms Cross**—Yes.

**Senator MASON**—How unhelpful, Ms Cross. Last time we had a discussion that industry will be involved in this. I remember that we had a discussion about this. How is the government proposing to inject industry interest and industry contributions into this process? How are we doing that, Ms Cross?

**Ms Balmaks**—As part of the application, when you do trade training, there is an element of work placements and employer participation in order to be able to deliver trade training. As part of the application process, schools are working with their local industries as well as their local TAFEs to engender that relationship so that they can offer the trade training.

**Senator MASON**—In an application, if a school can illustrate a connection with local industry, does that enhance the quality of their application? Is that something you would look upon favourably?

**Ms Balmaks**—Certainly in the guidelines we have indicated that partnerships and collaborations are a positive; they are something that is looked on well.

**Senator MASON**—Ms Cross, getting back to your 306 schools, is there any chance that the list of those schools individually, disaggregated to use your word, will be available at any time? Or is it forbidden for me to look at that?

**Ms Cross**—All I can do at the moment is refer you to the guidelines which talk about the use of aggregated data.

**Senator MASON**—So you are saying no, I think, is that right—in a very polite way, I might add?

**Ms Cross**—I am referring you to the guidelines, Senator.

**Senator MASON**—Very well-trained public servants here, Mr Chairman; have you noticed that? Very well-trained.

**Ms Cross**—I do need to correct the aggregated data; it is 308 rather than 306 expressions of interest.

**Senator MASON**—I do not think you have been deliberately misleading me, Ms Cross. I do not hold that against you. I have just a couple more questions on this area, then I have a host of others, but I think Senator Allison might wish to take over. The policy guidelines state that the highest priority for trade training centres is AQF Certificate III, which covers qualifications in areas of skills shortage, I understand. It states further that other eligible training qualifications include Certificate II programs that the Industry Skills Council supports. Ms Cross, what certificates will students receive out of training in a trade training centre? What sorts of qualifications will they receive?

**Ms Cross**—The qualification they are enrolled in depends entirely on what proposal the school puts forward. So that will vary significantly for different applications.

**Senator MASON**—That is fair enough. What is likely? What would be a common sort of qualification or level of certificate?

**Ms Cross**—If you were to pick one of the ones from the skills shortage list, a student might enrol in a Certificate III in plumbing. By the end of year 12—

**Senator MASON**—That is a sort of fairly common qualification that might be gained from trade training centres?

**Ms Cross**—I could not comment on that, because we—

**Senator MASON**—It is a qualification?

**Ms Cross**—Yes; we have a list on page 15 in the guidelines of the qualifications that are eligible, so it could be a Certificate III, general plumber, gasfitter. That is the qualification that the student would enrol in, and you would expect they would have completed a significant proportion of that by the end of year 12.

**Senator MASON**—Right. Is funding in any sense conditional upon the level of certificate being sought?

**Ms Cross**—The guidelines state—

**Senator MASON**—I mean, do you get more money if you have a higher level certificate?

**Ms Cross**—The guidelines do not make any connection between the cost of the trade training centre and the level of qualification. They do state, however, that priority will be given to Certificate III qualifications.

**Senator MASON**—Priority given, but not in terms of more funding?

**Ms Cross**—There is no direct link between the level of a qualification and the cost of training delivery.

**Senator MASON**—All right. Is it possible to do school based apprenticeships?

**Ms Cross**—Certainly that is within the guidelines.

**Senator MASON**—So that is possible as well, all right. Mr Chairman, you will be pleased to know that that is my last question on trade training centres. There are many more on outcome 2.

**CHAIR**—Sure. Just to break it up a bit, we will move to Senator Allison. Do you have questions on outcome 2?

**Senator ALLISON**—I do not need a long explanation, but can you explain what was wrong with the summer school for teachers program for it to be abandoned?

**Dr Arthur**—Yes, Senator. The decision was taken in the budget context not to have further rounds. It is not really appropriate for me to go into any detail of advice that was considered, but in broad terms—

**Senator ALLISON**—It might be a question for the minister, then.

**Senator Carr**—It was a budget decision.

**Senator ALLISON**—Just a budget decision? It was not because we did not have enough enrolments?

**Senator Carr**—No, it was a budget decision.

**Senator ALLISON**—So it was just budgetary?

**Senator Carr**—Clearly it is budgetary, but it is a budget decision.

**Senator ALLISON**—As opposed to a policy decision?

**Senator Carr**—I do not think it was a deliberative decision of the department. It was a budget decision taken in the context of the need to deal with the inflationary legacy left by the 12 years of neglect by the conservative government.

**Senator ALLISON**—It was about inflation, I see.

**Dr Arthur**—I might comment that—

**Senator Carr**—I have a bit of a spiel on this once we start.

**Senator MASON**—Are you an economic conservative, Minister?

**Senator Carr**—I am well known for my economic conservatism.

**Senator MASON**—That must have been why you joined the ALP.

**Senator ALLISON**—Is there some detail for the Australian government quality teacher program?

**Ms Paul**—What sort of detail would you be interested in?

**Senator ALLISON**—What do you have? Is it more than a line item on a budget statement? Do we know what it is about?

**Dr Arthur**—It is a longstanding program. It is continuing in the budgets. I indicated earlier—

**Senator ALLISON**—Okay, so it is a program that was in place before?

**Dr Arthur**—Correct.

**Senator ALLISON**—The Business Council of Australia recently suggested an accreditation system for teachers as a way of identifying those who were better than their peers, to put it bluntly. Is the department seriously considering that option?

**Dr Arthur**—We are certainly working on the issue of arrangements for the accreditation of teachers. The specifics of that proposal would need to be addressed by the employing authorities of teachers and the state and territory governments who have the statutory powers in this area.

**Senator ALLISON**—So what is the federal government's role?

**Dr Arthur**—The federal government is working at the moment through the Ministerial Council on Education, Employment, Training and Youth Affairs on arrangements for accreditation of teacher training courses, and work is currently occurring in that context. As I indicated also, the Commonwealth—

**Senator ALLISON**—Training courses—I am sorry?

**Dr Arthur**—Accreditation of training courses in universities. There is work occurring in the MCEETYA context in that aspect, and coming on to the question of accreditation of teachers themselves, as was indicated earlier—

**Senator ALLISON**—I am sorry, can I just go back to your previous comment about accreditation of courses. You are not talking about undergraduate courses; you are talking about postgraduate, are you?

**Dr Arthur**—I am talking about the courses that exist in Australian universities for teachers. Whether they are postgraduate or undergraduate courses is a matter for the institution themselves.

**Senator ALLISON**—It has nothing to do with performance pay for teachers or the subject that we are on?

**Ms Paul**—No.

**Dr Arthur**—It is part of the general issue. In terms of the issue for accreditation of teachers—

**Senator ALLISON**—That is what that is aimed at, isn't it—for identifying teachers, as I said in the first place, that show greater skill than others?

**Dr Arthur**—Indeed, yes. There is work occurring in the COAG context. At the last MCEETYA meeting, MCEETYA agreed to recommend to COAG that there should be a national partnership arrangement in the area of quality teaching, and there are conversations

occurring at the moment in the Commonwealth-state context about the subject matters that should be addressed in that process, and accreditation of teachers is one of the subject matters being addressed in that process.

**Senator ALLISON**—So nothing has been agreed? Minister, is the new government in favour of performance pay for teachers in principle?

**Ms Paul**—The Deputy Prime Minister has said several times that she is interested obviously in achieving the highest quality of teaching. We know from the research that the quality of teaching makes the most difference to outcomes for students. She has expressed some interest in concepts of merit based pay, but the work is being progressed in a collaborative fashion, as Dr Arthur says, through the MCEETYA and related processes. It does not sit alone, in other words, as a stand-alone issue, if you like; it is wrapped into the broader consideration of quality teaching most broadly.

**Dr Arthur**—If we go to the MCEETYA communique, there is reference in a number of dot points to the issues to be addressed, and rewarding for teachers is one of the issues flagged there.

**Senator WATSON**—It might appear that some items are inappropriately included in the appropriation bills for the ordinary annual services of government, that is, in bill No. 1, rather than in bill No. 2, the capital works, new projects bill. I acknowledge the work done by the secretariat who has quite an interest in this, representing the committee on finance and public administration. I would like to give a number of examples where maybe I am seeking reasons as to why they are in bill No. 1 rather than bill No. 2. The list, of course, is not exclusive, and it only consists of items that have been detected in the budget documentation process. Sometimes, unfortunately, the nature of the documentation is such that there could be uncertainty about what we call the characterisation of the projects and the actual sums involved. Maybe I will go through a number of those and ask you to comment when I have finished the fourth. All are really new initiatives which I believe probably should be in bill No. 1. This matter was looked at some time ago by the Standing Committee on Appropriations and Staffing following a representation from the then finance minister to the President of the Senate.

First, going through the bill, the National Curriculum Board for Australian Schools was an establishment, a new program, with \$20 million over four years, of which \$5 million was allocated in 2008-09. That has all the overtones, to my ordinary looking at it, of being a new initiative. The second one is a small business work and family grants program, again \$12 million over three years, \$3.6 million of which was allocated to 2008-09. This one could be argued as an ordinary annual service as part of the government's ongoing support for small business, but this specific administration item is new, as no money has previously been allocated to it. The third one is the James Cook University dental school. This is a new project, new for the university, with an establishment cost of \$49.5 million over five years, of which \$34.6 million has been allocated in the figures before us for 2008-09. This new School of Dentistry in Cairns is listed under new initiatives in the PBS in the description of administrative activities and therefore I contend it should be included in bill No. 2 rather than bill No. 1. The final one is the Digital Education Revolution, about which we have heard so much from our colleague Senator Mason. At least some funding is in the appropriation bill for

the ordinary annual services in 2008-09, but there is still \$7.9 million for the digital revolution under bill No. 1. I submit that it is hard to ascertain what these payments are for, as it is not listed separately anywhere in the PBS. Can you help me, to ensure that the determinations of the Senate and the Senate Standing Committee on Appropriations and Staffing are adhered to?

**Ms Paul**—Thank you, Senator; I will see if our Chief Financial Officer can assist you.

**CHAIR**—Mr Storen, I do not think the committee would mind if you actually wanted to think about that for a while and respond later. But if you are in a position to respond now, that is fine.

**Senator WATSON**—Yes, I am quite happy if you take it on notice.

**Mr Storen**—Thank you, Chair. I can cover off a little bit of an answer to the senator's initial question, if you like. The first response is that the allocation of new moneys between appropriation bills Nos 1 and 2 and special appropriations is determined in a joint fashion with the Department of Finance and Deregulation, which have overall responsibility for appropriation bills Nos. 1 and 2. I think the core of the senator's question really goes back to the view that the purpose of part of Appropriation Bill (No. 2) is to include new programs or activities—

**Senator WATSON**—And capital works.

**Mr Storen**—In 1999-2000, with the advent of outcome output reporting, some of the language started to change towards new outcomes. When a new measure or activity of government is announced, it requires a look at it to see if this is a new outcome in the large outcome sense or if it is the continuation of similar types of programs already covered in Appropriation Bill (No. 1). Some of the measures that the senator has mentioned are continuations, if you like—James Cook University is a specific program but there are already existing appropriations within Appropriation Bill (No. 1) and special appropriations to fund universities and new things in universities. So it becomes a very fine line of defining—

**Senator WATSON**—But not new dental schools.

**Mr Storen**—how new it is in the context of some of these large outcomes. The programs that the senator has raised come from outcomes 9, 3, 2—and there was another one. So it really is a difficult matter as departments and the department of finance consider each budget with ranges of initiatives. Not all new measures—and there were probably 100 in this department in this budget—in fact, very few are included in Appropriation Bill (No. 2) as new, because a lot of them are additions to existing, ongoing activities or very similar to ongoing activities in bill No. 1. The other issue that the senator raised was digital education revolution and, without grabbing the particular reference, I would note that the digital education revolution is almost wholly in bill No. 2; the small amount that the senator has identified is more than likely a small amount of funding transferred to the department's operational costs which are always considered in Appropriation Bill (No. 1), except for equity injections and large capital works, which there was not in relation to that. But it is a very difficult attribution exercise with new measures.

**Senator WATSON**—I did not indicate that it was not an easy exercise. I think I indicated that there was some sympathy and difficulty, but it would appear to be a result of the change

to outcomes reporting that this problem has been compounded. You say you have received advice from the Department of Finance and Deregulation, but that raises an interesting question. That puts the Department of Finance and Deregulation in a little bit of conflict with the Senate resolutions. I just wonder where we go from here, and who will prevail in the long term. Will the parliament prevail, or the bureaucrats from the department of finance which advise you on these sorts of issues? I suppose it also raises the question of whether the need for appropriation bills Nos 1 and 2 to remain separate. How can we progress this issue? Could you, Minister, or maybe someone from the department suggest some help? As you say, it is essentially a directive from the department of finance?

**Ms Paul**—Yes. The policy responsibility would rest in the portfolio of the minister for finance, would it not, or in the Treasurer's portfolio?

**Mr Storen**—The policy responsibility for or the ownership of the appropriation bills themselves is in the minister for finance, and rather than a directive nature, it is a collaborative approach between the department and the finance department to determine the destination of new measures. In respect of this budget, there was more focus between the department and the finance department to try to address this issue of new measures into appropriate places. For instance, you will see that the National Action Plan on Literacy and Numeracy, which was a new announcement and a new program in this budget, has found its way into Appropriation Bill (No. 2). I would suggest that probably last financial year, under the treatment before a little bit more effort has been put into this, it may have found its way into Appropriation Bill (No. 1). There is some movement and some of the larger new things are being addressed more clearly, but it does get down to a very fine line when you are determining how new is new in terms of existing activities.

**Senator WATSON**—If we are going to take that approach, surely we would have to look at the title of the bill No. 1—ordinary annual recurring services. It is no longer descriptive of everything that you are putting in it, is it? If you like, we can take it further by referring my question and your response to the Minister for Finance and Deregulation.

**Mr Storen**—We can certainly do that.

**Senator WATSON**—Obviously, it must be occurring in every other portfolio?

**Mr Storen**—Yes. Without checking—

**Senator WATSON**—So, if that is the case, I think both the Senate and certainly the Senate Standing Committee on Appropriations and Staffing will also have to look at this. But thank you very much for your answer.

**Senator ALLISON**—I turn now to the chaplaincy program. At the last estimates, or the one before that, I raised the question of monitoring the program to ensure that, in all states, it complies with the guidelines of the Commonwealth. Can you provide an update on how that monitoring is going?

**Mr Sheedy**—I am responsible for the chaplaincy program. The monitoring program began just recently. We have done some test monitoring in South Australia and some subsequent monitoring in Queensland. We have monitored 17 schools to date. At the moment we are

aiming for a coverage of about 10 per cent. There are roughly 3,000 schools that have received payments, and we aim in a calendar year to have monitoring visits in 300 schools.

**Senator ALLISON**—What do you do when you monitor?

**Mr Sheedy**—We have developed a pro forma and—

**Senator ALLISON**—Is that available?

**Mr Sheedy**—Yes, it is available.

**Senator ALLISON**—Perhaps it could be tabled or forwarded to the committee?

**Mr Sheedy**—Yes, we can certainly do that.

**Senator MASON**—Can you do that now? Is it possible to do it sooner rather than later? I would be very interested.

**Mr Sheedy**—Yes, I have it here, but perhaps I will wait until the end of the questioning, because I may well need to refer to it. We have developed a pro forma covering the key areas for consideration of whether or not a program is performing as we intended it to, covering things such as the documentation available at the school, the degree of community consultation, the processes in place for ensuring that it is a voluntary program, the line management of the chaplain, how the chaplain works with other members of the school staff—matters of that nature.

**Senator ALLISON**—How many schools in Queensland were subject to this inspection?

**Mr Sheedy**—As I say, it is just the start of this process. We are just refining it at the moment.

**Senator ALLISON**—So you have already done the monitoring in 17 schools; is that before some other process?

**Mr Sheedy**—We have done two phases, effectively. The first set of schools we monitored were those in South Australia, because the program is run from South Australia. We wanted to test the processes to see if they made sense, to see if it could be done in a reasonable amount of time and to see if it worked for the schools and for the funding recipients. Some of the schools we went to in Queensland had been the subject of some correspondence to us. As I noted at the last committee meeting, this is one of the prompts that we will have for monitoring. We will not monitor all schools, but we will be targeting some of our monitoring visits to those schools in respect of which we have received correspondence or concerns have been raised with us.

**Senator ALLISON**—Which schools have you been into in Queensland?

**Mr Sheedy**—I do not have a list of all of the schools in Queensland. It must have been about seven or eight schools.

**Senator ALLISON**—Were they the schools about which complaints had been made?

**Mr Sheedy**—We had had complaints about two of the schools, yes.

**Senator ALLISON**—Did you monitor those schools?

**Mr Sheedy**—Yes, we did.

**Senator ALLISON**—Insofar as the two schools in Queensland where the complaints were made—or were there more?

**Mr Sheedy**—We have had complaints about only two.

**Senator ALLISON**—Can you advise the committee what you did and what you found when you went into those schools?

**Mr Sheedy**—We followed up the matters that had been raised with us as being of concern. Some of the complaints related more to Education Queensland's procedures. The nature of things included the same sorts of things I mentioned before, such as the voluntary nature of the program and advice to parents about how the program worked and how they could go about indicating if they did not want their child to be part of the program.

**Senator ALLISON**—What did you discover in these schools in terms of the advice provided to parents?

**Mr Sheedy**—The advice provided to parents is fairly well settled in Queensland. Queensland had a chaplaincy program in its own schools well before the National School Chaplaincy Program was set up.

**Senator ALLISON**—I realise that. We have a Commonwealth program that sets certain criteria for the expenditure of funds on chaplains, so I am interested in the Commonwealth program.

**Mr Sheedy**—The Queensland processes are consistent with the Commonwealth guidelines. Queensland in particular has a process of formally opting in for students.

**Senator ALLISON**—I will get to the question of opting in or out and so on, but let us start with informing parents. What did you find in those schools you went to? What was the quality, if you like, or the thoroughness of advice to parents about the fact that the school was engaging in this program?

**Mr Sheedy**—From the beginning of the interest of the schools in the Commonwealth program, there have been discussions in the school, with the school community and with the school council, and advice to parents.

**Senator ALLISON**—But the complaint was that there had not been. What did you discover?

**Mr Sheedy**—In some cases, I believe, in Queensland some of the processes required by Education Queensland, those which are consistent with ours, had not been comprehensively applied by the school.

**Senator ALLISON**—What does that mean?

**Mr Sheedy**—In some cases it sounds as though some parents might not have received the forms and might not have been aware of the program. But in general—

**Senator ALLISON**—Mr Sheedy, is it not the case that, in the schools concerned, there was no form until very recently?

**Mr Sheedy**—As far as I am aware, the processes have been in place for some time—

**Senator ALLISON**—Or lack of them.

**Mr Sheedy**—Certainly the Education Queensland processes are pretty comprehensive and have been around for some time.

**Senator ALLISON**—I will come back to these schools in question. Did they or did they not have appropriate forms provided to parents on the question of approval or otherwise to be part of the chaplaincy program?

**Mr Sheedy**—At the time of the monitoring visit they certainly did.

**Senator ALLISON**—When was that?

**Mr Sheedy**—That would have been one or two weeks ago.

**Senator ALLISON**—And prior to that? How old were these forms?

**Mr Sheedy**—I cannot answer that. In some cases, parents have claimed that they did not know, and in some cases they may well have been right. The system might not have been comprehensively applied, and we have been working with Education Queensland to make sure that—

**Senator ALLISON**—Did you ask the principal at these schools concerned whether and how parents were informed that the program had been adopted in the school?

**Mr Sheedy**—Yes, it is certainly part of the original application form for the school—

**Senator ALLISON**—I know it is part of the application form. I am asking you, when you went to the school, what you discovered and what proof you received to assure you that they had been told.

**Mr Sheedy**—I can turn to something I have from those schools. Yes, we did ask the question, and I think the case was that in one school the documentation was provided; in the other school, the documentation was not available to be given to us that day, but we understand it to be the same documentation because the schools are in the same education region in Queensland. We are expecting that documentation to be provided to us shortly.

**Senator ALLISON**—Mr Sheedy, the latest in this saga—and I probably get copies of the emails that you receive as well—is that the schools are now refusing to allow minutes of the LCC—the committee that is involved in organising this within the school—to be made available to parents; do you find that acceptable?

**Mr Sheedy**—I am not aware that that is the case. My understanding is that the schools are trying to be as open as possible and make all of the information freely available.

**Senator ALLISON**—Do you think it is appropriate for them not to allow parents to—

**Ms Paul**—We cannot offer an opinion. Mr Sheedy thinks that they have been, so we really cannot offer any other opinion.

**Senator ALLISON**—There ought to be. That is what I am asking; should they be?

**Ms Paul**—Sorry, Senator. Certainly we think that the schools should be as transparent as possible. I cannot answer in this specific case because I do not understand the particular committees and all that, but our principle is that they should be transparent. Of course, they should be transparent with parents, and our monitoring visits have gone—

**Senator ALLISON**—The dispute, as I read it in this school, is that the parents were, firstly, not informed and, secondly, not given a form that would allow them to say yea or nay to their son or daughter being involved in the chaplaincy program. That is it in a nutshell.

**Mr Sheedy**—That is probably one of the concerns, yes.

**Senator ALLISON**—My questions go to the business of how sure we are that what you are being told is accurate.

**Ms Paul**—Yes, I understand.

**Mr Sheedy**—Yes. I have just checked my records. In both cases, we were provided with information that was sent out to parents, and certainly it is the case now—

**Senator ALLISON**—Were you given a date on which that information sent out to parents was provided?

**Mr Sheedy**—No doubt most of it will have dates on it, but I cannot answer that question now.

**Senator ALLISON**—It is a fairly essential question, Mr Sheedy, I would have thought.

**Mr Sheedy**—Yes—whether this information was available right from the start of the program.

**Senator ALLISON**—Correct—or whether they just did it like two weeks ago.

**Mr Sheedy**—Yes. The other thing to bear in mind, though, because these programs were the subject of complaints, is that we have only just signed the funding agreement and are making the funding available. Until around now the program has not officially been a National School Chaplaincy Program but has been working towards one.

**Senator ALLISON**—In Queensland?

**Mr Sheedy**—In the two schools from which we have had complaints. We are now satisfied that all the arrangements in place are appropriate, and we have signed a funding agreement with those two schools.

**Senator ALLISON**—Does the department consider it appropriate within the Commonwealth guidelines for the chaplains to be delivering a program called Shine—run by Hillsong, I understand—which, for one thing, is said to be for girls ‘at risk’ and which has a highly dubious element to it of beauty programs for self-esteem? Are you aware of that?

**Mr Sheedy**—I have heard the name before, but I am not familiar with the details of the program.

**Senator ALLISON**—Having told you what it is about, does it sound like the sort of program that this Commonwealth program should support?

**Ms Paul**—We clearly do not have much information on that. Would you like us to take it on notice and come back to you?

**Senator ALLISON**—It is my understanding from the correspondence I have received that this has been raised with Mr Sheedy, so I would be surprised if he is completely unaware of it.

**Mr Sheedy**—I can answer in general in that the type of program that is running at a school is entirely up to the school community to decide within the guidelines that are set out by the Commonwealth for this funding.

**Senator ALLISON**—So Commonwealth funding could be used for a program, Shine, which is set up by Hillsong, about which you would not be concerned?

**Ms Paul**—If it met the guidelines.

**Senator ALLISON**—Does it?

**Ms Paul**—I do not know, because I do not know about the program. But basically, bottom line, it would have to meet the guidelines.

**Senator ALLISON**—What are the guidelines that apply to this question of what sort of content might be used?

**Dr Arthur**—They are the guidelines for the program.

**Senator ALLISON**—Perhaps you can assist us; I do not have them in front of me.

**Mr Sheedy**—I will see if I can find some parts of the program. Here is something from page 5 of the guidelines:

While the key tasks of a school chaplain will vary depending on the needs of individual schools and their communities, they could include, but would not be limited to: assisting school counsellors and staff in the delivery of student welfare services; supporting students to explore their spirituality; providing guidance about spiritual, values and ethical matters; and facilitating access to the helping agencies in the community, both religious-based and secular.

We gave indications of the sorts of things that might be appropriate within a school.

**Senator ALLISON**—What were they?

**Mr Sheedy**—Along the lines that I have just read out. The main thing that we—

**Senator ALLISON**—I am sorry, I thought you said you gave indications of the sorts of programs that might be provided?

**Mr Sheedy**—No, I am saying the sort of thing I have just read out was the sort of general indication we gave. What we wanted from this program was that it be something that had broad support within the school community, and that schools had flexibility within the broad guidelines, as set out mainly in the code of conduct for chaplains, that they had some flexibility to devise a program that could apply an additional resource of this type to whatever their particular needs were.

**Senator ALLISON**—Given that it is federal funding, do you think there ought to be some monitoring of that as well, and since the Commonwealth is in the business of chaplains and bringing religion into schools, do you not think that there is an argument for us to understand the sort of thing being used in schools?

**Mr Sheedy**—As part of the monitoring program we ask about the nature of the services being provided, whether there have been any complaints about those services, what they have done in response to any of those complaints, and how they feel about the effectiveness of the program within the school.

**Senator ALLISON**—Do you have to have a complaint about a program before you examine it for the general education or even welfare merits of what is being delivered with our money?

**Mr Sheedy**—No, we do not. Complaints is one prompt for us to ask those sorts of questions.

**Senator ALLISON**—What is another?

**Mr Sheedy**—The other is a comprehensive monitoring process that would cover eventually about 10 per cent of all schools that have received funding under this program. As I noted before, the sorts of questions we ask in those monitoring visits are along the lines of the issues that have been raised in any complaints—the key things that we think have to be running effectively for the program to be doing what it was intended to do.

**Senator ALLISON**—Does the department have any expertise on board on the sort of welfare benefits of a program such as I just outlined? It is actually online; you can look up Shine and it gives you the beauty program that girls at risk can do—skin care.

**Senator WORTLEY**—Skin care, makeup, hair care, nail care, feelings and willpower, respect and etiquette, giving and getting, deportment and dreams.

**Senator ALLISON**—Do we have a view about such a program?

**Ms Paul**—Not necessarily. If it is not relevant to our programs then, no, we would not have looked at it.

**Senator ALLISON**—It is being funded by your program.

**Mr Sheedy**—The chaplaincy program fits within a program of services, including wellbeing services for students, which is devised by the school, and—

**Senator ALLISON**—And you do not think to see whether it actually is good welfare or wellbeing, or it might in fact be damaging, and I think I could probably find a few reports from academics who would say this was so. Do you have the expertise in the department or at least can you advise? Is there some sort of scrutiny over programs like this?

**Ms Paul**—I think the scrutiny which we would exercise would be to try to make sure that this program or whatever it is, subprogram, actually does meet our guidelines. I am unfamiliar with it, but I am certainly happy to undertake to have a look at exactly that.

**Senator ALLISON**—That would be useful. I think it would be useful to go beyond, ‘Is it within the guidelines or not?’ because they seem to me to be fairly unclear on this issue, and into the question of, ‘Is it a valuable activity for the federal government to be funding?’

**Ms Paul**—I think the exercise I have described will achieve that in a relevant way for us. It is a program that is contributing under the guidelines to the chaplaincy program. I am happy to take on that sort of exercise.

**Senator ALLISON**—It would be useful. As to the work plans that are required to be developed for this chaplaincy program, what are you finding when you monitor these schools with regards to the work plan? Are they complete or are they adequate? Did you find any shortcomings?

**Mr Sheedy**—We are not asking for a specific work plan; we are asking the sorts of questions I ran through before.

**Senator ALLISON**—I thought the schools had to develop work plans? I know they do not have to send them to you, but do they not have to develop work plans for chaplains?

**Mr Sheedy**—They have to have documentation about what it is the chaplain does.

**Senator ALLISON**—The documentation about the chaplain does?

**Mr Sheedy**—And have provided that to parents. So far that sort of documentation has been available. There has been sufficient documentation on hand when staff go in to talk to the schools about the nature of the program and their communication with parents and the broader school community and the staff about what it is that the program does.

**Senator ALLISON**—Did you discover any proselytising or evangelical activity?

**Mr Sheedy**—Not through the monitoring process.

**Senator ALLISON**—How many complaints have you received about that activity?

**Mr Sheedy**—We have had one formal complaint suggesting that there might have been proselytising, and we investigated that very carefully, and it quite clearly was not the case. We have heard of one case where a chaplain was quite patently proselytising; it was picked up by the principal straightaway and that chaplain is no longer in the school. A more appropriate chaplain was chosen very smartly. So that was picked up very quickly.

**Senator ALLISON**—I understand that in Queensland chaplains are described as ‘your friend in the playground’; are you familiar with that phrase?

**Mr Sheedy**—I have the phrase, yes.

**Senator ALLISON**—Central to the criticisms of this chaplaincy program was the lack of any requirement for qualifications of any sort, and a fear that chaplains without those counselling qualifications might be counselling children. What have you discovered so far in your monitoring?

**Mr Sheedy**—That is a question we ask explicitly: what is the line management of the chaplain; what is their place within the wellbeing team? I think I can say comprehensively that in all of our monitoring visits we are satisfied that the relationship between the chaplain, who is again always described as someone who is not a counsellor, and either the principal, the deputy principal, the school counsellor or someone else in a school wellbeing team is such as to ensure that someone who is not qualified to give counselling services does not give counselling services.

**Senator ALLISON**—And you are satisfied about that?

**Mr Sheedy**—Certainly, the systems are in place. I am not there everyday to see exactly what happens, and I am certainly aware of the fact that counselling is a fairly broad term and interpreted by some fairly broadly and by some fairly narrowly. But the systems in place that we are aware of—through our general questioning of the chaplaincy providers, such as Scripture Union Australia, in our monitoring visits to schools and in our general inquiries to principals that we come across from time to time—in each case seem to be secure enough to make sure that the appropriate services are provided by the appropriate person.

**Senator ALLISON**—When your chaplain friend in the playground is wandering around being a friend to the kids in the playground, how do they know which of them has permission to be counselled or have contact with the chaplain?

**Ms Paul**—Are you talking about the Queensland scheme, which is not ours, or are you talking about our scheme?

**Senator ALLISON**—It is our scheme, which the Queensland government is using, as I understand it. I am sure it is quite hard to separate the two.

**Ms Paul**—No, that is fine.

**Senator ALLISON**—I recognise that.

**Mr Sheedy**—I am sorry, I was distracted. Could you repeat the question?

**Ms Paul**—That is all right. I was just clarifying for my own sake. You will know the answer. That is fine. I was just clarifying that the senator was talking about the Queensland program insofar as they have adopted ours.

**Senator ALLISON**—I was asking how you can be a friend—

**Mr Sheedy**—How a chaplain knows who has opted out, if you like?

**Senator ALLISON**—Who in the playground is on the list and who is not.

**Mr Sheedy**—There is a form that parents fill in with respect to each Queensland school about everything to do with religious education or a chaplaincy program, and parents can opt into the chaplaincy program, which is generally labelled—and I have the form here—as ‘voluntary student activities without religious, spiritual and/or ethical content’.

**Senator ALLISON**—Yes, I know about the forms. But, having signed the form, it is one thing for the classroom teacher to organise the kids whose mums and dads have signed the forms into one side of the room or one room, and the others elsewhere; it is quite another to figure it out in the playground. They do not wear badges saying ‘I’m allowed to talk to the chaplain’.

**Mr Sheedy**—No, and my understanding of the system that operates in Queensland and in Tasmania and is soon to operate in the Northern Territory is that the chaplains are given a list of all the students who have opted out, and they carry it with them at all times or are familiar with it, and they get updates on it. Certainly that is the case for one chaplain I was speaking to who was very aware of the students on that list.

**Senator ALLISON**—So they carry it everywhere they go, including the playground?

**Mr Sheedy**—Or they are familiar with it. I obviously cannot guarantee that they have it in their back pocket.

**Senator ALLISON**—In small schools, I am sure that is possible. Minister, the government is right behind this chaplaincy program, presumably?

**Senator Carr**—There has been no change in policy.

**Senator ALLISON**—It will serve us well into the future?

**Senator Carr**—No change in the policy.

**Senator ALLISON**—It is good value for money?

**Dr Arthur**—The program is currently in round 2, with budget provided funding to complete round 2, and that is the funding that is currently available.

**Senator ALLISON**—Will there be an evaluation of some sort at some stage, apart from whether or not parents have filled in forms? Will we know whether this is money well spent, Minister?

**Dr Arthur**—Yes, there certainly will be an evaluation.

**Senator ALLISON**—When will that take place?

**Mr Sheedy**—We expect to finalise the form of the evaluation in the second half of this year and at least start it in the course of this year.

**Senator ALLISON**—What are some of the options as to how you will evaluate it—send a form out to the schools saying, ‘Was it all right or not,’ and tick the box?

**Mr Sheedy**—A survey of that nature might be one of the options. Another might be to have some focus groups of some people who have had dealings with the programs. In our monitoring of the program, we will take into account the annual progress reports we get back from schools.

**Dr Arthur**—We will also consult the expert evaluation expertise within the department to devise a program as we go forward.

**Senator ALLISON**—To date has any school been successful in arguing that they would very much like a counsellor but they do not want a chaplain? Has any funding gone to those schools?

**Mr Sheedy**—No, that has not occurred yet. That option will be available from 1 July this year. We said at the end of last year that, if schools were not able to identify a chaplain, they would be given the option of a secular worker in the school, and we will be making that offer—

**Senator ALLISON**—So it is going to be offered from 1 July; does that mean applications are now open for that?

**Mr Sheedy**—No, sorry; this is only for those schools that have already been successful in gaining funding. We have had two funding rounds.

**Senator ALLISON**—If you were successful in getting money for a chaplain, you can now use that money for a counsellor; is that right?

**Mr Sheedy**—Yes. When the applications were made, some schools had already identified a chaplain. Some put in an application without having identified a chaplain. Of those that had not identified a chaplain, there are a small number, declining every day, of schools that have not yet found a chaplain.

**Senator ALLISON**—Their intention was to get a chaplain, but there are none out there.

**Mr Sheedy**—Their intention was always to get a chaplain. If they are unable to after a certain amount of time has elapsed, they will have the option of having a secular worker instead.

**Senator ALLISON**—So the Scripture Union is busy recruiting people in Queensland, for instance, for chaplains and filling those positions; is that what you are saying?

**Mr Sheedy**—Yes, they are, and it has been going across all the states; positions have been filled—

**Senator ALLISON**—How many chaplains would Scripture Union have in their stable, as it were?

**Mr Sheedy**—Hundreds. I will have a look at the total in Queensland. They work in government schools. In Queensland, a total of 735 schools had funding, and a good proportion of them, perhaps at least half, I imagine, would have Scripture Union chaplains. They and other chaplaincy providers throughout the states have been gradually identifying chaplains, and as of yesterday there are only about 190-odd schools of the 2,700-odd in total that have not been able to identify a chaplain yet.

**Senator ALLISON**—When they put the application in, they give you details of the chaplain, do they not?

**Mr Sheedy**—No, they did not. If they had not identified a chaplain, they did not provide that at that stage and we just do not proceed with our arrangements.

**Senator ALLISON**—If they identify a chaplain, do they give details of his or her qualifications? I know they are not required to do so.

**Mr Sheedy**—Sometimes they do, yes.

**Senator ALLISON**—Are you keeping records of that? Is there any data that you can provide the committee with?

**Mr Sheedy**—I can give you a little bit of detail on some of the sorts of qualifications. A number have teaching qualifications; some do have counselling, psychology, theology.

**Senator ALLISON**—If you have the figures, is it possible to give those to the committee?

**Mr Sheedy**—I just have types of qualifications here. I do not have the figures.

**Dr Arthur**—We would need to analyse the physical records and assemble that data, and we would need to take that on notice.

**Senator ALLISON**—So that might be part of the review, to look at how many have qualifications in this field?

**Dr Arthur**—It could be.

**Senator ALLISON**—They all have to have a police check, don't they?

**Mr Sheedy**—They do, yes.

**CHAIR**—The chaplains are there to provide counselling services, but they do not have to have any qualifications or experience?

**Mr Sheedy**—No, they are not there to provide a counselling service. Some may provide counselling services—

**CHAIR**—I am lost completely, then.

**Mr Sheedy**—but the guidelines are very clear that a chaplain should not provide any services for which they do not have qualifications.

**CHAIR**—What is the point of all of this?

**Ms Paul**—The guidelines talk about the point, which is about offering spiritual—I forget the words—support and so on. So far, 2,700 schools have applied successfully for the service.

**Dr Arthur**—The overall purpose would be covered in the previous government's announcement when it announced this program. Obviously, we could go back and restate the policy of the previous government.

**Senator MASON**—I thank Senator Allison for raising the issue. It is not something I have taken a lot of interest in in the past, but my interest has been sparked. On the back of your questioning, Chair, this chaplaincy program is a program where God is optional; is that correct?

**Dr Arthur**—I do not think we can respond to that question.

**Senator Carr**—This is not the Church of England.

**Senator MASON**—I am Catholic. The Liberal Party is full of Catholics now.

**CHAIR**—Yes, I think you need to declare your interest.

**Senator MASON**—It was not like this in my day, Mr Sheedy.

**Senator ALLISON**—That was when schools were secular.

**Senator MASON**—Things have obviously changed. So, you have a chaplaincy program where God is not the central motivating force?

**Ms Paul**—I think Mr Sheedy quoted the guidelines a minute ago. Would you like us to go through that again?

**Senator FIFIELD**—Where you can have a secular counsellor in lieu of a chaplain.

**Senator MASON**—With spiritual help, to use your words, Ms Paul, that is not necessarily linked to God?

**Ms Paul**—Did I say 'spiritual support'?

**Senator MASON**—You said spiritual—

**Ms Paul**—Spiritual support.

**Senator MASON**—No, you did. You said spiritual support without God. How do you have spiritual support without God?

**Ms Paul**—Do you want to read those guidelines again?

**Mr Sheedy**—Yes, the part of the guidelines I read before is as follows:

While the key tasks of a school chaplain will vary depending on the needs of individual schools and their communities, they could include, but would not be limited to:

- Assisting school counsellors and staff in the delivery of student welfare services;
- Supporting students to explore their spirituality;
- Providing guidance about spiritual, values and ethical matters; and
- Facilitating access to helping agencies in the community, both religious-based and secular.

**Senator FIFIELD**—It is a little bit like that episode in *'Yes, Prime Minister!'*, where they were talking about the appointment of an Anglican Bishop who was a modernist and who did not believe in God, I think.

**Senator MASON**—It is like too many Anglicans these days. Could I just ask a couple of questions, Mr Sheedy. I am intrigued now. This is excellent. Thank you, Chair, for your sponsoring my interest.

**Senator Carr**—Dangle it in the water and out it comes.

**Senator MASON**—How many schools have applied for funding but do not yet have a chaplain?

**Mr Sheedy**—About 190.

**Senator MASON**—How many schools have applied for a counsellor as opposed to a chaplain under the program?

**Mr Sheedy**—They cannot apply for a counsellor to this program.

**Senator MASON**—Senator Allison might have covered this, so I apologise to her and to you, Mr Sheedy, but I assume there is vetting of people who apply for these positions?

**Mr Sheedy**—Yes, there is.

**Senator MASON**—What sort of vetting process is there?

**Mr Sheedy**—It is the Working with Children Check, the Australian Federal Police checks. What we require is an Australian Federal Police check on top of whatever it is that the state requires, and in all cases there is a fairly comprehensive program of checking anyone who works in schools with children.

**Senator MASON**—No checks of the order of the Inquisition, obviously, Mr Sheedy! That was a joke. I have no further questions on this particular issue in the chaplaincy program. I have plenty of other questions.

**CHAIR**—You hold the floor, Senator Mason.

**Senator MASON**—Thank you. I forgot to ask about Trade Training Centres in Schools Program. We touched on partnerships, Ms Paul. As you know, I have had a hard day with partnerships. I think Ms Cross mentioned that there were in-principle agreements with the states; is that right?

**Ms Cross**—We indicated that all states have given in-principle agreement to the partnership arrangements, and three had formalised a partnership arrangement.

**Senator MASON**—That is fair enough. Three have formalised it?

**Ms Cross**—Yes, and we are in the process of—

**Senator MASON**—How did they formalise it?

**Ms Cross**—By agreeing to the partnership.

**Senator MASON**—And the other states and territories? I assume you—

**Ms Cross**—We are at various stages of negotiation with those states and territories. We are in the process of finalising another agreement and at various stages with the others.

**Senator MASON**—So, there is a formal agreement with three of them, and with the other five there is in-principle agreement but not a formal agreement—is that right?

**Ms Cross**—We are in the process of finalising with a fourth state.

**Senator MASON**—You are more optimistic than me, Ms Cross. When I say ‘states’, I mean state and territory governments.

**Ms Cross**—As I do.

**Senator MASON**—We will see how we go with those in-principle agreements. I am more sceptical than you, Ms Cross, about these partnerships, as you know. I am finished on trade training centres.

**CHAIR**—We will go wherever you like.

**Senator MASON**—I do not think this question will be for you, Ms Cross; I think it might be for the minister or Ms Paul. There have been a lot of salary increases in recent times for teachers. Indeed, that may be a good thing; I am not here to debate that. How does the federal budget allow for the increase in the average government school recurrent cost over the forward estimates? My understanding—and correct me if I am wrong—is that the Commonwealth supplies a proportion of that, and clearly it would be asked to shoulder more fiscal responsibility if salaries for teachers go up, along with many other things as well. How is that undertaken or reflected in the forward estimates?

**Ms Paul**—I am happy to go through that. It does get reflected, and Ms McKinnon can probably go into the detail of that.

**Ms McKinnon**—The AGSRC is made up of a number of inputs and costs.

**Senator MASON**—Yes, indeed.

**Ms McKinnon**—One of them is the cost of teachers’ salaries. Both the government and the non-government sector get a percentage of AGSRC. The forward estimates are that: they are an estimate based on projections and enrolments, and they are adjusted annually.

**Ms Rollings**—The AGSRC figure is adjusted each year, indexed each year, according to—

**Senator MASON**—How much does the Commonwealth pay as a percentage, Ms Rollings?

**Ms Rollings**—To whom, sorry?

**Senator MASON**—For how much of the AGSRC are we responsible?

**Ms Paul**—The AGSRC is based on the average cost of a government school student.

**Senator MASON**—Yes, so how much are we responsible for? What percentage?

**Ms Paul**—In terms of what we fund?

**Senator MASON**—Yes, in terms of what we fund.

**Ms Rollings**—We provide state governments with 8.9 per cent for each primary student and 10 per cent for each secondary student.

**Senator MASON**—Ten per cent secondary—I thought it was about that. That is fine. So, the amount of money that the Commonwealth has to provide of course goes up if teachers' salaries go up?

**Ms McKinnon**—Yes.

**Senator MASON**—In the forward estimates, have we taken account of recent salary increases?

**Ms Rollings**—There is a time lag in the calculation of the AGSRC, so it depends when that flows through to the costs. I think it is about an 18 months' time lag.

**Senator Carr**—What is the AGSRC figure at the moment?

**Ms Rollings**—It is currently \$7,614 for a primary student and \$9,724 for a secondary student.

**Senator Carr**—What has the percentage increase been in the last year?

**Ms Rollings**—Last year the increase in primary was 5.53 per cent, and in secondary it was 4.34 per cent.

**Senator MASON**—Thank you, Minister, for your help. That is very good of you. What is the projection for next year for both primary and secondary students?

**Ms Rollings**—We currently use a figure of around six per cent for our forward estimates. But we adjust that when the real figures come in.

**Senator MASON**—That is interesting. I have no further questions on that particular issue, but I do have a host of issues within outcome 2—a miscellany of issues. Shall I go to them?

**CHAIR**—Yes, please.

**Senator MASON**—Before I do that, can I start off with a change of pace, Ms Paul—music education. Do you have anyone responsible for music education?

**Ms Cross**—That falls within my group.

**Senator MASON**—That is delightful, Ms Cross—excellent. I am not an expert here, Ms Cross, so you have to be very gentle with me. We will see how we go with music education. I have taken an interest in it these days.

**Senator Carr**—It makes for fascinating reading.

**Senator MASON**—According to Labor's election platform last year—and this does not mean it is correct; it may well not be—only 23 per cent of state school students have access to school music, compared with about 88 per cent of Catholic and Independent school students. What concerns me—and Ms Paul was talking before in response to questions from Senator Boyce about social inclusion—is that I think we are all aware of the social and the academic benefits of music education. What would concern you, Ms Paul, I am sure, is that many children, particularly from more disadvantaged areas, may not have access to music education. My questions really relate to access and what we are going to do about it, and what the government is doing about it. The National Music Workshop, to which I understand all states were delegates, formulated a school music curriculum portal and so forth. I understand that this was fully funded or supported by the then minister, Dr Kemp, going back a few

years. Where are we with that project? Is it still going—the National Music Workshop? What is happening with that?

**Ms Cross**—It is not one of the programs that we appear to be specifically funding at the moment with Commonwealth funds.

**Senator MASON**—Really?

**Ms Cross**—However, obviously music is part of arts, which is one of the eight key learning areas, so a substantial proportion of the funding that we provide to states and territories and non-government authorities can be used and is used for a range of arts and music education programs, but that is not one that we appear to be specifically funding at the moment.

**Senator MASON**—I will follow up that myself. I will do some more research on that. Let us look at the school music model national curriculum. Under the previous government, funding was made available for the commencement of a model national curriculum for school music. It was something, I know, on which Dr Nelson, among others, was very keen. Has funding been removed by the current government? What is the status in terms of funding for that project? Is that a casualty of razor gang too, Ms Cross?

**Ms Cross**—Under national curriculum, the government has announced that the national curriculum will initially be in English, maths, science and history. The following years, there will be—

**Senator MASON**—So are they the first four?

**Ms Cross**—They are the first four areas and, following that, languages and geography. So, at this stage, in terms of the national curriculum—

**Senator MASON**—Let me just write that down, so we do not get lost. What are the first four again?

**Ms Cross**—Maths, English, science and history.

**Senator MASON**—Right. What is the second tier?

**Ms Cross**—Languages and geography. They are the areas for national curriculum, but obviously states and territories will continue to deliver curriculum in other subject areas.

**Senator MASON**—Has Professor McGaw's body, the National Curriculum Board, taken on board the idea of including music in the national curriculum? You have mentioned those six subjects, but is there any likelihood that music might be included at the national curriculum level?

**Ms Cross**—I could not speculate on that, other than making the observation that it is one of the eight key learning areas, so obviously it is something that is a priority for all governments. But there has not been any discussion of subjects beyond the six that I have mentioned.

**Senator MASON**—Really? That is a bit disappointing. Do we know the status then? Is it under active consideration? Is there any potential for music to move up and be considered as part of the national curriculum?

**Ms Cross**—At this stage, the government has made it clear what the first four subject areas will be, and what the next two will be. Music remains as part of the one of the key learning areas, so its importance is well recognised.

**Senator MASON**—What are the timelines with respect to maths, English, science and history? That is part of the first group?

**Ms Hird**—The timeline for the first four is to be developed by 2010 for implementation from 2011.

**Senator MASON**—What about languages and geography?

**Ms Hird**—No timeline has been set for those. They will be the second phase.

**Senator MASON**—I am a bit worried about our musicians. That does not look too good. We know what has happened to the model National curriculum for school music. Basically, it is not going forward as part of Professor McGaw's operation, but in a sense is it lying in abeyance?

**Ms Paul**—I am not familiar with what that is, actually.

**Ms Cross**—We might have to take that on notice, because it is not one of the projects that we have in front of us as a Commonwealth funded project.

**Ms Paul**—I do not recall having progressed a model national curriculum, but I would like to take that on notice and get back to you.

**Senator MASON**—How about 'Music. Count Us In', based on that Canadian model? What has happened to that program? I am sure you will remember that one, Ms Paul.

**Ms Paul**—It rings more of a bell, yes.

**Ms Cross**—There was a 'Music. Count Us In' program that ran from 7 June to 30 August 2007, that we funded for \$300,000.

**Senator MASON**—What has happened to ongoing funding there?

**Ms Paul**—It sounds like it was only for a month; is that right?

**Ms Cross**—It was a one-off initiative.

**Ms Paul**—It was more of an event, I think. That certainly does ring a bell.

**Senator MASON**—Was it just a one-off?

**Ms Cross**—It was funded as a one-off initiative. It is always open to organisations to apply for further funding.

**Ms Paul**—I probably should confirm this on notice, but I think it brought together the key national players in the area and so on in a kind of concentrated block to have a focus on music education, but to give you the details for what activities happened over that month we would probably need to take it on notice.

**Ms Cross**—They may apply for funding again, in which case we would consider it for funding, as we do all of those sorts of applications.

**Senator MASON**—How about any other recommendations from the school music workshop; has there been any progress to implement other program recommendations from the school music workshop?

**Ms Cross**—I am not familiar with those recommendations, so I would have to take that on notice.

**Senator MASON**—I know that Senator Fifield asked questions before about the Investing in Our Schools Program. I was just wondering what percentage of the investing in Our Schools Program was used by schools for direct or indirect infrastructure and capital items relating to school music and performing arts? Do we know what percentage of the Investing in Our Schools Program was related to music and the performing arts? Do we have an idea?

**Ms McKinnon**—There were 24,000 applications over the life of that program, and we actually did not categorise them by purpose, so that would require us to go back over 24,000 of the applications.

**Senator MASON**—I am not sure that I should ask you to do that; it might be a bit rough. But there is no classification by purpose?

**Ms McKinnon**—There would be something about large capital structure—playground equipment—but I do not think it went down to the level of detail of a music room; it would have been classroom space, for example, but not the purpose of that classroom.

**Senator FIFIELD**—Musical instruments could be purchased through the Investing in Our Schools funds?

**Ms McKinnon**—Yes.

**Senator FIFIELD**—So there would not be that level of that sort of allocation, or it might be that it was used to buy equipment rather than instruments?

**Ms McKinnon**—That is right. It is listed as school equipment.

**Senator MASON**—The Investing in Our Schools Program did enable schools to purchase instruments and also the capital equipment. Is there any provision that the current government is making for the purchase of instruments or capital equipment for music? What vehicle is there, Ms Cross, for instruments to be purchased by schools under the current government's arrangements?

**Ms McKinnon**—That would now fall broadly under general recurrent grants. It is an eligible item under general recurrent grants.

**Senator FIFIELD**—I am not sure if this is best directed to Ms Paul or Ms McKinnon, but I recall that the previous government did allocate some funding to a not-for-profit organisation called The Song Room, which had the objective of establishing music programs in disadvantaged schools, helping those schools to set up their own music programs from within their own resources. I just cannot recall what timeframe that funding was over?

**Ms Cross**—It was 2008-10 for the amount of \$1 million.

**Senator FIFIELD**—That has been honoured? That was not the subject of—

**Ms Cross**—That is currently committed funding.

**Senator MASON**—Other than music being one of the eight key learning areas—and I understand that—the government does not seem to be doing anything else about promoting music in schools. There are no specific programs to do so, anyway.

**Ms Cross**—There are a range of initiatives funded by the government, including The Song Room, to which the senator previously referred.

**Senator FIFIELD**—Actually, I should make a declaration at this point: I am an ambassador for The Song Room organisation, so I should declare that.

**Senator MASON**—Well done, Ms Cross. Are there any others?

**Ms Cross**—There is support for Musica Viva in schools, the Australian Children's Music Foundation, the Music Education Advisory Group and the National Awards for Excellence in School Music Education.

**Senator MASON**—Thank you. I heard what Ms Paul said earlier about social inclusion. So many studies show how important music is in activating both sides of the brain—as you will be pleased to know, Ms Paul—both academically and for social reasons. I know that for many private schools one of the big selling points is music education; it is a huge selling point. It strikes me that perhaps governments in the future, of all persuasions, should pick up music and perhaps do a little bit more for it. You do not need to comment on that, Ms Paul, but the minister might want to comment on that.

**Senator Carr**—I have no doubt that is right. Now that the Commonwealth is providing the better part of \$50 billion to assist the states and their education authorities, I am sure that will be a matter of some interest to the states and the education authorities. But it does vary considerably from school to school. It is also a question of the priorities that individual schools set. I know that my children's school is very strong on music. It seems to be stronger in primary schools than it is in secondary schools. It is also a question of having qualified teachers, which is another area of quite serious underinvestment for a generation. There is a range of factors that affects the provision of music.

**Senator MASON**—I agree. I just hope it is something that the government is looking at. It is important, both academically and socially. I will move on. I have a series of questions in different areas under outcome 2. What is the composition of the National Curriculum Board?

**Ms Cross**—The National Curriculum Board has a chair, a deputy chair, nominees from each state and territory, and three nominees from the non-government sector.

**Senator MASON**—Three nominees from the non-government area?

**Ms Cross**—That is correct.

**Senator MASON**—Are there any parent representatives on the board?

**Ms Cross**—There are no representatives on the board. All of the individuals who are nominated are there in their own right. They do not actually act as representatives of any organisation when they are members of the board.

**Senator MASON**—It is just that I know people who are concerned about the fact that there are no parent representatives on the new National Curriculum Board. I am a bit surprised there are not.

**Ms Paul**—This is a board of experts who will actually be developing the national curriculum itself, so these people come usually from a curriculum development expert background and that is the basis on which they have been nominated by the states or by the Catholic and independent school systems.

**Senator MASON**—I would have thought the users—that is, the people who are supposed to benefit, such as students and their parents—would be an important part of this. Sure, there are experts; I understand that you need experts to shape national curricula, but I am a bit surprised there are no representatives of parents on this at all, because who else will shape, in a sense, national curricula if it is just done by experts? Curricula are not just about expertise; they are also about values, Ms Paul.

**Ms Paul**—I am certainly happy to pass on to the board your view. I think that in the board's work over the coming years in developing national curricula they need to think through in part how to disseminate, promote and educate people about it, so the point you make is a very good one and I am happy to pass that on to them.

**Senator MASON**—Thank you.

**Senator Carr**—I think it is another aspect of that collaborative partnership that we have been discussing all day.

**Senator MASON**—I worry about partnerships now. We have had partnerships going awry and God taken out of chaplaincy, so it has not been a good day. We have had a very difficult day. With respect to national best practice, I know there is a number of different systems of curricula assessment across Australia; of course there are. My state of Queensland, for example, thinks that its curriculum is the best and it certainly believes that its form of assessment is the best—not only curricula per se but also assessment. In Queensland the assessment is what you would call continuous assessment rather than external examinations. I think we have that in Canberra, do we not?

**Ms Paul**—That is right.

**Senator MASON**—It is continuous assessment. How do we determine best practice in terms of curricula and assessment?

**Ms Cross**—The National Curriculum Board is seeking examples from all jurisdictions of what jurisdictions consider to be best practice, and it will be drawing all of those together. As part of its consultations and work on developing national curriculum, it will look at all of the material that is given to it.

**Senator MASON**—That might be right, Ms Cross, but how will it determine world's best practice? I am not interested in the political point, Minister; it is more an educational point.

**Senator Carr**—You have brought my attention to the fact that the Queensland Premier at the 2020 summit made the point that it may well be appropriate to close down the state based operations and move to the National Curriculum Board. It may well be that the states see the need for a better and a higher level of national coordination on the question of curricula. I think it is an outdated and very backward looking view that sees these things in parochial regional terms.

**Senator MASON**—No, I am not. This is about educational outcome terms. This is about world's best practice. This is not about parochialism; this is about what is Australia's best practice.

**Senator Carr**—Absolutely.

**Ms Paul**—Would you like us to go through some of the approaches that the board is likely to take to determine the best?

**Senator MASON**—As long as it is not too exhaustive, Ms Paul.

**Ms Paul**—I am sorry?

**Senator MASON**—Perhaps if you could do that quickly. But do you understand my point?

**Ms Paul**—Absolutely; yes, it is most important.

**Ms Cross**—I think the board will look at a range of curriculum frameworks and curriculum materials from around the world and from around Australia. The reason the board has been chosen to have expertise in this area is so that it can make an expert judgement about how to bring them together into a world-class contemporary national curriculum for Australia, but it will be looking overseas as well as nationally.

**Senator Carr**—The word 'contemporary' upsets you, does it not?

**Senator MASON**—No, it does not. Do you know what upsets me? It is the idea that somehow experts will come to a unanimous view. It was experts that dictated there should be continuous assessment in the ACT and Queensland. It was other experts in New South Wales who said there should be external examinations. The idea that experts come to a common view on education is rubbish. I am not having a go at you, Ms Cross, but the problem is that there is no overall expert view.

**Senator Carr**—So you would like nonexperts; is that what you are saying?

**Senator MASON**—There is not one expert view; there is a multiplicity of expert views on education. I do not know how we will overcome that, both in terms of curricula and assessment.

**CHAIR**—This is your lawyer background experience—is it not?—in always having a different view.

**Senator MASON**—No. Every time I ask this of an educational expert—what is better: external exams or continuous assessment—I get three different opinions. I am being quite honest about this. I want to know how we will resolve the issue. Do we assume that this board, when it comes back with its recommendations, should be backed irrespective of the views of different state governments and, indeed, not just irrespective of the views of state governments but also irrespective of the views of parents and students from the different states? How do we do it?

**Ms Cross**—I could not pre-empt what the board will come back with at the end of its process but clearly, in coming forward with a national curriculum, it will consult and involve all of the relevant stakeholders. I could not assume that there will be consensus. I do not think that you could assume that, but certainly it will come back with, in its expert opinion, what is the best model for national curriculum in Australia. Collectively its members have over 300

years of experience and expertise, so that is a good starting point for the exercise they are about to embark on.

**Senator MASON**—That is a terrific answer, but let us just think of one of those first four learning outcomes—for example, history. I do not think you have to be Einstein to realise that the teaching of history and the curricula for history are highly controversial, and there is no necessarily right or wrong answer.

**Senator Carr**—But what is to suggest that this board will establish a prescriptive model on how to teach history? Where is that in any of the documentation?

**Senator MASON**—If it does not come up with any prescription at all, it will be a waste of time. It will either reform the system or it will not—and, if it does not, what is the point of it all? Someone is going to have to make some tough decisions.

**Senator Carr**—It is not about writing lesson plans. That is not what national curricula is about.

**Senator MASON**—I know that.

**CHAIR**—We are getting into a debate about it, and really this is a matter of speculation now, so we probably need to come back to a more focused position.

**Senator MASON**—Let me just say that I will be watching this as well as we progress, because I will be fascinated to see if any group of educational experts can come up with consensus on curricula and assessment. My guess is not. Let us see who is right. I think I am right again. What do you think, Ms Paul?

**Ms Paul**—I think there are a few important points. One is the importance of evidence and getting the best evidence of what works. The second point is doing the consultation process. I think those are both really important points.

**Senator MASON**—Everyone says best evidence on assessment, best evidence is continuous assessment, best evidence is external examinations; there is always best evidence. It is not a criticism of you, Ms Paul; it is just that the evidence is equivocal.

**CHAIR**—And you do not have to answer his last question.

**Senator MASON**—I have some questions on the appointment process. Do you want me to do them now or should we have a break?

**CHAIR**—Sorry; I have missed the 3.30 pm break. We will have a break until 4 o'clock.

**Proceedings suspended from 3.42 pm to 4.05 pm**

**CHAIR**—The committee will resume with questioning in outcome 2.

**Senator FIFIELD**—I would like to go back to Investing in Our Schools. I indicated that I would check my own records, Ms Paul. It was a statement of the minister to the House on 12 September that I had in mind as a further commitment to the Investing in Our Schools Program. You are quite right; there was not an additional media release subsequent to the one that you referred to. In relation to the program, what are the current guidelines for the opening ceremonies for Investing in Our Schools projects?

**Ms Douglas**—The recognition requirements are what they were under the previous government, but with some changes to streamline processes. What is required is that schools that have received IOSF funding need to acknowledge Australian government assistance in accordance with the act and the guidelines. This includes inviting the Minister for Education to officiate at the opening, displaying a plaque and issuing publicity through the school newsletter, websites, articles in the local media, school outdoor signs and any other form of advertising available to the school.

Some of the key changes this year to streamline processes that the minister has instituted are that projects that receive funding of less than \$50,000 are exempt from conducting an official opening. Schools with projects with funding greater than \$50,000 that have been successful in securing funding for multiple projects are required to have only one ceremony rather than individual ceremonies as under the old arrangements. Schools that receive an exemption for having a ceremony are still required to acknowledge Australian government funding and publicity issued by the school and by displaying a plaque.

**Senator FIFIELD**—The first element of the process that you mentioned—acknowledging Australian government participation, inviting the minister, displaying a plaque and acknowledgement in materials—are all things that were in place previously. The only change is for projects below \$50,000 in that they do not have to have a ceremony, and those above \$50,000 that have been successful with multiple applications have to have only one ceremony.

**Ms Douglas**—Those are the key changes.

**Senator FIFIELD**—Who determined those changes?

**Ms Douglas**—The minister approved those changes.

**Senator FIFIELD**—What was the rationale for not having a ceremony for projects less than \$50,000?

**Ms Douglas**—It is not mandatory.

**Senator FIFIELD**—They can, but they just do not have to?

**Ms Douglas**—It is just not mandatory. It gives the schools a bit more flexibility around that.

**Senator FIFIELD**—Was there any other rationale other than to save schools having to organise something themselves?

**Ms McKinnon**—The rationale was that, over the life of the program, as I indicated, there were 24,000 applications. So there was a large number of recognition ceremonies outstanding over the next two to three years, and the advice to the minister, which he accepted, was something in the order of originally 30,000 recognition ceremonies were outstanding. It was a surprisingly large number and, given the number of available days in the school year where the schools is open and functioning, it was putting quite some pressure on schools to meet that.

**Senator FIFIELD**—Was it on advice from the department that the minister took that decision?

**Ms Douglas**—Yes.

**Senator FIFIELD**—Have there been any changes to the requirements of who is invited to these ceremonies? You mentioned that there is a requirement to invite the minister, which was and remains a requirement. Are there any other requirements in terms of who is invited?

**Ms Douglas**—No, there have not been any further changes at all to that. The schools can invite whom they wish, obviously, but they must invite the Minister for Education to officiate at the opening.

**Senator FIFIELD**—How many projects are there left to be officially opened—or not officially opened, as the schools may choose? Can we have it in terms of the number of projects for which there is a requirement to have an official opening, which has yet to happen, and also the number of projects for which there is not an official opening requirement?

**Ms Douglas**—I can break down the data that I have with me today into government and non-government schools. As to the number of government projects, there were 20,414 approved projects. The number of ceremonies already conducted cover 15,022 of those approved projects. The number of ceremonies still to be conducted is 4,488, and that is based on the new arrangements. For the non-government schools the number of non-government projects approved was 4,687. The number of ceremonies already conducted is 3,175. The number remaining to be conducted is 1,512.

**Senator FIFIELD**—While I am in the neighbourhood of this outcome, I would like to ask about Yachad Accelerated Learning Project. Is that under this outcome or does it fall under Indigenous?

**Ms Paul**—Yes. That will come later under the Indigenous.

**Senator FIFIELD**—Thank you.

**Senator MASON**—I am pleased to know that our conversation here today is being watched by many people, particularly with respect to the National Curriculum Board. We are being streamed on the worldwide web and I am getting emails from everyone assisting me with questions, you will be pleased to know. I would like to ask a few more questions on the National Curriculum Board. Can you tell me when it will first meet?

**Ms Cross**—The National Curriculum Board held its first meeting on 23 April.

**Senator MASON**—It has already been held?

**Ms Cross**—It has held its first meeting.

**Senator MASON**—When is the next meeting scheduled?

**Ms Cross**—The next meeting of the board?

**Senator MASON**—Yes.

**Ms Cross**—I will have to check that for you. I think it is in July, but I will check the precise date.

**Senator MASON**—Can you do that?

**Ms Cross**—Yes.

**Senator MASON**—Ms Cross, correct me if I am wrong, but I think you said that it is sometimes difficult to reach a consensus on expert opinion with respect to education. If the

states resist the National Curriculum Board's wishes, what powers does the National Curriculum Board have to make those states comply? What levers of compliance does the National Curriculum Board have?

**Ms Cross**—All states, territories and the Commonwealth have signed up to the process of development of national curriculum through COAG and as part of that they have agreed to implement the national curriculum from 1 January 2011.

**Senator MASON**—Will they abide by the outcome?

**Ms Cross**—It is a high-level government agreement.

**Senator MASON**—We will wait and see. Are you saying that the states have agreed in principle at any rate to abide by the decision of the National Curriculum Board with respect to curriculum?

**Ms Cross**—They have agreed to the establishment of the board and the development of national curriculum with the aim for its implementation from 1 January 2011.

**Senator MASON**—If the states do not comply are there any—

*Senator Watson interjecting—*

**Senator MASON**—It is not quite the same thing, Senator Watson. Have the states agreed to implement all the recommendations of the National Curriculum Board?

**Ms Paul**—There have not been any yet. The board has only had its first meeting. The regulating body will be the Ministerial Council of Education, Employment, Training and Youth Affairs—MCEETYA.

**Senator MASON**—Yes, but let me ask the question again. Have they agreed to implement the recommendations of the board? I assume there are recommendations about curriculum?

**Ms Paul**—In effect I suppose you might say yes, because they have agreed to implement a national curriculum for 1 January 2011, as Ms Cross said. The regulating body to progress that agreement will be the ministerial council.

**Senator MASON**—What will happen if the non-government sector resists?

**Ms Paul**—They are on the board as well.

**Senator MASON**—I still ask the same question. It is a different application.

**Ms Cross**—I am sorry, I did not catch the question. I was checking the date of the next meeting of the board, which is 10 June.

**Senator MASON**—10 June?

**Ms Cross**—Yes.

**Senator MASON**—That is shortly. So we have an agreement from the states that they will go through the process. Whether they will accept all the recommendations is a slightly different thing. I understand that. What about the non-government sector?

**Ms Cross**—Responsibility for curriculum under state legislation rests with state and territory ministers. They are responsible for curriculum within their jurisdiction. That is not a

responsibility of the non-government sector under any of the state legislation as far as I am aware.

**Senator MASON**—So we just go back to the agreement for the ministerial council. Do you know whether there is going to be a common year 12 certificate?

**Ms Cross**—That has not been announced as government policy.

**Senator MASON**—You are not saying yes or no; we just do not know. Is that fair?

**Ms Paul**—That is correct.

**Ms Cross**—The previous government had been looking at those issues, but this government has not picked up those policies.

**Senator MASON**—I raise it because it brings back those issues that we discussed before about assessment and everything else. The answer is neither yes nor no, because we are not sure yet?

**Ms Cross**—I am saying that it is not part of the government's policy at present.

**Senator MASON**—In a sense that is what I am saying as well. I am trying in my own way to summarise the answer. It may not be part of the government policy, but it is not being excluded, is it? It is not being excluded as an outcome, is it?

**Ms Paul**—You could say in effect at the minute it is not there, so it is excluded at the minute. I could not possibly speculate on what government might decide in the future.

**Senator MASON**—That is fine. Ms Cross, I know we want the world's best practice, so is this process being internationally benchmarked?

**Ms Cross**—Those specific issues are matters for the board, because the board is responsible for the development of national curriculum. Certainly all of their early indications are that they are looking at international, as well as national best practice, so in effect they would be benchmarking their own work against international practice.

**Senator MASON**—Surely the government has given guidelines for the conduct of the board and said, 'You should come up with a national curricula that is world's best practice'.

**Ms Paul**—That would be an expectation and is no doubt why they are looking at international benchmarks and so on as Ms Cross has stated.

**Senator MASON**—So it will be internationally benchmarked?

**Ms Paul**—I do not know whether 'benchmark' is the right word, but as I said before in response to one of your questions, getting the evidence of what works is really important and some of that will probably come from overseas.

**Senator MASON**—How comprehensive will the final recommendations be? Is it a syllabus or a curriculum? We touched on this before. How comprehensive will the outcome be?

**Ms Cross**—That is a matter for the curriculum board to determine, and I do not think that there is a consistent definition of syllabus or curriculum. The terms are used interchangeably between jurisdictions, but certainly one of the first tasks of the curriculum board will be to define what we mean by international curriculum.

**Senator MASON**—Could they specify in some detail parts of the particular courses as in history, English, maths and so forth?

**Ms Cross**—I would have to get the election commitment, but I think the election commitment talked about the core areas of knowledge, skills and content that you would cover in the key subject areas. I do not think the election commitment implied a degree of prescription or specificity. As I said, that really is one of the first issues for the board to find.

**Senator MASON**—This could be exciting. There could be a re-run of the history wars.

**Ms Paul**—As we said before, there will be an enormous amount of consultation and involvement by all parties in this development.

**Senator MASON**—I just wish these things were value neutral. I am not sure they always are. I notice that the minister has arrived back, which is timely, because I have some questions about the appointment process. What was the process for appointing the chair and the members of the board?

**Ms Cross**—The chair and the deputy chair were appointed by the Deputy Prime Minister and jointly announced by the Deputy Prime Minister and the Prime Minister. The nominations from states, territories and the non-government sector were agreed by COAG and then the appointments were made by the Deputy Prime Minister.

**Senator MASON**—The final decision was made by the deputy Prime Minister?

**Ms Cross**—No, COAG agreed to the appointments, but the instrument or the actual appointment itself was made by the Deputy Prime Minister.

**Senator MASON**—What were the criteria for the selection of the chair and members of the board? Was it educational curricula expertise?

**Ms Cross**—As I said, all of the nominees, the chair and the deputy, were selected on the basis of having considerable expertise and experience in curriculum and education.

**Senator MASON**—Was there some sort of application process that people had to go through?

**Ms Cross**—There was a process where nominees were sought from the states, territories and the non-government sector.

**Senator MASON**—What was that?

**Ms Cross**—The Deputy Prime Minister wrote to each state and territory minister, the Catholic and the independent sectors and sought nominees.

**Senator MASON**—Seeking nominations from those different states and those sectors?

**Ms Cross**—Yes.

**Senator MASON**—Did the department provide any advice on suitable candidates? Did the department work on this?

**Ms Cross**—I cannot go to the nature of what advice we might have given to the minister.

**Senator MASON**—I understand that. Did you provide any advice? I do not want to know the nature of the advice.

**Ms Cross**—We gave advice on the establishment of the National Curriculum Board as part of implementing an election commitment.

**Senator MASON**—Did you give any advice as to the suitability of candidates?

**Ms Paul**—We cannot go there. That is too specific.

**Senator MASON**—I am not asking about any particular candidates, just in general.

**Ms Paul**—That is too specific in terms of the nature of our advice. It is fair to say that we have offered a lot of advice on the National Curriculum Board.

**Senator MASON**—I assume that the chair, deputy chair and perhaps members of the board are being paid? Is that right?

**Ms Cross**—There are payment arrangements for members of the board, but it would depend on their individual circumstances. Government employees do not normally attract payments in addition to their normal government arrangements, but there are arrangements to pay members of the board.

**Senator MASON**—What does the chair get paid?

**Ms Cross**—At the moment with the interim board we are using Remuneration Tribunal rates for part-time public office holders. The rate for a chair is \$572 per day.

**Senator MASON**—How much?

**Ms Cross**—\$572 per day.

**Senator MASON**—Is that for the chairman?

**Ms Cross**—That is for the chair.

**Senator MASON**—And the deputy chair?

**Ms Cross**—The deputy chair gets paid as a member and that is \$509 per day.

**Senator MASON**—How many applications did the department receive to be a member of the board? Can you tell me how many applications were received through the states and the non-government sector?

**Ms Paul**—I stand to be corrected, but the process was, as Ms Cross has said, that each of those jurisdictions and the sectors nominated a person. They did their own internal process and then nominated a person, and then that list went to COAG.

**Senator MASON**—So there is one from New South Wales, one from Victoria, et cetera?

**Ms Paul**—That is right.

**Senator MASON**—What are the accommodation arrangements for members of the board when they meet?

**Ms Cross**—Again, there are Remuneration Tribunal rates for travel and accommodation. The chair of the board is entitled to tier 1 travel and the deputy chair and other members are entitled to tier 2 travel and accommodation rates.

**Senator MASON**—Do you know how many people were considered for the chair of the board?

**Ms Paul**—I think that is a matter for the minister.

**Ms Cross**—I could not speculate.

**Senator MASON**—That is my final question on the National Curriculum Board. Do you want me to keep going on outcome 2 issues, Mr Chairman?

**CHAIR**—Yes.

**Senator MASON**—I will continue on. What is happening with Teaching Australia? I understand from the department's website that Teaching Australia's core activities are to support and advance the quality of teaching and school leadership, and to strengthen the profession. This was mentioned in passing early today. I have an article here from the *Age*—and this may be wrong so I am happy to be proved wrong. The article said:

The Howard government's literacy and numeracy tuition voucher program, and its summer school program for teachers face the axe, while the future of Teaching Australia also remains in doubt.

With the recent \$7.2 million budget cuts to Teaching Australia, will the national awards for quality schooling awards proceed next year?

**Dr Arthur**—I am not aware of any proposition that they would not.

**Senator MASON**—You are not aware of anything?

**Dr Arthur**—No.

**Senator MASON**—No proposals?

**Dr Arthur**—No.

**Senator MASON**—Do you know whether any staff will be shed in any budgets cuts to Teaching Australia?

**Dr Arthur**—No, I do not know that detail.

**Senator MASON**—You do not have it?

**Dr Arthur**—I do not have any information that indicates that there will be staff losses.

**Ms Paul**—Would you like us to take that on notice for you?

**Senator MASON**—Yes.

**Dr Arthur**—We can take that on notice.

**Senator MASON**—If you can take that on notice that would be terrific.

**Ms Paul**—Yes.

**Senator MASON**—I would like to go to drought assistance for schools. There is a miscellany of issues here; you will have to bear with me as we traverse them from outcome 2. This is a quote from the department's website:

On 25 September 2007 a package of new Drought Assistance measures totalling \$714 million to support farmers, small businesses and communities in rural and remote Australia was announced.

Part of this package is the drought assistance for schools, which provides assistance in recognition of the financial and social pressures on families and schools located in drought declared areas. All rural and remote government and non-government schools providing

primary or secondary level education located in exceptional circumstances declared areas in towns with a population of less than 100,000 may be entitled to assistance of up to a maximum of \$10,000 a year for the duration of the exceptional circumstances declaration. Do you know how many schools receive funding under this Drought Assistance for Schools Program?

**Ms Douglas**—Yes, 3,035 schools were eligible to receive funding in 2007-08 under the program.

**Senator MASON**—So 3,035 schools were eligible to receive funds?

**Ms Douglas**—Yes, in 2007-08. All of that funding has been paid to all of those schools now and the total funding was \$24,043,500.

**Senator MASON**—Thank you. Minister, this is a question for you. Would the government guarantee that this program will continue? It has obviously been very popular, with over 3,000 schools.

**Ms McKinnon**—You would be aware that it is combined with the declaration of exceptional circumstances under the broader Drought Assistance package, so as far as I am aware, as long as those parameters do not change then this would be an element of it.

**Senator MASON**—So there is no change in policy?

**Ms McKinnon**—It has been funded for two years.

**Senator Carr**—This is a matter you should take up with the relevant portfolio.

**Senator MASON**—We have just cut into education. I think that is fair. I am not trying to be misleading.

**Senator Carr**—I know, but I do not have any paper here with it.

**Senator MASON**—Ms Douglas is well prepared. I got an answer to the question very well.

**Ms Douglas**—It is funded for two years currently in our forward estimates.

**Senator MASON**—Two years in your forward estimates?

**Ms Douglas**—Yes.

**Senator MASON**—I would like to go to National Asian Languages and Studies in Schools. Is that you, Ms Cross?

**Ms Cross**—Yes.

**Senator MASON**—That is delightful. An Australian Council for Education Research report, the ACER report, shows that there are significant shortages of languages other than English teachers at primary and secondary level, and the report notes that only seven per cent of primary teachers had specialist training or specialist studies in languages other than English. With this new program do you know how many additional language teachers will be provided?

**Ms Hird**—No, we do not have that information. We do know that that \$62.4 million program will provide additional—

**Senator MASON**—I am sorry, how much is it?

**Ms Hird**—It is \$62.4 million. It will provide additional Asian language classes in high schools, teacher training and support, and the development of specialist curriculum for students who show advanced knowledge. It is in four target languages—Indonesian, Mandarin, Korean and Japanese.

**Senator MASON**—Is there a specific aim in terms of the number of teachers that the government is seeking to train in languages other than English?

**Ms Hird**—At this stage we are consulting with the community, the education sector and others in the community, and the results of those consultations will inform how the program will operate. It is early days at this stage.

**Senator MASON**—There is no specific destination in terms of the number of new teachers that the government is seeking to train?

**Ms Hird**—Not at this stage.

**Senator MASON**—Have you done any research about the shortfall? What does the department know about the shortfall in teachers trained to teach in languages other than English?

**Ms Hird**—We know that there are supply issues and that we do need more languages teachers. That is one of the issues this program will help address.

**Senator MASON**—We all agree on that. Do we have any numbers? How many teachers in high school are qualified to teach in languages other than English? What was the percentage?

**Ms Hird**—I do not have that information, but I can get advice for you.

**Senator MASON**—I would appreciate that. I have here that only seven per cent of primary teachers have specialist tertiary-level study in languages other than English. I could not find out the figure. Can you find out how many in secondary school? That would be very useful.

**Ms Cross**—It would be very fair to say that the issue of access to qualified teachers is one of the major issues that have been raised in this area.

**Senator MASON**—It would be nice to have some goal. There is no specific goal.

**Senator Carr**—The government has made repeated statements in terms of expectations of the need to fill a gap in the education offering within schools—the government has made the point and, on numerous occasions, the Prime Minister has drawn attention to the importance of it to Australia's future in terms of security and prosperity. Given the importance of those particular economies to Australia's trading position, there is obviously a need to concentrate in those areas. I would also draw your attention to the fact that two reports have been released on this issue: *An investigation of the state and nature of languages in Australian schools* and the *Review of teacher education for languages teachers*. You may find those of interest in order to pick up the sort of detail you are looking for.

**Senator MASON**—What responsibilities will the state governments have in training teachers?

**Senator Carr**—They have no responsibility for training teachers, obviously, but in terms of employment of teachers states have direct responsibilities. The fact is that the Commonwealth does provide assistance for the training of teachers through the university system. It provides direct assistance. It is providing \$112 million for school languages programs and \$62.4 million for the National Asian Language Program. Clearly, the Commonwealth is putting its money where its mouth is.

**Ms Paul**—The overall aim here is to increase the proportion of students studying these languages in secondary school.

**Senator MASON**—I think it is a worthwhile aim. My concern, as I have raised in different contexts throughout the day, is the capacity to find people to do this. I have raised the issue, I am interested in it and I will certainly be pursuing it as we go along, but we will see how we go. We would all concede that there is a shortage of qualified language teachers in schools, and the question is what would be an acceptable ratio or an acceptable outcome when we would know that we had enough.

**Ms Paul**—The number of teachers is incredibly important, but it is how it is done, too. We will be interested in your question about the quantity of teachers, but we will also be interested in what is done with it—are schools combining, how are the resources being used and so on—to achieve the outcome. The ultimate interest, of course, no matter how they do it, is seeing whether the proportion of students studying languages increases and by what rate.

**Senator MASON**—I have another issue. I would like to go to the Even Start National Tuition Program.

**Ms Cross**—That is one of my programs.

**Senator MASON**—I am sorry?

**Ms Cross**—That is another one of my programs.

**Senator MASON**—Is it?

**Ms Cross**—Yes, thankfully.

**Senator MASON**—I understand the government abolished the An Even Start National Tuition Program in the budget this year. Is that right?

**Ms Cross**—The government redirected the funds from An Even Start to the National Action Plan on Literacy and Numeracy.

**Senator MASON**—The national tuition program under the previous government utilised vouchers, did it not?

**Ms Cross**—Yes.

**Senator MASON**—What has happened to those vouchers? Will any of those literacy or numeracy vouchers be available next year?

**Ms Hanlon**—Next year?

**Senator MASON**—Yes, will they be provided next year? When do they cease?

**Ms Hanlon**—No. They are available this year.

**Senator MASON**—They are available this year?

**Ms Hanlon**—Yes. Students who sat the years 3, 5, 7 test last year and did not reach benchmark are eligible for the vouchers this year—2008. This is under the An Even Start program, which is operating for this one year. Last year there was a previous vouchers program called the Reading Assistance Voucher Program.

**Senator MASON**—How many students were eligible for vouchers this year?

**Ms Hanlon**—The estimate that the states and territories provided to us was in the range of 150,000 that did not reach either the reading, writing or the numeracy benchmark from years 3, 5 and 7.

**Senator MASON**—One hundred and fifty thousand?

**Ms Hanlon**—Yes, 150,000.

**Senator MASON**—I do not know whether you can give me this information. How many students were eligible for the vouchers in each state? Do you have a breakdown state by state?

**Ms Hanlon**—The states and territories provided us with that information so that we could develop our funding model for the program. We have the information as estimates of the number of students who have not reached one of those benchmarks in reading, writing or numeracy.

**Senator MASON**—I understand that. Can you disaggregate the 150,000 into states?

**Ms Cross**—What we can do is give you details on the number of students who are registered for the program. They were estimates. What we will have is the breakdown by state of the number of students who are registered as eligible and then we can tell you of those eligible students which ones commenced and completed tuition. We can give you that as a state breakdown.

**Senator MASON**—That would help.

**Ms Hanlon**—You understand the tuition has only just began.

**Senator MASON**—Yes, I do. You can break it down into state. Can you break it down into electorates?

**Ms Cross**—We do not have a breakdown by electorate, and I do not know that we would have the postcodes of the students who participated.

**Ms Paul**—We would not know the information.

**Senator MASON**—You could break it into state, but could you break it down into postcode?

**Ms Paul**—No, because this is actual students.

**Ms Cross**—It is personal information.

**Ms Paul**—We would not have personal information.

**Senator MASON**—I understand. You can break it down into states. Ms Hanlon, you said 150,000 students were eligible for the vouchers. How many of them have taken up the offer of the vouchers?

**Ms Hanlon**—Under this year's program?

**Senator MASON**—Yes.

**Ms Hanlon**—At the moment we have about 36,000 students registered for the program. As I said, the delivery of it has only just begun this term. Term 1 was required to establish the program and the administration aspects of it.

**Senator MASON**—Thirty-six thousand out of the eligibility of 150,000. Is that right?

**Ms Cross**—Yes.

**Ms Hanlon**—That is in line with what we would expect, given that it is a very early stage of the program. That is the sort of demand that we would anticipate at this point.

**Senator MASON**—Is it?

**Ms Cross**—Yes.

**Senator MASON**—That looks very disappointing on the face of it.

**Ms Cross**—It is because it is so early in the program.

**Senator MASON**—What support will be provided to eligible students next year?

**Ms Hanlon**—As you stated earlier, the money for this program is being redirected into the National Action Plan for Literacy and Numeracy.

**Senator MASON**—Will it be subsumed within that program?

**Ms Hanlon**—The money for the vouchers program for the forward years is being redirected to the National Action Plan for Literacy and Numeracy. Our expectation is that through that program we are going to look very carefully at programs, approaches and interventions that work and will support those students most in need of help.

**Senator MASON**—I would like to ask some questions about the online curriculum content for Australian schools. I am jumping around a bit here. Some of these I know more about than others and some I might say less than others. However, we will do our best. I am still within outcome 2. I know I am jumping about, but I am trying to get them all in outcome 2.

**Ms Paul**—We are prepared to take some questions on the online curriculum.

**Senator MASON**—Ms McDevitt, are you responsible for this?

**Ms McDevitt**—Yes.

**Senator MASON**—Who is responsible for developing the online curriculum content?

**Ms McDevitt**—The funding under this program has primarily been provided to the Learning Federation, which is a project that is jointly owned by the Commonwealth, state and territory education ministers.

**Senator MASON**—How does it work?

**Ms McDevitt**—How does the project work?

**Senator MASON**—Yes. What is the point of this online curriculum content? How does it actually work? I had a look at the website and I am very interested in curriculum and syllabus, as you may have detected before, and I want to know how it is going to work.

**Ms McDevitt**—This has been going for some years and there are some advisory structures in place. Again, it is all joint Commonwealth, state and territories. Those advisory structures take two perspectives. One is a curriculum perspective and one is a technical perspective. Essentially digital content is either developed as a new product or accessed to existing content such as through some of our cultural institutions. It is made available for use by teachers and students in our schools nationally.

**Senator MASON**—I do not understand what you mean by that? Can you explain that to me?

**Ms McDevitt**—In terms of the actual content it could be both an object—

**Senator MASON**—I do not quite follow you. Can you give me some examples?

**Ms McDevitt**—It could be access to certain objects such as photographs or it could be what is called the learning object, which could be a whole exercise—for example, it might be looking at a particular physics or language issue—that a teacher can then use in their classroom as part of whatever syllabus they are teaching at that time. There are digital resources available across the whole of curriculum areas and the priorities in terms of what sort of resources are—

**Senator MASON**—Across all curriculum areas?

**Ms McDevitt**—Yes, it is across pretty much all curriculum areas. Priorities are identified, as I said, through those advisory structures that identify the areas where that content would be most useful.

**Senator MASON**—How are we proceeding so far? Has it been a great success?

**Ms McDevitt**—I will just get the exact number. So far we have about 6,200 digital resources that have been developed through this program.

**Senator MASON**—Six thousand two hundred?

**Ms McDevitt**—Yes. The target by the end of this month is 6,500 digital resources.

**Senator MASON**—What is a digital resource? Can that be anything from a photograph?

**Ms McDevitt**—Yes. They are mostly learning objects, which is something that a teacher could quite easily integrate into their classroom. It is an exercise. For example, it might take you through a particular approach to a curriculum subject area or a discipline. For example, there are some significant resources and archival material held through, say, the National Film and Sound Archive, which through this project have now been made nationally available to teachers and students across Australia. The same sorts of arrangements have been negotiated through most of our national institutions and that is ongoing work. It could be exercise, for example, as I said, working through a maths or a physics problem. Aboriginal history is quite a popular area, and so on.

**Senator MASON**—Across the disciplines is the development of certain curricula more advanced? For example, would Aboriginal history be more advanced? Where are we? Has there been a uniform progression?

**Ms McDevitt**—The work has been identified in consultation with school systems across Australia, in terms of what they identified as a need and what they are looking for to

supplement the existing resources that they use in their classrooms. I do not have with me a mapping of digital resources by subject areas. However, there is a website available where it is presented by broad subject areas as well as topics within that and also by year level. A teacher can go in and find information fairly quickly. If I had a class next week and I was looking for something, I could go in fairly quickly and identify the broad discipline, the kind of topic that I am looking for, the year level and see if there is something there that I could use.

**Senator MASON**—How popular has this proved thus far?

**Ms McDevitt**—It is becoming more popular, as a general statement. As more resources have become available the teachers have become more confident. The funding under this project has moved in recent times from just developing content to focusing more on deployment of that content and so there have been more sophisticated website and tools that make it much easier for teachers to access and use the content. I would have to say in recent times it has certainly become more popular and more used.

**Senator MASON**—And more sophisticated?

**Ms McDevitt**—Yes. The more sophisticated the technology the easier it is for a teacher to use it, so it has actually become easier.

**Senator MASON**—How many hits is it getting?

**Ms McDevitt**—I do not have that information to hand.

**Senator MASON**—Can you take that on notice?

**Ms McDevitt**—Yes. I should be able to find out some information.

**Senator MASON**—I would have thought that hits on sites would be available.

**Ms McDevitt**—Yes.

**Dr Arthur**—We can look at the objects that are being used. In this particular case the metric of hits on the site would be relevant, but we can certainly provide on notice the information of its usage.

**Ms McDevitt**—Yes. Some of the websites themselves report some of the most used objects. I can get some of that information for you.

**Senator MASON**—I appreciate what you are saying. I just want to know how many people are using that resource.

**Ms McDevitt**—How many people?

**Senator MASON**—People and students. Obviously you cannot break it up. A hit is a hit, as it were.

**Ms McDevitt**—That is correct.

**Senator MASON**—Could you find out for me?

**Ms Paul**—Certainly. Whatever we have available by way of usage, whether it is hits or people, we will provide that.

**Senator MASON**—I suspect that cannot be disaggregated. A hit is a hit I suspect. I do not know. I will leave that to you.

**Ms Paul**—We will take that on notice.

**Senator MASON**—Teachers are using this, but there is no sense of its becoming mandatory, is there? This is just a resource?

**Ms McDevitt**—It is a resource.

**Senator MASON**—This was raised with me by some teachers who think this might become mandated. I suspect it is just a very useful resource.

**Ms McDevitt**—A very useful resource.

**Senator MASON**—I understand that. How much is it costing to develop?

**Ms McDevitt**—The total funding in 2006-07 and 2008-09 is \$23.44 million. As I said, this is supported and used by states and territories.

**Senator MASON**—What is the Commonwealth's share of that?

**Ms McDevitt**—That is the Commonwealth funding.

**Senator MASON**—That is the Commonwealth funding?

**Ms McDevitt**—Yes.

**Senator MASON**—You said that it is shared.

**Ms McDevitt**—It is a project that is owned by states and territories.

**Senator MASON**—How much do they put in?

**Ms McDevitt**—The total Australian government funding from the years 2001-02 to 2008-09 is \$60 million.

**Dr Arthur**—Overall it runs on the formula—which is sometimes known as the MCEETYA formula—of the Commonwealth providing 50 per cent and the states and territories, according to their population share, providing the other 50 per cent.

**Senator MASON**—That is fine. What is the interchange going to be with the development of this online curriculum, the national curricula, by the National Curriculum Board? How are we going to merge those two operations? Do you follow my point?

**Dr Arthur**—We understand the point.

**Ms McDevitt**—Yes.

**Ms Cross**—We would hope that, as national curriculum becomes available, there is a whole series of quality online resources mapped to that national curriculum and available online. We would see that these two things should develop in parallel. There may continue to be other online curriculum developed in other subject areas, but certainly if we were developing a new maths online curriculum we would want it to match the national curriculum.

**Senator MASON**—So in a sense if it is useful pedagogically for students to use this online curriculum—it is a useful educational tool—and the National Curriculum Board can use this program in dispensing its newly developed curriculum; is that right?

**Dr Arthur**—Yes. Pedagogical appropriateness is part of the criteria that has always been used in the development of these objects, and the objects currently have been developed so they are useable in all of the curriculum frameworks that are currently with the states and territories. Clearly they would be useable in a new framework. They have been carefully designed to be able to be slotted into various curriculum frameworks.

**Senator MASON**—At some stage I might even ask for a briefing on this, because I am interested in these sorts of issues. Of course, in my day they did not have such things.

**Ms Paul**—From what I have seen it is really impressive.

**Senator MASON**—And very useful?

**Ms Paul**—Yes.

**Dr Arthur**—There is a website where it is possible to get access to these objects and we can provide that information to the committee.

**Senator MASON**—This is a difficult question but it is worth while asking. Is it possible to monitor improved educational outcomes as a result of projects such as the development of online curriculum? That is a difficult question, I know, but I think it is a fair question.

**Dr Arthur**—Certainly a lot of work has been done in this particular area. The United Kingdom, which has very comprehensive statistics on student outcomes, has done a number of research studies in that area, and like many research studies they come to a variety of conclusions. One of the conclusions that they tend to come to is not surprisingly that, if the technology is used well and the deployment of technology is done well, with appropriate pedagogical support, it can produce good outcomes. We certainly can make available some pointers to some of that research. But, as you would be aware, it is not ever a simple question as to the relationship between an input to an education and an output, given there are so many inputs.

**Senator MASON**—I understand that. That is why I asked. I have been contacted by people who say—the minister may think that I am trying to make a political point, but actually it is not, it is more a pedagogical point—that the provision of laptops at one level sounds good and people have access to things like online curriculum, which is terrific, but of itself it is not nearly enough. There are all these other inputs that are required to improve educational outcomes.

**Dr Arthur**—I do not think there is any disagreement there.

**Senator MASON**—I am not trying to be partisan here at all. I am talking about the actual educational outcomes that are elicited from a digital education revolution and the development of online curriculum.

**Ms Paul**—The way that I would put it is that there is quite a bit of research which shows that one of the most important factors in successful student outcomes is the quality of teaching, and these tools are tools for the teachers. The more high quality these tools are and

the more they make teaching easier, the better quality of teaching you get. It is not so much the tool that causes the students' outcomes to improve; it is the way that they are used and the way they help improve the quality of teaching.

**Senator MASON**—Hence my questions earlier today about the average age of 50 in state schools and 40 in Catholic schools. It is so important to ensure that teachers can get the most out of this digital online curriculum and so forth. I will be honest; I am not particularly proficient with laptops and, unless I had quite specific instruction, I am not sure I would get as much out of this as I should.

**Dr Arthur**—As Ms Paul stated, it is also important to make tools easy for teachers to use. That is the objective of much of the funding.

**Senator MASON**—Thank you for that. I have more issues.

**CHAIR**—Still in outcome 2?

**Senator MASON**—Yes, I think so, although I have questions on Closing the Gap for Indigenous Australians and I heard what Ms Paul said about that being later.

**CHAIR**—Yes, that is later. At the rate we are going it will be Friday, I suspect.

**Senator MASON**—I am doing my best. I know that Senator Fisher—

**CHAIR**—We are still on the first page.

**Senator STERLE**—Senator Fisher what?

**Senator MASON**—Senator Fisher has questions on early childhood education and childcare groups that she is going to ask next, and I am happy to yield, Chair.

**CHAIR**—No, keep going. I am just conscious of the time.

**Senator MASON**—Friday at 11 pm. Is that right, Minister?

**CHAIR**—At some point we will need to have a discussion about how we are breaking up the time and how we are going.

**Senator MASON**—I accept that and perhaps we can do that privately afterwards.

**CHAIR**—Yes. I was not suggesting now. Please continue.

**Senator MASON**—I would like to talk about the National Action Plan for Literacy and Numeracy, which you mentioned before. When will the government finalise what programs will be implemented under this funding?

**Ms Cross**—The intention is for the National Action Plan on Literacy and Numeracy to commence from 1 January 2009.

**Senator MASON**—Where will the funding go? Will it be directly to the states and territories?

**Ms Cross**—Those sorts of issues will be determined after we have consulted with all of the stakeholders and worked through the detail of how best to ensure that the money goes to the most disadvantaged students and is spent on strategies that are shown to improve their literacy and numeracy. We have got the rest of this year to work through those design elements.

**Senator MASON**—Will you be working with the states and territories on how best to do that?

**Ms Cross**—Yes.

**Senator MASON**—What about independent schools and Catholic schools?

**Ms Cross**—I did talk about working with all stakeholders.

**Senator MASON**—You are including them as well?

**Ms Cross**—The non-government sector will be engaged in those discussions.

**Senator MASON**—One of the big issues that is constantly highlighted—and this goes back to Ms Paul's issue about the quality of teaching; and there has been a lot of press on this, I suspect in the southern states but certainly in Queensland—is literacy and numeracy among teachers. I am not trying to be rude here, but it is an issue of public conversation certainly in Queensland and I suspect elsewhere. And there is a whole other area about the recruitment of teachers and so forth, but will this address literacy and numeracy for teachers?

**Ms Paul**—The areas that directly address the quality of teachers we have mentioned before and they are different. We spoke about the accreditation processes and that sort of thing. This program is actually aimed at improving the literacy and numeracy of students.

**Senator MASON**—I assumed that was right. I raise it because it is becoming quite a topic. I hope the teaching profession does not think I am having a go, but it is just that the entry scores at universities and so forth for teaching have become quite low and some of the students who are entering teaching are not necessarily as literate or as numerate as they should be if they are to teach our children about literacy and numeracy. That is why I raised the issue. It was not to have a cheap shot. What is the time line for the first programs to be implemented?

**Ms Hanlon**—As Ms Cross said, at the beginning of 2009, after the consultation process with states and territories, we will have a much better idea of what that distribution of funding will be, but prior to that, in the next six months, there will be agreed pilots through MCEETYA for literacy and numeracy, and we will be inviting proposals from the states and territories for those pilots shortly.

**Senator MASON**—The issue of testing was raised before. Can you tell me when the first national literacy and numeracy tests will be released?

**Ms Hanlon**—My understanding is that parents will receive reports in August/September this year.

**Senator MASON**—How is the national testing done? What is the instrument for doing this and who is testing?

**Mr Zanderigo**—The instrument is a nationally constructed test. There is a single continuous scale of achievement for each area tested. It runs from year 3 right up to year 9. The cohort that is tested is years 3, 5, 7 and 9 each year.

**Senator MASON**—Is this testing program world's best practice? Has it been adopted by other countries?

**Mr Zanderigo**—There are standardised tests in other countries, and in Australia they have been conducted in the past as well. This year is the first time that it is a single national test. I believe that the approach that has been adopted with the establishment of a single continuous scale that spans years 3 to 9 is possibly a world leader, and certainly the way in which the scale has been reported by proficiency bands is a common international approach, certainly for international assessments like PISA.

**Senator MASON**—What is the purpose of the test? That might sound like an unusual question, but I think you know what I am getting at. Is it to test students per se and make them feel good or bad, or is it rather to find out where the deficiencies are so that kids can be picked up and indeed to test the curricula?

**Mr Zanderigo**—It serves a number of purposes. Essentially it is designed for each child to see how well they are going with basic literacy and numeracy skills.

**Senator MASON**—I understand that.

**Mr Zanderigo**—It is also to identify, for example, those students who have achieved some kind of minimum standard. It provides information for system managers about the spread of attainment for students in their system, school by school. Through national analysis and reporting you can see for the first time how a particular strand of Australian students are going—for example, reading for Indigenous students in year 5. There are a number of different purposes that this information can be used for.

**Senator MASON**—Will the information be able to be interrogated in a very sophisticated fashion? For example, you find out what Indigenous children are learning. We could go back to an earlier discussion about whether the Queensland curriculum is superior to the New South Wales curriculum. Do you see what I am saying? How sophisticated is the information that you will be gathering?

**Mr Zanderigo**—I do not think that you could derive conclusions about the curriculum necessarily state by state.

**Senator MASON**—Maybe not.

**Mr Zanderigo**—Certainly it can be interrogated by the states and territories to analyse a variety of different aspects of attainment in their jurisdictions.

**Senator MASON**—One of the reasons why external examinations are proposed by some people is that they set a benchmark not only for student attainment but also for the attainment of schools and teachers within certain schools. Can this information be used for that purpose as well?

**Mr Zanderigo**—Yes. It has been in the past by the states. For example, for many years Victoria, based on long-run data from its tests, has predicted for each school by SES cortile the likely level of aggregate attainment for students in the school in each subject in each year level, and it provides reports to principals along those lines. They are quite interested, for example, to see variants from those long-run predictors that they make if a school performs better than they might have anticipated. They go and find out what the school is doing. Conversely, if a school performs worse than they might have anticipated, they will go and look at that as well. The principals and the teachers find that particularly useful information.

**Senator MASON**—I am sure that is right.

**Mr Zanderigo**—In Victoria I believe they supply that to the non-government schools as well.

**Senator MASON**—Will this information be made publicly available?

**Mr Zanderigo**—That is a question under debate. The government would like that to occur in a way that permits a reasonable understanding without unfair comparisons being made. That is a conversation that the government is having with the states and territories.

**Senator MASON**—That is why I raised the question. There has been a debate again in Queensland about whether it is appropriate to release what we call OP scores, which are like a university entrance score. There is a lot of debate in the community about whether they should be made available. To generalise, most people think that they should be made available, school by school—as in how many OP1s there were, which is the top mark and so forth, among all the schools in Queensland. That is the majority of people. It is not a partisan issue at all. There are a lot of people who believe that that information should not be made available because it can cast unfair reflections on schools and also teachers. What do you say to that? I raise it because it is a constant problem in Queensland.

**Mr Zanderigo**—At various levels you would find a different answer to that question. Teachers themselves will have a variety of views about that. The point made publicly recently by the Minister for Education, the Australian government minister, is that it would be useful to have that data in the public domain in order to inform genuine programs to address areas of need.

**Senator MASON**—I understand the curriculum development and the development of the syllabus. I do not think anyone would quibble about that. I agree with you. It is the public dissemination of that information that reflects on schools and therefore teachers. That is where the rub is certainly in Queensland and I suspect elsewhere.

**Mr Zanderigo**—As a general proposition, if you publish information about the results of an activity then people will speculate upon what it means. The government's view is for school level data from these tests to be made available in some form, without wanting to publish it in a way that creates unfair comparisons, so that the community as a whole can discuss and understand how best to resource improvement of attainment for areas where that is needed.

**Senator MASON**—That is a fair point. It could be used in a sense to assist in remedial action where it is required?

**Mr Zanderigo**—Yes.

**Senator MASON**—I suspect this is going to be another area of some tension with teachers and the teachers union and so forth, because of an apparent reflection on schools and teachers. I am not having a go at teachers, but we have had this debate in Queensland about overall position rankings with respect to university and it is an ongoing debate. When will those tests be released?

**Mr Zanderigo**—It is anticipated that reports will go to schools to be distributed for parents for each child around the end of August, possibly September. There is a considerably complex

and large data calibration process that needs to take place before that can occur, because there will be a common reporting format and every report, for example, will show on it the national mean and also the middle 60 per cent of students. In order to derive a nationally representative sample of schools as quickly as possible, we are providing their results to a national collection point to calibrate that. Afterwards there will be, as there usually is, a national report, say, around the end of the year that looks at the results overall and analyses the spread of attainment jurisdiction by jurisdiction, area by area, year by year, and in fact for the first time proficiency band by proficiency band.

**Senator MASON**—Are there still issues of collation and dissemination that have to be worked through?

**Mr Zanderigo**—Yes.

**Senator MASON**—Obviously the tests themselves are secret, but will they be made available after the testing dates so that interested parties such as the minister and me can have a look?

**Mr Zanderigo**—It is fairly common practice at some point for the test booklets for any given year to be made available publicly, because for the following year a different set of items is taken out of the item bank for the test in the following year.

**Senator MASON**—I for one would be very interested in having a look at it.

**Mr Zanderigo**—Actually, right up until the conduct of the tests in May and beyond, example test items are available on our website so that if anyone is interested they can have a look and see the kinds of questions.

**Senator MASON**—Sample questions?

**Mr Zanderigo**—Yes. It is not the actual ones but similar ones.

**Senator MASON**—That is all I have on the National Action Plan for Literacy and Numeracy. That is very interesting. Again, I will follow this with some interest. This is an interesting initiative. I just wonder how you are going to use the information and how it can be used usefully for remedial action but not in fact place people in positions where they feel that their teaching is being impugned. It is a difficult balance. I have questions on the Country Areas Program. How much funding is provided for this program each financial year over the next five years?

**Ms Douglas**—The Country Areas Program was funded for the current quadrennium, 2005 to 2008. It is providing around \$115 million to government and non-government education authorities across Australia. In 2008 funding is \$29.1 million. That amount will be supplemented annually in line with movements in the Australian government school recurrent costs index and supplementations included in the November payment.

**Senator MASON**—Will this program continue after 2008-09?

**Ms McKinnon**—It is a program, as Ms Douglas said, of the current quadrennium, covered by the current legislation, so the form of it continuing or whether it continues under the new financial arrangements is yet to be decided by government.

**Senator MASON**—It is yet to be decided?

**Ms McKinnon**—Yes.

**Senator MASON**—We are not sure what the future holds?

**Ms McKinnon**—There is a commitment to \$42 billion. I was told it is now higher. That \$42 billion is in fact made up of the Country Areas Program. Whether or not it continues in that form is a matter for government.

**Senator MASON**—It may be subsumed elsewhere?

**Mr Cook**—I will just add a word of explanation. In part this is related to the reform of Commonwealth and state financial relationships and the idea of changing the basis on which some of the special purpose payments are being made to make them more outcomes and outputs focused and not input controlled. In that context we need to look at these programs and discuss with our state and territory colleagues how they are treated going forward. The money in the forward estimates may or may not be badged as such. That is still to be worked through.

**Senator MASON**—I hear what you are saying. I understand that. Your point is that it may be caught up in another program name but the money will be there. Have any of the criteria for the funding changed since last year?

**Ms Douglas**—No.

**Senator MASON**—Is it still the same uniform criteria?

**Ms Douglas**—Yes.

**Senator MASON**—Ms Douglas, I am not sure if you will have this information, but can you tell me the amount of funding that each school has received in the last financial year under this program? Is that information available?

**Ms Douglas**—I have funding at the state and territory level, but I do not have funding for each school.

**Senator MASON**—You do not have it for each individual school?

**Ms Douglas**—No, I do not have that with me.

**Senator MASON**—Do you have it by state and territory?

**Ms Douglas**—I do have that with me, yes.

**Ms McKinnon**—By government school, independent and Catholic, yes.

**Senator MASON**—Can you tell me how much that is, but forget the state—

**Ms Douglas**—For 2008?

**Senator MASON**—Yes, thank you.

**Ms Douglas**—Do you want me to work through each state?

**Senator MASON**—Yes, state and then the schools.

**Ms Douglas**—In New South Wales in the government sector it is \$6,951,314.

**Senator MASON**—Just roughly, \$6.9 million is fine.

**Ms Douglas**—Catholic is \$1.5 million, and independent half a million in New South Wales. In Victoria, government is \$2.7 million, Catholic is \$600,000 and independent is \$200,000. These are rounded.

**Senator MASON**—Two hundred thousand?

**Ms Douglas**—Yes.

**Senator MASON**—Rounded figures are fine.

**Ms Douglas**—Queensland is \$5.4 million for government. In round figures, Catholic is \$700,000 and independent is \$235,000. Western Australia is \$4 million for government, \$420,000 for Catholic and \$165,000 for independent. South Australia is \$2.7 million for government, \$158,000 for Catholic and \$211,000 for independent. Tasmania is \$760,000 for government, \$123,000 for Catholic and \$56,000 for independent. Northern Territory is \$1.8 million for government, \$134,000 for Catholic and \$68,000 for independent. And nothing in the ACT, of course. And I just want to reiterate that they were rounded figures.

**Senator MASON**—If this is too difficult, I understand, but is it possible to give the amounts given to each school? I do not want to overtax the department.

**Ms Douglas**—I think that would entail quite an effort. I would need to take that on notice to be able to say how much work would be involved in that.

**Senator MASON**—I would like that information, but I do not want to do what the current minister used to do and put all these questions on notice and make the department sweat for months; that would not be useful.

**Senator Carr**—I do not think they sweated for months at all. They are a highly professional department.

**Senator MASON**—I am not sure they always enjoyed the—

**Senator Carr**—I thought the previous government spent a lot of time trying to edit the questions such that, of course, they would produce very little information.

**Senator MASON**—I have been very judicious in the questions I have placed on notice, you may have noticed.

**Senator Carr**—Why don't you ask a few and move the whole process along?

**Senator MASON**—Have I ever disappointed you in my questioning?

**Ms McKinnon**—We will take that on notice, and if you would like it for the last available year or the last three years we will make a judgement about the level of work to get—

**Senator MASON**—I do not want to do it like that. With local schools working together, this is, I understand, about pooling the funds, isn't it, in government and non-government schools?

**Ms McKinnon**—Yes.

**Senator MASON**—What are the criteria to be eligible for a pilot program? How does this work?

**Ms McKinnon**—There is funding of \$10 million for this year, and currently we are in communication and consultation with the state governments and the starting consultation with the non-government authorities. We are looking at criteria which broadly look at, again, clusters of schools, but I guess probably a difference from other programs would be the involvement of business and local government or other organisations in the community to work with schools to have facilities and provide capital injections into schools.

**Senator MASON**—As I understand it, the policy is often to allow more use of capital infrastructure in schools—is that right? For example, if a school has a swimming pool, it might allow other schools to use it. Is that an example of how this would work?

**Ms McKinnon**—Or a three-way investment with local government, for example.

**Senator MASON**—Has there been much success thus far? Are schools cooperating in this process, or have we had much interest in it?

**Ms Douglas**—As Ms McKinnon said, we are at the early stages and beginning of consultation at non-government and local levels, but since the government's announcement of this measure we have been contacted by a number of interested parties, government and non-government schools and state education departments around the country, expressing interest in the program.

**ACTING CHAIR (Senator Watson)**—Could you just refer us to the heading that you are working from?

**Senator MASON**—Local Schools Working Together. It is in outcome 2, I think. I do not think there is any doubt about that. I am not sure where it is on that list. Is there any interest from non-government schools and government schools about working together?

**Ms Douglas**—Absolutely, yes.

**Senator MASON**—There is a bit of that?

**Ms Douglas**—Yes.

**Senator MASON**—How about clusters of schools—in other words, more than two?

**Ms Douglas**—Yes, there has been. In some parts of the country some schools were already in early development stages or planning stages before this was announced, and because they have advanced a certain way they are interested in being part of this program or exploring the possibility of being part of it.

**Senator MASON**—How much money is currently available over the program?

**Ms Douglas**—There is \$62.5 million over the next three years: \$10 million for 2008-09, \$35 million in 2009-10 and \$17.5 million in 2010-11.

**Senator MASON**—Have any groups applied for the \$10 million available in 2008-09?

**Ms Douglas**—No, not at this stage. We have not reached that point yet.

**Senator MASON**—Shall we carry on?

**ACTING CHAIR**—How much further have you got to go?

**Senator MASON**—I will probably go for another half an hour. I was looking before at the agenda—

**ACTING CHAIR**—It is just that we have got to contact your colleague, Mary Jo Fisher.

**Senator MASON**—Perhaps we should. What time is the dinner break?

**ACTING CHAIR**—Six-thirty.

**Senator MASON**—Whatever would suit you, Ms Paul. I think I have about another half hour of questions to go on outcome 2. It is up to what would suit the committee, the minister and public servants. I am flexible here. If we stopped then, Senator Fisher could commence after an early dinner break. That might be more logical.

**ACTING CHAIR**—We will go through until six o'clock.

**Senator MASON**—On the Quality Outcomes Program now: will the Anzac Day Simpson Prize continue next year?

**Ms Cross**—There has been no decision taken not to continue the Simpson Prize.

**Senator MASON**—Sorry, would you say that again?

**Ms Cross**—I said no decision has been taken not to continue the Simpson Prize.

**Senator MASON**—It is a double negative, which always sparks my interest. That is not the same as saying there has been a decision to continue it, is it?

**Ms Cross**—I cannot predict the future, but certainly there has been no decision taken to discontinue it.

**Senator MASON**—Has there been provision made in the budget for its continuation?

**Ms Cross**—There is certainly ongoing funding in the budget. I think the issue is that a number of our programs on a regular basis undergo review, so there is a program review underway, but that is certainly different from deciding not to continue it. It is just an ordinary part of program operations to review them regularly.

**Senator MASON**—So that program is under review?

**Ms Cross**—There are a number of programs under review at any time and—

**Senator MASON**—Is this under review?

**Ms Cross**—Just a normal program review, which is something you do during the life of all programs.

**Ms Paul**—So with the Simpson Prize it is its overarching program, which is just subject to the regular budget cycle sort of review. That is what Ms Cross is saying.

**Senator Carr**—It is civics and citizenship.

**Senator MASON**—I was going to get to that in a second. You are always ahead of the game, Minister. That is very impressive.

**Senator Carr**—I am just trying to move you along a bit. I am concerned about the productivity here.

**Senator MASON**—As I have said before, I have never disappointed you in the long term, have I? We have always had a good time.

**Senator FIFIELD**—You are a fast finisher.

**Senator MASON**—And I think you will agree with that, Minister—

**Senator FIFIELD**—That you are a fast finisher.

**Senator MASON**—After this morning, Minister, I do not think anything would surprise you, would it? How much does it cost to run the program, the Anzac Day Simpson Prize, do you know?

**Ms Cross**—The 2009 Simpson Prize would be \$170,000.

**Senator MASON**—Will there still next year be a subsidy for the Parliament and Civics Education Rebate? Is that still—

**Ms Cross**—Again, that is a current program. That is continuing, yes.

**Senator MASON**—There is no plan not to continue that?

**Ms Cross**—There is no plan to discontinue that.

**Senator MASON**—I love these double negatives, Ms Cross, but I think I understand what you are saying. How much funding will be available per student under the Parliament and Civics Education Rebate program?

**Ms Cross**—I will get that information for you but it varies according to the distance a student travels so the students in the more remote regions receive a higher subsidy than the students who are close to Canberra. I think we have got those rates for you. No, we will have to take that on notice. We do not have the breakdown and it does vary according to the kilometres away from Canberra that the school is travelling.

**Senator MASON**—As you can appreciate, it is again an issue, being from Queensland, of some interest, but can you get back to me on that?

**Ms Cross**—Certainly.

**Senator MASON**—Will any funding be provided in 2008-09 to the National School Drug Education Strategy? What is the situation there?

**Ms McDevitt**—The answer is yes.

**Senator MASON**—Have the criteria for funding changed at all for that?

**Ms McDevitt**—No, they have not.

**Senator MASON**—It has not been cut and the funding criteria have not changed?

**Ms McDevitt**—No, they have not.

**Senator MASON**—How many schools received assistance under this program?

**Ms McDevitt**—Funding is provided to state and territory education authorities based on proposals we received from them on delivering drug education strategy programs.

**Senator MASON**—Again, is it possible to supply the committee with a list of schools that receive assistance under that program?

**Ms McDevitt**—I would possibly have to liaise with my state and territory colleagues to get that level of detail.

**Senator MASON**—I am perhaps on treacherous waters here, but what will you be able to supply me which is easy? What can you do easily?

**Ms McDevitt**—I can provide you with funding to state and territories. I have got it for over the years 2004-05 to 2007-08 broken down by the states and territories or I can give you a total by state and territory for those years?

**Senator MASON**—If you can make that available I think that will be sufficient? I have more questions but Senator Nettle wants to ask some questions, so I am happy to yield for a while.

**Senator NETTLE**—I wanted to ask about the Local Schools Working Together program because I know Senator Mason was asking about that before. What was the amount you said? Was it \$10 million?

**Ms McKinnon**—Ten million dollars this financial year.

**Senator NETTLE**—Is that for eight projects this year?

**Ms McKinnon**—That is an indicative number because obviously we do not know the scope or size of the projects, but that is the ballpark we were thinking the \$10 million would fund.

**Senator NETTLE**—In terms of how the sharing arrangements will work, is there a template about how it will be done? Will it be on a case-by-case basis? What is the plan?

**Ms McKinnon**—We are still to finalise the criteria against which the eight projects will be selected but I think part of the intention of the program is to actually capture models for sharing facilities and the contractual arrangements and the financing arrangements arising out of the shared facilities.

**Senator NETTLE**—What are the advantages to the Commonwealth of this model?

**Ms McKinnon**—I can refer you back to the government's intention about it, which was about promoting world-class shared facilities between government and non-government schools, particularly in those areas with less infrastructure. As I indicated, I think to Senator Mason, it was also about looking for potential partnership with local government or business or education foundations as also involved in shared facilities.

**Senator NETTLE**—Does the program only work for new facilities or does it work for existing facilities?

**Ms McKinnon**—This is not yet determined but I think it would have to be a significant upgrade, given the fact that there are only eight projects, and to a degree it is a demonstration program rather than like trade-training or the digital education revolution. It is more of a demonstration program, so it would have to be a significant upgrade in terms of that. But I do not think I would rule that out.

**Senator NETTLE**—You would not rule out—

**Ms McKinnon**—There is nothing in the potential guidelines at the moment that would rule that out.

**Senator NETTLE**—That would rule out an upgrading of existing facilities?

**Ms McKinnon**—Yes.

**Senator NETTLE**—I would like to ask some questions about the review of funding. I wanted to know whether all options are on the table in the review.

**Ms McKinnon**—Sorry?

**Senator NETTLE**—For the review of funding for schools, are all options on the table or is the current funding guaranteed status of non-government schools on the table for negotiation?

**Ms McKinnon**—That is a matter for the government to decide. If we are talking about the SES review that the Minister for Education foreshadowed, that is to take place in 2011-12, so it is not possible for me to comment on the terms of reference.

**Senator NETTLE**—The review is for the next quadrennium, not the one about to happen but the next one, 2013?

**Ms McKinnon**—Yes.

**Senator NETTLE**—But it will not start until 2011, is that the—

**Ms McKinnon**—It will be 2010, I beg your pardon.

**Senator NETTLE**—How soon before that funding quadrennium is it intended to be completed?

**Ms Paul**—I do not think we have determined that yet.

**Senator NETTLE**—In terms of what is on the table, is everything up for grabs or are there certain things that have been restricted from being involved in that review?

**Ms Paul**—So far the Deputy Prime Minister has ruled nothing in or out. It has just not been determined at all, so we literally cannot answer that question. That is still a matter for government to decide.

**Senator NETTLE**—There are no commitments made by the minister in terms of not reducing funding to any particular schools, whether they be private or public?

**Ms Paul**—The commitment that has been made is to the reviews. What the review might encompass has not yet been determined.

**Senator NETTLE**—Can you give me anything more about what the review is going to be?

**Ms McKinnon**—In a speech to the Association of Independent Schools in New South Wales, the Deputy Prime Minister did announce that she anticipated that the review would conclude in 2011 and put it in the context of building the strongest possible platform for long-term investment and improvement in educational outcomes beyond 2012, which puts it in the next quadrennium, and noted that everyone with an interest in the outcome would have a full opportunity to contribute their views and that more detailed decisions about how the review would be undertaken with suitable terms of reference would be settled in due course.

**Senator NETTLE**—I want to ask about auditing of schools and I refer to newspaper reports in relation to the falsification of enrolment data for a school in northern New South Wales. I wondered whether there had been any consideration given to a change in the auditing process for non-government schools in the wake of those particular revelations?

**Ms McKinnon**—I cannot comment on particular schools.

**Senator NETTLE**—No, I am not asking about the schools. As a result of that particular school that has been in the media has there been any thought given to changing that auditing process?

**Ms Rollings**—We are currently reviewing the sorts of financial data that we do receive from schools, just internally, to see where we might head over the next quadrennium and so forth, but that would be also a matter for consultation with the stakeholders. In terms of auditing, all schools are audited every year. They have financial audits by a qualified accountant. So every non-government school is audited each year. With respect to census audits, they are done on a random basis and we do a percentage of schools, if you like, each year.

**Senator NETTLE**—I am just reading the article in the *Sydney Morning Herald* on 27 May which said:

In response to a Herald freedom of information inquiry, the Education Department said it audited only 2 per cent of the nation's 2200 private schools each year - just over 40 schools - to check for fraudulent enrolment claims.

Can you—

**Ms Rollings**—That is with respect to an audit of the census enrolments. So that is a different issue to a financial audit. All schools are not audited by us but they have an auditor come in and go through their financial statements. There are also arrangements in place in each state and territory where they actually do have compliance reporting within each state and territory. Also, non-government authorities have mechanisms in place where they audit their own schools, for example.

**Senator NETTLE**—Given that funding is based on enrolment figures for the private schools, why do you only audit two per cent of them a year?

**Ms Rollings**—We also have a number of system based checks, so there are hundreds of items that we collect from each school in terms of census and we have system built checks. We do not publicise what those system checks are because they go to progression each year and things like that. So we look at patterns and so forth of schools. We already have checks in place within the department. We go further than that to actually do a forensic audit based on roll books et cetera through that two per cent sample.

**Senator NETTLE**—What is the system based enrolment? You said you have got system built checks in place. Can you just explain a bit more about what you mean there?

**Ms Rollings**—Schools submit their census enrolments online and so we have some system checks as those enrolments come in that will tell us whether there are variations and so forth over time and give us some idea about whether we need to go back to schools to check more closely. We do all that before we get to the forensic audit.

**Senator NETTLE**—But that is just of the data that the school gives you, rather than checking whether the data the school has given you is accurate, which is what happened, using the school in northern New South Wales as an example, where the information being given was not accurate? Do you only check that the information they are giving you is accurate in two per cent of schools?

**Ms Rollings**—We check against their roll books in those circumstances. Schools and approved authorities are required to sign a statutory declaration, which is a legal instrument, stating that those enrolments are correct and accurate, so there is a legal obligation on schools to provide us with correct data.

**Senator NETTLE**—How does a situation come about like the one where for 16 years there was no check on the number of enrolments for a school and it was able to falsify the records? The system allowed the school to falsify their enrolments and incorrectly get Commonwealth funding?

**Ms Rollings**—No system is foolproof and if somebody intentionally seeks to defraud—and I am not saying that that happened in this case—and to get around the system then they will find ways to do that, regardless of what sort of processes you have in place. Unfortunately, in this particular case there was a series of issues where they fell down because there are checks done within a school community about how many kids are in a school. The non-government authority is in there looking at the school. The state authority is looking at the school and we are also checking their data.

**Senator NETTLE**—How do you think the system failed so badly in that circumstance? How did it fail and then what needs to change? Are there any proposals to change the system to ensure that does not happen again?

**Ms McKinnon**—I do not think we could ever be in a position of saying that, with around 3,000 non-government schools, there would be no information given to us that was incorrect that we would fail to pick up, particularly so when information was deliberately given to us incorrectly. I do not think we could say that the system does not fail in every case of those 3,000 schools when, as Ms Rollings said, there is a statutory declaration, there is a check and balance in with a qualified accountant puts in a statement about the financial questionnaire and there is a series of checks and balances to what the income of that school looks like against what it is saying its numbers are, for example. There are a series of thresholds. We are currently working with the systems to get a compliance steering group to look at the financial questionnaire to see how that could be improved in terms of giving useful information about non-government schools. Also, through the schools subgroup of the productivity working group, we are starting a dialogue with the state governments about closer meshing of registration requirements, Commonwealth funding and also, as Ms Rollings indicated, what the systems themselves do in terms of the non-government sector.

**Senator NETTLE**—It does not sound like much. It is a big failure that happened in the instance of that particular school. Are you saying that is pretty much an isolated incident and it is basically going to be business as usual?

**Ms McKinnon**—No, I am not saying that. It is difficult to talk about that particular school, but the circumstances involved with that particular school I do not think could be easily

duplicated currently. However, that said, we recognise that we do not want that necessarily to be a common occurrence. We are working with the non-government systems and the state government in terms of their registration obligations and we are reviewing our own procedures in terms of the financial questionnaire along with other internal checks and balances to see what can be improved.

**Senator NETTLE**—All the internal checks and balances that you are talking about, that is about once they have already given you the information. Is there no looking at how you might change how they give you the information? Sure, you might make some changes as to how you monitor the information once you get it, but is there any plan to change the process before that in terms of getting information from them?

**Ms Rollings**—I am not sure what you mean. Do you mean in terms of it being provided online?

**Senator NETTLE**—It just sounds like it needs to be more thorough. They can give you the information. They gave the information for 16 years and it was incorrect. There was Commonwealth money going into it. You can monitor that information more correctly, but if they are still able to give you false information then doing internal system checks is not going to—

**Ms Rollings**—Can I just say that in terms of that school giving incorrect information for 16 years, that has not been established, and that may have been a quote from the person that was involved and—

**Senator NETTLE**—Well, they had not been audited for 16 years, so that is where that 16 years came from.

**Ms Rollings**—That is right.

**Ms McKinnon**—That is not actually correct, in that they have a financial questionnaire in which they may or may not have been in the two per cent for the census. They have a statutory declaration. They have a certified accountant verify their financial position. And, as Ms Rollings said, it may or may not have happened for 16 years.

**Senator NETTLE**—You said before that you did not think that the current situation would allow the circumstances of that school to be repeated. Why is that?

**Ms McKinnon**—I think I was actually saying it would not be easily duplicated and there are schools that we consistently go back to in terms of the financial questionnaire and ask them questions and ask them to produce further information. In terms of the 3,000 schools that submit their financial questionnaire online and their other information, part of it is going back and comparing it with previous years and looking for movements that seem outside the level of tolerance; going back to the school and asking them for more information; going back to the systems that work with the schools and asking them for their view.

**Senator NETTLE**—How regularly is public schools' enrolment data checked against the census data?

**Ms Rollings**—Each jurisdiction has a different way of auditing their own schools and I do not have that information with me. But they would have different ways of auditing their

schools. Some may do it on a rolling basis and some may do it on a random basis, for example.

**Senator NETTLE**—I understood public schools were audited every year.

**Ms Rollings**—I do not think that is true in each jurisdiction, but I am happy to take that on notice.

**Senator NETTLE**—Because it seems like the issue is about going out and doing the checking—that that is where the change needs to occur rather than, once you get the info in, going out and checking it and getting the right data. That only happens for two per cent of private schools. I understood that in public schools it was a lot more regular than that. I thought it was every year. Is there any proposal about making the same accountability requirements for private schools and public schools in terms of the Commonwealth funding that they receive?

**Ms McKinnon**—State governments also have a role in auditing non-government schools. They have the registration body in each of their jurisdictions. It varies from jurisdiction to jurisdiction but there are conditions about minimum enrolments, financial viability, use of the funds and appropriateness of curriculum in each of those states. They register the schools and have a compliance regime—that differs from state to state—to undertake with non-government schools as well as government schools.

**Senator NETTLE**—The bulk of the Commonwealth government's funding for schools is going to private schools and you are only auditing that data once every two years. In terms of enrolment data being checked with the census, only two per cent of schools are being checked every year. So, for the bulk of where the Commonwealth government's funding goes, the private school sector, you are only checking every two years. I would have thought it was a basic matter of financial accountability for public funding, but there are these audits going on for only two per cent of schools.

**Ms Paul**—I think we have said that we take a range of approaches. That is one of them. There is a range of other protections that Ms McKinnon outlined. In addition, we take a risk management approach to it so, as Ms McKinnon said, we might go back to some schools quite frequently. I know that we have good regard to the information provided on the financial questionnaire. The questionnaire itself is extremely extensive, so I am not sure we could go much further than that.

**Senator NETTLE**—Is there any proposal to have the same accountability standards for private schools as for public schools?

**Ms Paul**—I am not sure that they may not be beyond some state jurisdictions. But I think we should take that on notice and perhaps we can try to create a matrix which offers as clear a comparison as we can.

**Senator NETTLE**—In New South Wales, I understand the state government says that it leaves enrolment checks up to the Commonwealth government. Are you saying you do not think that was right?

**Ms McKinnon**—Enrolment checks?

**Senator NETTLE**—Yes.

**Ms McKinnon**—A school in New South Wales is registered by the New South Wales government and they have a series of requirements. I can probably find a table that goes to New South Wales's requirements. I do not think that New South Wales have, for example, a minimum enrolment requirement, but they would undertake, as part of the registration of all schools in their jurisdiction, a compliance program. I indicated as part of moving into the next quadrennium that we will be discussing with states a better mesh, on a bilateral basis, with what they look at in terms of their compliance programs and what the activities we undertake both in-house and with other bodies that deliver programs for us and the two per cent you are referring to.

**Senator NETTLE**—My understanding was that in New South Wales the state government say that they leave enrolment checks of private schools up to the Commonwealth government, which are the two per cent of those schools done each year. That is my understanding.

**Ms Rollings**—That would be a decision made by the New South Wales government. Other states do not operate in that way. They would have their own compliance checking for enrolments. I know this word has been used today, but there is a 'partnership' around school communities. It is a bit like a taxation system in that there is a certain amount of trust that people are signing legal instruments and they are doing that honestly. While we do have auditing and compliance arrangements in place, if someone intentionally tries to circumvent those then it can be difficult to pick them up. But we are very serious about our compliance checking, and I do not think that in that particular case anyone is very happy about it. We are working towards looking at how we can ensure that our systems do pick up those particular schools and that we are alerted if there are issues in a school which may lead them to want to do something of that nature. We are looking at intelligence around school communities and with our school authorities so that we can ensure that schools do not get into trouble and therefore might be tempted to undertake that sort of activity.

**Senator NETTLE**—I think we would all like to see it work better than it did in the case of that school. Can I ask some questions now about the developmental index? The Deputy Prime Minister talked about the DAEDI.

**Ms Paul**—Could we do that under outcome 1, early childhood, which we are coming to after the dinner break, I think?

**Senator NETTLE**—Maybe I am calling it the wrong thing. I am referring to the Deputy Prime Minister's statement in terms of assessing those schools that are like the old DSP, the old disadvantaged schools program. Am I calling it the wrong thing?

**Ms McKinnon**—Sorry, yes, I am with you.

**Senator NETTLE**—What am I supposed to be calling it?

**Ms McKinnon**—You are talking about the proposed national partnership for low-SES schools.

**Senator NETTLE**—Yes, sorry. I was calling it the wrong thing. Have we got any more details about how that might work?

**Ms McKinnon**—It is currently being worked through COAG, through the productivity working group, as to how that might work. Then as a complementary activity through

MCEETYA we are working on a comparable measure nationally of socioeconomic circumstances to enable transparent selection of schools to be involved in those pilots because they are low-SES communities, and there are a number of schools and communities.

**Senator NETTLE**—How much funding is there and how many schools is it intended to cover?

**Ms Paul**—Those things are not determined yet because we are still working through what the national partnership will include, and the measure for identifying low-SES school communities has not been determined.

**Senator NETTLE**—Is there a time frame for that?

**Ms Paul**—Yes, there is an aspiration towards the end of this calendar year. There is no definite requirement but that is the timing we are working on.

**Senator NETTLE**—To have what completed by the end of the calendar year?

**Ms Paul**—To have the national partnership signed up to. So starting activity under the national partnership would probably start in the next school year. That is the aspiration.

**Ms Northcott**—Since I am not from the National Education Agreement Taskforce, it might just help if I point out that COAG will be considering a proposal around the low-SES national partnership. The schooling subgroup of COAG, which is chaired by the Deputy Prime Minister, is charged with developing the policy around that but a separate process being run by the heads of Treasury will determine the funding for national partnerships, including a low-SES NP, and that will not be done until later in the year, at least October. Until we know the money, it is hard to know.

**Senator NETTLE**—Is it likely that the existing SES formula will be used in terms of identifying those schools in need?

**Ms McKinnon**—We do not have an SES number, if you like, for government schools so, by extension, we cannot do that without a similar process to geo-code the addresses of government school students, and that is not actually what has been proposed at the moment. I think each state and territory has a slightly different methodology for measuring disadvantaged communities and there are a few national measures as well. So it is coming to a common understanding of which can be used and how they can be compared across jurisdictions.

**Senator NETTLE**—That is precisely what the education minister said about the idea of extending an SES funding model to public schools in order to determine need.

**Ms Paul**—That is right. The commitment is to create a system which allows SES need to be determined across all schools. That is the aspiration.

**Mr Cook**—But it does not necessarily mean that the current Commonwealth formula would be. That is why we are going through the process with the other jurisdictions to try and match up their various methodologies, because each state and territory has its own internal mechanism for determining in the government sector what the most needy schools are and they use different methodologies to the Commonwealth and a different methodology from the non-government schools, even though they are very similar in many ways. We need a

consistent methodology to ensure that schools across Australia are treated on a consistent basis in that regard. The DPM was foreshadowing that she wants to move to a more needs-based arrangement based on the socioeconomic circumstances of the school.

**Senator NETTLE**—It may be more comprehensive than just the wealth level of the census district, it may go to the individual wealth of parents sending their kids to that school?

**Mr Cook**—It is too early to say yet but the current SES formula has three components, although I need someone to remind me what they are.

**Ms Northcott**—Income, occupation and educational level of the parents are the three components.

**Ms Paul**—Reflected as for the collection district, as you said.

**Senator NETTLE**—That was the distinction I was making. Because you are saying it has not been worked out and it needs to be comprehensive, it could be that it is on an individual basis rather than on a census, which is a far more accurate picture.

**Ms Paul**—And that has not been determined yet.

**Senator NETTLE**—One thing I am interested in is whether there is any proposal to change the way the AGSRC operates in terms of an increase in AGSRC triggering an increase in funding to private schools. Is that something that is being looked at?

**Mr Cook**—The government has made a commitment that in respect of the forthcoming four years, the quadrennium, that the current funding arrangements will be maintained.

**Senator NETTLE**—But I am talking about beyond that.

**Mr Cook**—That takes us back to the earlier discussion about the review.

**Senator NETTLE**—Is there any danger that the funding assessment in relation to needy schools may trigger an impact on AGSRC? If there were an increase of funding to the needy schools, does that necessarily mean there will be an increase in the funding in the private school sector as well?

**Mr Cook**—The AGSRC runs off the expenditure by states and territories and then an average is derived from that. If, as a result of current discussions and so forth, there is an increased investment by states and territories then that will be reflected, following a lag, in the AGSRC amounts. There is quite a direct connection between those two things.

**Senator NETTLE**—If as a result of the discussion about particular need funding there is an increase in funding to schools from what might be at state and territory level, would that necessarily trigger an increase in AGSRC and therefore an increase to all of the private school sector. If you are trying to address need you do not want to set up a system whereby by addressing need if that takes AGSRC up then you have to increase it for all of the private schools.

**Ms McKinnon**—I think the proposal that is being discussed with states and territories over the next six months is outside the current AGSRC arrangements, if you like. The schools are identified in a community as being low SES and then there will be a series of state/territory agreed interventions in those school communities which may or may not result, as Mr Cook said, in more expenditure from both the state and the Commonwealth in those communities,

but it is not actually sitting in the formula as a per capita payment because this school is identified as X. It is not sitting within the current methodology, if you like.

**Senator NETTLE**—Can we be assured that any program to address need is not going to automatically trigger an increase in federal government funding to all private schools?

**Ms McKinnon**—It may increase funding to non-government schools in communities that the states and territories identify as in low SES—

**Senator NETTLE**—I am talking about across the board.

**Ms McKinnon**—but there is currently no proposal that we have been asked to develop that would extend that across all schools.

**Senator NETTLE**—I am going back to what I was saying before. I want to be assured that any proposal to increase the funding for schools in need, as a result of the way in which it is introduced by increasing AGSRC, does not mean that they get an increase in funding across the board. I want to know that they will be separated.

**Ms Paul**—Increases to AGSRC do flow on but they flow on on the basis of need. Increases in AGSRC to make any significant difference to AGSRC have to be very, very large. The largest expense in schools which has an impact by far on AGSRC is expenditure on teacher salary and remuneration. That is where you generally get the largest effect. When AGSRC increases, yes, it does flow on but it flows on to non-government schools on the basis of need itself against the SES system.

**Senator NETTLE**—But it automatically flows on to increased funding to public schools—

**Ms Paul**—Yes. I would be surprised if there were a significant increase to AGSRC, but there may be some impact. That has not been modelled and it cannot be known yet because, of course, the funding for this new activity is not determined.

**Ms McKinnon**—And further, the AGSRC goes on state government expenditure, so not only has it not been determined what the Commonwealth investment in this area will be but the states have not indicated their investment, which is what does directly make up AGSRC. So, it is an unknown.

**Ms Northcott**—As I said earlier, this is going to be a national partnership so it sits outside the SPP arrangements for funding schools. And the heads of Treasury working group that is reporting to COAG is currently working through the financial arrangements for national partnerships and SPPs. We are not going to know what the rules of engagement, if you like, are until later in the year, so issues around state and territory co-investment in national partnerships have not yet been determined. It is impossible at the moment to know what level of funding states and territories will put in and therefore it may be co-investments in kind, as opposed to co-investments in actual dollars. We do not know yet. That will be determined by the heads of Treasury, so it may not have an impact or it may, we just do not know.

**Senator NETTLE**—Can I ask the minister whether the government will be happy to allow their share of federal government funding to public schools to rise as a result of this needs assessment?

**Senator Carr**—The future budgetary issues are matters to be discussed within government at the time, but I think what you have seen in this budget is an increase in budgetary allocations and, given that the government is committed to an education revolution, I would not have thought that this would be the end of that process.

**Senator NETTLE**—But I want to know about public schools in particular and whether the government will be happy to see as a result of this needs assessment an increase in the share of federal government funding going to public schools.

**Senator Carr**—The question of the proportions of funding between government and non-government are subject to ongoing review.

**Senator NETTLE**—My understanding of this needs assessment is that it is going to happen before we get to the broader view about ongoing funding. Is the government happy as a result of the needs assessment to have an increase in the share of federal government funding going to public schools?

**Ms McKinnon**—The needs assessment in the time frame we are talking about is more about selecting the communities and ensuring that it is an appropriate selection across states. I do not think it was going to encompass an over-arching review of all schools and reassessing them on a needs basis, it would be more about focusing on the bottom percentage that are agreed as a target for this initiative.

**Senator NETTLE**—But it is on top of the existing funding—

**Ms McKinnon**—It is on top.

**Senator NETTLE**—If as a consequence of that you have identified that schools that are most in need are public schools, there will necessarily be an increase in the federal government's share of funding going to public schools as a result of this needs assessment?

**Ms Paul**—Yes.

**Ms McKinnon**—That is right.

**Senator NETTLE**—And that is what I was asking was the minister happy about.

**Senator Carr**—The government is clearly in the business of supporting schools on the basis of need.

**Senator NETTLE**—That would be great if the government did that.

**Senator Carr**—It would be quite a significant change.

**Senator NETTLE**—But we have seen no change so far to suggest that it will be based on need. In the way that the previous government failed, we have seen no change so far to suggest that it is. If, as a result of the review, we do get genuine needs-based funding that will be a substantial increase for our public schools and that would be great.

**Ms Paul**—A genuine global needs-based approach will be the approach taken under this new partnership, which is additional. It is a new program and it is yet to be determined.

**Senator NETTLE**—We really need to change the recurrent funding system in order to ensure that that is what we want to see, a needs-based funding program, a genuine needs-

based funding program, which it clearly is not at the moment. As to the Education Investment Fund, is it envisaged that there will be allocations from that to public schools?

**Ms Paul**—There was a reference in one of the budget papers, I think—I do not have it to hand—which said that it is possible that future investments could be directed that way—

**Mr Cook**—Of the current funding—

**Ms Paul**—Of the current funding, no.

**Senator Carr**—The funding is for universities and vocational education facilities. It is for teaching and research and it is jointly administered by Minister Gillard and me.

**Senator NETTLE**—That will not be for public schools?

**Senator Carr**—No.

**Senator NETTLE**—At what point in time was that?

**Senator Carr**—The operation of the fund is yet to be determined. It also includes research institutes, and that has been taken to mean research institutes with association with a university. Those issues of the operation of the fund have yet to be determined.

**Ms Paul**—In other words, if there were to be any future investment in schools it would be from future investments, not from the \$11 billion encompassed in the Education Investment Fund currently.

**Senator NETTLE**—I just want to work out what the time frame is. I accept what you are saying in terms of decisions having not been made, but you are saying the existing funding takes us up to what point in time so that additional funding from X point in time could possibly go to public schools, if a decision was made to do that.

**Ms Paul**—Correct.

**Senator NETTLE**—But what is the point in time where you change over from existing funding to future funding being added to it?

**Ms Paul**—You do not, because it is a fund. It is a capital fund so it is being funded from budget surpluses. So it is not of the nature of a program; it is a fund which earns interest, and both the interest and the capital under this new \$11 billion commitment for an Education Investment Fund for the purposes the minister named can be drawn down for those investments.

**Senator NETTLE**—I am still confused. The money that is there now will not be used for schools? It is possible that future money could be used for schools?

**Ms Paul**—If the government in the future decided to invest from future surpluses further into the fund it might be possible to invest in schools, but that is not what is encompassed in the \$11 billion investment as it stands.

**Senator NETTLE**—There is no commitment to that now but there may in the future be some change where possibly some public schools could get some money?

**Ms Paul**—Correct, depending on how future budget surpluses are applied.

**Senator NETTLE**—What are there current claims for meeting the infrastructure needs of existing public schools that have suffered so much under the last 11 years of the former government?

**Ms Paul**—There is a range of initiatives. There is the \$2.5 billion 10-year commitment to trade centres in schools. There is the \$1.2 billion—

**Senator NETTLE**—That is a specific thing rather than capital infrastructure or maintenance—

**Ms Paul**—Yes. That is all capital, so it is—

**Senator NETTLE**—That is building a new thing in a school rather than fixing up things that are already there in a school?

**Ms Paul**—I think some of the initiatives under the trade training centres will build on existing investment and, indeed, go to refurbishments and upgrades. In addition to that, of course, there is the existing ongoing significant capital investment through the quadrennium funding. There is the \$1.2 billion investment in computers in schools, the digital education revolution and so on. There is a range of different things.

**Senator NETTLE**—Does the department know what proportion of non-government school resources are made up of federal government grants?

**Ms Paul**—So, like particular programmatic grants under all the various programs of literacy, et cetera?

**Senator NETTLE**—It is about the income of a private school. Do you know what proportion of that is from the federal government as opposed to from other sources?

**Ms McKinnon**—That would vary on a school-to-school basis, obviously.

**Senator NETTLE**—Do you know the figure for each different school?

**Ms McKinnon**—I do not think we have that information and it varies between—

**Ms Rollings**—Yes, we do collect that data through the financial questionnaire so we know that the source of schools' resource income comes from state government, from the Commonwealth and from private sources. We do have that data.

**Senator NETTLE**—You have the information about all of the sources of funding that a private school receives?

**Ms Rollings**—Only in the format of the financial questionnaire, so it is specific to the questions that we ask in the financial questionnaire and schools provide us with data which goes to what their private income is, for example. It is not comprehensive in terms of the financial statement because it is a subset of items from a school's financial statements.

**Mr Cook**—My understanding is that the information we get is not comparable with the requirements of the Australian accounting standard in terms of financial statements so there is a difference between what we collect and what you would see in an audited financial statement.

**Senator NETTLE**—What do you get and what do you not know in terms of their private funding?

**Ms Rollings**—We do not break down, for example, in terms of fees because fees are a problematic item because there can be capital fees and fees are couched in a whole range of—

**Senator NETTLE**—You do not know what they get from fees?

**Ms Rollings**—No.

**Senator NETTLE**—If you do not know what income they get from fees, what do you know in terms of what private income they get?

**Ms McKinnon**—The financial questionnaire does contain data on fees, government funding and other incomes, salaries and other expenses including depreciation and profit and loss from other activities, but I think as Mr Cook pointed out, that does not necessarily align with accounting concepts so it is difficult to give a finite figure with any confidence in an accounting sense.

**Senator NETTLE**—So, you do know how much money they get from fees or you do not know how much money they get from fees? Or do you know it to a limited extent?

**Ms Paul**—Yes.

**Senator NETTLE**—What sort of limited extent: only the basic school fees but not the other fees?

**Ms McKinnon**—I think what Ms Rollings is saying is that within fees for schools you can have building levies, you can have levies for other activities, you can have voluntary levies in the sector and you can also have a set fee level which is discounted for multiple siblings and also scholarships, I guess.

**Ms Rollings**—I actually have their financial questionnaire data items here and I am quite happy to table this if you want. But, for instance, fees comes under an item 'gross tuition fees', so you cannot actually break that down into what a fee is per student because it is a gross amount and there are discounts for siblings and so forth.

**Senator NETTLE**—But a gross tuition fee is not going to include a building levy?

**Ms Rollings**—Sorry, I am not on top of every item that is in the financial questionnaire. I could take that on notice, but with regard to gross tuition fees what I am saying is you cannot break that down to a per student—

**Senator NETTLE**—I am not asking for that. Do you know how much money the private schools are getting?

**Ms McKinnon**—They do have to report obviously on government—

**Senator NETTLE**—Beyond government. We know how much governments—

**Ms Rollings**—They have to provide us with income from all sources.

**Ms McKinnon**—Yes, I think we do get that.

**Ms Rollings**—I am saying you cannot disaggregate it—

**Senator NETTLE**—I am not asking for that. I am asking do you know how much money that is.

**Ms Paul**—I think we do have a good impression and what I would like to do is take it on notice and give you a table which shows that sort of breakdown.

**Senator NETTLE**—Going back to the question I was asking before, what proportion of their funding comes from the federal government? If you know what their total funding is then you can say what proportion of their funding they get from the federal government?

**Ms Paul**—I am saying I am not sure that we have got that with us. I think we may need to come back with a table of the sources of funding but I think we can do that.

**Senator NETTLE**—There could be schools for which 90 per cent of their funding comes from the federal government?

**Ms Paul**—I am not sure whether that is possible or not. I am not sure that we could give you a range, but we will certainly try.

**Senator NETTLE**—That would be good.

**Ms McKinnon**—I think there would be schools particularly in the low SES where a significant proportion of their funding did come from government sources—

**Ms Rollings**—Particularly Indigenous schools.

**Ms McKinnon**—Yes, particularly Indigenous schools, both state and Commonwealth funding. We have examined the data as a set and we are happy to give you a range of incomes and, perhaps, an indicative range—we do not want to examine 3,000 of them—of the number of schools in each category, if that would be helpful.

**Senator NETTLE**—Sure. And maybe something that gives an idea in terms of regions as well, because I imagine it is going to be quite different in terms of being city or regional. There will be some geographic things that make it different in regional—

**Ms Paul**—Yes. A remote Indigenous non-government school, say, may well receive the bulk of its funding from the federal government, no doubt.

**Senator NETTLE**—That information is not disclosed in terms of knowing what funding the private schools get?

**Ms Paul**—Not on a school-by-school basis. Do you mean do we publish it?

**Senator NETTLE**—Yes.

**Ms Paul**—No.

**Ms McKinnon**—The 2006 census has derived new scores for the next four years. They are publicly available.

**Senator NETTLE**—Sorry, could you say that again?

**Ms McKinnon**—The 2006 census is the basis for deriving scores for the next four years of funding, and they have been made publicly available on the website for the non-government schools, but that does—

**Ms Rollings**—We report the Commonwealth funding to each school.

**Senator NETTLE**—That is not what I was asking. We know the Commonwealth funding they get; that is fine. But I was asking about the other funding that they get from other sources. That is not made available?

**Ms Paul**—No, because they have responded to the financial questionnaire on a confidential basis.

**Senator NETTLE**—The level of funding that the public schools get is available—

**Ms Paul**—Not that I know of. I do not think I have ever seen a school-by-school publication for government schools of all revenue sources.

**Senator NETTLE**—For some of them there will be nothing additional to government funding that they get from the state and territory—

**Ms Paul**—I see what you mean. I thought you were saying that most of them charge a fee and they would be getting some proportion of funding from federal government, so I thought you meant that sort of breakdown. I have never seen sources of funding on a school-by-school basis. In fact, I do not think we commonly see even the funding the state government is putting in on a school-by-school basis. I think the only sector for which school-by-school funding is actually publicly available is for the non-government sector funding from the federal government.

**Senator NETTLE**—Is the government going to continue to allow public funding to go to schools that discriminate on entry on the basis of religion?

**Ms Paul**—I am not quite sure what you are getting at there. Clearly, there are non-government schools that have a religious philosophy as their foundation, as there always have been, like the Catholic system, for example.

**Senator NETTLE**—But the Catholic system allows people from other faiths to come to that school. A school like the school run by the Exclusive Brethren does not allow people to come to that school unless they are from the Exclusive Brethren. That is what I am asking. Is the government going to continue to provide funding for schools that prevent students being able to study because of their religion?

**Mr Cook**—I think the government's election commitment was fairly clear—that they were not going to change current funding arrangements for the forthcoming quadrennium.

**Senator NETTLE**—So the answer to that question would be yes.

**Ms Paul**—The existing policy continues. The previous policy has continued.

**CHAIR**—Just before I go to Senator Mason, we have done some work on the rest of the program and this is what I would like to do unless there is any serious objection. We will finish outcome 2 and then we will go to dinner. We plan to have a half-hour break for dinner. We will then resume after dinner with early childhood education and childcare group. We will then move to Indigenous education group and we will conclude this evening's proceedings at the conclusion of that. In the morning we will start at 9 am with vocational and technical education groups. We will then move to higher education group, then strategic analysis and evaluation group and then complete the day with international education group.

**Ms Paul**—Thank you for that. It is extremely helpful in terms of who needs to come in tonight. I really appreciate that. Because the Indigenous education group would not have been—

**CHAIR**—We have already taken that in hand for you. They are on their way.

**Ms Paul**—Fantastic. Thank you.

**CHAIR**—We are the government; we are here to help. The only officers who will be required to stay afterwards to complete outcome 2 will be early childhood education and childcare groups and the Indigenous education group.

**Senator MASON**—In relation to the school security program, which schools will be eligible for funding under the criteria of this program?

**Ms McKinnon**—That program is actually in the portfolio of the Attorney-General.

**Senator MASON**—It is not administered by this department? I apologise in that case. Can I ask you a question about the life education program?

**Ms McKinnon**—I will look at my colleagues.

**Mr Cook**—Yes.

**Senator MASON**—Is there ongoing funding in the budget for that?

**Ms McDevitt**—We have provided some funding for life education out of one element of the Quality Outcomes Program. That is an annual appropriation. It generally does not provide recurrent funding. So there is no program, as such, for the life education program. It is being funded on a one-off basis out of one of the elements of the Quality Outcomes Program, Quality Outcomes—Other, which funds a range of initiatives to do with improving student outcomes.

**Senator MASON**—Does it have a long-term future in forward budget estimates?

**Ms McDevitt**—The budget does not provide recurrent funding in that regard.

**Dr Arthur**—The program itself continues, and there are figures in the forward estimates for the Quality Outcomes—Other program. It requires a decision, normally by the minister, in any one year to provide funding for a particular program. It would be up to there being a decision taken by the minister at a particular time.

**Ms McDevitt**—It would be on a case-by-case basis depending on funding available and priorities—

**Senator MASON**—No decision has been made in respect to this item?

**Ms McDevitt**—Correct. There is no new decision, no. We have funded it in the past.

**Senator MASON**—No decision has been made to scrap it, in effect; is that right?

**Ms Paul**—Yes.

**Senator MASON**—One of the wonderful things about the internet is that people keep sending me questions to ask. In relation to music education, I am told the federal Labor arts policy in essence says that the key promise with respect to music education is this:

... to create a comprehensive music education system in our schools and educational institutions.

How are we going to achieve this? We have touched on this before. How are we going to achieve a comprehensive music education in our schools and educational institutions? What is the government going to do to achieve that?

**Ms Paul**—We have discussed a range of things. We have discussed curriculum and we have discussed a range of particular programs that exist as well.

**Mr Cook**—While I do not know the detail, I do know that Mr Garrett is also involved in this area through his—

**Senator MASON**—Yes, I know that. Mr Garrett is the minister for arts and he is involved in this. And obviously Mr Garrett would have an interest in music; I think that would be fair to say. But there are no specific new programs to develop music education, are there?

**Ms Paul**—There are a range of programs which we mentioned before.

**Senator MASON**—Yes, but they are not new ones to specifically develop music education.

**Ms Paul**—I do not think there are new measures in this budget, but if you would like us to draw up the range of initiatives including from the other portfolio, we can try to do that.

**Senator MASON**—That would be good, because I did not think there were any new initiatives and it concerns me. I think we all agree that this is an important area. I will be pursuing it in the future. Thank you.

**CHAIR**—Thank you. That concludes questioning in outcome 2, so we will commence the dinner break and reconvene at 7.05 pm.

#### **Proceedings suspended from 6.30 pm to 7.05 pm**

**CHAIR**—The committee will resume its estimates hearings and questions will now be directed to early childhood education and the childcare groups in Outcome 1.

**Senator FISHER**—I want to start off asking about the new childcare centres that have been announced. I take you to budget paper No. 2. I am not sure to whom I should be directing these questions, but no doubt all will be revealed. I take you to page 143, as I am sure you are no doubt aware. Where will the new centres be? As I understand it in terms of the budget announcement, we are talking about 38 new centres to begin with, on the way to some 260, I think. Where will the new centres be?

**Ms Rundle**—There are 38 stage one centres that have been announced and funded by the government in the budget. I can read out the locations if you wish me to. Some of the locations are more general local government areas, without being entirely specific about the location, and there are others that are more specific. Would you like me to read them out to you now?

**Senator FISHER**—Can you categorise them and on notice provide an actual list?

**Ms Rundle**—Yes.

**Senator FISHER**—I presume you have some method. Perhaps you can categorise them for me.

**Ms Rundle**—I can tell you broadly how many there are. There three, firstly, where they have been very specific. One is in Hazelbrook in New South Wales. It is a current childcare centre. The original intention was that this centre would be demolished and rebuilt on the same site. But the site is not large enough to allow for the further increase in the places. This is one that the government is committed to extend. North Ryde—

**Senator FISHER**—You earlier said ‘rebuild’ and then you said ‘extend’.

**Ms Rundle**—It could be either. At any of the existing childcare centres where we are looking at increasing the places, it could be that once we have had a look at them they are very old. I should be clear from the beginning that there are no specific plans yet. I will get to that in a moment.

**Senator FISHER**—I look forward to that.

**Ms Rundle**—I will explain the process to you. It could be that when we have a look at a particular centre—or the state government does with the provider—that it needs to be demolished and rebuilt or it could be refurbished. That may be the case for a number of areas where we are looking at increasing the capacity of an existing childcare centre. The second one is North Ryde in New South Wales. The third one is in Beaconsfield in Tasmania. Of the remaining centres, there are 10 in New South Wales, five in Queensland—

**Senator FISHER**—Start that again please.

**Ms Rundle**—Ten in New South Wales; Queensland has five; the Northern Territory has two; Tasmania has two; and Western Australia has four. South Australia has no sites committed in the first 38.

**Senator FISHER**—That is the totality of the first 38, is it?

**Ms Rundle**—It is. Of the 38, six are autism-specific centres.

**Senator FISHER**—I am sorry Ms Rundle, can you give me those numbers again? I am getting about 24. Somewhere I left out a number that you have said.

**Ms Rundle**—I think so. There are three that I talked about initially.

**Senator FISHER**—We will go back to those.

**Ms Shugg**—In total, there are 33 sites that have been identified of the 38. Of those 33, there are 10 in New South Wales, 10 in Victoria, five in Queensland, four in Western Australia, two in the Northern Territory and two in Tasmania.

**Senator FISHER**—And none in South Australia in the first round. That is my own home State.

**Ms Shugg**—One of the ones in Tasmania is an autism-specific site. The commitment included six autism-specific sites. The remaining five autism-specific sites are currently being identified.

**Senator FISHER**—One in Tasmania.

**Ms Shugg**—No, there are two in Tasmania, one of which is autism specific.

**Senator FISHER**—Of the autism specific, can you repeat that?

**Ms Shugg**—There is one in Tasmania and the other five are yet to be identified.

**Senator FISHER**—That is what I thought.

**Ms Shugg**—That adds up to 38.

**Senator FISHER**—That is 33 plus five. Now I understand. Ms Rundle, I refer back to your comment about this involving the assessment of existing sites and perhaps demolishing and rebuilding or maybe extending. I understood that this was an announcement about new childcare centres.

**Ms Rundle**—Correct in that I think that the announcement was more around new places, which could be new centres. You would also note the government also looked to try to build—

**Senator FISHER**—Can I stop you there? Is that not double counting in one way? The proposition was new places; that is supposed to be the bottom line. But I understood the announcement to be clearly about new centres and new centres would mean additional to zero in terms of places.

**Ms Rundle**—I think that is not quite correct. Given that the government is also wishing to look at combining many of these new centres with preschools to try to integrate child care and preschools, it is very likely that in a number of areas in the states and territories there will be school sites where there may be an existing unutilised building or a part of a building that can be built onto. The government's intention is to make available new places, which may be a completely new centre, but it also may be alterations or a totally refurbished area.

**Senator FISHER**—Can you or someone else assist me with explaining from where the money will come in terms of the budget papers for childcare centres—amendment, refurbishment or extension—where that child care centre is not new? I will come back to that question. I ask it because budget paper No. 2 clearly says on page 143 that the government will provide \$114.5 million across four years to establish 38 new childcare centres across Australia to increase the availability of childcare places. The word 'new' is in front of the words 'childcare centres'.

**Ms Paul**—They are new. We are talking about capital construction in every case and we are talking about completely additional places—additional capital and additional places.

**Senator FISHER**—But not necessarily.

**Ms Paul**—It does not really matter whether that means a complete rebuild, extension or a new centre.

**Senator FISHER**—But it is not necessarily new childcare centres from what Ms Rundle has said.

**Ms Paul**—Ms Rundle said—

**Senator FISHER**—Excuse me, Ms Paul, from at least one that she has identified—Hazelbrook—which is a current facility—

**Ms Paul**—Ms Rundle mentioned the capital construction there. So, in effect, we will end up with either a major extension or a rebuild. So in effect it will be a new centre. It is a capital construction and the whole point of it is to offer new places.

**Senator FISHER**—So, does that mean, Ms Paul, then in respect of Hazelbrook there will be a new child care centre beside the existing one?

**Ms Paul**—Yes, there could be. I am not sure that we know that yet.

**Senator FISHER**—My difficulty is that, if there is not, then the language of the budget papers would suggest that the money to do whatever is going to be done at Hazelbrook is not part of the \$114.5 million, so it must be coming from somewhere else. There is \$114.5 million in the budget papers—it is clearly expressed, as I learnt English—to be spent to establish 38 new childcare centres.

**Ms Paul**—It is new constructions for new places. I think that is fine; I do not think there is any contradiction in the papers.

**Senator FISHER**—Okay. So, we have locations to the extent they have been determined. Are you able to provide a list on notice? You have indicated, Ms Rundle and Ms Shugg, the states in which these centres will be based. Other than the five autism centres, which have yet to be determined, are you able to provide a list of the 33 and where the sites are in each state?

**Ms Shugg**—That list is currently on the office website.

**Senator FISHER**—So the list would indicate, for example, that in New South Wales there are 10 sites, two of which will be at Hazelbrook and North Ryde. There are another eight sites enumerated on the department's website.

**Ms Shugg**—That is correct.

**Ms Rundle**—That was the list I referred to earlier.

**Senator FISHER**—Thank you. Were there any development approvals in place in any of those 33 locations?

**Ms Shugg**—I do not think there were any development approvals in place. The site that has progressed the most is the Beaconsfield site, where we do have some plans for a proposed centre. We and the Tasmanian government are looking at the plans that have been put forward. But I am not sure whether the development approval has actually been sought and gained yet.

**Senator FISHER**—In respect of others, did you say, Ms Shugg, that you are not sure?

**Ms Shugg**—In respect of the others, I would be absolutely sure that we have not as yet identified the particular blocks of land on which we will be placing the childcare centres in the other identified areas. We are working with the states and territories to identify the blocks of land.

**Senator FISHER**—Regarding the list on your website, what is the list if it is not actually of the areas?

**Ms Shugg**—Ms Rundle mentioned the North Ryde site, for example. We have not identified the particular block of land within North Ryde where the centre will be constructed.

**Senator FISHER**—So how are you able to answer with any confidence then that the chosen location is not the subject of a development application if you have not actually determined the site within the location? Perhaps you can, but I am just trying to understand.

**Ms Shugg**—What we are talking with the states and territories about, in particular, is whether or not we can locate these 38 centres primarily on school sites—that is, on land that is available for construction at schools. So, given that we are asking them first to look at school sites, we are pretty sure that they have not done any development application work on those yet for a childcare centre.

**Senator FISHER**—All right. I ask you to take on notice confirmation in respect of each of the sites of whether relevant development applications have either been sought and, if sought, whether they have been granted.

**Ms Shugg**—We will be able to do that once the site has been identified. At the moment we have not got the sites.

**Senator FISHER**—Prior to that, what are you able to provide? I would like that once you are able to provide it. But how long is a piece of string? Perhaps I should—

**Senator Carr**—It is a bit hard to talk about development applications when the site has not been selected.

**Senator FISHER**—Yes, Minister. But one would have thought a site might have been selected given the government's announcement. I will leave that aside; but I will get to it. What can you provide at this stage, albeit on notice, in terms of development application information in respect of locations?

**Ms Shugg**—I do not think we will be able to provide anything until a particular site is identified. The only way that you can put forward a development application is in relation to a particular block of land. So, until we identify the blocks of land, we would not be able to provide anything in relation to that.

**Ms Paul**—Ms Shugg mentioned we thought there was one. We will do a review and see if there are any more and we will give you those details. There may only be the one.

**Senator FISHER**—Thank you. I will come back to the determination of sites issue. I turn now to childcare vacancies. How many vacancies are there nationwide?

**Ms Rundle**—We are just getting that information for you.

**Senator FISHER**—Does the department publish these figures?

**Ms Rundle**—The vacancy figures?

**Senator FISHER**—Yes.

**Ms Rundle**—Not at the moment.

**Senator FISHER**—Will you?

**Ms Rundle**—I think that is a matter for the government to consider. At the moment we are doing quite a lot of work looking at information we may be able to provide for parents in the context of the quality reform agenda that we are undertaking. Once we have done that piece of work—and we are working collaboratively with states, territories and the sector on that—then I think we will have a better idea of the best source of information for parents to be able to help them access child care. We will definitely be looking to provide whatever we can that will help people to choose the right child care.

**Ms Paul**—As Ms Rundle was saying, the information from the vacancy hotline is not automatic. Parents can ring the hotline and they are provided with information about reported vacancies in the locality they are looking for. They can do that—

**Senator FISHER**—At the locality they are?

**Ms Paul**—Looking for. So, if you ring the hotline as a parent, it will say that these services have reported vacancies in that area, these are the details of the service and you need to contact them to talk to them about their vacancies.

**Senator FISHER**—To the extent that you have that information, why is it not on the department's website or made publicly available for people to look at, perhaps in the aggregate rather than having to make a phone call and follow up on a location specific basis?

**Ms Paul**—Vacancies are reported by the services based on their own business definition. There is no standard definition of a vacancy. So the information and the way it is provided does not readily enable that sort of aggregate information to be provided.

**Ms Rundle**—These are the sorts of things that we will be looking at when we are looking at the new levels of information and the range of information to be provided to families.

**Senator FISHER**—What is your program for determining what sort of information is to be provided to families given that the government has decided that there are not enough places and that there is the need for this measure? Part and parcel of that would be informing families of the result having identified the need. I will go to the need shortly. What is the department's program for collecting the data in the aggregate and ensuring that you collect it in a way that can be reported uniformly? What is your program for that?

**Ms Paul**—The information around vacancies from parents is only one source of our demand information.

**Senator FISHER**—Sure, certainly.

**Ms Paul**—In terms of the information obtained through the hotline and the way it is collected and used, it is a minor way in terms of actually defining demand because it is a point-in-time exercise.

**Senator FISHER**—That may be the case for you but, of course, for parents in need it is one of the immediate questions they have. You are saying that we cannot tell them because the people who have the information are not providing it in a uniform way. That does not help parents who want to place their kids in care.

**Ms Rundle**—The government recognises that there are things we can do to improve the range of information that we give to families. There is no doubt about that. That is why they have the ambitious agenda that they have. In fact, if you look broadly at everything they are doing, there are a number of things that they are doing that will increase affordability and accessibility of child care for parents. There is also the range of information they get.

I think it is important that we do not just make available information that is not that useful at the moment and that could even confuse parents. Availability of child care is something that is very local to families. Often families will tell you themselves that they learn about childcare

centres by word of mouth from their friends and schools. The hotline is useful in the sense that it can provide information at a point in time, as Ms Paul has just said.

Remembering that the childcare market is a mixed market, at any one point in time we do not actually know how many services are anywhere across the country. We will know that eventually with our new childcare management system. Already we have a fair idea of how many people we have because they are signing up for the new childcare management system. So there is a lot of work in place at the moment to get us to the point where we can say what are the pieces of information that people need to be able to make choices about child care and how we will deliver that, not just on the website—there may be a range of other ways. All of those pieces of work are in train.

**Senator FISHER**—So, if you do not have information from childcare providers—whom Ms Paul is suggesting you need it from to assess it in a uniform way—do you know how many vacancies there are and where they are?

**Ms Rundle**—As we just said, you do, but you only know it for that day. Sometimes you only know it for that half a day, because there may be half-day sessions. The point I am trying to make is that it is very changeable in terms of when a parent might be able to get a child into a childcare centre. What is more important is that they know what is available in their local area and they are able to contact that centre to ask whether or not there is a space for their child.

**Senator FISHER**—If you distil that to its lowest common denominator, about all you can assist the parent with is the location of a centre.

**Ms Rundle**—As I have said before, I think the government understands that there is a range of things that need to be built on and improved. That is what we are doing.

**Senator FISHER**—Thank you for the answer to that part of my question. I have the transcript of an interview with the Deputy Prime Minister this morning on the Leon Byner program. She talked in part about having identified need in determining the government's budget measures in respect of child care. Indeed, in the budget papers—and it may well be in the portfolio budget statements—there is clear identification by the government of the fact that these budget initiatives are based on need. How can they be based on need if you do not know the need? Indeed, if you are saying that the need might only be identifiable as currently as every day or half a day, on what basis has the government determined, first, that there is the need for these childcare places? I am not denying there is a need, but on what basis has the government conducted its evidence based policy review to determine that there is a need in terms of unmet demand for places, and where that need lies given that you have told me that you have identified 33 out of 38 locations? You are still looking for five locations for autism specific centres and in that you have yet to determine sites. How have you assessed need?

**Dr Jarvie**—There are a number of surveys around where parents have indicated, particularly with regard to their workforce participation, that the availability, affordability and quality of child care has been a limiting factor in that participation in the labour market.

**Senator FISHER**—You say 'a number of surveys around'—are they publicly available?

**Dr Jarvie**—Yes.

**Senator FISHER**—Can you provide the committee with a copy of them on notice?

**Dr Jarvie**—Yes. There are Australian Bureau of Statistics surveys on that. There are also a number of studies where parents have been asked about their participation in education, training and the workforce. That is where the need for greater accessibility, affordability and availability of child care has been clearly identified. That is what the government's policy is based on.

**Senator FISHER**—I understand that it is claimed to be based on need. But I am trying to ascertain from the department on what basis you have identified, for the government in planning these initiatives, where the need is and the quantum of it. If you have not advised the government as to that, who has?

**Dr Jarvie**—The first 38 centres were election commitments by the government, which they announced during the election period. They are implementing that as the first phase of the rollout of the 260.

**Senator FISHER**—Did the department advise the now government as to the need preparatory to determining those 38 centres? I am getting the shake of the head from Ms Rundle.

**Dr Jarvie**—We obviously could not advise—they were in opposition when they made the announcement.

**Senator FISHER**—Has the department advised the government since as to the areas of need, either in terms of vacancy or in terms of determining the location of the 38? Let us start there.

**Ms Rundle**—I can answer broadly, but we may need to provide some additional information to you on notice. As we were saying, the first 38 were election commitments and, as we have said before, they range from being quite definitive in a few areas to being in the general locality. In terms of those that are in the general locality, as Ms Shugg was saying earlier, we are undertaking a process now with the states and territories where we are looking to see where they might be situated, particularly if it is a large locality. You could look to see whether or not you would site a centre in an area where it was primarily needed. It might be an area of growth or it might be an area where there is burgeoning employment and not enough child care. They are the sorts of factors that we will take into account. With the other 222, there is definitely also potential to work with the states and territories to identify where we might place those sites around the country, based on the sorts of things you have talked about and other factors as well.

**Senator FISHER**—If the department has not been able to determine the need and has not advised the government as to the need then has the department advised the government as to the amount of money that should be allocated in the budget to meet any need that has not been identified yet? I will make that question easier for you to answer—has the department advised the government as to what needs basis determined the \$114.5 million allocation?

**Ms Paul**—I think we have answered the question on need. I think Ms Rundle did that a minute ago.

**Senator FISHER**—And the answer is no.

**Ms Rundle**—No.

**Ms Paul**—Ms Rundle was quite comprehensive in going through the sorts of factors that we are looking at, like burgeoning employment, demand and so on. I think that is pretty clear. The basis of the amount of money in the budget is built up in a different way in terms of assumptions around numbers of places and so on. I am sure Dr Jarvie and Ms Rundle can go through that.

**Senator FISHER**—And the number of places in terms of vacancies? You do not have a definitive handle on that at this stage.

**Ms Rundle**—We can explain what the costings were based on. That is explained in some of the budget papers and fact sheets.

**Senator FISHER**—Where in the budget papers is the explanation you are about to give me?

**Ms Rundle**—I am going to our PBS. I know that it is in our media statements. I may be incorrect. I am looking to see whether I can find it in the PBS. We can certainly describe the number of places for you.

**Ms Shugg**—It is explained in the fact sheet rather than in the portfolio budget statement. The assumptions that we built into the costings were that on average we were costing a 50-place childcare service in each location. We based the costings on average construction costs across Australia. The reason we did it on those averages is because we realised that at each particular site, even though we have articulated the broad location of where we want to put the childcare services, we then need to do some ground work in working out exactly what the level of demand is and the implications of the particular blocks of land for how large the service can be and also around the environment within that jurisdiction in terms of building costs and those sorts of things. Given that we needed to do that level of local work, because, as you will agree, the information about need is a very local question, we decided to do the costings on an average bearing in mind that over the 38 sites it will probably even out. So there has not been a particular allocation given to any particular site. We are now working with the states and territories to get that on-the-ground information.

**Senator FISHER**—Thank you. I will leave that for the moment. I refer back to the aggregated vacancy figures. Did those figures used to be published?

**Ms Rundle**—I think the previous government did make some announcements in the last year in office on two occasions, but I would need to check that. It identified hotspots around the country, but they are not published as a matter of routine. As I recall, they were both media releases by then Minister Brough.

**Senator FISHER**—Thank you. Has the department consulted with existing providers in the proposed locations?

**Ms Shugg**—The answer is no at the moment.

**Senator FISHER**—When will you be consulting with the current providers?

**Ms Shugg**—As Ms Rundle said, because we are still at the stage where we have not identified locations of actual sites—

**Senator FISHER**—She said you have determined 33 locations.

**Ms Shugg**—That is quite right. I apologise. We have the locations, but we have not identified the blocks of land. If you are talking about an area like North Ryde or Townsville, which is another location that has been identified, we need to narrow down exactly where we propose to put the service and then consult with the providers within that narrower area.

**Senator FISHER**—Even if it transpires that that is where the need most is, I hear the answers the department have given to me thus far on that. You referred in your earlier answer, Ms Shugg, to your assumption that thus far you have based costs on 50-place centres. Why is it based on that rather than what many understood to be promised 100-place centres?

**Ms Shugg**—The election platform does say 260 services of an average 50-place full-time childcare service.

**Senator FISHER**—Maybe you cannot, but can you explain why some in the sector seem to have formed a view that the indication was about 100 places rather than 50?

**Ms Shugg**—No, I am sorry, I cannot.

**Senator Carr**—It is difficult to contemplate why people get things wrong.

**Senator FISHER**—That is your view, Minister.

**Senator Carr**—That is not what the policy was.

**Senator FISHER**—I take the department's answer to that question. When is it planned to begin construction? I know you do not have the sites located yet, but what is the program for construction? When will you begin construction?

**Ms Rundle**—I am not able to answer that because—

**Senator FISHER**—And therefore it is not possible to say when these centres will be ready to take children either.

**Ms Shugg**—We have a deadline we are working to, which is to have all 38 centres fully operational by 2010.

**Senator FISHER**—Are you able to guarantee that that commitment will be met? Can you indicate that timeline for me again, please, Ms Shugg?

**Ms Shugg**—It is to have the services fully operational by the end of 2010.

**Senator FISHER**—That is the services at the 38 centres?

**Ms Shugg**—That is correct.

**Senator FISHER**—Are you able to guarantee that that commitment will be met?

**Ms Shugg**—That is certainly the deadline that we will be working to.

**Senator FISHER**—Minister, will you be able to guarantee that that deadline will be met in full?

**Ms Paul**—That is what we are aiming for in terms of meeting the construction deadline for the 38. We are aiming to be done by the end of 2010.

**Senator FISHER**—I understand that that is what you are aiming for, Ms Paul. Minister, will you guarantee that that commitment will be met?

**Senator Carr**—The government's commitment is to supply the 38 centres. It is seeking to have them built within 12 months of obtaining the necessary planning and building approvals. It is expected that all centres will be fully operational by the end of 2010.

**Senator FISHER**—Will you guarantee that the 38 centres will be fully operational by 2010?

**Senator Carr**—I can go through that as many times as you like.

**Senator FISHER**—So the answer is no, Minister; you will not guarantee it.

**Senator Carr**—I have given you a direct—

**CHAIR**—Let us not put words into anyone's mouth. Senator Fisher, you have every right to ask those questions, but you are not going to get any other answer than what you have got.

**Senator FISHER**—I sense that, Chair. Thank you. As an alternative reassurance then, Minister, can you guarantee that the 38 centres you now propose to build will not deter any would-be childcare providers or replace any centres currently undergoing development approval in the designated areas?

**Ms Paul**—That is hypothetical. These are all additional services.

**Senator FISHER**—I think that is a matter of view. I understand the department's view, but others may beg to differ as to what is new and what is refurbishment—as important as refurbishment may be.

**Senator Carr**—The officers have explained at some length the nature of the program, the objectives of the program and the description of what 'additionality' means. Given that it is a dynamic industry—

**Senator FISHER**—What does it mean, Minister?

**Senator Carr**—There are additional services.

**Senator FISHER**—The language was not 'additionality', it was 'new'.

**Senator Carr**—Additional early learning and care centres—that is the term that has been used. Given that it is a dynamic industry, you cannot guarantee that every centre that is currently in existence will be in existence in 2010. But you can take from what is being said that the government will be providing additional early learning and care centres. It is anticipated that the majority of the first 38 centres will be built within 12 months of obtaining the necessary planning and building approvals and that all centres will be fully operational by the end of 2010.

**Senator FISHER**—Once the department has determined the 38 sites, are you able to provide this committee with the data upon which you have based your determination of that site, including vacancies and factors that go to need in respect of each site? I am essentially asking for data matching for each site. Are you able to provide that? You can take that as a question on notice given that you have not determined the sites yet.

**Ms Shugg**—The process we are going through to identify the sites within the given locations is to work with the states and territories for them to identify the particular sites and for us then to agree.

**Senator FISHER**—I presume that the government will not be delegating its evidence-based policy commitment to state governments. I would presume that the department would need to be able to reassure the government that it has examined and agreed with what state governments may identify as the areas of need and on whatever basis. Will the department provide, upon determination of the sites, the information used to determine the sites?

**CHAIR**—There is a technical difficulty because the committee requires answers to all questions on notice by 1 August. Probably the only thing the department can do is wait awhile, but there is a process before 1 August.

**Senator Carr**—That will be the answer.

**Senator FISHER**—The most up-to-date information is obviously all that you can provide.

**Ms Paul**—Of course.

**Senator FISHER**—Clearly, given that there is no guarantee, the government's election indication that these facilities will be built by 2010, there would not want to be much left undone after August this year.

**Ms Paul**—We are happy to do so, Senator.

**Senator FISHER**—Thank you, Ms Paul. I want to ask more about the \$114.5 million. Again, many in the industry understood at the time that the \$114.5 million was announced that it was capital expenditure. It now appears it is something different from that and includes funding for other aspects in respect of the childcare bonus and—

**Ms Rundle**—That is correct.

**Senator FISHER**—Can you explain that?

**Ms Rundle**—That is correct. There is a capital component. Remembering that the government has responsibility for funding the childcare benefit and childcare tax rebate, and we also provide other supports, such as inclusion and professional support to some centres. We have modelled the costs according to all of those flow-on costs. Once children are in the centre they will attract those payments and subsidies. So the cost per centre is a total cost, not just capital.

**Dr Jarvie**—This is just the normal way these are costed through the budget process.

**Senator FISHER**—Can you explain how the 13 May budget offered an apparently unqualified commitment that the government would invest \$115 million over four years to build the first 38 of 260 planned childcare centres in priority areas?

**Ms Paul**—I think that is what we have just said—that a centre involves expenditure which is capital and the flow-on expenditure because the places are additional.

**Senator FISHER**—It certainly does, but the language of the budget papers talks about \$115 million over four years to establish 38 new childcare centres across Australia.

**Ms Paul**—That is right. Obviously you establish places inside a structure and you cannot have the one without the other.

**Senator FISHER**—Do considerations in respect of the changes to the childcare tax rebate and childcare benefit form a part of the \$114.5 million?

**Ms Rundle**—Yes, they do.

**Ms Shugg**—They do for the places that will be created for those childcare centres.

**Dr Jarvie**—They are fully costed places.

**Senator JACINTA COLLINS**—They would be more expensive than previously.

**Senator FISHER**—The questions are to the department. Thank you, Senator. Part of the \$114.5 million commitment to be provided over four year to establish new childcare centres will also be effectively directed to fund the government's measures in respect of the CCTR and the childcare benefit. Am I correct?

**Ms Paul**—It is the funding of places inside a centre based on an average of 50 places per centre.

**Senator FISHER**—It is not all capital; it is not all about building centres, as Ms Paul has said, it is also about providing places. But the industry relied on the government's promise, as I hear many in the industry to be saying what they saw as the government's promise to provide \$114.5 million over four years in capital expenditure. Indeed, I understand that they divided \$114.5 million by the immediate 38 and got about \$3 million per centre. So, initially, on that basis they welcomed the government's election promise. I think they are now seeing it rather differently. But, thank you, I understand the department's answer to that question. I also understand the department to be confirming that not all of the \$114.5 million will be spent on capital. What percentage of it will be?

**Ms Paul**—About 60 per cent.

**Senator FISHER**—So 40 per cent goes elsewhere?

**Ms Paul**—Yes.

**Ms Shugg**—It is in the order of 60 per cent for capital.

**Senator FISHER**—Can I have, perhaps on notice, an itemised breakdown of the funding? You have given me percentages. I would appreciate that information on notice.

**Ms Rundle**—Yes.

**Senator FISHER**—Who recommended that break-up to the government, the 60-40?

**Ms Shugg**—What we did was cost the full cost to the Commonwealth of establishing the childcare places that we were establishing. When you receive the breakdown of the costing, Senator, you will see that, for example, the full costs for CCB and CCTR do not actually start flowing until the childcare services are fully operational. In any case, where we are establishing new places we will have a look at the full cost to the Commonwealth, including CCB and CCTR. As Ms Rundle said, we also provide some supports to childcare services, so we cost that in as well. It was not a matter of recommending a breakdown of costings. It was:

if you establish this many centres with this many places, then the flow-on costs are not negotiable.

**Senator FISHER**—Did you give the government a series of options?

**Ms Paul**—It is a matter of our advice to the government in the budget context.

**Senator FISHER**—But I gather it was the department that provided that—I called it breakdown, but Ms Shugg has called it—

**Ms Shugg**—The costing of the measure.

**Senator FISHER**—Did the government accept your costing, or was there some to-ing and fro-ing?

**Ms Paul**—We cannot answer that, Senator.

**Senator FISHER**—Okay. What modelling has suggested that these measures will result in an overall increase in childcare places?

**Ms Paul**—They clearly will, because they are additional to the current provision. Am I not understanding you? These are additional; this is all ‘additionality’.

**Senator FISHER**—On what basis do you say it is ‘clearly’, Ms Paul?

**Ms Paul**—These centres are fully costed.

**Senator Carr**—Additional places, additional centres.

**Senator FISHER**—Not new, Minister; not new.

**Senator Carr**—We have been through this several times.

**Senator FISHER**—Yes, we have.

**Ms Rundle**—We will be wanting to know that in fact we do see that additional access for families. So we will be wanting to see an additional 50 places per centre or its equivalent in part-time places where possible. We will be monitoring that quite closely and working with the states and territories. It would be wrong to suggest that we are funding these new places without actually waiting and being sure to see that we get what we pay for.

**Senator FISHER**—And indeed, identifying need, albeit post announcement. What due diligence will be done? You answered earlier a question about development approvals. You do not know the sites yet. What due diligence will be done to ensure that there are no development applications that have been approved across which some of the proposed sites might cut? What due diligence will be done to ensure that in building, or rebuilding, these centres places will not be taken from existing providers?

**Ms Shugg**—In terms of your first question, as I mentioned, once we have the states come back to us with particular sites that they recommend we construct on, we would then undertake a consultation process with the local authorities, as one of the stakeholders, to ascertain whether there were relevant development applications on foot. We would take those into consideration before we agreed to the construction taking place. I am not sure I understood the second part of your question, Senator.

**Senator FISHER**—To the extent that there is a decision to fund one of these centres in discharge of the budget allocation, what due diligence will be done to ensure that these taxpayer funded places will not take away from places being provided by existing providers?

**Ms Paul**—I think Ms Rundle answered that a minute ago when she went through the—

**Senator FISHER**—Ms Shugg asked about my second question, so I have re-put it.

**Ms Paul**—I think Ms Rundle answered that a minute ago when she went through the interest that we will taking. I contributed to that by way of talking about these being additional.

**Senator FISHER**—Does that constitute due diligence?

**Ms Paul**—I think so. It is quite intensive monitoring that Ms Rundle was proposing here.

**Senator FISHER**—I understand that your vacancy data is a snapshot in time, being half-day by half-day. To the extent that you have made a decision on the identified locations and some sites, noting the three you enumerated for me, are you able to provide the vacancy data by postcode, on notice, as at the time the decision was made to determine those locations and those sites?

**Dr Jarvie**—We will have to take that question on notice. We will see what we can do.

**Senator FISHER**—I gather from your earlier answers that if there are development applications that might have lapsed you are not aware of any as a result of these announcements?

**Ms Shugg**—That is correct.

**Senator FISHER**—In respect of the balance—the 260 minus 38—where would they go?

**Dr Jarvie**—The 222.

**Senator FISHER**—Yes. Where would they go?

**Ms Shugg**—We are also in the process of talking to the states and territories about sites for the additional 222. We will be also looking at a range of different data sources that we can use to identify areas of need more broadly. We will be working with the states and territories. We will be bringing those two sets of analyses together to determine where the highest needs are.

**Dr Jarvie**—There is also an invitation to communities and the non-government sector to contribute ideas to this process. That is on the website.

**Senator FISHER**—They submit their ideas via the website, Dr Jarvie?

**Dr Jarvie**—Yes.

**Senator FISHER**—Earlier I asked on what basis the decision had been taken to choose, to the extent that you have the location of the 38 centres. On what basis was it determined that there would be 38 centres at this stage?

**Ms Paul**—It was an election commitment.

**Senator FISHER**—We have investigated the extent to which there was any needs-based assessment that led to that number; I now understand, thank you. Do you have an update on

the hotspots data? I gather from what you said, in answer to an earlier question, that you probably do not.

**Ms Rundle**—We do not.

**Senator FISHER**—What was the number of hotspots at this time last year?

**Ms Rundle**—We would have to take that on notice.

**Senator FISHER**—I struggle to see on what basis there can have been an assessment of the places of need, but you have provided an answer to that question. Is there a childcare crisis?

**Ms Paul**—How do you mean?

**Senator FISHER**—I will provide some context that certainly in the election campaign the now government was suggesting that there was a childcare crisis. As far as I can work out, there have been no actual changes in respect of childcare places. We have had some announcements, but there have been no actual changes. Was there a crisis?

**Ms Paul**—The government's new commitments in this area go to more than volume. They go to a whole range of matters like the workforce. There is a range of initiatives on workforce. There are initiatives on—

**Senator FISHER**—Sorry to interrupt, but I cannot work out exactly how they do go to volume, because you say to me that you have yet to do that work because you do not have the base data.

**Ms Paul**—You were asking about a crisis and my response was that clearly the government saw this as a priority because there are a number of initiatives in the area—

**Senator FISHER**—Was there a crisis?

**Ms Paul**—I think you are asking me for an opinion, which I cannot give.

**Senator FISHER**—I think the minister can answer that question.

**Senator Carr**—I am more than happy to answer it.

**Ms Paul**—So, for example, there are initiatives as to affordability and so on.

**CHAIR**—Senators, please! There is still one answer on foot, so we will complete that one first, thank you, Ms Paul.

**Ms Paul**—I think I have, but hopefully Hansard has got it. Anyway, in summary, there is a range of measures that go to more than volume. This one goes to volume, provision and access. There were measures that go to affordability, like the CCTR increase from 30 per cent to 50 per cent. There are measures about the workforce. There is the measure worth \$450 million on universal access to preschool by 2013. There is a whole range of measures that cross through volume into affordability, quality, quality standards, regulations, accreditation and so on.

**Senator FISHER**—What are you suggesting in relation to those indicators?

**Ms Paul**—My interpretation is that the government saw a priority area because there has been a significant commitment of funding.

**Senator FISHER**—So you are happy to proffer an opinion. Is that what I just heard?

**Ms Paul**—No, I have not offered an opinion. I have offered the rundown on a range of measures that go beyond volume.

**Senator FISHER**—So, to the extent that there are measures that go beyond volume, are they indicators as to whether there was a crisis or not?

**Ms Paul**—That is an opinion. I cannot go there. What I can do is what I have done. I do not think I can go much further.

**Senator FISHER**—Minister, was there a childcare crisis during the election period?

**Senator Carr**—What I can say to you is this: the previous government failed absolutely dismally when it came to the question of the provision of child care. In the 11 years to 2007, the average fee for child care in full-time long day care increased by 76 per cent—from \$149 per week to \$262 per week, which to me suggests that there is a serious problem in the supply of childcare places. Furthermore, in the 1996 budget—and this is a measure of the neglect and the extraordinary failure of the previous government—that government chose to freeze childcare assistance payments for two years. The previous government removed the operational capital works subsidies for community based centres, forced a number of centres to reduce in size or close completely and, of course, forced others to raise fees. If that was not enough there was also the withdrawal of funding to support the construction of 5,005 new childcare places. When the previous government finally chose to take those sorts of kiddie steps, they made families wait a further two years for the childcare tax rebate before they received their first payment. On the one hand you had a government that claimed that working people were never better off and, on the other hand, did absolutely nothing to improve a dreadful situation for a lot of people with young children who were desperately in need of assistance.

**Senator FISHER**—Was there a childcare crisis, Minister?

**Senator Carr**—As a result of the failure of the previous government clearly there was a major failure to provide facilities to assist people.

**Senator FISHER**—Has your government rectified that?

**Senator Carr**—The Australian Bureau of Statistics survey showed that the availability of affordable, quality childcare was a factor in the decision of some 85,000 people not to return to work. That strikes me as a pretty serious crisis for those individual families—a major impact on their capacity to maintain living standards.

**Senator FISHER**—So there was a pretty serious crisis?

**Senator Carr**—If you want to know the direct answer to the question, of course there was. It was as a direct result of the failure of the previous government to do anything about it.

**Senator FISHER**—Is there still a crisis, Minister?

**Senator Carr**—I might draw your attention to the fact that the government has been in office all of six months. It is in the process of establishing 38 new centres. It is moving to provide additional places across Australia. It has provided hundreds of million of dollars

worth of new support and it is now moving to address the crisis and the 12 years of neglect of the previous government.

**Senator FISHER**—But there is still a crisis? Ms Paul, based on the evidence that you say you have, was there a statistical crisis?

**CHAIR**—Senator Fisher, you have tried that line of questioning with departmental officials and you know that they cannot answer a question framed in that manner.

**Senator FISHER**—Is there a shortage of childcare workers?

**Senator Carr**—Yes.

**Senator FISHER**—On what basis do you think there is a shortage?

**Dr Mercer**—There is a shortage of childcare workers in every state and territory, and also childcare coordinators. Currently, I think there are about 90,000 childcare workers across the country.

**Senator FISHER**—What does the department assess as being the reason for that shortage?

**Dr Mercer**—There are issues around pay and conditions for childcare workers. It is an occupation that has very low pay and there are status issues. As I think Ms Paul indicated, a number of workforce measures were announced in the budget—for example, the removal of fees for TAFE diplomas and advanced diplomas in children's services, as part of the measures to address issues around qualifications.

**Senator FISHER**—What measures will be taken to ensure that taxpayer funded childcare centres do not take existing childcare workers from existing providers?

**Ms Paul**—Those are the supply measures, an important one about which Dr Mercer has just been talking. It relates to the importance of having qualified teachers in childcare centres as well, which, of course, has increased—

**Senator FISHER**—That will take time to bring about?

**Ms Paul**—There is another measure there to do with relief of HECS help and so on, which Dr Mercer can describe.

**Dr Mercer**—Yes, there are two elements for teachers.

**Dr Jarvie**—And the removal of TAFE fees for diploma and advanced diploma students.

**Senator FISHER**—Thank you. Will the new training places that you have talked about help new workers in the sector, in existing sectors or a bit of both?

**Dr Mercer**—I think those measures are certainly designed to improve the qualifications of the workforce and to make it more attractive. The diplomas and advanced diplomas would provide an upgrading of qualifications and signal that this is an important workforce. There are also specific measures to improve the supply of teachers, as Ms Paul mentioned, and a commitment with the states and territories to begin on the process of building a broader National Early Years Workforce Strategy to address very deep and complex issues around the childcare industry.

**Senator FISHER**—What will the immediate personnel needs of the centres be, built or refurbished, as part of staffing the 38 centres? Will they be able to make do with new staff?

**Senator Carr**—The government acknowledges the shortfall issue. It has a National Early Years Workforce Strategy. As I understand it, there is an acknowledgement that there is a shortfall in early childhood workers by a number of about 7,000 by 2013. That is further evidence of the crisis we inherited because of the incredible neglect of the previous government. At the time these policies were announced Mal Brough said that there was no problem and that it was not necessary.

**CHAIR**—Minister, I think that was a fair question.

**Senator FISHER**—Thank you, Chair.

**Senator Carr**—It was a fair answer.

**CHAIR**—There were no overtones. I think the question deserves a straight answer at this point.

**Senator FISHER**—Quite a prudent interjection from the chair to the government.

**CHAIR**—That is the consistent way in which I have been dealing with the committee, as you well know.

**Senator FISHER**—Indeed, chair, irrespective of the witnesses.

**CHAIR**—Thank you.

**Senator FISHER**—What were you saying, Dr Mercer?

**Dr Mercer**—My answers certainly were not in response to the 38 centres but about the broader strategy that we are looking to work with the states around to increase supply and to increase the attractiveness of this workforce.

**Senator FISHER**—Will the 38 centres need qualified staff? I am getting nods, but you need to state it clearly for the transcript. Ms Shugg?

**Ms Shugg**—Yes, they will require qualified staff. The numbers of staff that will be required will depend on the size and make-up of the centre and the relevant staffing ratios that apply in that jurisdiction. At this stage it is not possible for us to work out exactly how many staff or what qualifications they will need.

**Senator FISHER**—To the extent that they need at least some qualified staff, I am trying to work out how at least some qualified staff could come from anywhere other than existing childcare centres?

**Ms Paul**—We would go back and mention the supply side measures under the National Early Years Workforce Strategy. I think we have mentioned two. There is another one which is extra university places.

**Senator FISHER**—Indeed, Ms Paul, but they are strategies for the future. If the government is to deliver on its election commitment to have the 38 centres up and running by 2010, there is not a lot of time to ensure that experienced staff are ready.

**Senator Carr**—Senator, you have the first major capital investment in over a decade and you are saying that it is not necessary. What is the position that you are trying to put?

**Senator FISHER**—Minister, I am trying to understand the basis upon which the government has determined where these 38 centres belong. Why is it 38 centres now and the

balance later? On what basis is the government assessing where, within each location, the 38 centres should be sited? I am trying to determine the basis upon which the government is able to lay claim to the fact that the staff that will be needed for these 38 centres will not simply effectively be sucked from existing providers to taxpayer funded centres. I would be very pleased to be reassured that the government has done the analysis to show that that will not be the case.

**Senator Carr**—I think we are going around in circles.

**Senator FISHER**—I would like to be reassured by the government that existing providers will continue to provide, as they do, and can only improve, and that these taxpayer funded measures will add to the overall number of children able to be placed in child care. I have not heard that being answered in the affirmative, but I am happy to listen to you do that right now.

**Senator Carr**—Good. I have indicated to you that this is the first major capital injection into the industry from the Commonwealth in over 10 years.

**Senator FISHER**—What will it deliver, Minister, and on what basis are you able to guarantee you will deliver it?

**Senator Carr**—You have 1,000—

**CHAIR**—Order!

**Senator Carr**—You have 1,000 new childcare trainees enrolled this year as a result of—

**Senator FISHER**—If there was a crisis—and you said there was—then we still have it under your government.

**CHAIR**—Order!

**Senator FISHER**—Thank you, Chair. I am happy to return to questions of the department.

**CHAIR**—All right. In relation to the remarks that you made, I think all that ground, apart from the last area you mentioned, has been dealt with by us quite well. Let us get back to questions and answers.

**Senator Carr**—There were 1,000 new training places put in this year as a direct result of the government's programs to expand the number of training places. A workforce strategy is in place to deal with the long-term problems that were inherited by this government as a result of the neglect of the previous government. When these policies were announced last year, the minister at the time said that they were unnecessary—and now we are having some concern that the major capital investment is not satisfactory!

**CHAIR**—Senator Fisher, I think the first part of the answer did answer your question. Do you have further questions?

**Senator FISHER**—Thank you, Chair. Yes, I do. Is the department aware how many families are affected by what is known colloquially as double drop-off, or perhaps triple drop-off?

**Ms Paul**—No, I do not think we have those figures.

**Dr Mercer**—No, we do not have those numbers.

**Senator FISHER**—How many of these 38 centres and, over time, what balance of those centres will be located at, or approximate to, schools?

**Ms Shugg**—At this stage that has not been determined, but we are prioritising school sites within the locations for the remaining—

**Senator FISHER**—In order to do that in an evidence based way would you not need to know, at least as a factor, the level of double drop-off and who, what and where?

**Ms Paul**—I think the simple way, as Ms Shugg said earlier, is that we will be working in the local community with schools, in particular—

**Senator FISHER**—Indeed, you will be.

**Ms Paul**—and we are working with states on exactly that question.

**Senator FISHER**—I wish to ask a couple of questions about the childcare benefit. I refer you to page 377 of Budget Paper No. 2 where, essentially, \$222 million is set out. I want to ask about the change to the childcare tax rebate for families. The last couple of lines in the paragraph at the top of page 377 state:

... this change to the Child Care Tax Rebate will give families significantly more assistance than will be removed via the abolition of the minimum rate of Child Care Benefit.

I am trying to reconcile that with a statement a couple of lines down:

This measure will provide net savings of \$222.2 million over five years ...

Who is winning—the government coffers or the families that the budget paper says will receive significantly more assistance? Rather than answer that question, could you tell me what modelling has been done to support the claim in the budget papers that the change to the childcare tax rebate will give families significantly more assistance than will be removed via the abolition of the minimum rate of childcare benefit? What modelling has been done and by whom?

**Ms Paul**—We can take you through that, Senator.

**Ms Essex**—It is estimated that around 170,000 families receive the minimum rate. The maximum minimum rate for 2008-09 is \$29 a week for full-time care. Should a family be affected by the withdrawal of minimum rate CCB to a rate of zero, they would not receive \$29 in minimum rate CCB. However, their out-of-pocket expenses would increase by that \$29, at least, and 50 per cent of that would be recovered through the childcare tax rebate. In addition, most parents who receive minimum rate CCB pay fees that are larger than the minimum rate, so their out-of-pocket expenses are returned to them at the rate of 50 per cent of their out-of-pocket expenses, to a cap of \$7,500. This is a larger cap than was in place for the previous financial year, so a greater amount of childcare tax rebate assistance is available to those families.

**Senator FISHER**—Okay. Could you provide—probably on notice—how the childcare tax rebate increase will provide families with significantly more assistance claimed, but provide it in income bands?

**Ms Essex**—Yes, Senator, we can take that question on notice.

**Senator FISHER**—You referred to the average out-of-pocket cost. Currently, what is the average out-of-pocket cost for families using long day care centres and after-school care?

**Ms Essex**—Senator, I would need to take that question on notice.

**Senator FISHER**—Could you take it on notice? Presumably you would also need to take this on notice: what was it before the childcare tax rebate change?

**Ms Essex**—Yes, Senator, I would need to take that question on notice.

**Senator FISHER**—Can you provide that information for a range of likely family types and income bands?

**Ms Essex**—Yes, Senator, we can. Are you talking about full-time care, part-time care, or would you like it broken up?

**Senator FISHER**—I would like it broken up. With respect to data that you have just said you will provide and the line of reasoning and analysis that you explained as justification for the claim that these changes would give families significantly more assistance, did the department provide that analysis to the government?

**Ms Paul**—Are you going to the nature of the advice? I think it would be fair to say that it is based on our modelling work.

**Senator FISHER**—Did the department provide the government with modelling?

**Ms Paul**—We have offered advice in this area, yes.

**Senator FISHER**—Did the department provide the government with modelling prior to the government deciding to announce these initiatives that would show that this change to the childcare tax rebate would give families significantly more assistance than will be removed via the abolition of the minimum rate of childcare benefit?

**CHAIR**—Senator, the officials will not be able to respond in the sense of what the advice was. But in relation to when the advice was offered on the general subject, which has already been acknowledged, that is a fair question. I ask officials to answer that.

**Ms Paul**—Our advice was offered in the budget context.

**Senator BOYCE**—Am I in the right place?

**CHAIR**—We will tell you. You will never know if you do not have a go.

**Senator BOYCE**—Thank you, Chair. I refer to the outside school hours program for students with a disability who are aged between 12 and 18.

**Ms Paul**—Yes.

**Ms Rundle**—You might need to be a little more specific. Could you continue with your question?

**Ms Paul**—I am being advised that it is a FaHCSIA program.

**Senator BOYCE**—That is what I suspected. My only question perhaps, then, would be: why? Outside school hours care is covered by this department, is it not?

**Ms Paul**—I cannot answer that. It is in the administrative orders.

**Senator Carr**—It is an administrative orders matter.

**Ms Shugg**—We can answer.

**Senator BOYCE**—Please?

**Ms Shugg**—Senator, the program is disability specific program, so it stayed with the responsibility for disabilities, which remained with the FaHCSIA department.

**Senator BOYCE**—Again my question is: why? Once again we are behaving in an exclusive fashion towards students with a disability by not trying to work out how to integrate them into existing systems or to find flexible ways that suit parents who experience the same sorts of double and triple drop-off issues, but with extra problems, that other parents experience.

**Ms Shugg**—There are things that I need to say in relation to this.

**CHAIR**—I am happy for you to make that point and to have it on the record. I think that is a fair point to make but it is not a matter for these departmental officials to determine government policy.

**Ms Rundle**—I think that is correct in relation to FaHCSIA, but I think it is important to put on the record that we fund outside school hours care. The government funds that. That is part of outside school hours care more generally. You are correct—it is part of this portfolio. It just happens that that program you mentioned sits inside FaHCSIA. I think it is important for us to add that we have programs such as our inclusion and professional support program that try to assist services to ensure that they are inclusive and not exclusive, which includes young people with a disability. I thought we should put that on the record. But the program you are talking about in particular is the FaHCSIA one.

**Senator BOYCE**—Tenders for this are being let to services. That would not be current service providers of yours? That was poorly phrased but I think you know what I mean?

**Ms Rundle**—I was trying to be helpful before, but I cannot answer that question.

**Senator BOYCE**—Parents have brought to my attention the fact that this appears to be a whole new special system at the time that people are trying to be—and might I use the term again—socially inclusive. That is being developed for students who often are trying to be included in mainstream schooling. Parents who are experiencing a lot of problems with the extra work of having a child with a disability are perhaps facing the situation where they have to go to a different outside school hours program for their senior school student with a disability and use outside school hours compared to their other children who might all be attending the same school.

**Ms Paul**—There is probably no other comment that we can make.

**CHAIR**—I am happy for you now to put that on the record.

**Senator BOYCE**—Thank you.

**CHAIR**—Are there any more questions in this output?

**Senator BOYCE**—Yes. Mine were related to that issue.

**CHAIR**—You have not yet finished?

**Senator BOYCE**—No, I have not yet finished.

**Senator FISHER**—Thank you Chair. I am sorry if I misled you.

**CHAIR**—I thought you indicated to me that you had roughly an hour to ask questions. It is now well over an hour and a half.

**Senator FISHER**—The time has flown, Chair.

**CHAIR**—Continue.

**Senator FISHER**—Thank you. Concern has been expressed in the media about childcare providers increasing their fees to absorb some of the increased benefits that may flow. The Deputy Prime Minister indicated that the Government is sending a message to childcare operators that it wants that message to be heard and, indeed, it expects it to be heard. What provisions have been put in place to deter and stop providers from increasing fees in response to the childcare tax rebate changes?

**Ms Rundle**—Senator, firstly, I will make the point that childcare fees generally rise annually to reflect the usual increases in operating expenses of the services.

**Senator FISHER**—Which of course, arguably would not be as a result of the CCTR changes?

**Ms Rundle**—Correct.

**Ms Paul**—In fact, our research shows that there is no connection. Perhaps Ms Rundle or Dr Jarvie can elaborate, but there is no connection between previous increases of CCTR and any flow on to fees.

**Senator FISHER**—What measures will be implemented to ensure that that does not become the case—that there is no change in behaviour?

**Ms Paul**—The main measures that will be relevant here are the supply-side measures, which we have already gone through—extra centres, the increase of CCTR from 30 per cent to 50 per cent, the workforce measures, and a range of other supply measures which all go to increasing competition, if you like, through increased supply, increased quality and increased choice for parents. Any future options, of course, are a matter for the government. We are not able to discuss them here.

**Senator FISHER**—That is what I was going to go, to Ms Paul. The Deputy Prime Minister indicated essentially in the media that the government will not telegraph its punches. I think those were her words about how the government plans to watch participants in the industry. I am reading from the transcript of today's interview of the Deputy Prime Minister by Leon Byner on FIVEaa South Australia—a quick advertisement. The Deputy Prime Minister said here and also in other places:

The government is obviously going to be monitoring and assessing to see whether there are unfair prices emerging.

What method is used for monitoring?

**Ms Paul**—The Deputy Prime Minister has flagged that there will be communication with providers about this and then we will be working out a monitoring regime and any other options which the government may wish to consider, which of course we cannot discuss here.

**Senator FISHER**—Will the letter to the providers telegraph the punches?

**Ms Paul**—Not necessarily; it depends. Obviously, it is a matter for the government in relation to timing and options to be considered.

**Senator BOYCE**—Was any thought given to the fact that obviously this sort of an increase would lead to an outcome where it was simply gobbled up by the childcare providers?

**Ms Paul**—Yes. We looked back at our research which showed us that that has not been the case. You cannot make a connection between previous increases and CCTR fee increases.

**Senator BOYCE**—Could you talk a little bit about that? What research?

**Ms Rundle**—I can answer that question. Referring to CCTR, since it was first introduced and then again when it was changed from being part of the tax system last year to being an outlay—so a direct payment to families—on both occasions there was no evidence to suggest that the fees rose any higher than your average annual increase in fees as a result of the CCTR. There was a rise last year, but that coincided with the 13.3 per cent in childcare benefit. I think it is important to make the distinction between the two. The childcare tax rebate is paid, or will be paid quarterly, and the childcare benefit is paid fortnightly to most families who take it as a fee discount.

**Senator BOYCE**—Did you look at what was done by the previous government in relation to that? It is all very well to say that there is no connection, but what was going on to lead to that outcome? Did you look at what processes might have been involved in getting that outcome?

**Ms Paul**—Normal fee increases relate to several things. They relate to issues such as wage increases, capital cost increases, asset servicing increases and so on.

**Senator FISHER**—Referring to what childcare centres are charging, do you have information on that?

**Ms Rundle**—We do.

**Senator FISHER**—Dr Rundle, how many childcare centres are charging over \$100 a day or \$500 a week for full-time care?

**Ms Rundle**—I would have to take that question on notice, given that there are 13,500 approved services—or I should say 11,500 approved services. I could give you broadly—

**Senator FISHER**—Lots?

**Ms Rundle**—No. I really cannot tell you that with any certainty. I would need to take that question on notice. I can tell you from the census that we did what the average fees were by state, remembering—and I know that you would know this—that the fees vary widely, depending on the location. In some inner-city locations they can be quite high because the rent is quite high.

**Senator FISHER**—I am happy for you to provide that information on notice, state by state, but I would also like on notice the answer to the question that I asked, because, of course, the present government was claiming constantly that many centres were charging that

amount. I want to see whether the statistics justify those claims, but I suspect that they do not. I look forward to your answer to that question.

**Ms Rundle**—Okay.

**Senator FISHER**—Thank you.

**CHAIR**—Might we have finished with outcome 1?

**Senator FISHER**—No, Chair, I have a few more questions. Some of them I am happy to put on notice. I am just going through them to ascertain which are more appropriately put on notice. You talked earlier about the analysis that was done. We have put some limits on the extent to which you can provide it because it was advice that was provided to government. I refer to increased participation due to CCTR changes and ask whether you have done modelling in respect of it on the basis of income bans?

**Ms Rundle**—I am just looking down the table, Senator, to see whether Mr Mein can answer that question for you.

**Senator FISHER**—I do not necessarily want that question answered in detail now, but I would like to know whether you have that information based on income bands and, if not, whether you can provide it?

**Ms Rundle**—Yes.

**Mr Mein**—As I understand it, we have not conducted that modelling for future childcare tax rebates. We have some information on the present payments of childcare tax rebate that would provide similar information.

**Ms Paul**—We will take that question on notice, Senator, and do what we can.

**Senator FISHER**—Yes. Sorry, Mr Mein, can you say that again?

**Mr Mein**—We have some information about parents' payments with the current childcare tax rebate.

**Senator FISHER**—Parents' payments?

**Mr Mein**—We have some information on childcare tax rebate payments. At present the payments are being made to families on childcare tax rebate, but we do not have any modelling on future childcare tax rebate. I believe that you would find, Senator, a very similar range of families' payments between the two arrangements.

**Senator FISHER**—I understand that when challenged on why the CCTR does not have the same income test as the FTB, the Treasurer and Prime Minister claimed it was because of the workforce participation benefit. I am trying to work out on what basis they would have made that claim if no modelling was done for the future.

**Ms Essex**—Senator, I can assist you broadly with that as it falls within my responsibilities and not those of Mr Mein.

**Senator FISHER**—There we go!

**Ms Essex**—We would need to take the detail of what you asked on notice, but I believe there is some information that we are able to provide you.

**Senator FISHER**—Thank you.

**Senator Carr**—One hour!

**Senator FISHER**—Enjoy it, Minister.

**Senator Carr**—Let us be clear about it. We had an arrangement whereby this committee would truncate at the tea break. I had another commitment at that time. The committee unilaterally changed those arrangements on the basis that your questioning would last for an hour. We are now going into 1¾ hours. It is customary practice for committees to ensure that people stick to their agreements.

**Senator FISHER**—Chair, I think that is an issue for you.

**CHAIR**—I certainly inconvenienced the Minister and he missed his dinner because of it.

**Senator FISHER**—And he is fairly grumpy because of it.

**Senator Carr**—I just think that productivity is an issue. Productivity is an issue for this committee.

**CHAIR**—It was on the basis that we thought we knew where we were. Let us keep going and see how we progress. Senator Fisher has the call.

**Senator FISHER**—I will ask one more question and I am happy to put the rest on notice.

**CHAIR**—Thank you, Senator.

**Senator FISHER**—I refer to the childcare access hotline, or to a hotline called childcare access last year. The present government indicated that it would be establishing waiting lists in each council rather than having the childcare access hotline. I cannot find funding for it, or any announcement in respect of it in the budget. Is it still the subject of consideration?

**Ms Rundle**—Yes, it is, Senator.

**Senator FISHER**—Thank you. That was my final question.

**Ms Rundle**—I should clarify that statement, Senator. I do not want to indicate that the government is actively considering implementing waiting lists. It is simply that there is no decision to implement waiting lists, so it would be part of the policy advice that we would give to the government.

**Senator FISHER**—Okay, thank you.

**CHAIR**—Thank you. That concludes questions in outcome 1. We will now commence questions on the Indigenous Education Group.

[8.46 pm]

### **Indigenous Education Group**

**CHAIR**—Senator Allison indicated that she had quite a few questions for this group but she is presently tied up in another committee and might not get to ask those questions, so they will be put on notice. There is a problem when we change the program around. Are there any other questions?

**Senator BOYCE**—Yes, I only have one or two. Is Indigenous early childhood learning covered within this area?

**Dr Jarvie**—It was in the previous one.

**Senator BOYCE**—So we do not separate Indigenous learning from other early childhood learning?

**Senator Carr**—No.

**Senator BOYCE**—That is good to know.

**CHAIR**—I should have seen that coming.

**Senator BOYCE**—I could not help that one, could I Chair?

**CHAIR**—Well done, Senator Boyce.

**Senator BOYCE**—Thank you. ‘Strategic initiatives’ is a very big term. I want you to quickly talk through what you are planning in the next 12 months?

**Senator Carr**—Very quickly.

**Ms Rundle**—Could you repeat the question?

**Senator BOYCE**—I refer to strategic initiatives for Indigenous education. What changes are we looking at right now?

**Mr Mein**—Sorry, Senator, could you repeat that question?

**Senator BOYCE**—I refer to strategic initiatives for Indigenous education, which you see as one of the highlights of this area. What changes will we see in the next 12 months?

**Ms Paul**—We are at a bit of a loss because we are not sure whether you are talking about a particular program or whether you are talking about—

**Senator BOYCE**—I am asking for a quick overview.

**Ms Paul**—A quick overview, all right.

**Senator BOYCE**—A quick overview of program changes.

**Ms Paul**—Absolutely, all right. I will start the ball rolling, but we will be quick. The main new strategic level changes that are in the offing in the next 12 months—they are considerable and they are important—basically arise from two things: COAG’s work and the negotiation of a new specific purpose payment—that is, the agreement with the school systems to provide Indigenous education. There are significant initiatives that hang underneath both of those broad headings and they are being progressed by a combination of the work of COAG and the productivity working group which sits underneath it, as well as the Indigenous working group which sits underneath COAG, and through the Ministerial Council of Education, Employment, Training and Youth Affairs.

**Senator BOYCE**—That is the planning phase of it, but where are we heading with it?

**Ms Paul**—We are heading to a COAG agreement on some new approaches to meeting important targets, such as halving the gap in Indigenous attainment and so on through COAG. We are heading towards a new specific purpose payment that will focus much more clearly on achieving outcomes for Indigenous students.

**Senator BOYCE**—When will we see those agreements?

**Ms Paul**—The new agreement is due to start on 1 January 2009.

**Senator BOYCE**—When will that actually—

**Ms Paul**—Towards the end of this calendar year.

**Senator BOYCE**—We know that that is towards the end of the calendar year, but if we have an agreement in place that is working from 1 January 2009, when are we likely to see on-the-ground results? When are we likely to see something start to happen?

**Ms Paul**—It will be progressive. This agreement actually funds the baseline services to the additional services, on top of mainstream services for Indigenous students. No doubt results will be seen over time. We are looking at the tracking of milestones and so on towards the COAG targets, which are around halving the gap of various things. Mr Greer can go into that.

**Senator BOYCE**—But this is about better supported teachers, better supported families and better supported students?

**Ms Paul**—Yes.

**Senator BOYCE**—The question is: when will the better support actually start?

**Ms Paul**—From 1 January 2009.

**Senator BOYCE**—We will not send them to school on 1 January?

**Ms Paul**—No. In relation to providers receiving their funding, it takes effect from 1 January.

**Senator BOYCE**—So there would be concrete results in term one next year?

**Ms Paul**—You will certainly see the effects of the agreement overall in term one, yes.

**Senator BOYCE**—Thank you.

**Senator ALLISON**—As I said earlier, I would like to ask about the Yachad Accelerated Learning Project in Indigenous communities. I understand that funding for that program finished in 2007 but it has been extended. Is that correct?

**Mr Greer**—Yes. The original contract or phase of the Yachad Accelerated Learning Project extended from 2005 through to the end of 2007. I think it was in September last year that the former minister agreed to a continuation of the project for the 2008 calendar year.

**Senator ALLISON**—Sorry, the previous minister?

**Mr Greer**—The previous minister agreed to that.

**Senator ALLISON**—What is the dollar value of the extension?

**Mr Greer**—The dollar value of the extension was \$1.5 million.

**Senator ALLISON**—Is that just for the one year?

**Mr Greer**—That is for the one year. Based on the expectation raised prior to the election, Minister Gillard agreed or reaffirmed—

**Senator ALLISON**—Sorry, did you say ‘the expectation raised’?

**Mr Greer**—Yes, the former minister had agreed to the proposal.

**Senator ALLISON**—Is that funding for one year?

**Mr Greer**—Funding for one year—for 2008.

**Senator ALLISON**—For the 2008 calendar year?

**Mr Greer**—Yes. That was reaffirmed by the government in February this year.

**Senator ALLISON**—So it is the 2008 calendar year?

**Mr Greer**—Yes.

**Senator ALLISON**—I understood that this three-year program was a pilot program. Was it not a pilot program?

**Mr Greer**—Yes, it was a three-year pilot program.

**Senator ALLISON**—So the pilot program is being extended?

**Mr Greer**—The pilot program is being extended into a number of—

**Senator ALLISON**—But it is still a pilot even though it is now four years?

**Mr Greer**—It is still a pilot, yes. This will give an extra year to provide the data to effectively determine the impact of the approach in the relevant spheres.

**Senator ALLISON**—What does that \$1.5 million actually pay for?

**Mr Greer**—Essentially, it pays for a range of interventions in each of the schools, one-to-one tutoring, whole-of-class accelerated learning activities and professional development in relation to the teachers in those schools.

**Senator ALLISON**—What does that mean? How much is for each of those areas? How much is for tutoring?

**Mr Greer**—I do not think I have that level of detail.

**Mr Hansen**—Those categories are not broken down as part of the funding agreement. That gives a little bit of flexibility to be able to move between the three priority areas that have been identified under the agreement, or that will be identified under the agreement.

**Senator ALLISON**—I see. So there is \$1.5 million and there is no requirement for the money to be spent in any particular area, or in a particular way in the three areas?

**Mr Hansen**—We do assign targets. We assign targets for—

**Senator ALLISON**—You assign targets. What does that mean?

**Mr Hansen**—Under the previous agreement we had targets for student numbers and the number of teachers that were able to be assisted through the program.

**Senator ALLISON**—What are the targets for this \$1.5 million?

**Mr Hansen**—Those are still under negotiation with the proponents. The offer was made on a conditional basis. The conditions of the offer were met on, I think, 27 May and we are still negotiating around the final detail of the funding agreement.

**Senator ALLISON**—Has the funding already been provided?

**Mr Hansen**—No, not for 2008.

**Senator ALLISON**—So it goes from the calendar year starting from February through to December?

**Mr Hansen**—That is what we initially anticipated, but obviously the funding would only start to flow once an agreement is in place. That is a requirement of our legislation.

**Senator ALLISON**—For what period does the funding apply?

**Mr Hansen**—Funding will apply through to the end of the 2008 school year.

**Senator ALLISON**—For the next six months?

**Mr Hansen**—Yes.

**Senator ALLISON**—Is the program underway right now, or not?

**Mr Hansen**—The Yachad project is able to source other funds. It has a number of funding sources, including state and territory governments, and philanthropic and corporate organisations.

**Senator ALLISON**—How much do they receive from state and territory governments?

**Mr Hansen**—I might have to double-check that, Senator.

**Mr Greer**—I doubt whether we would have information relating to the 2008 project, Senator.

**Mr Hansen**—No, that is true.

**Senator ALLISON**—Can you negotiate without knowing what the other funding sources are?

**Mr Greer**—This is a contribution towards the costs of the project.

**Senator ALLISON**—What does the federal contribution pay for?

**Mr Hansen**—It makes a contribution to each of those three areas that Mr Greer referred to.

**Senator ALLISON**—Okay, so it is entirely open? We do not know how much is being contributed by state and territory governments. Did you say that there was another source?

**Mr Hansen**—Corporate and philanthropic organisations.

**Senator ALLISON**—Okay. What is that?

**Mr Hansen**—For example, the National Australia Bank is one of the partners of the Yachad Accelerated Learning Project.

**Senator ALLISON**—Okay. Why has it taken so long to write the contract?

**Mr Hansen**—Mainly because of preconditions for the agreement had not been met.

**Senator ALLISON**—What were they?

**Mr Greer**—They included the preconditions.

**Mr Hansen**—Essentially, the preconditions were around receiving agreement from the relevant education systems or schools.

**Senator ALLISON**—Sorry, agreement from the relevant education systems?

**Mr Hansen**—From the relevant education systems. Where the project is going to be working with a school we required a signed letter from the education system stating that it was happy for the Yachad Accelerated Learning Project to continue in these schools for the 2008 calendar year.

**Senator ALLISON**—Which schools or systems were they?

**Mr Hansen**—The systems that are participating at the moment are the Victorian state education system and the South Australian—

**Senator ALLISON**—What schools are they?

**Mr Hansen**—For 2008? To a degree, some of that is still being negotiated, but I can give you an indication of some of the schools at the moment.

**Senator ALLISON**—Sorry, did you not say that it was already underway for the last six months?

**Mr Hansen**—It is, yes, but only in relation to our funding. I suppose that it is a bit of a moot point, to be honest, yes.

**Mr Greer**—Senator, the proposed sites for 2008—

**Senator ALLISON**—Let us start with those that have been underway for the last six months. Can you do that?

**Mr Hansen**—Okay. Yes, we can do that.

**Senator ALLISON**—Then you can tell me whether they will be changed for the next six months.

**Mr Hansen**—Okay. The existing sites have been the South Australian Aboriginal Sports Training Academy and Kurna Plains Aboriginal School, which are both in South Australia; Yipirinya Aboriginal School in the Northern Territory; Aurukun Campus of Western Cape Institute, which is in Queensland; Halls Creek District High School, which is in Western Australia; Gowrie Street Primary School, which is in Shepparton, Victoria; Mooroopna Primary School, which is in Shepparton, Victoria; Shepparton High School, which obviously is in Shepparton; and Wanganui Park Secondary College, which again is in Shepparton.

**Senator Carr**—But they were the schools that—

**Senator ALLISON**—They were all these schools involved in the project for the previous three years?

**Mr Hansen**—For the 2004 to 2007 period. Some have come in later and some have dropped out earlier, so there has been a bit of movement. But those were the schools covered under the previous agreement.

**Senator ALLISON**—Have any of those schools been through from the beginning and do they expect to be still doing this by the end of the year?

**Mr Hansen**—Yes. I think Shepparton High School has been in that situation from the start to the end.

**Senator ALLISON**—Is that the only one?

**Mr Hansen**—I think Gowrie Street would also be in that situation.

**Senator ALLISON**—Why have schools dropped out?

**Mr Hansen**—For a range of reasons. These BESA projects and special pilots come with an extra burden for school staff. That is one reason. Sometimes because a project is pilot in nature the schools find that it does not match with their style of schooling, if you like. There are a number of reasons why that might happen.

**Senator ALLISON**—Tell me how it works.

**Mr Hansen**—The Yachad Accelerated Learning Project?

**Senator ALLISON**—Yes.

**Mr Hansen**—As Mr Greer outlined, there are a number of features to the project. Essentially, it is looking to instil best practice methodologies.

**Senator ALLISON**—Just in simple terms. Someone comes into the school. Who comes into the school and what does he or she do? You have told me about the three different areas but, physically, what happens? How many people come in, how many kids do they deal with, and that sort of thing?

**Mr Hansen**—Okay. Some expert educators would come in and, typically, they would potentially sit at the back of a classroom at some stage during a class and they would listen to the day's teaching, or a session's teaching and provide some—

**Senator ALLISON**—We are talking here about Israeli students. They are the ones who run the program?

**Mr Hansen**—Educators, yes, that is right. The pilot is based on an Israeli concept that has been successful in Israel, particularly for migrants coming into Israel. That was the basis of the pilot being extended potentially to Australia.

**Senator ALLISON**—So they come in. How many of them come into a school?

**Mr Hansen**—Generally, about two educators come to a school at a time.

**Senator ALLISON**—These are teachers?

**Mr Hansen**—Some are teachers and some are trained in the Yachad methodology.

**Senator ALLISON**—What courses would those students be undertaking?

**Mr Hansen**—They would be students in the Yachad accelerated learning methodology.

**Senator ALLISON**—They are not students in another sense? They are not at a university?

**Mr Hansen**—The Hebrew University of Jerusalem is the sponsoring agent in Israel for this.

**Senator ALLISON**—Okay.

**Mr Hansen**—That is where the training would occur.

**Senator ALLISON**—And they might be studying anything at that university, is that right?

**Mr Hansen**—The particular thing that they would be studying, which would give them reason to be coming to Australia for this project, would be their studies around the Yachad Accelerated Learning Project.

**Senator ALLISON**—Is that a degree course, or what is it?

**Mr Hansen**—I could not tell you that, sorry, Senator.

**Senator ALLISON**—How much time is involved in training in this system?

**Mr Hansen**—I could not tell you that either, sorry, Senator.

**Mr Greer**—We can certainly take that question on notice.

**Mr Hansen**—That is right.

**Senator ALLISON**—But you are the project manager for this?

**Mr Hansen**—That is right.

**Senator ALLISON**—And you do not know what qualifications the students who come here have?

**Mr Hansen**—We know that they have gone through the methodology and we know that—

**Senator ALLISON**—But you do not know how long that takes, whether it is five minutes or whether it is a diploma course?

**Mr Hansen**—No. What we are purchasing here is the broader methodology. There are links back to senior academics.

**Senator ALLISON**—Links back to senior academics?

**Mr Hansen**—That is right.

**Senator ALLISON**—Okay. The course that they bring they are studying in this Hebrew University?

**Mr Hansen**—Yes.

**Senator ALLISON**—Coming to Australia is a work experience for them for what they are doing. Is that how it works?

**Mr Hansen**—Usually they would have completed a course. It is difficult to compare across countries but my general feeling is that it would be of the order of some sort of certificate or a diploma level type of course.

**Senator ALLISON**—But not necessarily related to teaching?

**Mr Hansen**—It would be. The Yachad accelerated learning project is related to—

**Senator ALLISON**—A teaching course is normally four years.

**Mr Hansen**—Yes, that is right.

**Senator ALLISON**—I do not know what it is in a Hebrew university and you do not know how long this accelerated learning project is?

**Mr Hansen**—It is like ESL training, for example. So you might take specific—

**Senator ALLISON**—Maybe you should take that question on notice?

**Mr Hansen**—Yes.

**Senator ALLISON**—You have records of those who come and what their qualifications are beyond the accelerated learning course?

**Mr Hansen**—That is right. We get information about those who come and their general qualifications.

**Senator ALLISON**—Okay, but you do not have them here?

**Mr Hansen**—No. That is a level of detail we would not normally have.

**Senator ALLISON**—Just going back to the schools, what is the nature of the negotiations? Did you say that Mooroopna was one of the schools that was being—

**Mr Greer**—Yes, for 2008, Senator, they are looking at Wilmot Road Primary School at Shepparton; St George Road Primary School at Shepparton, McGuire Secondary College at Shepparton; Shepparton High School at Shepparton; Gowrie Street Primary School at Shepparton; Mooroopna Primary School at Shepparton; Karna Plains School; and possibly—

**Senator ALLISON**—What are the issues? They have had it for three years. Why are we now negotiating for one extra year?

**Mr Hansen**—It is just because the pilot was only negotiated originally for the first three years. We needed to be able to put in place—

**Senator ALLISON**—So you said, ‘We are going to do the same pilot for another year’?

**Mr Hansen**—Yes, and that is essentially what we had asked for. The other condition that I did not speak to you about was the requirement to share data. As Mr Greer pointed out, we were strongly emphasising the need to consolidate data during 2008. In order to do that we made one of the preconditions for the funding of the project a requirement to secure a data sharing system for schools and systems.

**Senator ALLISON**—There was a Queensland and a Western Australian school in the program.

**Mr Hansen**—Originally, that is right, yes.

**Senator ALLISON**—I thought the list you gave me were the ones who were currently in, or they were going to be in the 2008—

**Mr Hansen**—No, that was for 2004 to 2008.

**Senator ALLISON**—Okay, so which schools decided not to continue?

**Mr Hansen**—So, schools that decided not to continue included Halls Creek District High School.

**Senator ALLISON**—Yes, that is the WA one.

**Mr Hansen**—Yes. We have received information that the Yipirinya School has decided not to.

**Senator ALLISON**—Right.

**Mr Hansen**—Or will not be continuing in 2008.

**Senator ALLISON**—Yes, okay.

**Mr Hansen**—Aurukun will not be continuing.

**Senator ALLISON**—Yes.

**Mr Hansen**—And, I think, Wanganui Park Secondary College was the other one that dropped out during the original period.

**Senator ALLISON**—What reason did they give for not wanting to continue?

**Mr Hansen**—They would not normally give those sorts of reasons to us.

**Senator ALLISON**—But did they?

**Mr Hansen**—No.

**Senator ALLISON**—They did not give you any reason?

**Mr Hansen**—No, the correspondence went through. You cannot accelerate a learning project. The sort of rationale behind it was that the data issue was a particular concern for Yipirinya.

**Senator ALLISON**—What data issue?

**Mr Hansen**—The requirement for the project to gather student-level data.

**Senator ALLISON**—Are you saying the school was not prepared to gather data?

**Mr Hansen**—Was not prepared to share that data, yes.

**Senator ALLISON**—Share it?

**Mr Hansen**—Yes.

**Senator ALLISON**—Really?

**Mr Hansen**—Yes.

**Senator ALLISON**—How many of those schools are considered to be remote, the ones that are continuing? The Shepparton ones are all still in, yes?

**Mr Hansen**—That is right.

**Senator ALLISON**—Are there any remote schools that are continuing?

**Mr Greer**—Not on the proposed list for 2008, Senator.

**Mr Hansen**—No. There are still sites that are being negotiated but—

**Senator ALLISON**—Which are the sites still being negotiated?

**Mr Hansen**—Well I think—

**Mr Greer**—It is Mildura and Benalla, but certainly not—

**Senator ALLISON**—They are not remote either.

**Mr Greer**—No, that is right.

**Senator ALLISON**—So Mildura and Benalla, they are new schools?

**Mr Greer**—They would be, yes.

**Senator ALLISON**—How does that work when you are doing a pilot and you extend it one year and you go to completely different schools?

**Mr Hansen**—Well, one of the things about the pilot is being able to see how you would set up the pilot and implement it in a new school. So that, in a sense, gives us the mixture of research.

**Senator ALLISON**—So, what—a new kind of pilot?

**Mr Hansen**—Well, what it does is build on the evidence, such that the project is able to utilise the evidence that it has gathered over the original three years and is able to refine the project and implement it in a better way, if you like. That would be some of the theory about going into a new site.

**Senator ALLISON**—I see. As I understand it, this pilot originally was based on three individual learning approaches so that they could be compared. Is that still the case?

**Mr Hansen**—I am not sure that I can answer that question. I am not sure if you are thinking about the three components, rather than the three different approaches.

**Senator ALLISON**—Well, were there three different systems to be compared?

**Mr Hansen**—No.

**Mr Greer**—No.

**Mr Hansen**—Not as far as I know.

**Senator ALLISON**—There are three different elements. There was never a concept of comparing what might work better than something else?

**Mr Greer**—No, it was the three elements within the model. As I say, one-to-one tutoring, whole-of-class accelerated learning activities and professional development for staff. That was my understanding of the approach.

**Mr Hansen**—That is right. It is true that the project evolves in different ways in different schools.

**Senator ALLISON**—How is that?

**Mr Hansen**—Say, for instance, in some schools there might be a greater emphasis around using the techniques around improving numeracy outcomes. In other schools there might be a greater emphasis on literacy. In other cases, it might be around more general sorts of practices for teacher development.

**Senator ALLISON**—Okay. And who determines the different approaches?

**Mr Hansen**—Well, that evolves in extra sites. So the Yachad approach is a quite flexible approach. The idea is to be able to offer a series of good practice tools so teachers are able to improve learning outcomes and accelerate those outcomes. That is supported by the one-on-one intervention, which is characterised by aspects such as the 10-minutes system and personalised readers—those sorts of things.

**Senator ALLISON**—With this flexible approach, it is hard to see how you would get reliable data, and yet this is what the final year is about.

**Mr Hansen**—Ultimately the data will relate to the diagnostics themselves for each of the students and, ideally, the testing outcomes.

**Senator ALLISON**—Right. How does this differ from what is being used in Australian schools anyway? I am talking about the methodology.

**Mr Hansen**—Yes.

**Senator ALLISON**—You know, not the one-on-one, or whatever you do.

**Mr Hansen**—The differences are not always very clear. For example, the best practice tool kit could well have quite a number of features that are used in many schools in Australia already. The way that Yachad has differed, I guess, is that it is a product that can work into a particularly school and grow, if you like.

**Senator ALLISON**—Grow?

**Mr Hansen**—Yes.

**Senator ALLISON**—Okay.

**Mr Hansen**—I am sorry. To give you a bit more of a tangible example—

**Senator ALLISON**—Yes, yes. I am not getting a tangible sense at all.

**Mr Hansen**—No. In Shepparton High School, which is one of the longer participating schools—

**Senator ALLISON**—Yes.

**Mr Hansen**—there were regular visits by Israeli educators that worked with students on a one-on-one basis and with the teachers. Over the period of the contract, what has happened is that those practices have become embedded into the—

**Senator ALLISON**—What, the one-on-one practices?

**Mr Hansen**—Well, one-on-one as well as some of the teaching methodologies that have been offered by them.

**Senator ALLISON**—So tell me about the teaching methodology and how that is different?

**Mr Hansen**—Well, no, I cannot actually give you a tangible explanation of all the different approaches.

**Senator ALLISON**—I am a teacher. Try me.

**Mr Hansen**—No, no. I cannot give you those examples because the tool kit is the sort of thing that I have not got a lot of information on here.

**Mr Greer**—We certainly undertake to provide a synopsis of that for you, Senator.

**Senator ALLISON**—Yes, I know. I am just interested in why it is that a teaching methodology for Indigenous students might be devised in Israel, applied here, and is different from what we are trying to do.

**Mr Greer**—I think that—

**Senator ALLISON**—I understand one-to-one. You know, you can always improve learning outcomes with one-to-one.

**Mr Greer**—I think that in initially agreeing to the pilot, the fact that this approach had worked quite effectively on immigrants from Ethiopia to Israel—

**Mr Hansen**—That is right.

**Mr Greer**—was a key consideration to see whether those same approaches would work in Australia.

**Senator ALLISON**—Ethiopia and Australia, there are similarities, you are suggesting?

**Mr Hansen**—It was more with disadvantaged students.

**Mr Greer**—Disadvantaged students.

**Mr Hansen**—The Yachad methodology is actually used in a number of countries across the world. The Yachad methodology generally targets disadvantaged students. So, to take up your point, it is not an Indigenous-specific methodology.

**Senator ALLISON**—No.

**Mr Hansen**—It is actually a broader methodology for disadvantaged students.

**Senator ALLISON**—It is the disadvantage that they have in common.

**Mr Hansen**—That is right.

**Senator ALLISON**—Okay. So what benchmarks are used for the diagnostic pre and post tests? They were tested, I gather?

**Mr Hansen**—That is right.

**Senator ALLISON**—This is the data you are talking about.

**Mr Hansen**—Yes.

**Senator ALLISON**—So what diagnostic tests were used prior to the pilot taking place?

**Mr Hansen**—I cannot give you too much in terms of the data at this stage because we are waiting for the final report.

**Senator ALLISON**—No, I am just asking you what tests were done.

**Mr Hansen**—Yes.

**Senator ALLISON**—Generally you do this.

**Mr Hansen**—Yes.

**Senator ALLISON**—If you are doing a pilot, you want to know if it is working.

**Mr Hansen**—Yes.

**Senator ALLISON**—You come into the school and you test children to find out—

**Mr Hansen**—It is a pre and post testing method.

**Senator ALLISON**—It is a pre and post testing method?

**Mr Hansen**—Absolutely.

**Senator ALLISON**—All students that were involved had the same? By the way, what age groups were they? What range was there?

**Mr Hansen**—From primary through to secondary.

**Senator ALLISON**—Oh, okay.

**Mr Hansen**—Yes. That is one of the reasons why the methodology needs to evolve and adapt to the particular school and the environment that it is working in.

**Senator ALLISON**—But nonetheless you had a pre-test for every age group, did you?

**Mr Hansen**—Well, there should have been pre-tests. I cannot give you a guarantee where that has occurred, but I could give you that guarantee once I have the final report.

**Senator ALLISON**—You cannot give us a guarantee that there were pre-tests at every level?

**Mr Hansen**—Well, I have not received the data, so it is a bit difficult to speculate.

**Senator ALLISON**—Is that not a precondition of spending how many million it is?

**Mr Hansen**—Yes.

**Ms Paul**—Mr Hansen is just saying, Senator, that the report of course will pull all that down.

**Senator ALLISON**—Yes. I am just surprised that we do not know whether there was pre-testing or not.

**Ms Paul**—We can always check that out. I think Mr Hansen is—

**Senator ALLISON**—You seem uncertain about whether that is happening rather than—

**Mr Hansen**—Well, I do know that the pre-imposed tests have occurred. But the question you asked was whether every single student had received it. I could not tell you with certainty that every single student has received it.

**Senator ALLISON**—Okay.

**Mr Hansen**—And it may well be an issue about whether a student was able to get a follow-up test because they had left, for example, and so they would not have been able to have the pre-imposed test. So there are a number of, I guess, technical issues that make it difficult for me to give you that guarantee.

**Senator ALLISON**—But nonetheless you would want to be starting with a pre-test.

**Mr Hansen**—That is right.

**Ms Paul**—And we know that.

**Mr Hansen**—So that is the methodology that they are using.

**Senator ALLISON**—And you need to be sure that they are all—

**Ms Paul**—We know that.

**Senator ALLISON**—Yes.

**Mr Hansen**—We know that they are doing a pre-imposed test.

**Senator ALLISON**—And is the pre-test one which is a standard testing model or mechanism that is used in schools here? What is it? Is it a special one that comes from the Yachad program?

**Mr Hansen**—Yes. The Yachad project has developed their own diagnostic to assess students.

**Senator ALLISON**—That is available, is it, the document that describes the pre-testing?

**Mr Hansen**—We can seek that, yes. I do not know the degree to which it can be released, but we can certainly ask for that for you.

**Senator ALLISON**—How many students would have started with the pre-test and gone through to the post-testing arrangement?

**Mr Hansen**—That is what I am saying. I cannot tell you the number of students. I can tell you the number of students that were involved in one-on-one interventions, but I cannot tell you the number of students exactly that would have had the pre-imposed testing because I have not received that data yet.

**Senator ALLISON**—Okay. Is there any relationship between this and what the Commonwealth is doing in grades 3, 5, 7 and 9 now—the national testing system? Has it got any—does it link with that, or is it relevant to it in any way?

**Mr Hansen**—We certainly seek information on not only the national benchmark testing, but also state-based testing as well. So we have encouraged the project to be able to obtain that data. Again, how successful they have been at obtaining some of that data is still to be resolved through the final report. We know we have received so much of the evaluations, for example, in some of the pre-imposed testing, but there is still quite a lot of refinement that needs to be done to that data, which makes it difficult for me to be able to provide you with any information about that.

**Senator ALLISON**—And was the problem that the data had not been collected or that testing was not done? What is the issue? I am having trouble grasping this.

**Mr Hansen**—For the students? So my difficulty in saying to you that categorically every single student has received pre-imposed testing is that I do not know whether or not a student has since left the project and therefore was not able to get a post-test, or for some reason the educators felt that was a student that would not benefit from a diagnostic at that particular point in time, for one reason or another.

**Senator ALLISON**—Okay. But we started this set of questions with you indicating that the reason for the extension by one year was because of data problems and the need to collect data. Is that right?

**Mr Hansen**—That is right.

**Senator ALLISON**—So my question to you is: to what extent is this extension to fix problem with pre-imposed testing in the previous three years group of kids?

**Mr Hansen**—So are you asking: to what extent is this extension for that reason?

**Senator ALLISON**—I am just asking you to clarify what you said earlier about the extension and data.

**Mr Hansen**—I am not quite sure that I am clear on what you are saying, I am sorry.

**Senator ALLISON**—Well, as I recall—I will not get your words exactly right, but I thought you said that the reason for the 12 months extension was because there was need to collect extra data. I am wondering why it is. This suggests to me that the data you have for the first three years was somehow incomplete, or not adequate to make an assessment.

**Mr Hansen**—Yes.

**Senator ALLISON**—Can I ask you that? Was the data for the first three years inadequate to know whether this program worked in indigenous communities?

**Mr Hansen**—I think there is an issue about longitudinal effects, so it is difficult to be able to track student A—

**Senator ALLISON**—I am sorry. Is the study longitudinal? Or are you looking at 12 months—

**Mr Hansen**—This is what I am saying to you. For the schools that have continued, it is difficult to be able to say that student A who started in it continued to be tested all the way through.

**Senator ALLISON**—Especially when you have a whole lot of new schools that are doing just one year.

**Mr Hansen**—That is right, yes. So one of the aspects is that you get a benefit of extending through to 2008 would be to extend this longitudinal data for particular students.

**Senator ALLISON**—But you have only got Shepparton schools doing that.

**Mr Hansen**—That is right, and Kaurna Plains.

**Senator ALLISON**—All right. The website says that final report to the government was to be presented at the end of March this year, including evaluation and analysis of the learning outcomes and recommendations for educational policy and practice. Is that report available? Was it completed in March? Is it available?

**Mr Greer**—The final report from the proponents, on my understanding, Senator, was not completed by the end of March and we are still awaiting that.

**Senator ALLISON**—Why is that?

**Mr Hansen**—Again, because they are seeking further refinement of the data. We are talking about the final report for the project for 2004 to 2007. The delay has been that Monash University is going through and doing their analysis of the data that has been collected.

**Senator ALLISON**—Okay. And what—Monash is saying that the data is incomplete?

**Mr Hansen**—They have not said that to us, no.

**Ms Paul**—They are just saying they have not finished it.

**Mr Hansen**—It is a more substantial job than I guess the project first anticipated.

**Senator ALLISON**—Right. The website also talks about bi-annual evaluations. Do we have those?

**Mr Hansen**—Bi-annual evaluations?

**Senator ALLISON**—Yes, bi-annual evaluations.

**Ms Paul**—Are you sure it is not of students if it is on the website, Senator? Would that be evaluation of students?

**Mr Hansen**—Yes. It could ostensibly be about students. It is certainly not a factor of our agreement.

**Senator ALLISON**—No?

**Mr Hansen**—No.

**Ms Paul**—I think so.

**Senator ALLISON**—If it is on the website, maybe it is a mistake.

**Ms Paul**—I imagine it is a reference to approaches to students.

**Mr Hansen**—And it could be—

**Ms Paul**—But we can check that and bring that to you on notice.

**Mr Hansen**—Alternatively it could be in our journal, sort of thing, which goes to the continuous improvement of the program.

**Senator ALLISON**—And can you give me an outline of the independent evaluation that has been done on this program so far?

**Mr Greer**—Yes, Senator. I think the evaluation to date was inconclusive in the sense of the longer-term impact that the—

**Senator ALLISON**—Who did that evaluation?

**Mr Greer**—I think it was Kpa—Phillips Kpa.

**Mr Hansen**—That is right.

**Mr Greer**—I found it was an appropriate style of intervention, but its effectiveness varied.

**Senator ALLISON**—Okay. So, is that available?

**Mr Greer**—The report has not been published at this stage.

**Senator ALLISON**—Why is that? Why is that?

**Mr Greer**—It is yet to be agreed for publication, but if you are asking for a copy, we can certainly take it on notice and—

**Senator ALLISON**—I am sorry? You said if I asked for a copy I could have one.

**Ms Paul**—We are happy if we can take it on notice.

**Senator ALLISON**—Whether I can have one or not?

**Ms Paul**—Well, we need to—of course we would want to ask the school, Yachad themselves and so on, and ultimately it would be the Deputy Prime Minister's decision. But we are happy to take that on notice.

**Senator ALLISON**—So Phillips Kpa. But were there any other evaluations done independently?

**Mr Hansen**—Not to my knowledge, Senator.

**Senator ALLISON**—The sites are now obviously mostly rural. How did the different—I mean, Shepparton is a very urban-rural area compared with, I presume, some of the other more remote schools.

**Mr Hansen**—Aurukun, for example.

**Senator ALLISON**—Which were in the program initially. When the data is being collected and this evaluation is being made, how did the program take into account the different environments that this work was operating in?

**Mr Greer**—Senator, initially my recollection is that a number of the initial sites were influenced because they were located within the then COAG trial sites that were operating around the country.

**Senator ALLISON**—Yes.

**Mr Greer**—One in—

**Mr Hansen**—Cape York.

**Mr Greer**—Cape York, one in Shepparton was a trial site, one in Halls Creek, et cetera. So there were—

**Senator ALLISON**—So are you saying that Shepparton is not a trial site?

**Ms Paul**—That is right. It was based on the trial sites as they were then. The trials have now ceased.

**Mr Hansen**—It was a COAG trial site.

**Mr Hansen**—So it was back in 2004 when the agreement was originally made.

**Senator ALLISON**—Yes. So the trials ceased in remote areas, but were ongoing in the Shepparton one. Does that suggest that they were more successful in Shepparton?

**Mr Greer**—Yes.

**Mr Hansen**—That was COAG.

**Senator ALLISON**—Is that the report that you are talking about there?

**Mr Greer**—Yes.

**Senator ALLISON**—Can we conclude from that that they were not very successful in remote areas?

**Ms Paul**—Can we just clarify here, Senator, that you are now not talking about the COAG trials? You are now talking about these pilots, aren't you?

**Senator ALLISON**—Yes. What were the COAG trials?

**Ms Paul**—Oh, it was a long, separate story, and it only, in this context, explains the siting.

**Mr Greer**—It only explains the siting of them.

**Senator ALLISON**—So a COAG process set up the—

**Ms Paul**—So if that was program was here you would ask the COAG process.

**Senator ALLISON**—That explains why they are in different states. Is that what you are saying?

**Ms Paul**—Correct.

**Mr Hansen**—Yes.

**Ms Paul**—I am sorry—back to the program.

**Senator ALLISON**—Is one of the evaluations being looked at, the sustainability of this program?

**Mr Greer**—Sustainability was a factor touched on in the evaluation that has been done to date, Senator. That was indicating that the prospect of sustainability is greater, as you have mentioned, in the Shepparton site than it is in other sites.

**Senator ALLISON**—Right. So why is that?

**Ms Paul**—There were issues. They were some of the normal issues which you face, as I understand it, in remote areas—like, high teacher turnover. I gather that was one of the factors which made it harder to get sustainable outcomes in the remote areas compared to the—

**Senator ALLISON**—We are talking about teachers already in schools—Australian teachers—

**Mr Hansen**—Yes.

**Senator ALLISON**—who were to be learning the system, were they?

**Ms Paul**—That is right.

**Senator ALLISON**—In schools?

**Ms Paul**—That is right. So if you have turnover, obviously you just get less ‘embeddedness’—if that is a word.

**Senator ALLISON**—How much of the effort was directly with kids to figure out what kids had learned, and how much was being assessed on the basis of how much teachers learned? There are two different kinds of evaluation, presumably?

**Mr Hansen**—That is right. In terms of how the evaluation assessed those?

**Senator ALLISON**—Well, it has just been suggested that one of the reasons teachers do not stay long, probably, in remote areas, which is understandable—

**Mr Greer**—Some of the success factors, and barriers to success, are buy-in and support from school leaders, skilled—

**Senator ALLISON**—I am sorry, what was that? Buy-in support?

**Mr Greer**—Buy-in and support.

**Senator ALLISON**—What does that mean, ‘buy-in support’?

**Ms Paul**—Support from the principal.

**Mr Greer**—Support from the principal and the—

**Senator ALLISON**—So you had buy-in support at the outset. At some stage did that go away?

**Mr Greer**—These were features of success factors in those sites where—

**Senator ALLISON**—But did all the principals buy-in, as it were, initially?

**Ms Paul**—Well, they would have, initially. What Mr Greer is saying is that—like anything that is really new and innovative I think—if you have the CEO, as it were, or school leader backing it up, and in a sustained way, you are more likely to have a positive result. I think that is all Mr Greer was meaning.

**Senator ALLISON**—But they all started by buying in, in a sincere and enthusiastic way, but what happened?

**Mr Greer**—Well it was then that there were some of the barriers. The barriers included high levels of staff turnover and high levels of student—

**Senator ALLISON**—No, just hold onto the buy-in problem first of all. Can you explain that? What you are suggesting here sounds a bit like teachers, principals or leaders—or whatever you call them—were enthusiastic at the outset but became less so, in the remote areas. Is that fair to say?

**Mr Greer**—That is a fair assessment.

**Mr Hansen**—And to some extent, you know, the principals may well see the value of this and have had a different expectation about the level of support that they may have needed to provide to the project.

**Senator ALLISON**—Was that one of the problems?

**Mr Hansen**—I am just speculating, I guess.

**Ms Paul**—I think we would have to take this on notice. All Mr Greer is drawing on is a finding from the evaluation. I do not know that we are able here to unpack why the evaluation is saying that, but we can take it on notice because presumably it is in the evaluation.

**Senator ALLISON**—Okay, if you could take that on notice, that would be good. The idea presumably from this is that you have a pilot. These Israeli students come and teach the teachers here about this system, and then it finishes. They all go off and we have teachers who have learned the new system and are doing it? Is that how it was envisaged?

**Mr Hansen**—I understand there is ongoing support for the Australian teachers participating after the, I guess, face-to-face interactions finish, and a lot of that happens over email.

**Senator ALLISON**—Okay, but is it envisaged that the students will keep coming to Australia?

**Mr Hansen**—I am sorry, yes, they do. So, for example, in Shepparton they have been coming to that school two, three or four times a year.

**Senator ALLISON**—So when do they come to the school?

**Mr Hansen**—The times vary from year to year, but generally there is an intervention in the first quarter, and you can group it in terms, if you like.

**Senator ALLISON**—So they come to Australia in their holidays or something, do they?

**Mr Hansen**—No. I do not think that is the way that it works, no. There are several interventions.

**Senator ALLISON**—Just paint me a picture. In a typical year, someone turns up, or two students come into a school. Let us take one of the Shepparton schools. Two students—

**Mr Hansen**—Two educators, yes.

**Senator ALLISON**—come to Australia.

**Mr Hansen**—Yes.

**Senator ALLISON**—They go into a school, work with teachers and work with students. How long do they stay there?

**Mr Hansen**—For each school, it could be between two and six weeks.

**Senator ALLISON**—Why the variation?

**Mr Hansen**—It might depend on the nature of the evolution of the intervention. So in some sites, say, in Aurukun, there may be particular issues. It comes back to the teacher turnover and those sorts of things. So it comes to adapting particular interventions, and so on.

**Senator ALLISON**—It is a very flexible program indeed. But it is envisaged that that might be ongoing. Is that right?

**Mr Hansen**—Over 2008, that is right. Those visits—

**Senator ALLISON**—Beyond 2008?

**Ms Paul**—The government has not decided yet.

**Mr Greer**—I think we need to look at what the full evaluation over that full cycle was. There would be matters then for jurisdictions and others to see if they wanted to pick this up as a preferred methodology.

**Senator ALLISON**—So we have one evaluation. Phillips KPA have done one. When was that as at the end of last year?

**Mr Greer**—I think it was in the second half of last year.

**Mr Hansen**—I think they reported in July.

**Mr Greer**—July, was it?

**Senator ALLISON**—And there is to be another. Will the same organisation do an evaluation at the end of this year?

**Mr Hansen**—That has not been decided. That has not been part of a feature of the current contract, but that is not necessarily a reason why you would not undertake an evaluation.

**Senator ALLISON**—Why would you extend the program for 12 months in order to gather more data if you did not do a further evaluation?

**Mr Greer**—No, I think Mr Hansen was saying it is not determined that the same organisation would undertake the final evaluation—

**Senator ALLISON**—I understand that.

**Mr Greer**—rather than have an evaluation of the final year.

**Senator ALLISON**—Yes, I understand. So you might choose someone else to do a further evaluation.

**Mr Greer**—Yes.

**Senator ALLISON**—But you would do one, nonetheless.

**Mr Greer**—And build onto the previous evaluation premise.

**Senator ALLISON**—And when would that start?

**Mr Greer**—Once the projects in issue were completed.

**Senator ALLISON**—And when will that be?

**Mr Greer**—At the end of 2008.

**Senator ALLISON**—Do these evaluations take a long time?

**Mr Hansen**—They can do, but I suspect in this case they have a benefit of a recent evaluation to be able to build on.

**Senator ALLISON**—I asked you before how many students altogether are involved. Do you have those figures?

**Mr Greer**—My understanding was that to the end of December last year it had an impact on, I think, 408 students. Is that correct?

**Mr Hansen**—It was something in that order.

**Senator ALLISON**—And over how many sites was that?

**Mr Greer**—I think that was over nine sites over all. Nine sites had participated or nine schools had participated in the program through to the end of 2007.

**Senator ALLISON**—And in a place like Shepparton, where the schools are not just Indigenous, in the same way as they might be at Aurukun or elsewhere, were Indigenous and non-Indigenous students involved, or just Indigenous?

**Mr Greer**—Both, Senator. I think predominantly the one-to-one engagement was with Indigenous students and the whole-of-class engagements were with both Indigenous and non-Indigenous students.

**Senator ALLISON**—Would the number of Indigenous students who were part of it make a difference to the decision of whether it was funded or not? Presumably this is about Indigenous education. What was the benchmark? What was the cut-off, if you like? How many Indigenous kids did you have to have in the program as a proportion of the total?

**Mr Hansen**—One of the issues with the contract is that, as I have mentioned before, the project is able to source revenue from other sources. However, we have made it a condition of funding for 2008 to make it quite clear that one or more interventions funded by the Commonwealth would be Indigenous only.

**Senator ALLISON**—Okay, so you changed the parameters.

**Mr Greer**—Yes.

**Mr Hansen**—We clarified it. I say that we probably—

**Mr Greer**—In the previous or the initial pilot, through to the year 2007 the Commonwealth funding sources are drawn from both Indigenous specific and mainstream funding.

**Senator ALLISON**—And over that 3½ year period, did the methodology change in response? This is a bit hard with Shepparton because it is rural, but was the program informed by some of the particular issues of Indigenous children in remote areas?

**Mr Hansen**—Most definitely. One tangible example is around the resources that have been used. The initial resources were not seen to have been effective. As they have gone through and worked with schools and worked with students, they have refined those resources.

**Senator ALLISON**—In what sense were they not effective?

**Mr Hansen**—I could not give you the detail of those. That is just the feedback that I have received in some of the progress reports.

**Senator ALLISON**—I wanted to ask you about the students. Presumably all the Israeli students speak English well—do they?

**Mr Hansen**—I could not tell you for a fact, but I presume so. They have to engage with the teachers and they have to engage with the students, so—

**Senator ALLISON**—And that was not a problem anywhere?

**Mr Hansen**—No. It would be normal.

**Senator ALLISON**—When they came to Australia in the remote areas, what were the arrangements for accommodating them?

**Mr Hansen**—Those arrangements would be established between the school and the project.

**Senator ALLISON**—And, when they are in Australia, what sort of visa arrangements must they have? Do they have working permits, or—

**Mr Hansen**—I understand they do have working visas, but I could take that on notice to clarify that.

**Senator ALLISON**—What sort of visas?

**Mr Hansen**—Other than that they would have working visas, I could not tell you that the details.

**Senator ALLISON**—Okay. I do not think Israel participates in the visa arrangements for students. Is it if you are under 35 that you can get a work permit for 12 months or so?

**Ms Paul**—I think we will have to take that on notice.

**Mr Hansen**—I am aware that they undertook the appropriate entry arrangements for undertaking employment in Australia. Other than that, I could not tell you about visas.

**Senator ALLISON**—Is it the case, too, that some Australian teachers go to Israel to study?

**Mr Hansen**—That is actually funded outside of the projects. That is funded from the other source revenue, the Victor Smorgon Foundation. It hosts people going across to Israel.

**Senator ALLISON**—How does that work?

**Mr Hansen**—I do not know the details because, again, it is not something that we fund. But my understanding of how it works is that the project will generally source either teachers working with the project or people working in education systems, for example, to be able to demonstrate how the project works in Israel.

**Senator ALLISON**—With all these funding sources, it must be difficult to make an assessment without knowing who is giving what and what it is paying for. It must be difficult to know and to be able to answer that question of whether this is a sustainable approach to Indigenous learning.

**Mr Hansen**—Yes.

**Senator ALLISON**—Is that right?

**Ms Paul**—It is not really dependent on that. The question is not really dependent on the funding; it is dependent on the outcomes. As we have discussed, the reason that we have been focusing on 2008 is to be able to track the outcomes from the pre and post tests and so on.

**Senator ALLISON**—Except that the 2008 funding is not just for the outcomes of the previous three years because you have taken on board three new schools.

**Ms Paul**—Yes—true.

**Senator ALLISON**—I wish you luck. I understand some Indigenous teachers were involved in this program. How does that work?

**Mr Hansen**—Other than that they may well be teachers or paraprofessionals in the project, I do not think there is any special treatment given to the Indigenous teachers in the schools.

**Senator ALLISON**—Do they get paid from the programs?

**Mr Hansen**—Do Indigenous teachers get paid from the program? No.

**Senator ALLISON**—And these would be teachers on CDEP, or—

**Ms Paul**—No. These are Victorian state teachers.

**Senator ALLISON**—Fully waged teachers?

**Ms Paul**—I would assume so.

**Mr Hansen**—I mean, it is possible—

**Senator ALLISON**—Indigenous teachers, particularly in remote areas, are typically neither fully trained nor fully salaried. That is my experience.

**Ms Paul**—Would they be education workers then, perhaps, rather than teachers?

**Senator ALLISON**—I think they are referred to as teachers, and they do teaching roles.

**Mr Hansen**—I should be clear that the project actually does support education workers as well as teachers, and the approach with education workers is one of those adaptations, if you like, that has taken place to be able, to some extent, to address some of the sustainability issues around the teacher turnover that we talked about.

**Senator ALLISON**—So the students who come out from Israel get a wage?

**Mr Hansen**—They are paid by the project, yes.

**CHAIR**—Senator Allison, maybe I should just—

**Senator ALLISON**—Yes, I am coming to the end, I am sorry.

**CHAIR**—Because we truncated some of the breaks today, we are going to finish at 10. I thought I had better forewarn you. I am happy for you to continue.

**Senator ALLISON**—Does anybody else want to ask questions?

**CHAIR**—No. You only got in by the skin of your teeth when you did.

**Senator CROSSIN**—I am sorry, Chair; are you telling me that no opposition members are going to ask questions on Indigenous education?

**CHAIR**—Senator Allison will ask them.

**Senator Carr**—We can cover that.

**CHAIR**—Let me set the record straight. Some opposition senators did ask questions in this portfolio before Senator Allison got here.

**Senator CROSSIN**—Other than Senator Allison?

**CHAIR**—Yes.

**Senator CROSSIN**—That is good to see.

**Senator ALLISON**—What training was given to Indigenous teachers in remote areas, leaving aside Shepparton? Did you have any Indigenous teachers in Shepparton?

**Mr Hansen**—I could not tell. We do not control outsourced—

**Senator ALLISON**—We can refer to Aurukun, or to one of the more remote schools involved in the projects.

**Mr Hansen**—My understanding is that they would receive the same sort of support that other teachers, non-Indigenous teachers, would receive in our schools.

**Senator ALLISON**—But, as I just explained to you, it is my understanding that most Indigenous teachers are not on a full wage, whereas non-Indigenous teachers would be.

**Mr Hansen**—But that does not particularly affect their professional development training.

**Senator ALLISON**—You said there were no payments for them.

**Mr Hansen**—For the Australian teachers, no. That is right.

**Senator ALLISON**—No, for the Indigenous education workers, or whatever it was.

**Ms Paul**—In other words, I think what we are saying is that it was not a salary top-up.

**Mr Hansen**—I am sorry, yes.

**Ms Paul**—Is that where we were going to?

**Mr Hansen**—Yes, that is correct.

**Ms Paul**—So whatever resources and development were offered were additional, but there was not additional remuneration offered to anybody in the Australian workforce under the program.

**Senator ALLISON**—So the evaluation will outline what took place by way of the skill transfer—how that was done and how many teachers now are skilled up in this system or work?

**Mr Hansen**—That was one of the aspects that was considered as part of the previous evaluation, so we expect that to continue.

**Senator ALLISON**—What was the per capita cost for the delivery of the program overall? I suppose you are only able to talk about the Commonwealth funding, not the state. Are you able to take on notice what the state contributed?

**Mr Greer**—We will certainly take that on notice.

**Senator ALLISON**—Is it also possible to take on notice what the foundations or the philanthropic organisations contributed?

**Mr Greer**—Certainly—aggregate accretions.

**Senator ALLISON**—We need to know what the per capita cost is so—

**Mr Greer**—You need an aggregate.

**Mr Hansen**—I think they are classified as ‘other revenue’ in the financial information that they provide to us.

**Senator ALLISON**—If you have details of that, that would be very interesting.

**Mr Hansen**—Certainly.

**Senator ALLISON**—You said you changed materials in remote areas. Is there a set of new materials available that will go on to be used in schools in the future?

**Mr Hansen**—I understand we said—

**Senator ALLISON**—I presume we are talking about teaching aids, texts and—

**Mr Hansen**—That is right.

**Senator ALLISON**—all the resources—whatever you do.

**Mr Hansen**—Yes.

**Senator ALLISON**—A set of those would be things—

**Mr Hansen**—We have been advised that we will receive a full set of the materials as part of the final report.

**Senator ALLISON**—Okay. So you have said this has got some problems with data but, overall the evaluation was a good one—that this is a worthwhile project.

**Mr Greer**—I think the—

**Senator ALLISON**—You are having another evaluation but the evaluation we have got is—

**Mr Greer**—I think the evaluation we have, Senator, was saying that, given the data issues, certainly in those areas where the project was successful, there is the prospect of sustainability, and it is working, and working well, in those areas.

**Senator ALLISON**—We are talking Shepparton again.

**Mr Greer**—Yes, and probably not so well in other areas.

**Senator ALLISON**—Right.

**Mr Greer**—So I think it was balanced in that sense.

**Senator ALLISON**—This is not going to be rolled out any time soon in every remote Indigenous school. Is that what you are saying?

**Mr Greer**—Subject to the final evaluation, that would—

**Senator ALLISON**—But that is your feeling at this point in time.

**Mr Greer**—Yes.

**Mr Hansen**—And it will also be largely dependent on the systems themselves taking that up. So, for example—

**Senator ALLISON**—We assume that.

**Ms Paul**—Yes.

**Senator ALLISON**—How did the states and territory departments receive the program?

**Mr Greer**—Variably. Certainly initially all states and territories where the pilot was trialled in those sites were participating. Some of those, certainly South Australia and Victoria, are continuing to participate and contribute to the current arrangements.

**Senator ALLISON**—And what about the other states?

**Mr Greer**—They have not continued.

**Senator ALLISON**—No, I am asking you how they received the program. What was their evaluation of it?

**Mr Hansen**—I think they relied generally on the feedback that they receive from principals. So the evaluation reflected a lot of the feelings and the understandings of principals, and that fed back through district officers to the departments.

**Senator ALLISON**—Do they say it has assisted them in refining or changing in some way the literacy and numeracy programs that they had going in remote indigenous communities? Was there any of that sort of feedback?

**Mr Hansen**—There were aspects about how they would organise things. For example, the 10-minutes system was seen as one of the strengths in Shepparton.

**Senator ALLISON**—This is the one-on-one, 10 minutes?

**Mr Hansen**—That is right. So, instead of having a lengthy engagement over several hours or something, the argument is that students in that environment become disengaged and there is a peak in terms of the learning. That changed the methodology of teachers in that particular school.

**Senator ALLISON**—So, in remote schools, even if the program is not underway, it is likely they are trying this sort of thing, is it?

**Mr Hansen**—Oh, I am sorry, are you saying is there some sort of residual in those schools?

**Senator ALLISON**—I want to know what has been learned, even by those states that do not have it underway.

**Mr Hansen**—I could not tell you for a fact, but what I can say is that one of the last aspects of the intervention for Aurukun was a particular training package offered to educators in that area. That was one of the last events. So that gives you a little bit of an idea whether the principal liked the concepts but, you know, was not able to work with the particular application in that situation.

**Senator ALLISON**—All right. Did anyone from the department go across to see the program in the Hebrew University?

**Mr Greer**—No.

**Senator ALLISON**—Was there anything else that it would be useful for us to know?

**Mr Greer**—Thank you, Senator.

**Senator ALLISON**—All right, Chair.

**CHAIR**—Thank you. If there are no further questions—

**Senator CROSSIN**—Can I just ask one before we go?

**CHAIR**—You can ask one.

**Senator CROSSIN**—I think it would probably be remiss of me, as a Northern Territory senator, to not ask Mr Greer about this. I know these awards are organised by Teaching Australia, but I think the national awards given this week to Canteen Creek and Bonya school show that we are starting to make some progress in Indigenous education in the Northern Territory. I wondered whether Mr Greer would like to comment on where that sits with the awards from Teaching Australia this week.

**Mr Greer**—Yes, Senator. At the presentations of the Australian Government National Awards in Quality Schooling, which were held in the Great Hall here at Parliament House earlier this week, at least two—it may be more—schools in the Northern Territory received awards. Certainly one, from memory, from Bonya and the other—I think it was an excellence award—was the principal of Canteen Creek. That reflected fairly significantly what I understand to have been thousands of applications received by Teaching Australia in the assessment of those. There was relatively strong Northern Territory presence at those awards.

**Senator CROSSIN**—And, Mr Greer, no doubt your department is integral to our closing the gap commitment in respect of education. We have appropriated money, as far as I am aware, for at least the first 50 of 200 teachers in the Northern Territory. So, is that on track to be delivered this year?

**Mr Greer**—Yes, Senator. The funding for Indigenous education agreements with both the Northern Territory government and the Catholic Education Office in the Northern Territory have been executed for the intake of the first 50 of those teachers. We understand that the first 19 of those teachers have been appointed in the Northern Territory system. Those teachers are currently undergoing a nine-week preparation program that has seen them complete four units of a Bachelor Institute of Indigenous Tertiary Education around social and political context of communities, engaging Indigenous learners, professional environment and communicating in

a cross-cultural environment. They will also be undertaking one unit from Charles Darwin University looking at the introduction of accelerated literacy and also picking up the equivalent of a graduate certificate unit on teaching ESL in mainstream classrooms—in addition, of course, to in-service training within the Northern Territory system, which goes to mandatory reporting and protective behaviours and introduction to the Northern Territory curriculum framework.

**Senator CROSSIN**—So these teachers will not just be catapulted into remote schools.

**Mr Greer**—No.

**Senator CROSSIN**—They will actually have some appropriate training.

**Mr Greer**—They are undergoing this nine-week intensive preparation before they are put into those schools, and indeed these units. I understand that the Northern Territory government is seeing whether these units in fact could have standing towards a masters degree in education.

**Senator CROSSIN**—So the Northern Territory government is actually paying for this teacher development as part of its contribution to the partnership, or is this part of the money that has been appropriated?

**Mr Greer**—This is part of the money that has been appropriated to them, together with the quality teaching element of the intervention that formed part of the Commonwealth's Enhancing Education contribution in the first year.

**Senator CROSSIN**—The AESIP agreements, Mr Greer—are they up for renegotiation this year as part of the four-year quadrennial general schools funding?

**Mr Greer**—The AESIP agreement, certainly this is the end; 2008 will be the completion of the current quadrennium, as officers have mentioned today variously. There will be significant reforms as we move to a new Commonwealth-states financial relationship from the beginning of 2009. The AESIP agreements, as we know them, will in fact be caught up in those processes and be part of that significant reform.

**Senator ALLISON**—May I ask if we are going to return to the system, which applied a few years ago, where schools were given per capita based funding for projects determined by the school council or body within the school for various people.

**Senator CROSSIN**—You are talking about ASSPA?

**Senator ALLISON**—ASSPA, yes.

**Senator CROSSIN**—On per capita?

**Mr Greer**—Senator, the ASSPA program was a formula-driven program.

**Senator ALLISON**—That is right. We had an inquiry into it, so I know all about it.

**Mr Greer**—Certainly government has not made a decision that that will be returning to its former character as a formula-driven arrangement. That has been incorporated into the whole-of-school intervention program. To date, over these four years, 4,250-odd—projects have been—

**Senator ALLISON**—Has there been an evaluation of them, including one of the schools that missed out on the grant application funding?

**Mr Greer**—There has been a review that is in process, Senator. It has not been completed yet, and there was recently an ANOA performance audit of those changes. That report of course is around.

**Senator CROSSIN**—So Mr Greer, you are currently reviewing the PSPI program, are you, internally or externally?

**Mr Greer**—We will be considering the PSPI program in the context of the recommendations that the ANOA made in its recent report.

**Senator CROSSIN**—But the department is not actually considering a review of the effectiveness of the changes to the PSPI program? There has been no review of that program since it came into—

**Mr Greer**—There has been an evaluation commissioned, Senator. That evaluation has not been completed.

**Senator CROSSIN**—When is it likely to be completed?

**Ms Hunter**—We are going through the final stages of the data analysis as to funding, students assisted, and the report should be due within the next few months. It is just a matter of making sure that the robustness is there to enable us to release it.

**Senator CROSSIN**—Thank you.

**CHAIR**—Thank you. That concludes our questioning of the Indigenous Education Group. Thank you, officers; thank you, Minister; thank you, Hansard.

**Committee adjourned at 9.59 pm**