

The Senate

Employment, Workplace Relations
and Education Legislation Committee

Budget estimates 2003–04

June 2003

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MEMBERSHIP OF COMMITTEE

Chair:	Senator John Tierney	(LP) NSW
Members:	Senator George Campbell (Deputy Chair)	(ALP) NSW
	Senator Kim Carr	(ALP) VIC
	Senator David Johnston**	(LP) WA
	Senator Natasha Stott Despoja*	(AD) SA
	Senator Guy Barnett	(LP) TAS

Substitute Members:

- *Senator Andrew Murray (AD) WA for Senator Stott Despoja for workplace relations matters
- *Senator Cherry (AD) QLD to for Senator Stott Despoja for employment matters
- *Senator Allison (AD) VIC to for Senator Stott Despoja for matters relating to schools and training
- **Senator Mason to replace Senator Johnston for the consideration of the 2003-04 Budget estimates from 2 – 4 June 2003, inclusive

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Employment, Workplace Relations and Education Legislation Committee

REPORT TO THE SENATE

1.1 The Employment, Workplace Relations and Education Legislation Committee presents its report to the Senate.

INTRODUCTION

1.2 On 13 May 2003 the Senate referred to the committee the particulars of proposed Budget estimates 2003-2004 in relation to the Employment and Workplace Relations and the Education, Science and Training portfolios.

1.3 Senator the Hon Richard Alston was the Minister representing the Minister for Employment and Workplace Relations. The committee heard evidence from Senator Alston, the department and related agencies on the proposed estimates for the Employment and Workplace Relations portfolio. The following agencies appeared before the committee: the Office of the Employment Advocate, Equal Opportunity for Women in the Workplace Agency, Australian Industrial Registry, Australian Industrial Relations Commission, National Occupational Health and Safety Commission, Comcare, Australia and Safety, Rehabilitation and Compensation Commission.

1.4 The committee also heard evidence from Senator the Hon Richard Alston, as the Minister representing the Minister for Education, Science and Training. Additionally, it heard from officers of the department and related agencies on the proposed additional estimates for the Education, Science and Training portfolio including the Commonwealth Scientific and Industrial Research Organisation; Australian Research Council; Australian National Training Authority and the Enterprise and Career Education Foundation.

1.5 The committee took into account the Portfolio Budget Estimates Statements 2003-2004 provided by the departments and also their Annual Reports for 2002-2003. Review of the proposed budget estimates expenditure for the portfolio was carried out over four days, 2, 3, 4 and 5 June 2003.

1.6 Senators present at the hearing held on Monday, 2 June 2003 were Senator Tierney (Chair), and Senators Barnett, Buckland, Carr, Cook, Collins, Crossin, Forshaw, Kirk, Mason, Murray, Sherry, Stephens, Webber and Wong.

1.7 Senators present at the hearing held on Tuesday, 3 June 2003 were Senator Tierney (Chair), and Senators Barnett, G Campbell, Carr, Collins, Crossin, Mason, Marshall, Sherry, Webber and Wong.

1.8 Senators present at the hearing held on Wednesday, 4 June 2003 were Senator Tierney (Chair), Senators Allison, Barnett, G Campbell, Carr, Collins, Crossin, Forshaw, Mason, and Stephens.

1.9 Senators present at the hearing held on Thursday, 5 June 2003 were Senator Tierney (Chair), Senators Barnett, G Campbell, Carr, Collins, Crossin, Johnston, Mason, Nettle, Stephens and Stott Despoja.

1.10 Written Questions on Notice were received from Senators Allison, Bishop, G. Campbell, Carr, Crossin and Stott Despoja.

1.11 The committee tables for the information of the Senate copies of transcripts of evidence of committee proceedings of Monday 2 June, Tuesday 3 June, Wednesday 4 June and Thursday 5 June, and a table of contents to the transcripts. The answers taken on notice at the committee's hearings, and tabled documents taken at the hearings will be tabled in the Senate under separate cover in numbered volumes entitled Additional information received relating to the examination of additional estimates for 2002-2003. Lengthy documents provided as part of answers and unsuitable for inclusion in the additional information volumes that are furnished as part of the answers will be tabled separately and available on request.

MATTERS RAISED AT HEARINGS

1.12 The following is an indicative, but not exhaustive, list of issues that received consideration during the estimates' hearings. Full details are provided in the Hansard transcript of proceedings.

Employment and Workplace Relations Portfolio

Office of Employment Advocate

1.13 The committee was advised that staffing reallocations within OEA resulted from a reduction in the number of complaints and investigations relating to Australian Workplace Agreements [AWAs].

1.14 The issue of police investigations into the leaking of information from the OEA, which was the subject of a matter raised in the committee hearings on the 2002-03 estimates was again raised.

1.15 The committee was assured that AWAs eventuated as a result of genuine bargaining and were not determined by employers without negotiation.

1.16 The use of industry association templates for AWAs and their alleged deficiencies took up a considerable amount of questioning time. One of the particular lines of questioning related to how the model agreement framework fits the National Building and Construction Award, and how the template for this industry meets the no disadvantage test.

1.17 The OEA advised that it would take on notice the number of AWAs active within universities.

1.18 On the matter of whether the OEA is obliged to take note of AIRC decisions in approving AWAs, the committee was advised that the only legislative requirement on the OEA was the obligation to apply the 'no disadvantage' test.

1.19 The OEA emphasised that the test was a global rather than a line by line test and can only be applied when an actual agreement is compared with an actual award.

Department of Employment and Workplace Relations

Output 2.2: Interim Building Industry Taskforce

1.20 Senators raised a number of questions about the operation, management and staffing of the Building Industry Task Force which has taken over some of the work of the Royal Commission into the building industry and is a precursor to the proposed building industry commission.

1.21 Some senators questioned the independence of the director of the task force in light of public comments he had made about the nature of his mission. The Director noted that the comments need to be taken in context which included an attempt to inject some levity into a public presentation.

1.22 There were a number of questions on the operation, management and staffing of the Task Force and the need for such an organisation in the light of the small number of prosecutions likely to result from cases referred from the Royal Commission into the building industry.

Cross Portfolio Questions

1.23 In response to questions the Secretary of the Department dismissed as speculative claims made in the press that the Minister intended to force officers of the Department on to AWAs and noted that there were no legislative measures available to restrict promotion to officers on AWAs.

1.24 Questions were asked about the costs to the Department and the office of the Industrial Registrar of implementing the Workplace Relations (Termination of Employment) Bill in the event of it being passed. On the same issue the costs and problems of identifying and notifying constitutional corporations were also raised, as well as arrangements that would need to be made with courts in state jurisdictions.

1.25 The incidence of ministerial intervention in matters before the courts and the Australian Industrial Relations Commission was raised in questions about whether such interventions were made in the 'public interest'. Explanations were given of various instances cited by the Department. There was considerable discussion on the scope and purpose of the Government's intervention in the 2003 wages case before the AIRC and what interests were served by this.

OUTCOME 2: Higher productivity, higher pay workplaces

Output 2.1 Workplace relations policy and analysis

Output 2.2 Workplace relations implementation

1.26 Questions were asked in relation to advocacy costs associated with Commonwealth intervention in cases. The Department explained that interventions were either of ‘an intrinsically legal nature’, or had to do with the Government’s perception of what lay in the ‘public interest’ in regard to workplace relations policy.

1.27 The role of the Department in Commonwealth employment matters was examined, with reference to advice to agencies on workplace relations matters, the operations of the Office of Workplace Services [OWS] and details of its proposed expenditure of \$19.8 million. OWS was questioned on the nature of its advice about the Government’s workplace agenda given to agencies like working women’s centres and the Work and Family Unit, and the extent of departmental resources allocated to these measures.

1.28 There were questions about the national code of practice relating to the award of Commonwealth construction tenders, with particular reference to a recent tender let by Australia Post. The issue has wide industrial relations implications. The Department advised that these were matters for Australia Post, not for the Department, to answer, and stated that contractual rules were clear and well understood.

1.29 Issues related to employee entitlement schemes were examined including the general costs of program administration, recoupment from insolvency practitioners, progress on the implementation of ANAO recommendations, references to ASIC and the RTO and an update on the Special Employee Entitlements Scheme for Ansett Group Employees.

International Labour Organisation subscription

1.30 Questions were raised concerning Government policy and progress in relation to the ratification of ILO Convention 182, Convention 155, Convention 194, and the apparent Government reluctance to issue statements on its position in regard to these matters.

Outcome 1: An effectively functioning labour market

Output 1.1 Labour market policy and analysis

Output 1.2 Labour market program management and delivery

Job Network

1.31 The Department was questioned about the changes to Job Network programs and services including arrangements to allow young school leavers immediate access to assistance with job search related activities; the operation of the Employment

Innovation Fund, designed to promote the development of innovation approaches to employment; and the Indigenous employment program.

1.32 The Department was questioned about reports of a number of problems with the test or pre-release version of the new computer system designed to include vocational profiles of individuals and enhance computerized job matching. The Department expressed confidence that the problems were well within the norm for a new system of this scale and complexity and that the system would be fully operational by the time it was due to commence 'live' operations.

1.33 There was extensive questioning about job vacancies and how these figures are arrived at, and on the operations of the national jobs data base, the Australian JobSearch network. The Department provided explanation of the sources of statistical information, though a number of questions were placed on notice.

1.34 Interest was shown in ways of measuring skills shortages, and the capacity of the Job Network agencies to cross-skill job seekers for employment in trades other than the ones they might be qualified in. The Department explained that job matching capability was continually being refined.

1.35 The Department outlined new measures to assist young job seekers through the 'Jobjuice' website and new touch screen facilities, and to reward innovative and successful Job Network providers with additional business.

1.36 Senators raised a number of concerns about labour hire companies obtaining fees for placing people in work that may last for only three months. The Department advised that the placement of employees by labour hire companies was a good outcome because surveys showed that employees who were still employed three months after placement had an 80 per cent chance of still being employed nine months later. When the employment only lasted three months it was still a good outcome from a 'whole of government' perspective as they did not need income support for the period of employment, it gave them experience which could assist them in gaining further placements and it earned the job placement organization a relatively small fee.

1.37 The committee raised the issue of a possible increased literacy and numeracy training role for the Job Network which the Department agreed to consider.

Equal Opportunity for Women in the Workplace Agency (EOWWA)

1.38 In response to questioning the Director elaborated on strategies to increase the participation of women in non-traditional occupations.

1.39 In evidence relating to pay inequity matters, the Director informed the Committee that it was still a significant problem in Australia with women receiving 86c on the full-time weekly earnings instead of a dollar. The Director also highlighted the importance of research in developing a tool which could be used to assist businesses to identify where they have pay inequities. The committee was told that in relation to pay equity matters, most businesses were in a 'state of denial'. Although data was limited it is believed that the gap widens as salaries rise.

Australian Industrial Registry and AIRC

1.40 There was some description of the difficulties facing the Industrial Registry in the event that a significant amount of unfair dismissals cases were transferred from the states to the Commonwealth jurisdiction. There was an additional budget allocation to meet this contingency.

National Occupational Health and Safety Commission (NOHSC)

1.41 The Commission answered questions relating to the five national priorities outlined in the National Occupational Health and Safety Strategy.

Comcare Australia and Safety, Rehabilitation and Compensation Commission

1.42 The committee was informed that Comcare premiums are rising because of a significant increase in the costs of injuries to personnel in Commonwealth agencies, and the amount of time they are taking off work. Injured people are off work, on average, for twice as long as they were in 1996, suggesting that rehabilitation practices of agencies, and their monitoring by Comcare, is less effective than in the past.

1.43 There has been a continuing scrutiny by the committee over the past twelve months of OH&S issues arising from the protracted difficulties experienced by the National Gallery of Australia [NGA] in maintaining its air-conditioning system. Comcare acknowledged that, with hindsight, it had concluded that its original investigation of complaints by NGA personnel was inadequate, and that it had commissioned a further investigation into the compliance of NGA with earlier Comcare recommendations for remedial action. The resultant Wray report, which was tabled at these hearings, concluded that the NGA had taken reasonable steps to comply with the majority of those recommendations. The report found, however, that the NGA had failed to comply with provisions of the OHS(CE) Act in regard to providing training for those handling hazardous substances.

Education, Science and Training Portfolio

Department of Education, Science and Training

Issues relevant to Indigenous Group

OUTCOME 1 Individuals achieve high quality foundation skills and learning outcomes from schools and other providers.

Output 1.2 Assistance for individuals, including those with special needs

1.44 Senator Crossin asked a range of questions about Commonwealth programs supporting education for Indigenous people including funding for the IESIP and NIELS programs, moneys provided for the Jabiru Area School, transitional project assistance, IEDA funding, the Indigenous Youth Partnership Initiative under ECEF

and the Scaffolding Literacy Program. She also asked about Abstudy administration including the length and complexity of the application form, support for Indigenous students and staff in the Higher Education sector and whether any modeling had been undertaken of the likely effect of any increased HECS charges on participation of Indigenous people in higher education.

DEST Cross Portfolio

1.45 It was the first appearance of the new Secretary of DEST, Dr Harmer, before the committee and in response to questions he took the opportunity to summarise his general, favorable impressions of the Department and his approach to the estimates process. Senator Carr also asked the Secretary about the adequacy of the Department's internal resources and expertise for research and analysis, and whether the Department had any performance benchmarks for its statistical collections. The Secretary advised that his first three months had not revealed any weaknesses in the Department's research and analytical capacity and that he would consider the need for performance benchmarks for statistics.

1.46 There were a series of general questions including the engagement of Mr Geoff Spring and release of reports and consultancies, as well as the appropriateness of the Chief Scientist, who is not a public servant and reports directly to the Minister, appearing before the committee.

1.47 Senator Carr asked about changed arrangements for the distribution of press clippings prepared by the Department and their availability to senators.

Australian Institute of Marine Science (AIMS)

1.48 The changed priorities of the Institute's activities from Western Australia to Northern Australia was examined by the committee. In particular, lengthy questioning occurred concerning the proposed joint venture between AIMS and James Cook University. Issues raised included the budget for this joint venture and concerns over the maintaining the independence of AIMS.

1.49 Other issues of interest included the Institute's affiliation with a spin-off company, ToxiTech, and the public sector research agency review chaired by Mr. McGauchie, formerly of the National Farmers' Federation, which was announced in the budget.

Australian Nuclear Science and Technology Organisation (ANSTO)

1.50 Senators asked a series of questions concerning breaches of ANSTO's licence conditions to construct the new reactor at Lucas Heights. ANSTO assured the committee the breaches were minor in nature and that the occasions the regulator had issued additional licencing conditions were purely precautionary. ANSTO agreed with Senators Carr and Forshaw that a three-month delay between the identification of faulty work by a contractor and its notification to ANSTO, and therefore then to ARPANSA, was of concern. ANSTO detailed the steps it had undertaken to ensure this would not occur again.

1.51 Questions were also fielded concerning the waste management action plan including the shipment of spent fuel rods to CODEMA in France and the importance of the announcement of the establishment of a waste dump. The 1998 deed of indemnity between the government and ANSTO was also discussed.

Commonwealth Scientific and Industrial Research Organisation (CSIRO)

1.52 Senators questioned CSIRO about the potential for losses to the Commonwealth as a result of problems with the Australian Magnesium Corporation Stanwell project, the overall CSIRO budget allocation and internal allocations between flagship programs and other activities and any effect on research priorities, and about some recent staff movements within CSIRO.

1.53 Senator Carr asked whether criticisms reportedly made by a senior scientist about the current state of the CSIRO ship the *Southern Surveyor*, had been deliberately omitted from the report of the ship's recent voyage as a form of censorship. The chair agreed to Senator Carr's request to table a copy of letter from Dr De Ronde and a document purporting to contain the missing critical comments but noted for the record that the latter document was unsigned, with no name or letterhead or anything to indicate its provenance or authenticity. CSIRO officials explained that reports of ship's voyages are confined to scientific achievements, and do not normally deal with technical issues, such as the condition of the ship, but that there are separate procedures for responding to any such issues. They also explained action that had been taken to address safety or other concerns.

1.54 Senator Carr asked about the final sale price for the *Franklin*. CSIRO explained that although it was lower than the initial estimate made about two years ago, market conditions are now less favourable to sellers and the open tender process ensured that the Commonwealth received current market value for the ship.

1.55 Senator Campbell raised questions about the funding of the CSIRO centre of ICT excellence and the potential for it to duplicate the functions of the National Centre for Information and Communications Technology of Australia (NCITA), also based in Canberra and funded under the Backing Australia's Ability program. The Minister explained that while the two world class facilities conducting high level research in ICT would collaborate where appropriate, a healthy competition between them in some areas would also be a positive outcome.

1.56 Questions were also asked about executive salaries and conditions and performance assessment provisions for the CEO and other CSIRO executives.

1.57 CSIRO was also questioned about detection of the wheat rust virus in plants its Canberra laboratory, including the justification for destruction of affected plants and why the virus had only recently been detected despite now being known to have been present in Australia for perhaps a decade. CSIRO explained that the virus symptoms are easily confused with those associated with other conditions, particularly when present at low levels, as in Australia, and that only the more sensitive diagnostic

tests now used by CSIRO have enabled the detection of the virus. Officials stated that the destruction of plants in the Canberra laboratory was justified given the information available to CSIRO at the time and the potential risks to agriculture. CSIRO will now be monitoring the virus and researching the development of virus resistant wheat.

1.58 CSIRO was also questioned about the progress with its commercialisation program and explained that it was adopting a multi-pronged approach to increasing revenue including convincing government of the value of increasing its investment in CSIRO as well as increasing income from patents and royalties and also from commercialisation.

Issues relevant to Science Group

OUTCOME 3 Australia has a strong science, research and innovation capacity and is engaged internationally on science, education and training to advance our social development and economic growth.

Output 3.2 Assistance for science collaboration and innovation

1.59 Senator Carr asked how the composition of the review committee for the public research agencies inquiry is determined. He also questioned the Department about the proposed affiliation of the Australian Institute of Marine Science and the James Cook University, including the timing and basis of the decision, and notification to relevant parties.

1.60 Senators asked questions about the cost of the various reviews underway within the portfolio into aspects of research, science and innovation and about media reports claiming that some science funds had been withheld from South Australia because of the state government's stance on a radioactive waste repository.

1.61 Senator Allison asked a series of questions about the report of the cleanup of the Maralinga site including the composition and expertise of the committee preparing the report and questioned a number of the report's findings

Issues relevant to Vocational Education and Training (VET) Group

OUTCOME 2 Individuals achieve relevant skills and learning outcomes from post school education and training for work and life

Output Group 2.1 Funding for Vocational education systems and training

Output Group 2.2: New Apprenticeships

Output Group 2.3 Assistance for skills and career development

Australian National Training Authority (ANTA)

1.62 The Department was questioned about the operation of the current New Apprenticeships incentive scheme and the changes proposed from 1 July 2003. Officials explained that the changes are designed to simplify the program and weight

it more heavily towards completion, and that the recent review had not found any consensus on the need to provide additional funding for the traditional trade apprenticeships, which account for a higher proportion of New Apprenticeships than their share of total employment. DEST also advised that skills shortages are not confined to the traditional trades and referred to the action being taken, including under the National Industry Skills Initiative, to address these. DEST and ANTA acknowledge that there is a need to lift the status of VET and explained work that was being done and had been done in this area and work being done on the integration of vocational training and licensing issues.

1.63 Senator Campbell asked a series of questions on employability skills, articulation between vocational and higher education and VET in schools, and language and literacy programs.

1.64 Senator Johnston asked about whether ANTA or the Department was aware of reports that the Construction Skills Training Centre in Western Australia, which he claimed had been found by the Royal Commission into the Building Industry to have obtained Commonwealth funds on the basis of false information, was planning to take over the group training scheme operating out of Balga TAFE in order to provide an additional source of funding for the CFMEU. ANTA advised that it would seek information from the Western Australian training authority on these claims.

1.65 Senator Nettle asked a number of questions about the allocation of funds between various programs and between public and private providers under this Outcome and funding trends under the ANTA Agreement.

1.66 Senator Tierney asked some questions about adult and community education.

1.67 Senator Carr raised some concerns about some of the reporting in the PBS, suggesting that some of the performance targets appeared to be rather arbitrary, and raising concerns about the absence of targets in some areas and the obscurity of some of the information.

1.68 Senator Carr asked a series of questions about the current progress with implementation of the national training framework including introduction of the model clauses within state legislation.

1.69 Senators Carr and Campbell also asked the Department about skills shortages in traditional trades and Commonwealth measures including the current incentive structure for New Apprenticeships, to address these. Information was also sought on New Apprenticeships by AQF level, completion rates for New Apprenticeships, the level of employer expenditure on training and trends in Commonwealth expenditure on New Apprenticeships.

1.70 The rationale for the current ANTA review of industry advisory arrangements was explored along with the removal of Commonwealth funding for state and territory ITABs. The appropriateness of the 'label' training packages was also discussed with the Department and ANTA.

1.71 Senator Carr also asked about the proposed new ANTA agreement including Commonwealth statements suggesting the need for states to provide 11 annual reports on various items under the agreement, and queried whether the statements indicating the proposed Commonwealth contribution provided an accurate reflection of the pattern of expenditure.

Australian Research Council (ARC)

1.72 Senator Carr questioned Professor Sara about funding for the Chief Investigator's salary. In response to questions about whether the current success rate for its competitive grants program was at a level that would discourage new or significant research applications, the ARC noted that the current success rates matched or exceeded the minimum success rate (20 per cent) that the OECD considers is essential so that many researchers are not deterred from applying. In response to questions about the proposals for research funding for universities in the Higher Education Reform budget proposals, Professor Sara emphasised that the documents stated that all such funding should be *either* on a competitive basis *or* performance based. She did not agree that this position indicated that the ARC's proposal that all research funding for universities be contestable, had been adopted as part of the reform proposals.

1.73 Senator Carr also questioned Professor Sara about whether the ARC should have been represented on the Mc Gauchie review of research, on the review of ARC programs, the feasibility of making all research funding based on contestable grants and on staffing arrangements.

1.74 Senator Stott Despoja questioned Professor Sara about any involvement the ARC had with the proposed review of the Research Training Scheme.

Issues relevant to Higher Education Group

Output Group 2.4 Funding for Higher Education

Output Group 2.5 Assistance for post school students including those with special needs

Output Group 3.1 Research Infrastructure

1.75 Senator Carr asked a series of questions about a report into higher education that was not yet released, claiming that the delay in releasing the report amounted to its 'suppression'. The Secretary explained that the report was with the Minister's office and its release was under consideration, and that some of information it contained had been made available through discussion papers in the Crossroads Review.

Issues relevant to International Group

Output Group 2.1 Funding for vocational education and training

Output Group 3.3 Support for the Australian education and training export industry and international relationships

1.76 Questions were asked about the new student visa arrangements, including the reason for the increased charge, the extent to which increases in the program are being funded by students and the industry rather than government and the timing of proposals to increase promotion when SARS and terrorism are depressing international travel. The Department explained that the increased revenue would be dedicated to increasing the quality and diversity of the international education program and improving its sustainability and also to increasing promotion efforts. It drew attention to the new initiatives to safeguard the integrity and quality of the international education program, with certain quality assurance arrangements being applied for the first time to the offshore operations of Australian universities and an expanded program of compliance staff.

1.77 Senator Carr named a number of education and training providers for overseas students where questions had been raised with him about their registration and operations and the Department undertook to investigate. Some questions were also raised about whether the Department has a responsibility to investigate whether education providers had been involved in knowingly assisting the grant of student visas to people subsequently found working in the sex industry.

1.78 Senator Carr noted the Greenwich University web site claims that their relevant act is on the statute books on the territory of Norfolk Island and the Department agreed to respond to this issue on notice.

Enterprise and Career Education Foundation (ECEF)

1.79 Senator Carr questioned the Foundation concerning the rationale for the incorporation of its functions into the Department. Discussion also ensued concerning the budget savings and the implications of relocating to Canberra. The Foundation explained that savings were from the core administrative grant not its funding grant and that it may keep some key staff situated in state offices.

Issues relevant to Schools Group

OUTCOME 1: Individuals achieve high quality foundation skills and learning outcomes from schools and other providers

Output 1.1 Funding for schools

Output 1.2 Assistance for individuals, including those with special needs

Output 1.4 Assistance for transition through and from school

OUTCOME 2: Individuals achieve relevant skills and learning outcomes from post school education and training

1.80 Senator Carr asked about the rationale, process and budget impact of the transfer of ECEF to the Department and consultation with ECEF staff.

1.81 Senator Nettle asked a series of questions about audits of the actual enrolments used to determine private schools entitlement to Commonwealth funds, analysis of the effect of the SES (AGSRC) funding model on the affordability of private schools and on levels of enrolment in the public school system. The Department explained that the SES model was still being phased in so a complete evaluation would be premature but noted that the number of students attending private schools across the nation had remained relatively constant at 2.2 million since 1983.

1.82 Senator Carr asked a number of questions comparing information in Budget Statement No 1 with information in the PBS and for a range of information. He also asked the Department for information that would separate real increases in funding from indexation increases, which they agreed to provide. There was some discussion of the relative contributions to school funding by the Commonwealth and state governments and a range of other budgetary and financial information.

1.83 Senator Carr questioned the arrangements for recovering the public funds contributed to the capital development of private schools where these were subsequently sold or leased for other purposes, and whether private schools could misuse the provisions for establishment grants for new schools by closing their operations and re-opening on new premises. The Department explained the procedures for recovering funds in appropriate circumstances and for providing establishment grants for schools.

1.84 There were some general questions about VET in schools program, and the disparity in funding between primary and secondary schools.

QUESTIONS ON NOTICE AND SUPPLEMENTARY HEARINGS

1.85 The Standing Orders require the committee, after considering the proposed expenditure and agreeing on its report to the Senate, to fix a date for the submission of any written answers or additional information and for the commencement of supplementary hearings. The committee has agreed that written answers and additional information should be submitted by Monday 21 July 2003.

ACKNOWLEDGMENTS

1.86 The committee is grateful for the assistance given to it by Senator the Hon Richard Alston and officers of the departments and agencies concerned.

Senator John Tierney

Chair

June 2003

Employment, Workplace Relations and Education Legislation Committee

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