

# VERIFIED VERSION

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into Budget Estimates 2016–17

Melbourne — 10 May 2016

#### Members

Mr Danny Pearson — Chair

Ms Sue Pennicuik

Mr David Morris — Deputy Chair

Ms Harriet Shing

Dr Rachel Carling-Jenkins

Mr Tim Smith

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Mr James Merlino, Minister for Education,

Ms Gill Callister, Secretary,

Mr Chris Keating, Acting Deputy Secretary, Infrastructure and Finance Services, and

Mr Peter Graham, Acting Executive Director, Resources Strategy Division, Department of Education and Training.

**The CHAIR** — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2016–17 budget estimates. All mobile telephones should now be turned to silent.

I would like to welcome the Minister for Education, the Honourable James Merlino, MP; Gill Callister, Secretary of the Department of Education and Training; Chris Keating, Acting Deputy Secretary, Infrastructure and Finance Services; and Peter Graham, Acting Executive Director, Resources Strategy Division. I would also like to welcome additional witnesses sitting in the gallery. Any witness who is called from the gallery during this hearing must state their name, position and relevant department for the record.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Comments made outside the hearing, including on social media, are not afforded such privilege. Witnesses will not be sworn but are requested to answer all questions succinctly, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

Questions from the committee will be asked on a group basis, meaning that specific time has been allocated to members of the government, opposition and crossbench to ask a series of questions in a set amount of time before moving on to the next group. I will advise witnesses who will be asking questions at each segment.

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

All written communication to witnesses can only be provided via officers of the PAEC secretariat. Members of the public gallery cannot participate in the committee's proceedings in any way. Members of the media must remain focused only on the persons speaking. Any filming and recording must cease immediately at the completion of the hearing.

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

**Mr MERLINO** — Thank you, Chair, and thanks to the committee for the opportunity to present and answer questions at PAEC today. I look forward to the new format — and welcome the coalition MPs as they enter the room.

### **Visual presentation.**

**Mr MERLINO** — We came to power on a promise that we would make Victoria the education state. In last year's budget we made the single biggest injection of education funding in Victoria's history, providing almost \$4 billion in additional funds, money that was desperately needed after years of underinvestment. If we can go to the first slide, this graph that you can see is based on average output investment in Victorian schools over the last government and in the first two budgets of the Andrews government.

One point four billion dollars provided last year meant that for the first time ever Victoria fully acquitted its obligations under the Gonski agreement for 2015, 16 and next school year in 2017. In September last year the Andrews government announced a suite of education state reforms. When schools began the school year this year, they did so with the knowledge and the confidence that there was an additional \$566 million in equity in school budgets over the next four years. That is a 70 per cent increase in needs-based funding. Twenty-one point six million dollars was provided to help all government school teachers teach the new Victorian curriculum, which includes new subjects like digital coding and respectful relationships.

Eighty-two million dollars over four years for approximately 150 locally based staff to provide the support that our schools desperately need; \$27 million over five years to train 200 primary maths and science specialists; \$12 million over four years to double principal training numbers; \$13.2 million over four years to establish and operate the LOOKOUT education support centres for the approximately 6000 young people in out-of-home care; and \$8.6 million over two years for the Navigator pilot about re-engaging young people at risk of disengaging from education. This was on top of fulfilling our election commitments to help those who need it most: delivering on breakfast clubs, camps, sports and excursions, books and uniforms, glasses for kids.

Principals, teachers, families and students around the state have told us that the education state reforms will help them meet the ambitious education state targets that we have set in maths, science, the arts, and critical and creative thinking. These reforms will ensure our kids are healthy, happy and resilient, and will break the link between disadvantage and poor outcomes.

In addition, we invested \$610 million into capital for our government schools and \$120 million over four years for non-government schools. This addressed our election commitments and allowed for schools like Sale Specialist School to get the capital funding they so richly deserve.

This year we knew that we had a lot of work to do. We had the funding set aside to acquit Gonski, as I said, to 2017, and we needed to focus on much-needed investment in capital across the state. We made an unprecedented investment of \$1.1 billion in our school infrastructure, reallocating the remainder of the education state contingency to acquit the Gonski obligations, in initiatives that will support Victorian students and teachers, as we want all students to have the opportunity to reach their potential.

If you can go to the next slide, a great education starts with a great school and that is why our talk about building the education state is so much more than a slogan. This year's budget includes \$1.1 billion in funding to plan, build and maintain our schools. Broken down, this means a record \$924 million for capital works and \$200 million for much-needed maintenance; \$287 million to acquire land, build or complete 23 new schools; an initial investment of \$5 million to establish the school building authority; \$92 million to establish our 10 cutting-edge tech schools, our TAFEs and universities across Victoria; \$68.5 million investment in infrastructure for children with disabilities to fund upgrades to 20 specialist schools, including all of those identified in the worst condition; \$63 million to buy more modern relocatable classrooms; and a \$50 million fund for new shared facilities to help more Victorian schools have the facilities they need to become thriving community hubs.

Twenty-eight million dollars is provided to help remove asbestos from school buildings; \$16 million for the new School Pride and Sports Fund; and \$12 million has been set aside to plan upgrades at 35 existing schools to accommodate enrolment growth and modernisation needs.

If we go to the next slide, in regard to regional Victoria, this is a budget that delivers for education in regional Victoria. Every single regional secondary school classified as being in the worst condition will no longer be neglected. Those schools are included in 61 regional school projects that will receive much-needed funding upgrades and planning for land acquisition, finally providing regional students with the facilities they deserve. The 16–17 budget invests \$151 million for upgrades and modernisations in regional schools, including urgent works for modernisation and upgrades at 39 regional schools, including Red Cliffs Secondary College, \$7 million; Drouin Secondary College, \$4.5 million; Broadford Secondary College, \$4 million; and Mansfield Secondary College, \$3 million.

If we can go to the next slide. This shows the stark difference in investment of our last two budgets compared to the previous four years under the coalition government and compares as well to the last four years of the previous Labor government. We are experiencing a population boom in school-aged children and we have been experiencing that boom for a number of years. Victoria will see an increase of 90 000 students over the next five years. In some of our fastest growing LGAs there is a primary school born every month. We need consistent and strategic investment in education to make sure that we are keeping up with that demand. As you can see, the record \$1.1 billion invested in this year's budget builds on last year's \$730 million. The 16–17 budget provides the investment needed to plan, acquire land and build a further 23 new schools, so we now are rolling out 42 new schools across Victoria.

But as the graph shows we are coming off a period of chronic underinvestment by the previous government — three years, as you can see, 2011–12, 12–13 and 13–14, when the capital investment hovered around \$200 million. That had a devastating impact on families in growth corridors, and we are dealing with that legacy in last year's budget and this year's budget, and we will be dealing with that legacy over the next several years. During the coalition's time in government there was a 500 per cent increase in portables being ripped out of school communities and moved to growth corridors because the coalition failed to build new schools. It takes a couple of years to fund, plan and build a new school — a couple of years. That is why this year for the first time in many, many years not one new school will open, not one new school in 2016.

We are building new schools in some of our fastest growing areas so we can give kids across the state a quality education and parents certainty. The VSBA will provide additional resources to these critical projects and speed up delivery as well as dealing with the sheer increase of the scale of the program. This is a priority for government so we are providing the additional resources needed.

I will try and skip through; I know I have only got a couple of minutes left. The next slide is our investment in special needs: \$155.8 million in special needs education. As I have already indicated, we are upgrading 20 specialist schools, including every single one identified in the worst condition. It means we can meet the increased demand for the students with disabilities program and immediately respond to 21 of the 25 recommendations arising out of the PSD review, and we are considering the remaining four recommendations around a new funding model in alignment with the NDIS, the Bracks review, future budget decisions and the outcome of the federal election. If I am asked, I can go into details as to what that program means.

I will skip to the next slide. It goes without saying that one of the most important preconditions for a good education is health. That is why we made election commitments like breakfast clubs to give every kid the best start to the day and GPs in schools to make sure that students in some of our most disadvantaged secondary schools have free and accessible health care. We are fully acquitting our election commitment and investing \$43.8 million to have GPs in 100 schools, each one with modern fit-for-purpose consulting suites. If students need some help from our student support staff, speech pathologists, occupational therapists, psychologists and other allied health, they will get a faster and more efficient service, thanks to over \$6 million worth of support for that work force — new phones, iPads, access to fleet cars, so they can get to the schools much more efficiently. We are also expanding the fantastic Stephanie Alexander kitchen garden classroom program to teach more kids about healthy eating.

Next slide: \$21.8 million to meet the recommendation of the Royal Commission into Family Violence to roll out the respectful relationships curriculum. This was part of the new Victorian curriculum that we announced last year, providing a respectful relationships curriculum for prep to year 10. One of the key recommendations of the royal commission was to roll that out to every student in every year level, so we are providing \$21.8 million in the budget to roll that out and that includes funding for 17 new dedicated health officers to help schools deal with any incidents of family violence.

Do I have 1 minute?

**The CHAIR** — Of course.

**Mr MERLINO** — In terms of the next slide, one of the critical goals of the education state is breaking the link between disadvantage and poor educational outcomes. Children and families from refugee backgrounds are among the most vulnerable and disadvantaged in Victoria. Our state will become home to approximately 4000 new refugees from Syria and Iraq in the next 18 months. Those refugees have experienced recent severe trauma, and it is anticipated that schools will need increased support to help them feel at home. So we are putting \$45 million into initiatives to support them and other new migrants who have come to make Victoria their home. We are expanding the refugee education support service and the Learning Beyond the Bell homework clubs. We are providing funding to meet increased demand for English as an additional language, and we are also investing \$4 million to help parents meet the costs of teaching their children their first language and culture at community language schools.

In conclusion, on the last slide, ‘Where to next?’, with a record investment in school infrastructure we are getting on with building the education state. We are supporting students to get a great education no matter their background or circumstance. We came into government on the promise to make Victoria the education state and to put education back on the agenda after four years of funding cuts and no coherent policy or plan. We have only just begun and look at the difference that we have already made. We have a lot of work to do. This year we will be responding, as I said, to the Bracks review, the four recommendations of the PSD review that relate to funding and the outcome of the federal election, all of which will inform future budget decisions. We will be working on further key initiatives for announcement throughout the year in STEM, in languages and in work force reform.

There will be a high-level response to the Bracks review around midyear and then the remainder of the review will be informing budget decisions for the 17–18 budget for the 2018 school year and beyond. It is an exciting

time for Victorian education. This budget and the work we have done already amounts to a huge investment. I might leave it there, Chair, and I am happy to answer any questions.

**Ms PENNICUIK** — On a point of order, Chair, the minister was reading a whole lot of figures from things that were not in our presentation — reams of figures and stuff — so I wonder if he could provide that to the committee.

**The CHAIR** — I am assuming the minister was referring to figures from the budget papers.

**Mr MERLINO** — All the figures are in the budget papers, but I am happy, Sue, to provide all of this information that I have referred to in my opening remarks.

**The CHAIR** — Thank you, Minister. We have got government questions until 9.23 a.m. precisely.

**Mr DIMOPOULOS** — Thank you, Minister. That was a very comprehensive presentation. I just wanted to ask you a few questions about capital, specifically. As you have noted, this is the biggest capital contribution to schools for many, many years, and I have the honour of representing an electorate that gets a few of those commitments, as well as a tech school. I just wanted to get a sense of, given it is such a big agenda, what resources will be required, both within the department and in government generally, to deliver such a big increase in construction? There is a whole range of other things going on at the same time — level crossings and a whole range of other things in construction. So what resources will be required?

**Mr MERLINO** — Thanks, Steve, for the question. I came prepared in terms of projects, very good projects, including Oakleigh Primary School, so Oakleigh will be part of the 35 schools that will have — —

**Mr DIMOPOULOS** — And Hughesdale.

**Mr MERLINO** — Hughesdale will be part of the planning. There will be Yarram Primary School for Harriet and for Danny, and Mornington Primary School for David. So there will be a number of projects right across Victoria.

This is a massive infrastructure budget. You can go back to the graph that outlined the lack of investment for three budgets in a row compared to our investment over the last couple of years. The 16–17 budget delivered, as I said, record investment, and the scale of this investment is unprecedented. It includes upgrades to 147 schools right across the state, including, as I said, the 20 specialist schools. Breaking it down for you, Steve: 196 million for 47 schools in metropolitan areas, 151 million for 39 schools in regional Victoria, \$16 million allocated towards 26 schools as part of the School Pride and Sports Fund, and the 12 million to planning for future upgrades at 35 schools.

One of the key things I am acutely aware of is the need to deliver these projects in a timely way. We have got \$1.1 billion out of this budget. If you include all of the projects already in the pipeline from our first budget and from previous budgets under the former government, we are talking about a program of around \$2.4 billion, and that is exactly why we came to the decision that to deliver it in an efficient and timely way we needed to create the Victorian School Building Authority. This capital program makes inroads on addressing the growth pressures across our state, where the former government failed to adequately keep up with investment to deal with the needs of a growing community. As I said, no new schools today. It deals with all those schools identified as red schools both in a regional secondary context and in our special schools context as well.

In terms of the Victorian School Building Authority, it is a building authority that will build on existing infrastructure, planning and delivery strengths within the department; have a stronger, dedicated focus on project planning, delivery and community engagement; increase reporting to government with stronger asset policy integration; and provide a major uplift in statewide and local communications. The VSBA will create jobs for construction workers and local tradespeople. This year's capital program alone will create in the order of 1300 additional jobs.

**Mr DIMOPOULOS** — I should have referenced the budget paper, Chair, BP4, basically pages 28 to 37, which outline all the school capital commitments.

The school building authority, just further to what you said, Minister, that will be housed within the department and reporting to the secretary. You said it is going to have some different experts. It will provide a focus on

capital, but in terms of where it sits in the department and what gives it that kind of authority, can you elaborate a bit more on that?

**Mr MERLINO** — Yes, I am happy to elaborate, Steve, on the VSBA. It will maintain all the current functions of the infrastructure and sustainability division, except the security services unit, because that is an obvious engagement across all of our 1528 government schools. There will be a strong and improved community engagement process through the VSBA and a new reform division, which will focus on projects aimed at improving the way school infrastructure aligns with modern teaching and learning. One of the strengths of the PPP schools is that often you can make that leap in design and teaching and learning practices within those PPP schools. What we want to do is take that approach across our whole infrastructure program, so actually drawing in that expertise into the Victorian School Building — —

**Mr DIMOPOULOS** — Like flexible learning spaces?

**Mr MERLINO** — Yes, absolutely, and additional resources to improve the capacity of its current areas. Further work is required to determine the final organisational structure of the VSBA. The department is currently working with the government to finalise these changes, and the transition team has been established to facilitate this process, but we will get this started as quickly as possible. What I found, and what all of you might have found as local members talking to schools with existing capital programs, is that one of the strengths of our building program in Victoria is that these are all bespoke. They are all designed and delivered with the individual needs of the school in mind. But what I found as minister was that the time line was too long. I had been turning sods as late as a couple of months ago for projects that were funded in the 2014 coalition budget. It is important to have that engagement between the principal, the school council, the architects and the department — you know, the toing and froing in terms of design — but we want to make sure that it is truncated and we get these buildings constructed as quickly as possible.

**Ms WARD** — Just quickly, Minister, because we only have a minute left, if I could just ask you about the shared facilities, which I am sure you can appreciate I am pretty interested in with St Helena. Could you expand on how that 50 million funding is going to work and what it is — —

**Mr MERLINO** — Yes, I am really excited about this. This is about having genuine community partnerships — partnerships with local government, partnerships with the performing arts, partnerships with local sporting associations. We have this dedicated 50 million fund that will deliver those genuine community partnerships. It might be a basketball association being housed, the home being the school, and having those additional courts. This would deliver greater support to schools, councils and other institutions to develop those shared facilities.

**The CHAIR** — Order! The Deputy Chair until 9.34 a.m.

**Mr MORRIS** — Thanks, Chair. Good morning, Deputy Premier.

**Mr MERLINO** — David, how are you?

**Mr MORRIS** — Good, thank you.

**The CHAIR** — Order! If the minister would refer to witnesses — —

**Mr MORRIS** — In this committee we refer to each other by appropriate titles.

**Mr MERLINO** — Sure. Thank you, Deputy Chair.

**Mr MORRIS** — Can I turn to budget paper 3, page 65, and the issue of asbestos removal. As you know, Minister, the budget has allocated \$13 million for 16–17 and \$15 million for 17–18 for asbestos removal. Last year you told the committee that you would ensure every last bit of asbestos was removed by 2020. Can you advise how many school buildings in Victoria currently contain asbestos?

**Mr MERLINO** — Thank you, Deputy Chair, for that question. I was hoping for a question on asbestos because I am really proud of the progress we have made. We have made significant progress over the last year and I am happy to report that to the committee. It is really a change in focus or a change in approach. In previous decades it was more of a management approach to asbestos. For the first time we have a dedicated

removal focus, so we are not satisfied with the stickers on the front door of the school and in almost every building that you enter at your school; we are focused on actually removing it.

The 2016–17 budget continues to progress the government’s commitment to removing asbestos from all government schools by providing \$28 million to increase the removal — this is direct funding — informed by the asbestos audit, which I referred to last year. This includes \$10 million to replace 80 relocatable classrooms — that is 40 buildings — that contain high amounts of asbestos and are scheduled for demolition, and \$18 million for asbestos removal in permanent buildings and school grounds. So, Deputy Chair, that brings our total investment by the government for asbestos removal in schools to \$70 million.

As you recall, the 15–16 state budget provided \$42 million to extend and complete the asbestos audit program, demolish 780 relocatable classrooms with high amounts of asbestos and replace 280 of these classrooms, ensuring school capacity is not affected. For the first time there is a plan to remove asbestos from our schools. On 31 March this year the most thorough asbestos — —

**Mr MORRIS** — Without wishing to interrupt the minister’s flow, the question was: how many school buildings currently contain asbestos?

**Ms WARD** — I think that is where the minister was getting to, and I think it is important that you know where the money is from first — —

**The CHAIR** — Order! The minister is responding.

**Mr MERLINO** — Deputy Chair, we have had the audit. We have now removed all identified high-risk — that is A1 and A2 — asbestos from Victorian government schools. So all of the high-risk asbestos is now removed. A total of 1712 school campuses had individual asbestos audits completed and, as I said, all high-risk asbestos has been removed. This is a hugely significant achievement that has improved the safety of all our government primary, secondary and specialist schools; 497 schools —

**Mr KEATING** — Have had asbestos removed.

**Mr MERLINO** — have had asbestos removed; 1712 school campuses have had the audits completed. All high-risk has been removed and in total 497 schools have had their asbestos removed.

**Mr MORRIS** — So far, okay.

**Mr MERLINO** — So far.

**Mr MORRIS** — Can you indicate to us what your target is for November 18?

**Ms SHING** — What happens in November 18?

**Ms WARD** — What happens in November 18? How does that — —

**The CHAIR** — Order!

**Mr MERLINO** — As I said last year, it is not just the targeted asbestos removal funding that we are providing — over the two budgets there has been the \$70 million provided — but there is also the asbestos removal that is removed as part of a capital program. So it depends, David, on how big your capital program is each and every year. I will give you an example, if you will just bear with me.

**Mr MORRIS** — Sure.

**Mr MERLINO** — As part of our \$1.1 billion investment in school infrastructure, detailed project planning is being undertaken at hundreds of schools. Included in these planning costs is the cost of removing asbestos. This can range from 10 per cent to 30 per cent of the project cost, depending on the nature of the project. So if you have a small capital program of, say, \$200 million a year, you are not going to be removing much asbestos from government schools. If you have a significant capital program — 610 for government schools last year, 1.1 billion this year — then you are going to be removing a whole lot more. So it will depend, David, in terms of how big our capital program is in 17–18 and 18–19. But what we have done is we have conducted an audit

across our school system. We have removed every single bit of A1 and A2 high-risk asbestos and we have removed asbestos from 497 schools.

**Mr MORRIS** — Just sticking with that, and bearing in mind what you have said about the distinction between the capital works and others, can you give the committee some idea of the total cost of removing all asbestos from schools?

**Mr MERLINO** — Again, this is subject to each individual school. Each project is different, and if you bear with me I will give you a couple of examples as to why that is the case. In order to plan the most effective removal program, you need to factor in a number of considerations — market factors, building age and type, site factors and safety, both of students and teachers. This is true at an individual school basis. Now that we are free of high-risk asbestos we are now working on the best way to proceed with the remaining tasks. There is not only one way to approach a project of this scale. It is important that we determine the best method, taking into account both safety and efficiency.

Each school project is different. So, for example, schools with a poor condition rating and high asbestos content may be considered for demolition rather than modernisation. For other schools with a higher condition rating it would be more appropriate to physically remove the asbestos in the eaves or wherever it may be as part of that upgrade. The current policy is to demolish buildings where remediation costs of removing the asbestos would be greater than 80 per cent of replacing the building.

Operational and safety issues need to be accounted for when costing asbestos removal. For example, in some instances a classroom may need to be relocated for the duration of asbestos removal works. This needs to be considered on top of the costs of putting asbestos in landfills. There are sometimes unknown factors in determining the costs of asbestos removal. Asbestos contamination in soil is a latent factor in asbestos removal costs. Soil testing is not a part of routine compliance through the WorkSafe division 5 asbestos audits, and it is both difficult and costly to ascertain the level of contamination in the soil.

There are a couple of examples I can give you that show the differences in costs — —

**Mr MORRIS** — With respect, minister, we are on a fairly timeline.

**Mr MERLINO** — Okay, sure.

**Mr MORRIS** — I appreciate the comprehensive nature of your response, but given that there is the 1712 audits completed and bearing in mind what you said about the variability, you must have in mind a total figure for the cost of the program, just in order to put your budgets together.

**Mr MERLINO** — As I said, it would be determined according to each individual school. Each project is different. So at Trafalgar — —

**Mr MORRIS** — For budgetary purposes, though, surely there must be an aggregate figure?

**Mr MERLINO** — Well, at Trafalgar High School, for example, planned removals were undertaken to eliminate asbestos — —

**Mr MORRIS** — Are you telling me you do not have an aggregate figure?

**Mr MERLINO** — As I said, there are a number of factors that determine the costs — —

**Mr MORRIS** — All that is understood, but is there an aggregate figure?

**Mr MERLINO** — No, there is not an aggregate figure — —

**Mr MORRIS** — There is not an aggregate figure. Okay.

**Mr MERLINO** — because it is determined by the individual needs.

**Mr MORRIS** — Well, if it is not an aggregate figure, if we do not know what is costing, how can we know that the project is going to be completed by 2020, given the funding that you have allocated?



**Mr MERLINO** — I will give you some examples. Trafalgar High School cost around 625 square — —

**Mr MORRIS** — We are asking about aggregates and the department's capacity to achieve your policy outcome. Rather than individual schools, it is the aggregates that I am interested in.

**Mr MERLINO** — Yes, and as I am saying to you it is determined by the level of the capital program per year. So 10 to 30 per cent of the capital program is focused — —

**Mr MORRIS** — You made a commitment that every bit of asbestos would be out by 2020, but at this stage you cannot tell me what it is costing. Is that what you are saying?

**Mr MERLINO** — What I have already indicated is that we have made huge inroads. We have removed every single bit of A1 and A2 high-risk asbestos.

**Mr MORRIS** — Regardless of what you may have done, the question is: how much is it going to cost, essentially?

**Mr MERLINO** — That is determined at a per school level. Whether it is part of an upgrade, whether it is a demolition — —

**Mr MORRIS** — Is the answer, 'We don't know' or 'We don't have the information'?

**Mr MERLINO** — No, it is not, it is determined as we roll out the removal program. It is determined as we roll out the capital program.

**Mr MORRIS** — If you are confident you are going to meet your target at 2020, you must know what it is going to cost.

**Mr MERLINO** — As I said, we have conducted, Deputy Chair, an audit of all schools. We have removed all high-risk risk asbestos.

**Mr MORRIS** — And you should by now have an idea of what the balance is going to cost.

**Mr MERLINO** — The cost for individual schools will be determined by the nature of the project.

**Mr MORRIS** — So you have reaffirmed your testimony that your target for 2020 will be met, but you cannot tell the committee what it is going to cost and you cannot give us any assurance that the monies allocated in the budget are sufficient to meet the targets that you have committed to?

**Mr MERLINO** — Well, the removal of the asbestos will be determined by the school capital program.

**The CHAIR** — Order! The minister's time has expired. Ms Pennicuk for 8 minutes, until 9.42.

**Ms PENNICUIK** — Good morning, minister, and good morning to the staff of the department. Thank you for your time this morning, coming to answer our questions.

**Mr MERLINO** — Morning, Sue.

**Ms PENNICUIK** — If I can refer to budget paper 3, page 163, which is the departmental performance statements. On that page you will see the fourth dot point is:

... the department's workforce is high performing, empowered, valued and supported.

I raise that performance statement in terms of an issue which I have already pursued with the department, which is the issue of financial accountability and transparency in the department as highlighted in the Operation Ord investigation and report, and the minister would be aware that report was recently tabled, last month —

**Mr MERLINO** — Yes.

**Ms PENNICUIK** — and amongst other things it found that at least \$6.3 million went missing and that further analysis is continuing with regard to that. The report also said there were constraints on the availability of financial data for it to be able to get to the bottom of things and a lack of transparency. But what I am really

wanting to follow-up, further to what I have raised before, is that the report mentions school council members signing cheques, for example, and not really perhaps understanding what they were getting themselves into, and in particular on page 94 of the report it says:

The autonomy provided to schools may also have led to questionable conduct including recruitment of family and associates, and inappropriate purchasing.

And there was evidence that:

... schools were encouraged to be autonomous but they did not necessarily have the skills or resources to govern themselves in a way consistent with the expectations of public servants.

I think this is very concerning. An issue I have raised many times is about the increasing level of autonomy given to Victorian schools, but complaints that have been made to me by principals and others about the lack of resourcing. So further on that page it says that Ms Callister is:

... implementing a new regional support model that would better connect central office, regions and schools.

I would like some updated details as to how that is pursuing and how it may go to remedying the situation where schools are feeling under-resourced, under-supported and leading to problems such as has been outlined in this very important report.

**Mr MERLINO** — Ms Pennicuik, that was directed to me?

**Ms PENNICUIK** — You, yes.

**Mr MERLINO** — Thank you for the question. This is a significant issue for the education department, and reading the report from IBAC, its findings and recommendations, this is disgraceful behaviour that goes back many years and has been occurring for some time.

**Ms PENNICUIK** — Under both governments.

**Mr MERLINO** — Indeed, over many, many years. As difficult as this period is for the department and our schools, once an issue is in the public realm you can finally deal with it, and that is exactly what we are doing and what the secretary is doing. Can I begin by saying that there is no place for corruption in our schools and our public service. The behaviour exposed during IBAC's Operation Ord is an absolute disgrace and I commend IBAC for its work in exposing this conduct. This has led to significant reforms in the Department of Education and Training and in the public sector more broadly. The secretary, Gill Callister — I might ask her to provide additional comments — has advised me that the reforms will fundamentally change the culture and practice of the department. The integrity reform agenda within the department brings together 170 commitments that the secretary made in response to the issues raised at the Ord and also at the Dunham public hearings. It captures the four recommendations IBAC made to the department in its final report on Operation Ord released on 29 April this year. At my request, the Victorian public sector commissioner is monitoring the department's progress on delivering its reform program and the commissioner is directly reporting to me.

In regard to autonomy — —

**Ms PENNICUIK** — The particular issue raised by the commission.

**Mr MERLINO** — In regard to autonomy, Ms Pennicuik, I think this is the lack of regional support. The lack of engagement between the centre, regional offices and schools has led to problems across a lot of areas. Parent payment policies is another example. So the additional 150 staff, that direct support, and engagement between individual schools, school principals, school councils and the department will go a long way towards improving or addressing this breakdown in the relationship. I might ask the secretary to add to my comments.

**Ms CALLISTER** — Thank you, Minister. Thank you, Ms Pennicuik. I just echo the minister's comments about how unacceptable this behaviour is and how there is no place for it in a really important and trusted institution, which is our education service.

**Ms PENNICUIK** — That is a given. Most of the attention has been on departmental behaviour. This report talks about at the school level and the problems with autonomy. If we could go to that, because we have limited time.

**Ms CALLISTER** — Okay. Just directly to that, some of the things that we have done are that we have strengthened our financial management training for principals, school councils and business managers. So there has been a great deal of training rolled out in the past nine months or so — governance and financial training for school councils, financial training for principals and additional training for business managers — so that we have quickly got to the people that do make financial decisions and are accountable for them, and bolstered the training and the understanding in them.

Just going to your point about conflict of interest, conflict of interest has been a substantial issue that has been raised in relation to both employment of family members but also as to how procurement is undertaken at the school level. This is something that has probably one of our single biggest focuses this year. We also have a new specialist fraud and corruption investigation branch and, importantly, a whistleblowers service in the department, which has had a steady stream of complaints being made to it that are being investigated. I think the combination of greater knowledge and understanding of accountability plus strengthening the notion of an ethical culture right through our system and utilising our new regional model are some of the 170 commitments that are underway.

**Ms PENNICUIK** — Thank you, Secretary. Just in terms of school councils quickly, because they change over a lot, how do you keep an eye on that as opposed to principals et cetera?

**The CHAIR** — Order! The time has expired.

**Ms PENNICUIK** — Perhaps you can take that on notice.

**The CHAIR** — Ms Ward, for 11 minutes until 9.53 a.m.

**Mr MERLINO** — It is a challenging new model, this one.

**Ms WARD** — Minister, just quickly, you spoke in your presentation to the \$50 million shared facilities, which you will also spoke to earlier in my question to you. Can you continue to expand on that, because unfortunately you were not able to get very far. I am also interested to know about school pride and how that will work and what the differences are.

**Mr MERLINO** — The Shared Facilities Fund will deliver greater support to schools, councils and other institutions to develop shared facility arrangements. They will primarily be established in growth areas where there is huge demand, not only for school but also for community facilities, and will involve partnerships between schools, local government and community groups. So they are obviously those areas that are around the metropolitan planning area and defined growth areas in Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea and Wyndham, but elsewhere in terms of dealing with demand. The benefits of the program will include increased utilisation of school infrastructure outside of school hours and fostering of community pride and value in government schools. The program will also promote an increased sense of community, especially in areas identified as having great need. Research shows that co-located and shared facilities provide many benefits, including improving access to services for youth and families, increasing family involvement in children's schooling and improving attendance and achievement of the students. The guidelines for the Shared Facilities Fund will be aligned with those of the children's facilities capital program and other relevant funds to avoid duplication and streamline the application process.

In regard to the School Pride and Sports Fund, we are allocating \$16 million. This program will provide Victorian public schools with refurbished and upgraded facilities to continually improve the standard of the state's classrooms and schools. Additionally funding will be used to support the government's commitment to deliver competition grade sporting facilities. As you can recall, we made an election commitment that if we are building a gym or upgrading a school and part of it is improving the gym space, we need to develop our high-ball facilities, our ovals, so they can deliver community competition sport. As you may know, netball requires a particular run-off. We have got many gyms that do not have the run-off that netball requires and that do not meet the standards that basketball requires. We are going to be upgrading these gyms as part of this program to make sure that the local netball, basketball and volleyball associations and clubs can utilise these school facilities.

**Ms SHING** — Minister, I would like to take you to page 67 of budget paper 3, if I may, and also to refer to the presentation and your slide around investment in regional Victoria, where you referred to 61 school

infrastructure projects in regional and rural Victoria, including \$151 million for upgrades for 39 schools in poor condition. In the next couple of minutes, if you would, I would ask you to explain how the worst condition schools have been determined and selected for the purposes of that funding, and why you chose to target the regional 'red' secondary schools in the graphic that was set out in the presentation?

**Mr MERLINO** — Thank you, Ms Shing, for the question. I am really proud of the investment that we are making in regional Victoria. I did a particular trip around north-east Victoria — it was a two-day trip — and at almost every school I visited there was a strong case for capital upgrade. The lack of investment, particularly in regional Victoria over recent years, has been disgraceful and needed to be addressed. As I said in my presentation, \$151 million has been invested in 39 major modernisation projects in rural and regional Victoria. There are 61 regional projects funded in total. When you break it down, both in terms of funding allocated to schools in regional Victoria or the number of projects in regional Victoria, well over 40 per cent of the total upgrade spend is allocated for regional Victoria — well over 40 per cent, both in dollars and in the number of projects.

**Ms SHING** — Are you saying that that is a 60-40 metropolitan-regional split in relation to the allocated funding?

**Mr MERLINO** — Yes. Actually better than 60-40; so well above 40 per cent, both in terms of funding and in terms of the number of projects.

A key focus of the budget this year was addressing the condition of secondary schools in rural and regional Victoria, and that was about identifying those schools in the worst condition. There was an audit that members would know about back in 2012, an audit of schools right across Victoria. If you are classified as a red school, you are identified as being in the worst condition. We are upgrading every single regional secondary school identified in the worst condition.

**Ms SHING** — What does that mean in practical terms? What does the term 'worst condition' actually mean?

**Mr MERLINO** — If you are a red school, you are in disgraceful condition. I cannot put it any clearer than that. The buildings are literally falling down around you, and you would know in your own local communities those schools. If you are identified as a red, you are in need of urgent upgrade. That was why the key focus for the government this year was both red schools, in terms of secondary schools in regional Victoria, and also our specialist schools, many of which are also in regional Victoria.

**Ms SHING** — In terms of regeneration projects as well, I note that there were a number of allocations to regeneration projects that have in fact not progressed for many years, and I was wondering what the decision-making process was around that? So to take you to Echuca, Benalla, Warracknabeal, for example, if you could elaborate on the process that underpinned that?

**Mr MERLINO** — On the process for decision-making about the capital program, and I know these were questions that the committee asked last year as well, there are three main areas of focus in terms of how we make decisions for capital investment. One is enrolment pressures: building the schools where we desperately need to build them. For example, in Bannockburn in regional Victoria we have expanded the PPP to deliver a secondary school provision in the Golden Plains Shire, so enrolment pressure is one. The condition of schools is the second, and that was the big focus of our investment in secondary schools in regional Victoria, but also schools that have been effectively sitting on the shelf for many years — those schools that had done their planning and design work, that may have got stage 1 funding or not, but had just been sitting in limbo for a number of years.

**Ms SHING** — Minister, if I can also ask you to discuss the nature of the equity funding and the way in which that has been allocated to regional schools versus metropolitan schools. One of the critiques that has been levelled has been that the further away you get from Melbourne the worse you do under Labor. If you could actually just talk to that in relation to the way that equity funding has been allocated under the education budget, that would be appreciated.

**Mr MERLINO** — This equity funding is all about needs-based provision — providing that equity support where it is needed most, so for regional and rural schools: \$69 million in 2016. That is an average of \$437 extra

per student in rural and regional Victoria to support their needs in improved learning outcomes. That is more than double the average increase per student in metropolitan areas. For example, Northern Bay College is developing strategies to create positive inclusive learning culture through improved engagement, attendance and learning outcomes for Koori students. Carisbrook Primary School, situated in central Victoria between Ballarat and Bendigo, is developing a play-based and performing arts learning program for prep and grade 1 students, which focuses on the development of oral language. So whether it is our capital investment in rural and regional Victoria, which is significant — well over 40 per cent both in funding and projects — or whether it is needs-based funding, recurrent funding for our schools, it is double that, at a per student level, compared to metropolitan Melbourne.

**Ms SHING** — When we look at the way in which regional support is provided, both through the new regional model and through additional staffing, how does that compare with previous years in relation to what has been allocated under this year's budget — again referring to budget paper 3, page 67, and your presentation?

**Mr MERLINO** — Well, that is a huge change, a huge reform area. As I said at the committee hearing last year, we inherited a regional support system that had basically been cut to the bone — effectively a skeleton crew at our regional offices and schools were just left completely isolated. What we have delivered is 150 additional staff. We made a decision to keep the 4 regions but with 17 areas, and that aligns with the 17 areas of the Department of Health and Human Services. So there is much better connection between the department of education, DHHS and also other community organisations, other support providers, within those areas.

**Ms SHING** — What does that mean for extra staff?

**Mr MERLINO** — And what that means for extra staff is individually for schools there are the senior education improvement leaders. In the past you have had a senior adviser responsible for 50 or 60 schools. You simply cannot have a genuine relationship, provide genuine support, focus on accountability and performance if you are one person responsible for 50 or 60 schools. We have brought that average down to about 25 schools, so we have got senior education improvement leaders working with our schools in rural and regional Victoria, plus we have got multi-disciplinary teams engaging with schools where they need it most.

**Ms SHING** — How does that interact with initiatives around other natural and developed emergencies and dire situations in rural areas such as drought?

**Mr MERLINO** — It means we can provide support and assistance much more easily, whether it is a critical incident at a school, whether it is urgent advice that a principal or a teacher needs to deal with a particular situation or whether it is a more broad emergency issue or support issue such as drought or bushfire.

**Mr MORRIS** — Minister, if I could just briefly go back to the asbestos issue, and the BP reference remains the same — BP3, page 65. There have been a couple of well-publicised incidents of contamination of grounds, and I was just wanting to go back to the answer about audits. You referred to grounds, but I was not sure whether the audits actually included the grounds — the soil under the buildings and all grounds of schools — or whether it was simply the buildings.

**Mr MERLINO** — The audit that I am referring to, Deputy Chair, was an audit of school buildings right across the state.

**Mr MORRIS** — So given the hard date that you have set in terms of removing asbestos contamination, if you have not yet undertaken a review of the school grounds, how can we be assured that schools will in fact be asbestos free?

**Mr MERLINO** — It is an interesting point you raise and it goes to the challenge of how we make our schools safe for students and teachers. So for example, we have got something like 30 000 school buildings across the state. So if you have got a new school, recently built, or if you have got a school in very good condition, underneath those school buildings there may be contaminated soil, but you are not going to be knocking down 30 000 buildings, including buildings that are relatively new or in excellent condition. So it is an interesting point you raise. The focus for me is on student safety and wellbeing, where teachers teach, where

kids learn. So that is why, immediately, our focus has been on the removal of A1 and A2 high-risk asbestos. We are now rolling through the removal of the remaining asbestos, but the audit was in regards to buildings.

**Mr MORRIS** — So will you meet the 2020 target for grounds as well as buildings? In other words — schools being and known to be asbestos free?

**Mr MERLINO** — You are not suggesting we knock down every single school building in the state are you, David — Deputy Chair, I apologise?

**Mr MORRIS** — I am just asking whether you are going to keep your commitment.

**Mr MERLINO** — We will deliver on our commitment, but we are not about to knock down a brand-new building with a possibility that there may be contaminated soil underneath it.

**Mr MORRIS** — So are there any plans to actually conduct an audit of the grounds or are you simply doing the buildings and hoping the grounds are asbestos free?

**Mr MERLINO** — The audit was of school buildings. Where we roll out our capital program we look at both the state of the school buildings and of the soil at the school level. So we do look at it in those instances, and where we find any concern, it is immediately dealt with if there is any asbestos found in soil on school grounds.

**Mr MORRIS** — So just to be clear: if a school is not part of the capital program, there will be no further audits conducted on the grounds unless special circumstances arise?

**Mr MERLINO** — What we are doing, Deputy Chair, is targeting asbestos, as I said, at the highest risk, and that is part of our \$100 million commitment. So we are removing the high-risk asbestos. Where there is a capital upgrade, we look at the total area of the school, and we deal with — for example, at Syndal South Primary School, contaminated soil was brought in illegally by a landscaping contractor, so these things happen and you deal with them immediately as they arise.

**Mr D. O'BRIEN** — Secretary, can I go back to the IBAC issue that Ms Pennicuik was discussing before with respect to operating expenses? The operating expenses budget paper reference is BP5, page 87. I think you mentioned the integrity committee that the department established in the wake of the IBAC hearings before. Apologies if you did not, but can you tell me who sits on that committee — the internal departmental committee?

**Ms CALLISTER** — Yes. I can tell you the composition of it and hope that I get each name right. So I chair it, and I have three of the department's deputy secretaries on it. We have the chair of the audit and risk committee, who is an independent chair, so an independent member — —

**Mr D. O'BRIEN** — External to the department?

**Ms CALLISTER** — She is external to the department. She chairs our audit and risk committee and she also sits on the integrity committee. I have two other independent members who have both worked extensively in the private sector around integrity and risk and compliance, one who has worked extensively at Rio Tinto and worked on this issue, and one who has worked at, I think, BHP Billiton. I have the CEO of the VRQA — the Victorian Registration and Qualifications Authority — and the executive director of the new integrity division, currently an acting executive director.

**Mr D. O'BRIEN** — Is that a sort of senior level, just below deputy secretary level?

**Ms CALLISTER** — Yes, but for the purposes of all of the work in the integrity division, she reports directly to me. And I have a regional director representative.

**Mr D. O'BRIEN** — Could I get the names on notice? I do not expect you to give them to us now, but if we could get the names on notice as well, that would be good.

Speaking of the regional director, I understand that there was a regional director appointed to that body who subsequently had to resign because there was evidence presented at the IBAC hearings that he was aware that

another regional director had in fact destroyed evidence. What process did you undertake to ensure that the people on the integrity committee had the level of integrity needed?

**Ms CALLISTER** — That was a very surprising turn of events that day in the Operation Dunham hearings when a tape was played that, as you say, suggested that that regional director might have been aware of those events. That matter is currently under investigation. I took the same action that day that I took in relation to any other education department — central office, regional office — or school staff through the previous hearings where there was any question about the appropriate behaviour, conduct, fraud or any other suggestions. I stood him down and he remains — —

**Mr D. O'BRIEN** — Just from the committee or from his role?

**Ms CALLISTER** — I stood him down from his role that day within a couple of hours of that tape being played. We were not aware of that information prior to it being played in the Operation Dunham hearing that day. So within several hours I stood him down from his role, which currently remains the case, and also removed him from the committee.

**Mr D. O'BRIEN** — Is he on full pay pending inquiries?

**Ms CALLISTER** — He is stood down according to the same policies that operate, which is stood down with pay until an investigation is complete.

**Mr D. O'BRIEN** — Okay. Have you got a time line on when that will be?

**Ms CALLISTER** — It is fairly imminent, I would say.

**Mr D. O'BRIEN** — Okay. Can I go to another area? The tenders website shows that Ms Jane Brockington was hired by the department to assist with IBAC hearings at a cost of \$200 000, I believe — two contracts. What exactly does she do?

**Ms CALLISTER** — Ms Brockington is very, very experienced, having worked on, I think, VBRRRA for some time. She is very experienced in royal commissions, general hearings et cetera. There is a lot of work that needs to be undertaken to make sure that we are providing all of the information IBAC needs, and sometimes that continues right through to hearings. There is material we may need to gather in response to issues that are being raised. There is a lot of communication required for legal representatives. There is a great deal of work that occurs when hearings are on to make sure that the department is fully aware of what is happening, is responding appropriately, that material is being put together and communication provided. Ms Brockington is extremely experienced in that and led a very small team to ensure that that occurred.

**Mr D. O'BRIEN** — So was she preparing education department witnesses and did she prepare or brief the former minister, Ms Pike?

**Ms CALLISTER** — No. She was not preparing witnesses. The department had legal counsel who would speak to any witnesses, as was required. That is normal practice. But the only person who generally would speak to witnesses would be our legal counsel. And also to ensure that as issues arise in the hearing, such as the one we just referred to before, that where new information comes up the department responds appropriately, as in the case that you mentioned.

Sorry, I got VBRRRA wrong; Jane Brockington was the CEO of the bushfires royal commission through that process, so she is very aware of the types of processes and activities that you need to undergo.

**Mr D. O'BRIEN** — You said departmental legal counsel brief or prepare witnesses; did they also prepare former ministers — Ms Pike?

**Ms CALLISTER** — Not the department's legal counsel, no. Ms Pike had her own legal counsel.

**Dr CARLING-JENKINS** — Welcome to the committee.

**Mr MERLINO** — Thank you.

**Dr CARLING-JENKINS** — I really do appreciate your commitment to the education state, and I think you, Minister, for your presentation. I note your first slide about the significant investment that you are putting into Victorian schools. I also note in budget paper 1, page 18, that there is a quote there that says the education ‘system isn’t broken, but more work needs to be done’, and that is obviously the commitment that you are making. I would agree that a lot more work needs to be done, and in fact some research would suggest that our system is in fact broken or breaking.

I would like to make reference to some research summarised in a piece in the *Conversation* last year titled ‘Six ways Australia’s education system is failing our kids’. That article cites reports demonstrating the ways in which our education system is not perhaps just falling short but has actually been getting worse over the past decade. Obviously this is something that you as a minister are inheriting, so it is not a direct criticism of any government; it is just something that has been declining for some time.

The research is finding that Australian students’ scores on reading, maths and scientific literacy, for example, have significantly decreased since the year 2000, and they have used NAPLAN scores across the board to show that decrease. It also spoke to the issue of national declines in Australian participation and attainment in the STEM area — so science, technology, engineering and mathematics — particularly noting that girls continue to be significantly under-represented in STEM. It spoke to the issue of the proportion of students studying foreign languages being in decline and it spoke to the issue, among others — I will not go into all of them, obviously — around the academic performance of teachers themselves, which has declined substantially over the past decade. We also are ranking 34 out of 36 in OECD in terms of early learning participation.

This all seems to describe a system which is at least breaking. I wonder if you can comment on how your department is currently addressing these areas of concern here in Victoria in your efforts to make Victoria the education state. I know that was a longwinded question, so I am looking to review around literacy overall, STEM subjects, participation in foreign languages and the academic performance of teachers.

**Mr MERLINO** — Thank you, Dr Carling-Jenkins. It is a big question and a big issue.

**Dr CARLING-JENKINS** — It is a big question, but you have got 8 minutes.

**Ms SHING** — No pressure!

**Dr CARLING-JENKINS** — Yes, no pressure!

**Mr MERLINO** — Overall — and I say this often — we have got a good education system and much that we can be proud of. It compares well with interstate jurisdictions and it also compares well internationally. So there is a lot that we can be proud of, but it is a good system, with excellent pockets, if you like.

**Dr CARLING-JENKINS** — That is a good way of putting it.

**Mr MERLINO** — And there are a couple of things that are really holding us back, and this is the focus of the education state. One is equity and one is excellence. If you compare ourselves to other like jurisdictions — say, for example, in Canada — we have got an unacceptable long tail between our best and our worst. We have got an unacceptable link between disadvantage and poor outcomes that other like jurisdictions do not have.

You are right in indicating that over the last decade or so, despite at times significant investment and at times significant reductions in investment in education, we are falling below other jurisdictions when it comes to performance, so we are falling below in terms of the proportion of our students that are achieving at the highest achievement levels and the highest academic levels. So we are good, with pockets of concern, and the whole emphasis of the education state is focusing on equity and excellence.

How you deal with it is really broad, and it goes to the challenge of our reform. One is Ms Pennicuik’s question around regional support, the support that is provided. It is one thing to deliver a new Victorian curriculum. If we are not training our teachers in delivering that new curriculum, then you are not going to get the improvements in coding. We have got coding in the new Victorian curriculum, but we have also provided \$21 million for curriculum support over the next couple of years, so schools can have the funding to allow the teacher to go and receive that training and have CRT in its place — the \$27 million over five years to train 200 primary and maths-science specialists.



As I indicated in my presentation, we will be making more announcements around STEM. It was fascinating to me how early kids come to the conclusion that maths and science is not their go, and particularly girls. That is why the focus on maths and science specialists at primary schools is so important. We need these kids engaged, and then at the latter years we need to show them those pathways, because across all our fastest growing occupations, 75 per cent require skills in maths and science — so the investment in our tech schools providing those pathways, and the investment in primary and science specialists.

In terms of our workforce, our principals and our teachers, we were training up less than half the number required to replace outgoing principals, so we have doubled the principal training numbers. We have also identified the 3000 leaders — not yet principals or APs, but leaders in our school system — being identified for leadership training and professional learning. We have also set ambitious targets, and I do not shy away from those. We have set ambitious targets right across the board. Those targets are 25 per cent more year 5 students reaching the highest levels of achievement in reading and maths over the next five years; over the next 10 years for year 9 students, 33 per cent more 15-year-olds reaching the highest levels of achievement in science; we are going to set targets around critical and creative thinking — so it is everything combined. It is the investment in our principals and our teachers; it is the investment in our capital program; it is the focus on science, maths, technology and engineering; and it is the focus on those skills that are not related to a specific curriculum area but around critical and creative thinking, problem solving, collaboration.

**Dr CARLING-JENKINS** — Thank you, Minister. You mentioned in your presentation and just now announcements around STEM. When will we anticipate these announcements coming?

**Mr MERLINO** — I will make those announcements — —

**The CHAIR** — Order! The time has expired. Ms Shing, till 10.23 a.m.

**Ms SHING** — Thank you. I defer to Mr Dimopoulos, if I may, Chair.

**The CHAIR** — Mr Dimopoulos, till 10.23 a.m.

**Mr DIMOPOULOS** — Minister, I just want to ask you some questions around inclusive education, special needs. Specifically I refer you to budget paper 3, page 64, and the allocation of education state money, \$644.6 million over four years. Can you tell us a bit about how much of that is going to special needs kids or special needs issues?

**Mr MERLINO** — Thank you, Mr Dimopoulos. Given the time, I will not go into the capital program that I have already talked about, the 20 specialist schools. We are also doubling the Inclusive Schools Fund. This is the fund that provides support for mainstream schools in making their schools more inclusive. It might be the sensory garden, it might be a quiet space for students, it might be additional facilities for teachers aides. We are doubling that fund now to \$20 million. It has been highly successful.

There will also be \$20 million in new funding to meet the recommendations of the Program for Students with Disabilities review. That was the most comprehensive review of its kind in the state's history. There will be \$17 million to expand the language support program to better support students with autism and dyslexia. For the first time ever we are providing support for children with dyslexia and their families. We held a number of forums with principals and experts in opposition, and the clear message from parents was they talked about the ugly lottery: is my school a school welcoming of all students, no matter what their abilities, or is my school a school that says, 'Little Johnny will be better at the school down the road'. For the first time ever we are providing this additional language support funding to target dyslexia. There is also \$3 million to provide transitional support for students who are no longer eligible for PSD funding who are transitioning into high school, and there is \$2 million being provided for the dyslexia and learning difficulties strategy.

There are four remaining recommendations out of the PSD review, and they all talk to a new funding model, so that will be considered as part of our budget process, as part of our consideration of the Bracks review and also where we land post the federal election in terms of Gonski funding. There is also a significant increase in funding to meet demand: \$49.7 million over two years will go to supporting the extra 1750 students expected to be eligible for the PSD in 2017, and 15.6 will meet the growth in demand for transport for students with disability, including the replacement of more than 50 buses.

**Mr DIMOPOULOS** — So how much was going to transport — sorry, Minister?

**Mr MERLINO** — Fifteen point six million dollars, and that is to meet demand. I talked about the increase in the student population. There will obviously be a corresponding increase of students with additional needs, so significant additional funding for both PSD and student transport.

**Mr DIMOPOULOS** — Minister, do you know how many schools will be eligible for the Inclusive Schools Fund? Is that the fund that has doubled to 20 million?

**Mr MERLINO** — Yes. That is a fund that is open to all schools, and it was significantly oversubscribed in the first round. These are delivering wonderful projects, and that is what we want to do. We want a culture of inclusiveness in all our schools. We do not want the situation of the ‘ugly lottery’. As part of our special needs plan we made a commitment for dedicated training for pre-service teachers and dedicated professional learning for the existing workforce around special needs, because in every single classroom that a teacher teaches in there will be one, two, three or four kids on the spectrum, with behavioural issues, with dyslexia. We need to make that fundamental change in our workforce and really skill up — —

**Mr DIMOPOULOS** — So they become — it is mainstream; they are not just in a sort of forgotten track.

**Mr MERLINO** — Absolutely. It needs to be mainstream in delivery. But also this is about choice for parents as well and the needs of the child, so there is a need for specialist settings. So what I want to see is a situation across the state where we have got expertise and state-of-the-art facilities in our special schools providing support and advice to all of the mainstream schools in their local community and the mainstream schools having a teaching workforce that is trained up to support every child in their classroom, plus those schools having the ability to access the Inclusive Schools Fund.

**Mr DIMOPOULOS** — Just one last quick one: how many schools do you expect — you said it was oversubscribed — will be eligible under the doubling of the fund?

**Mr MERLINO** — We announced 33 projects in February as part of the Inclusive Schools Fund, so we anticipate that 200 to 300 schools should be funded under the expanded Inclusive Schools Fund.

**Ms SHING** — Minister, I might take over now with some questions in relation to Gonski, if I may. I refer you to the Treasurer’s speech where he indicates that the education system is receiving an ‘injection of recurrent funding ... as part of our commitment to making Victoria the education state’. I refer you to budget paper 3, page 64. Can you outline how the government is investing that \$1.4 billion in funding to acquit Victoria’s obligations under the Gonski agreement?

**Mr MERLINO** — Thank you for the question, Ms Shing. As I said, for the first time ever Victoria is fully acquitting its obligations under the Gonski agreement for 15, 16, 17, and the Bracks review will inform our decisions going forward. So \$740 million has already gone towards acquitting Gonski in the 2016 school year. The remaining funding, \$645 million, will be the acquittal of our Gonski obligations for the 2017 school year.

**Ms SHING** — How does that assist in relation to the funding being spent in schools and provide vulnerable students with that support?

**Mr MERLINO** — It assists in a couple of ways. The focus for us for the 2016 year was really targeting the issue I mentioned to Ms Carling-Jenkins, the connection between disadvantage and poor outcome, so the 70 per cent increase in needs-based funding. As part of our Framework for Improving Student Outcomes, FISO, for the first time we have really engaged with schools about how they are investing that money. So there are six initiatives that were identified. Whether it is a focus on school leadership, whether it is a focus on student wellbeing, schools have to make a decision as part of their strategic planning where those additional funds will be invested — not just the additional equity funding but their entire SRP.

For example, Doveton College is partnering with Social Ventures Australia in the Bright Spots Schools Connection Star Hub initiative, which provides disadvantaged schools with access to a network to share different approaches to engaging students. Braybrook secondary college, which services the suburbs of the inner west, including Footscray, Braybrook and Sunshine, has purchased software for analysing student numeracy data that supports targeted teaching to individual needs.

Every school I go to, the first question I ask is, 'How are you investing the additional equity funding?'. They are investing it where they need it, in what their kids need, whether it is a focus on literacy or a focus on numeracy or whether it is a focus on student wellbeing, whether they need to really work on the school's leadership structure. So those investments are being made right across the state, and we are holding ourselves accountable. We are setting those education state targets to relate to disadvantage. One is a target that is breaking the link between disadvantage and poor outcomes. The second target is halving the number of students that completely drop out of our education system.

**Ms SHING** — You also see students in regional areas, as you would be aware, having a greater nexus of disadvantage in relation to the tyranny of distance from regional and metropolitan centres. How is this equity funding designed to achieve a better remediation of disadvantage in those areas?

**Mr MERLINO** — It is a great question. There are some really good examples of regional schools working together. In Shepparton, for example, we have got the four regional secondary schools working together. Individually they may not be able to provide the full suite of curriculum, activities and experiences for their students, but working together, accessing that additional needs-based funding that we have provided to their SRP, they are able to work collaboratively to ensure that students can go to each of those schools to access the full curriculum.

**Ms SHING** — Now, Gonski's has been funded — referring to BP 3, page 64 — until the end of 2017. What about beyond that?

**Mr MERLINO** — Okay; beyond that is how we respond to the Bracks review. I have got the Bracks review here, and it is a good document for the committee to have a close look at. Recommendations 3 and 4 are the most interesting in this space. Recommendation 3 is that both state and federal governments should deliver in full on their obligations under Gonski for years 5 and 6, but then recommendation 4 says that if the federal government does not deliver, it will mean that Victorian government schools are going to be disproportionately worse off — to the tune of \$950 million — —

**The CHAIR** — Order! Time has expired. Mr Smith, for 11 minutes.

**Mr MERLINO** — so we need to develop a new funding model.

**Mr T. SMITH** — Minister, I refer to budget paper 3, page 64, on the allocation of education state outputs. The implementation of the Safe Schools program in Victoria, you have said, will become compulsory in all schools by 2018. You told Parliament on 22 March that essentially you were prepared to go it alone and fund this program to the extent of an extra 300 000 per annum, and I am just wondering where that output is in the budget?

**Mr MERLINO** — Thank you, Mr Smith, for your question. It provides me with an opportunity to reiterate the commitment of the Andrews government to the Safe Schools Coalition program. It is important for all members of the committee to understand that this is a program that has been running without controversy for six years. State and federal governments, Labor and Liberal governments — for six years this program has been running. We made a commitment at the election that we would roll this program out to every government secondary school in Victoria; we will deliver on that commitment. We have also subsequently made a commitment, given the behaviour and the actions of the federal government — —

**Mr T. SMITH** — Okay; I have heard this a thousand times. Where is the line item?

**Mr MERLINO** — Well, I am happy to answer your question, Mr Smith. The additional \$300 000 will be found internally within the department of education's budget.

**Mr T. SMITH** — So can I construe from that that you will be having — given that there has been a federal review, which has raised some substantial issues with regards to this program — for example:

Having the lesson plans for lessons 2, 6 and 7 of the All of Us resource amended to remove those activities identified by the review as potentially unsuitable for some students —

and given that, indeed, the Safe Schools Coalition's own website says that:

Following a review of the program some shortcomings have been identified and are currently being addressed —

will you accept the various recommendations in the Louden review and indeed the federal government's response and amend the Safe Schools Coalition curriculum in Victoria?

**Members interjecting.**

**The CHAIR** — Order! It is the opposition's time.

**Mr MERLINO** — Thank you, Mr Smith, for your question. So in regards to the review of Professor Louden — —

**Ms SHING** — The federal review.

**Mr MERLINO** — The federal review — the federal review actually confirmed that the program is consistent with its aims to reduce homophobic and transphobic behaviour and intersex prejudice and increase support for same-sex-attracted, intersex and gender diverse students. The report confirmed that the materials in line with the curriculum are age appropriate. These are all the findings of the federal — —

**Mr T. SMITH** — The review also found substantial issues with the material, Mr Merlino.

**Mr MERLINO** — If I can answer the question, Mr Smith, the review found that the material was age appropriate and that it was in line with national curriculum. This was not acceptable to a certain number of federal MPs, and subsequently — —

**Mr T. SMITH** — That is complete rubbish, Minister.

**The CHAIR** — Order! The Minister is answering your question, Mr Smith.

**Mr MERLINO** — And subsequently the federal government made announcements of changes to the Safe Schools Coalition program which are simply not acceptable.

**Mr T. SMITH** — So you will not be essentially following the federal government's lead with regards to changes to the curriculum? You are going to have your own special curriculum; is that correct?

**Mr MERLINO** — Indeed we will not be following — —

**Mr T. SMITH** — So you will have your own special curriculum — —

**Mr MERLINO** — Indeed we will not be following the federal government. The Safe Schools Coalition Victoria program has been working well across the board. We have got well over 200 — —

**Ms SHING** — Across the coalition government.

**Mr MERLINO** — Two and hundred and fifty schools are already members of the Safe Schools Coalition, and I think it is important that we understand why this is important. We know that many same-sex-attracted and gender diverse young people experience physical or verbal abuse and that 80 per cent of this occurs in our schools. So six years ago teachers, parents and students were coming to government saying, 'We need a universal anti-bullying program to address this issue', and for six years it has been running, without controversy, across state and federal governments, Labor and Liberal governments. This is — —

**Mr T. SMITH** — The Safe Schools Coalition identify that there are shortcomings in their program on their website. So are you going to have your own special curriculum here in Victoria that differs from the rest of the country, and if so, what will be different and how much will it cost?

**Mr MERLINO** — What we will deliver in Victoria is the Safe Schools program as it has been running with success for the last six years. We delivered \$1.04 million for the program — —

**Mr T. SMITH** — No; you do not seem to understand my question. The curriculum is now — it is a majority federally funded program — —

**Mr MERLINO** — That is incorrect, Mr Smith.

**Mr T. SMITH** — That curriculum is now going to be changed.

**Mr MERLINO** — I suggest you get your facts right. That is incorrect.

**Mr T. SMITH** — I suggest you listen to the question.

**The CHAIR** — Order, Mr Smith.

**Mr T. SMITH** — I would suggest you listen to the question, Minister. What are you planning on doing with this curriculum in Victoria now it is being changed federally?

**Mr MERLINO** — Well, the curriculum, it — —

**Mr T. SMITH** — There are some specific recommendations by the federal minister.

**Mr MERLINO** — The first point I want to make — —

**The CHAIR** — Order!

**Mr T. SMITH** — How are you responding to them? It is a very simple question.

**The CHAIR** — Order, Mr Smith!

**Mr T. SMITH** — He has no idea what I am talking about.

**The CHAIR** — Mr Smith, the minister is attempting to answer your question. Perhaps if you let the minister answer your question, then you can have another question. You have got plenty of time. The minister.

**Mr MERLINO** — Thank you, Chair. I just point out to Mr Smith: this is not curriculum, nor is it majority funded by the federal government. The funding by the federal government is in the order of \$300 000, and the federal government has already indicated, if you look at their budget papers and also their public announcements over the last weeks and months, they are not funding this program beyond 2017 anyway. Membership is free, member schools can choose from a range of resources and support, including tailored professional development for staff, guidance in creating supportive and inclusive school policies, assistance in setting up and developing student-led activities to create change, guidance on inclusive practice in all teaching and learning areas and support in the process of affirming the gender identity of a transgender or gender diverse student. This is about supporting each and every child in our schools. Eighty per cent of the verbal and physical abuse that young same-sex attracted and gender diverse people have occurs in our schools.

**Mr T. SMITH** — Okay. Given that school communities such as Kyabram college have indicated that they do not wish to sign up to the program, will you agree to the wish of these schools and not compel schools to sign up to this program, which is clearly against some schools' wishes?

**Mr MERLINO** — Thank you, Mr Smith, for the question. There is no doubt that given the misinformation that has been displayed on this issue for the last several months, it is understandable that there may be some schools raising concerns, and we will be working with those schools, but we will not back away from our commitment — —

**Mr T. SMITH** — So you are going to force schools?

**Members interjecting.**

**The CHAIR** — Order! The minister is answering your question.

**Mr MERLINO** — We will deliver on our election commitment, because this is an election commitment that saves lives, Mr Smith.

**Mr T. SMITH** — So you know better than parents, teachers, school communities — is that what you are saying?

**Mr MERLINO** — This is a universal anti-bullying program. I put it to you that if there is a young person who has not yet come out, who is scared of talking to their friends and family about their situation — are you telling me that it is in that child's best interests that they do not have access to this universal anti-bullying program?

**Mr T. SMITH** — I am asking you why you think you have got the right to tell schools to teach this curriculum, this program, which has been controversial, which even the Premier has admitted in Parliament pushes the boundaries? I just wonder why you think you have got the right to tell parents and school communities what they can and cannot teach in their local school that they may find inappropriate, given some of the circumstances of the curriculum?

**Members interjecting.**

**The CHAIR** — Order! Mr Smith has asked the minister a question. The minister to respond.

**Mr MERLINO** — Mr Smith is again incorrect. This is not curriculum. These are resources provided to schools. Schools individually choose the resources they will use that best meet the needs of their particular school community. Mr Smith, I have a responsibility to make sure that each and every one of our schools is safe and inclusive of every single child. That means that we need to have anti-bullying programs. We have got the Alannah & Madeline Foundation, we have got our Safe Schools program. This is an important part to make sure that every school is safe and inclusive.

**Mr T. SMITH** — Minister, I not disputing the need for anti-bullying programs in schools — —

**Mr MERLINO** — No, you are actually.

**Mr T. SMITH** — No, I am not.

**Mr DIMOPOULOS** — Yes, you are.

**Ms WARD** — Yes, you are.

**Mr T. SMITH** — How dare you! No, I am not.

**Members interjecting.**

**The CHAIR** — Order! Is there a question, Mr Smith?

**Mr T. SMITH** — I am asking you some very reasonable questions about some very sensitive material and why you think that you have got the right to tell parents they are wrong. Some of their concerns are about the age appropriateness or otherwise of this material, that it should not be taught to their children — who on earth do you think you are, Minister? Who on earth do you think you are to have that sort of intellectual superiority over — —

**Mr MERLINO** — Is there a question somewhere?

**Members interjecting.**

**Mr MERLINO** — Safe Schools does not teach sexuality education. The Safe Schools program is not and does not replace sexuality education. All government schools are required to deliver age-appropriate sexuality programs — —

**The CHAIR** — Order! Time has expired. Ms Pennicuk for 8 minutes.

**Ms PENNICUIK** — Can I just begin by saying congratulations to the government for its commitment to the Safe Schools program, because students in all schools need the support of that program.

If I could return to the answer that was cut off in my last question, we were discussing the support that the department can provide to schools in terms of the issue of school autonomy and lack of resources. We got somewhere down that road in terms of the department supporting its own staff et cetera, but I was raising the issue of school councils, which were raised in the IBAC report, and members of school councils not necessarily

having the training and skills — and there were concerns raised by IBAC that people were signing cheques and getting involved in activities that perhaps fell within the remit of the inquiry.

My question was: given that the membership of school councils can change quite a lot, in terms of the school councils' competency and ability depending very much on the actual people who are on there. Whatever goodwill and assistance they are wanting to give to their school, they may not have the skills. So how is the department addressing this important issue that was raised in the inquiry?

**Mr MERLINO** — Thank you, Ms Pennicuik, for the question. There are a couple of responses, one in terms of support and training for school councils. This was one of the themes out of the Bracks review, so as I said, we will be responding to the Bracks review at a high level in the middle of the year and in a financial sense through the budget process, but there are recommendations that the Bracks review made about improving not only the training and support for school councils but also the training and support for business managers. So we will be responding to those areas via the Bracks review later in the year. If we can provide some further information on notice, we will do that for you as well.

**Ms PENNICUIK** — I was wondering too whether that will extend to perhaps reviewing the role of school councils in terms of financial transactions, which seem to have got some school councils into hot water here — whether that is going to be part of the activities or actions you take?

**Ms CALLISTER** — Thank you, Ms Pennicuik. You are absolutely right — some of the issues coming out of the IBAC hearings do raise the issue of school financial transactions, and that is something we have been doing extensive work with the Victorian Auditor-General in relation to so that we have a more robust understanding of school financial transactions and that we have the capacity to look over those in a more real-time way. We have a new audit program that we are rolling out this year, where there is a more robust and deep audit of school financial transactions and we will have a data analytics capability to look at 8 million different transactions at any given time. So we have increased our capability and our vigilance over this considerably.

In addition to that, I think I mentioned earlier rolling out a new governance model for training for school councils. In terms of the turnover of councils and the regularity of that training, I will take that on notice. But the minister also mentioned the Bracks review, which clearly puts the issue of governance and the role of councils, the role of principals and the role of the department in spoke for a bit of rethinking as the government responds to the issues in that review.

**Ms PENNICUIK** — If I could follow up again just a bit more on that, in the Operation Ord report it did mention that some schools have their own procurement policies that may or may not be tied to central procurement policies. Is that going to be addressed or has the department turned its attention to that issue?

**Ms CALLISTER** — We have one procurement policy for the department and we do not have different procurement policies. Our response that is underway is about ensuring we have got that single line of sight over compliance with it.

**Ms PENNICUIK** — Certainly that was raised in the report, that some schools have gone off with their own procurement policies.

**Ms CALLISTER** — Yes, it was, but they should not.

**Ms PENNICUIK** — Okay. I hear that.

**Mr MERLINO** — Ms Pennicuik, if I can add, it was also raised by the Auditor-General as well in other areas. So with procurement policy just the lack of clarity in communication between the centre and individual schools, and the outcome being policies and practices that are not in line with policy.

**Ms PENNICUIK** — Minister, if we can go to a new subject, which we probably may not be able to get fully out in the short time we have. If you look at the 'State Capital Program', budget paper 4, page 29 and further pages, at what are called new projects. I have had a look at those over the last couple of years. If you look at the last year of the previous government, the number of new projects which were about specific schools was about 5 per cent, in your last budget it was about 4.6 per cent and in this budget it is about 5.6 per cent. So taken together it is about 15 per cent of schools with new projects pertaining to specific schools. About 15 per cent of

schools over the last three years have had new projects and upgrades, so that is 85 per cent of schools that have not. I heard your answer to Ms Shing about how that is all decided, which schools get it, but I wonder if you would make some comment about that? How many more schools need it, are in the waiting line, are not the worst schools in terms of maintenance, but they might be the second worst? So just a little bit more comment on that.

**Mr MERLINO** — It is an interesting question. There is no end, if you like, because buildings have a life cycle. Our focus in terms of the delivery of the capital program is determined by enrolment pressures, so in our growth suburbs, in the inner city, in parts of regional Victoria; condition assessment, and that is why we are tackling the worst; and those school projects that are part of a broader master plan that had done their design work.

There is no beginning and ending because once we deal with all of the regional red secondaries, for example, there are a number of schools that are primary schools that are red and there are a number of metropolitan secondaries that may be red. So it is this continuous investment. That is why in the three years where the capital program was \$200 million you are hamstrung in how you can provide support for those schools and indeed build new schools.

**The CHAIR** — We will break now for 10 minutes. We will resume at 10.52 a.m. precisely.

**Ms WARD** — Minister, you speak a lot about the education state. I refer you to budget paper 3, page 64, box 1.1, which refers to a 1.4 billion allocation in funding. Now last September you announced nine education state targets. Can you explain how this investment is actually going to help achieve these targets?

**Mr MERLINO** — Thank you, Ms Ward, for your question. We did announce a number of targets, and I really wanted to focus right across the curriculum, so we are talking to all teachers and all students, no matter their pursuits and their interests, setting targets around maths and reading, scientific literacy, excellence in the arts, critical and creative thinking and physical activity.

As I said, we invested \$747 million. We announced that in September of last year, and there is a further \$645 million as part of the 16–17 budget. That is our biggest-ever investment in our schools. To deliver on those better outcomes for our kids and to hold ourselves to account the new education state targets are based around four key priority areas: learning for life; happy, healthy and resilient kids; breaking the link between disadvantage and poor outcomes; and pride and confidence in our schools. The education state school targets will also track how well we are doing at reducing disadvantage and the effect of disadvantage.

**Ms WARD** — So, Minister, beyond being a nice fact sheet with lots of nice pictures on it, what is the point of the targets?

**Mr MERLINO** — The point of the targets is to achieve those outcomes that we desperately need. The fact is that we are a good system that is falling down in achieving those highest academic levels across the board. So alongside the investment that we are making in our schools, we are holding ourselves to account by setting those targets. The way we will do that is by investment in literacy and numeracy programs at the school level. It is the investment that we are making in the primary maths and science specialists, and it is the investment in our tech schools initiative. Making those investments will lead to reaching those outcomes.

**Ms WARD** — I hear a lot from the federal government around how it is not the money that is invested in schools that is important, it is what it is actually invested in. How are you going to ensure that the money you are talking about is going to be spent on programs that help you exceed the targets you are aiming for?

**Mr MERLINO** — This is the way we are going to do so: through the FISO, the framework for improving student outcomes; through the additional investment we have made in our regional supports; and through having those senior education improvement leaders engaging with principals and their leadership teams about what exactly they are investing in and how that will lead to the education state targets.

In the past, for example, Ms Ward, schools received their school budgets through the SRP, and, as Ms Pennicuk said, it was a highly devolved system, so schools made their own choices about the areas that they invest in. Some of those investments would be in good areas, but the question is: are they the best areas? Are they the things that are going to make the biggest difference with student outcomes? That has been the



biggest change with these education state reforms — having schools identify what initiatives international best-practice evidence shows make the biggest difference and which of those areas, those six initiatives that I have talked about, are you going to invest in.

**Ms WARD** — Why are you not simply focusing on literacy and numeracy? This is where the core business is. These are what have been identified as the core skills that students need. Why are these not your focus?

**Mr MERLINO** — They are core areas and must always be a focus of government, but they are not the only ones. As I said before, of the fastest growing occupations, 75 per cent require skills in maths and science. So we do need a focus on literacy and numeracy and science, but also in terms of what employers are after. They are after those skills around critical and creative thinking. They are after those skills around collaboration and problem solving. They are the skills that employers are after, and that is what we need to develop in our young people. Excellence in the arts is crucial to developing those critical and creative skills in our young people. That is why we wanted to set targets in areas that governments in the past have simply not set targets in.

**Ms WARD** — Thank you, Minister. I know that my colleague Mr Dimopoulos wants to talk to you about doctors and secondary schools, but, just quickly, I have a number of schools in my electorate that are part of the Stephanie Alexander kitchen program. What targets do you see that program supporting?

**Mr MERLINO** — The Stephanie Alexander initiative has been a highly successful program in our schools for many years. You go to those schools which have just fantastic fruit and vegetable gardens and — —

**Ms WARD** — Like Monty south.

**Mr MERLINO** — Monty south indeed. The Stephanie Alexander kitchen garden initiative will change the way children think about food, which will contribute to the achievement of the education state school target of raising the levels of community pride and confidence in Victorian government schools by contributing to a positive climate for learning and supporting a whole-child approach to education. It is one of the strengths of our education system in Victoria. School pride in our government system is a really important initiative, not so much at a primary school level, but it is something we need to focus on at a secondary school level. Those investments will make a difference in regard to that target.

**Mr DIMOPOULOS** — Minister, we only have 2 minutes and 22 seconds left, so I have just two questions. One is about doctors and schools, and specifically about whether that election commitment is fully funded in this budget and how many schools are likely to benefit; and then I want to quickly ask you about the refugee education support — —

**The CHAIR** — A budget paper reference, Mr Dimopoulos?

**Mr DIMOPOULOS** — Sorry. The budget paper reference is BP3, page 61.

**Mr MERLINO** — Thank you, Mr Dimopoulos, for that question. You are right. We made a commitment to deliver doctors in schools to 100 secondary schools in our most disadvantaged communities across the state. That is fully funded in this year's budget, with an allocation of \$43.8 million for three years from 16–17, which includes \$18 million for capital works, and \$25.8 million to implement the program. We know that healthy children achieve better outcomes and we do not want a situation where children are sick or where children have mental health issues and they cannot access the supports that they need, so this commitment is delivering primary health care in the school community.

We are going to focus on, as I said, disadvantaged communities, but we are going to look at access to medical services as well. We have identified almost 200 schools that would be eligible under that criteria and we will be opening up an expression of interest for those schools.

**Mr DIMOPOULOS** — Thank you, Minister. Just in the 50 seconds we have left, I am interested in refugee education support. Can you give a quick summary about what that will actually offer refugee kids?

**Mr MERLINO** — Yes, I am happy to answer that question. Part of it is in relation to meeting the demands. So similar to the increase in PSD, we have increased funding to meet the demand. There is a net funding of \$2.4 million over five years and gross funding of \$9.4 million over five years, including \$7 million sourced from other funding sources and remaining education state funding. It will build the capacity of schools to

address disadvantage through two key programs — the refugee education support program, which you may know, the RESP program — —

**Mr DIMOPOULOS** — Yes.

**Mr MERLINO** — And Learning Beyond the Bell. Over the past three years, RESP — —

**The CHAIR** — Order! The Deputy Chair until 11.12 a.m.

**Mr MORRIS** — Just a quick one to Ms Callister, to start with, on the subject of vaccinations in BP3, page 166. That reference obviously deals with school education. I am just wondering in relation to teaching staff and support staff on the ground in Victorian government schools, are those employees required to be immunised?

**Ms CALLISTER** — Thank you, Mr Morris. I will just get the information. Obviously, as we know, immunisation benefits the entire community and is one of the most effective public health interventions that we have, so we have been doing recent work to improve rates of immunisation and to ensure that outbreaks of any kind of disease of concern are minimised. We have the no jab, no play laws, which commenced on 1 January this year. They require children to be age appropriately immunised before they can enrol in childcare or kindergarten, so that is prior to school. It essentially provides parents with a reminder point and some additional motivation to keep their children's vaccinations up-to-date.

Once children reach school age — —

**Mr MORRIS** — Chair, I might just interrupt there. While I appreciate the information, the question related to the situation with employees of the department working in schools.

**Ms CALLISTER** — I might have to take that on notice, Mr Morris.

**Mr MORRIS** — That would be helpful. While you are taking that on notice, could we have an idea of, if there are non-immunised people working in schools, how many there are and by region?

**Ms CALLISTER** — If that is available. We may not have it available in the way that you ask, but I am happy to take the question on notice.

**Mr MORRIS** — That would be helpful, thank you. I will move on, Chair, and in part back, to the issue of bullying — BP3, page 166. To the minister, obviously, I am sure we both agree that bullying, both physical and emotional, is a very important issue. Are you able to advise the committee how many recorded incidents of assault, either physical or emotional, have been perpetrated against teachers or support staff by students?

**Mr MERLINO** — Deputy Chair, I do not have that information at hand, but I am happy to provide that information, if we can, to the committee.

**Mr MORRIS** — Thank you. Could I also ask, while you are obtaining that information, I am interested in two more things: how many recorded incidents of assault, physical and emotional again, are perpetrated against teachers or support staff by their colleagues; and finally, what is the cost to the department in terms of payments to staff for either personal leave, termination payments or other payments, including settling civil or industrial relations claims?

**Mr MERLINO** — Again, Deputy Chair, thank you for the question. I will take those questions on notice and any information that we can provide to the committee we will.

**Mr MORRIS** — That would be good, thank you. I will pass to Mr Smith, if I may.

**The CHAIR** — Of course. Mr Smith.

**Mr T. SMITH** — Thanks, Chair. Minister, again I refer to BP3, page 64, particularly the Victorian curriculum implementation, on the 20 million that you are talking about. I want to touch on VCE drama. Why has the Victorian Curriculum and Assessment Authority selected the play, *Tales of A City by the Sea*, which betrays Israel as a bloodthirsty, evil war machine, and which critics call, quite frankly, anti-Israel propaganda and that I and many others find perplexing — —

**Ms WARD** — You are into the conspiracy theories today, Mr Smith.

**The CHAIR** — Order!

**Mr MERLINO** — Thank you, Mr Smith, for the question. As the committee would appreciate, decisions regarding what is included in the curriculum and what curriculum resources are provided, such as plays, books and other resources, those decisions, quite rightly, are made by the VCAA, not the minister, not the government. It is not the place of politicians to decide what books are to be placed on the reading list or what plays are to be delivered as part of the drama program, and that is how it should be. I certainly would not want to have that responsibility, and I would not want any politician to be put in the position or want to be put in a position where they are deciding what curriculum and resources are provided for our students.

The VCAA has a rigorous process for selecting plays, including an expert panel consisting of drama educators from across schools, industry and universities.

**Mr T. SMITH** — You can read your lines all day, but the point is — —

**Mr MERLINO** — Well, you either want the question answered or not, Mr Smith.

**Mr T. SMITH** — No, I want to know why you have clearly got an anti-Israel play being taught to our children.

**Ms SHING** — He read the article in the *Age* this morning, and he just thought he would — —

**The CHAIR** — Order, Ms Shing!

**Mr T. SMITH** — I mean, you have got Dr Abramovich, chair of the B'nai B'rith Anti-Defamation Commission, stating:

What this play does, amongst other things, is to create a tremendously hostile climate in which any Jewish student who will see the play with their classmates ... will be ashamed and worried about expressing any support for Israel or even admit that they have a link with the Jewish state.

Ms Shing derided me for reading this in the *Age*. Well no, this is a real concern from the Jewish community about clearly a play that is anti-Israel and that has been authored by an anti-Israel activist. Why is this being taught in our schools to our children that would give rise to an anti-Israel view coming out of our schools?

**Mr MERLINO** — The point I am making, Mr Smith, is that it is not for politicians, it is not for ministers, it is not for governments to decide what is or is not included in the curriculum. As I said, the VCAA has a rigorous process involving an expert panel consisting of drama educators from across schools, industry and universities assessing plays against set criteria before making recommendations to the VCAA board for board endorsement. Firstly, drama teachers and schools will choose one of six plays on the play list. They will focus on the dramatic aspects of the play while providing an even-handed explanation of the political context.

**Mr T. SMITH** — How could you provide an even-handed explanation of a play that is so biased?

**The CHAIR** — Order, Mr Smith! The minister is attempting to answer your question.

**Mr MERLINO** — Mr Smith, I am confident that drama teachers will ensure students understand the full context surrounding the issue and the play. I just reiterate my point: it is not for politicians to determine what books, what plays, what movies, what resources are being taught in our schools. For goodness sake, I would hate if that responsibility was ever put on you, Mr Smith.

**Mr T. SMITH** — It is an outrage! It should not be taught.

**The CHAIR** — Mr Smith, the minister is answering your question.

**Mr T. SMITH** — It is an outrage! How dare you teach our children to hate Israel!

**The CHAIR** — Mr Smith, is there another question? The minister has answered your question because he has indicated the process by which this material is selected. The minister has answered the question. I am conscious of time. You have got plenty of time to ask another question, Mr Smith, if you would like to, or I am

happy to move on to the DLP, who have the next round of questions. I will leave it to the opposition to decide whether they wish to use their time wisely.

**Mr T. SMITH** — I will reiterate my question to the minister.

**The CHAIR** — I think the minister has answered that question if it relates to — —

**Mr T. SMITH** — The answer from the minister is not acceptable to the opposition.

**The CHAIR** — Mr Smith, you might not like the answer you have received, but the minister has been responsive to the question you have raised. I would encourage you to use your time wisely. There is an opportunity to ask another question. There is a very large budget that is in front of us. There is plenty of rich material in front of us. I would encourage you to ask another question in the remaining time.

Maybe the Deputy Chair may wish to ask a question.

**Mr MORRIS** — On the same subject but a slightly different approach, the minister frequently talks about wanting to make all students, no matter what their background, no matter what their — —

**The CHAIR** — Order! I am sorry, but with all that the time has expired. It is 11.12 a.m. Dr Carling-Jenkins, for 8 minutes.

**Dr CARLING-JENKINS** — I will take a deep breath now, I think. I would like to commend the government for the doctors in schools program, which you described in your presentation as part of your commitment to building happy, healthy and resilient children here in Victoria. This is in regard to budget paper 3, page 62. I know this has been covered in part in an answer to an earlier question, so I just want to very narrowly ask what the safeguards are around this program — so around particularly parental rights and parental notification. What are the guidelines or safeguards around this program, and will parents specifically be notified and their permission sought before, for example, drugs or medications are dispensed?

**Mr MERLINO** — Thank you, Ms Carling-Jenkins, for the question. I will deal with the broad very quickly and then to the specifics of your question. This is an election commitment we made, rolling it out to 100 secondary schools in disadvantaged communities. The important point here — and I have made it earlier today — is that GPs in schools will provide the same health care support for young people that they can access in any GP clinic right across Victoria. The only difference is the physical location. The doctor-patient relationship remains as it would if that young person was accessing a doctor anywhere else in Victoria. Participating GPs will also be required to undertake training in adolescent health.

In terms of your specific question about parental consent, we will be rolling this out in full from 2017. It is based, as you may be aware, on the Wellington school model. Wellington Secondary College, for example, requires parental consent at the start of the year. So a notification would go out to parents saying that there is a doctors in schools service at the school, and parents can provide their consent at the start of the year. There are a handful of schools that are already providing a GP in school service. Other schools — for example, Upper Yarra Secondary — require parental consent every time the student goes to the doctor.

So there is a variety of ways that you can deliver this. We will be implementing it in full. We will spend the next several months getting expert advice from the medical profession. We will be engaging with the AMA, we will be engaging with principals associations and we will be engaging with Parents Victoria about how best to implement this program.

**Dr CARLING-JENKINS** — By way of supplementary, is there a possibility that a student might be provided, within this program, with the morning-after pill or with RU486 without her parents first having the opportunity to talk to her about that decision and its consequences?

**Mr MERLINO** — All I can do, Dr Carling-Jenkins, is reiterate that the health care support provided at the school, provided by the doctor to the young person, would be the same as if that young person went to a GP clinic anywhere in Victoria. There is not a difference in terms of the health care that is provided. As you would know, there are existing legal requirements on GPs. There is the issue of mature minors in terms of the support that they could receive. It will not be different. The only difference will be the context that this will be a GP service provided in the school.

**Dr CARLING-JENKINS** — Okay. Just to clarify, not all GPs are able to dispense RU486. It is a very specific drug that not all GPs choose to be trained in delivering. Will parents be aware if the GP in their child's school is able to dispense that drug?

**Mr MERLINO** — I will answer it in the broad — —

**Dr CARLING-JENKINS** — I would like you to answer it in the specific.

**Mr MERLINO** — This is a specialist service that would need a referral. That specific example would be a specialist service that would need a referral.

**Dr CARLING-JENKINS** — Thank you, Minister. I want to revisit a little bit of what Mr Smith began to cover, perhaps taking a different tack, and it is more around the Building Respectful Relationships program — budget paper 3, page 13. Given the concerns raised regarding the Safe Schools program, including by parents, which is not, I would say, a universal anti-bullying program, as acknowledged by you in an answer to this committee last year, and which was authored by someone who has, it has come to light, openly stated that the intent of the program was not anti-bullying but an attempt to promote an ideological agenda within schools, parents are now raising concerns about the Building Respectful Relationships program regarding the intent of the author and regarding its content. Could you outline to the committee, to allay the concerns of these parents, what the intent of the author was with this program and the broad content of the program?

### **Members interjecting.**

**Mr MERLINO** — Thank you, Ms Carling-Jenkins, for your question. The new Victorian curriculum focuses on supporting children and young people to learn how to build healthy relationships, understand gender equity and prevent family violence. Existing resources available to teach respectful relationships include the department's Building Respectful Relationships: Stepping Out Against Gender-Based Violence curriculum resource. That is a resource for years 8 to 10 developed for Victorian schools, and it supports a whole school approach to embedding and teaching respectful relationships.

As I said at the outset, one of the key recommendations out of the family violence royal commission was to expand respectful relationships across the curriculum — recommendation 189. We have provided \$21.8 million for that investment. It acknowledges the important transformational role of primary prevention and makes a specific recommendation in relation to school-based prevention of family violence through a whole school approach to respectful relationships education. Evidence demonstrates that for respectful relationships education to be effective and achieve long-lasting behavioural change in young people's attitudes, a whole school approach model of implementation needs to be applied. That means going beyond curriculum delivery alone. It is about working with schools as workplaces and creating more gender equal and respectful attitudes, behaviours, structures and practices across the whole school culture.

As I said also at the beginning, it is the employment of 17 additional support staff.

**Ms SHING** — It is good to see that the opposition takes an interest in relation to work-related bullying, whether it is physical or psychological, and yet is very quick to criticise a program which is designed to encourage LGBTI people to accept themselves exactly as they are. I would like to take you, Minister, to budget paper 3, page 68, in relation to the Victorian government's funding of the tech schools program. It is an area which has not received any attention in the course of this hearing to date and yet one which is having a profound impact throughout Victoria. What was the total asset and output funding to the program as allocated under this particular budget, and how does that compare with previous budgets?

**Mr MERLINO** — Thank you, Ms Shing, for the question. This is a really exciting initiative of the government and one I am proud of. It delivers on our commitment to the tech schools initiative. It includes \$92 million in infrastructure funding to design and construct the tech schools. So there is 62.9 million TEI and 29.1 million in output construction costs, because some of the tech schools are on TAFE sites and some of them are on university sites — that is why there is that split in the infrastructure funding — and \$24 million in output funds over four years for tech schools operation costs, with ongoing funding of \$8.4 million provided. This now meets the government's commitment. If you look at the 15–16 budget, it was 8 million in capital and 4 million operating. It now meets the government's commitment to an overall investment of \$128 million, so we have delivered — —

**Ms SHING** — So it is fully funded now?

**Mr MERLINO** — It is fully funded, delivered in full. The 10 tech schools will be established in Gippsland, Bendigo, Ballarat, Geelong, Monash, Casey, Wyndham, Banyule, Yarra Ranges and Whittlesea. We have set up working parties across those 10 local communities, and those working parties are made up of local schools, industry and other stakeholders. They are ensuring that tech schools will meet the particular needs of those local regions.

**Ms SHING** — In relation to the way in which the schools are intended to meet those educational shortfalls and to capture those opportunities, how has that, to pick up earlier comments and questions from Dr Carling-Jenkins, focused on science, technology, engineering and mathematics, as well as participation by girls, in the course of delivering those educational options for students across those areas?

**Mr MERLINO** — Thank you, Ms Shing, for the question. These are all about connecting young people with the jobs of the future. I talked about the fastest growing occupations requiring maths and science skills, so each one of these 10 tech schools will focus on STEM, but it is going to be different depending on the area that it is in. For example, in Ballarat the focus will be on food and fibre, advanced manufacturing and information technology; in Banyule, it will be on health care and medical technology, professional scientific, technical, and construction programs; in Monash, medical and pharmaceutical technology and new energy; in Wyndham, health, transport and logistics; and in Yarra Ranges, animal studies, medical robotics and 3D technology.

We are looking at what the strengths and weaknesses of each region are and how we can better connect the schools with TAFE and university and industry. It is often that third connection where we fall down. We have had a number of goes at this, whether it is trade training centres or technical colleges. There are some really good examples of connection with industry, but this is embedding it from the very beginning. This is about delivering the students from years 7, 8, 9 with taster programs. For more senior kids at secondary schools, getting advanced classes, getting masterclasses in physics or chemistry or robotics, and engaging on equipment that individually the schools could not afford.

**Ms SHING** — On that point, and in relation to the tech schools summit which was held recently in Melbourne on the day that the tech school locations were announced, there was funding under the last budget for primary maths and science specialists and STEM was identified during the tech schools summit as a key priority. One of the challenges and one of the areas of comparative educational disadvantage is access to STEM maths and science programs for girls and for young women. How does the tech school model intend to be able to provide better access to girls in achieving educational outcomes in these areas?

**Mr MERLINO** — It is a good question, and, as I said, it is engaging kids, particularly girls, at a young age. Kids as young as grades 2 and 3 are saying, ‘Maths and science’ — or particularly maths — ‘is not for me’. It is about engaging them early with maths and science specialists. We have got some initiatives that we will be announcing over the next few months; I am not going to publicly announce them here at PAEC. But it is no accident that Marita Cheng is our Tech Schools ambassador — a former Young Australian of the Year, an entrepreneur. She is just a fantastic role model, and we will be utilising Marita as much as we can, engaging with young people, because this is about our future. Our prosperity is not dug out of the ground; it is the investment that we make.

**Ms SHING** — How much funding went to the specialist maths and science program in the budget?

**Mr MERLINO** — That was about — —

**Ms SHING** — I can sing *The Girl from Ipanema* if you would like some hold music; I am very happy to go there early if you would like.

**Mr MERLINO** — I am getting the exact figure for you, Ms Shing, but I think it was in the order of \$20 million, but I will come back to you.

**Ms SHING** — That is alright. While you are doing that, if you can comment on whether there are any specialists who have commenced training?

**Mr MERLINO** — Sorry to interrupt you — \$27 million for the primary maths and science specialists.

**Ms SHING** — Thanks, Minister. Have they commenced training for delivery of that particular project?

**Mr MERLINO** — As I understand it, we are identifying them at the moment and we will be rolling them out. Certainly providing that additional training to get them up to the capacity they need to be, and in getting them out and engaging in schools, they can make an incredible difference.

**Ms SHING** — And is that to areas with disadvantage as a focus?

**Mr MERLINO** — It is again focused on areas of disadvantage.

**Ms SHING** — Thank you, Minister.

**Mr DIMOPOULOS** — Minister, given what you said about industry and the different areas having a different focus, so with Monash it is medical, and given the focus on STEM, what has been the industry take-up so far?

**The CHAIR** — Budget paper reference, Mr Dimopoulos?

**Ms SHING** — Budget paper 3, page 68 — the same reference.

**Mr DIMOPOULOS** — Yes, the same. I refer to the minister's answer. What has been the take-up by industry and the interest by industry so far — the reaction?

**Mr MERLINO** — It has been fantastic. Again we developed this public policy in opposition using the KIOSC model, and that was a model that had fantastic engagement with industry, particularly in the areas of robotics, engineering and advanced manufacturing. You could see that buy-in from industry, providing cadetships for students that had been working through the opportunities at the KIOSC in Wantirna — the partnership with Swinburne University. We have had the Australian Industry Group talk about the fact that this is a bold initiative that will bring all of these sectors together. You have secondary school students based in their original schools and also being based in a university or TAFE institution, with industry connected as well. That makes it potentially a very, very significant partnership.

We have had engagement with the Ai Group, we have had engagement with the Victorian chamber of commerce and industry, we have had engagement with particular businesses in the Geelong area — great engagement across Gordon TAFE, Deakin University, local schools and local industry.

**Mr DIMOPOULOS** — I think the added value of having it on a campus of a TAFE or of a university just accentuates those links, because they already have those strong links when you have them on a university campus.

**Ms WARD** — Minister, on budget paper 3, page 68, and also on page 3 of your presentation, you talk about investing in regional Victoria, and you spoke earlier about jobs. Can you tell me how you are going to deliver 150 jobs across regional departments, and how many of those have currently already been filled?

**Mr MERLINO** — The focus immediately was on the senior education improvement leaders, so these are the most important people on the ground; these are the people that connect schools to the regions and the centre and also encourage network and collaboration. We do not want these silos. We want schools sharing the expertise. The rollout of the SEILs has been completed, I understand. The next stage is the multidisciplinary teams that will be in each of the 17 areas, focused on particular areas of expertise. The rollout is progressing very well. We have got our regional directors, deputy regional directors, area directors — the 17 — and then the SEILs as well. The next stage is the multidisciplinary teams.

**Ms WARD** — Just quickly, if we can, going back to the tech schools and the investment that the government is doing, I go to page 2 of the papers. What kind of jobs are going to be created out of the investing in schools program?

**Mr MERLINO** — Within the tech schools initiative?

**Ms WARD** — Inclusive of that.

**Mr MERLINO** — Across our capital program we are looking at over 1300 jobs being created as part of their construction program.

**Mr MORRIS** — If I could return to the earlier subject, when unfortunately we ran out of time — *Tales of a City by the Sea*, BP3, page 64 is the reference. Minister, this is a one-sided portrayal of what is undoubtedly a complex conflict. No doubt about that. But it ignores the provocation of Hamas towards the state of Israel and it is written by a known anti-Israel activist. You talk frequently about wanting to make all students, regardless of their background, feel welcome at their schools and that is a sentiment I 100 per cent support, absolutely unconditionally.

You also have said in response to the earlier discussion that elected members have no role in determining the curriculum. But surely when there is a play that is selected for study that is one-sided, that is divisive, that will undoubtedly make students of a Jewish background at the very least feel extremely uncomfortable and potentially feel that they are at risk of persecution, surely, then, as the minister, there is a responsibility on your part to intervene.

**Mr MERLINO** — Thank you, Deputy Chair, for the question and I appreciate the way that the question was put, and you would find no greater advocate for tolerance, diversity and harmony in our schools and in our community, so I do take the concerns seriously. But I am simply making the point to you today that it is not the role of a politician to determine curriculum, to determine the books on the reading list for schools, to determine the plays, to determine the movies that students are being taught. What I will say is that I have confidence in our teachers, I have confidence in our drama teachers to focus on the dramatic aspects of the play and to put into context for the students the political context of the play. So I appreciate your question, I take it seriously, but I am not going to start down the slippery slope of a politician, of a minister, determining what is on the reading list and what is on the playlist. That is not my responsibility, it should never be the role or responsibility of a politician.

**Mr MORRIS** — Minister, surely you have some responsibility for the outcomes. This is a play that effectively preaches hate. You have got stated objectives for making students feel welcome and, as I say, I 100 per cent support that, but this is clearly an item on the curriculum that does not do that, that is contrary to those aims. Surely the overriding aims should give you the capacity. I am sure you have the capacity. I do not think there is an operational clause in the Education Act — that you have the capacity to move this particular piece of so-called literature back to where it should be, and that is not on the curriculum. But you are not, apparently, prepared to do it.

**Ms SHING** — Is that what happened under the coalition? Did you censor material? Did you censor material in government?

**Mr MORRIS** — I do not believe in preaching hate, Ms Shing, and that is what this does.

**The CHAIR** — Order! A question has been asked of the minister.

**Mr MERLINO** — Thank you, Deputy Chair, and I again appreciate the question. But I make the point that we live in a democracy and we do not ban books or plays. Teachers will help students to understand the issues that sit behind the play. Teachers will do that. Teachers are experts in these fields. These are decisions made by the Victorian Curriculum and Assessment Authority. They make the decisions based on expert advice.

**Mr MORRIS** — This is clearly a political matter. It is pushing a particular political point of view — and that is, opposition to the state of Israel without any balance and, as I mentioned earlier, without any doubt it will make students of Jewish background feel at the very least incredibly uncomfortable and potentially that they are being persecuted. There is clearly a role for a politician — the politician running the education system, the Deputy Premier of the state — to step in and say, ‘Well look, no matter what degree — — ‘; if you were doing it every day then you would be rightly criticised, but there is surely a role for you to step in and say, ‘This is not right’. That seems to be effectively the sentiment you are expressing, not in so many words — you are clearly not comfortable with this play — but it is simply not appropriate. Surely there is a role for you to step in.

You mentioned there is no place for censorship. We are not talking about censorship in the wider community. Yes, it should be out there no matter how reprehensible it is, yes it should be out there, but teaching it in schools as a prescribed part of a curriculum is an entirely different matter. Surely there is a role there for you?



**Members interjecting.**

**The CHAIR** — Order! There is a question to the minister.

**Mr MERLINO** — Thank you, Chair, and thank you, Deputy Chair. You have made a number of statements in your question about what you think or what you purport this play conveys. There are a number of statements in the question, including that it preaches hate. I do not know that that is the case, and I do not know, Deputy Chair, whether you have read the play or seen the play either. The point I am making is that these are decisions, quite rightly, that are made by the VCAA. It is not for politicians to determine what books students read on the reading list or the plays that they engage with. I have got faith in the teachers, as they deliver the curriculum, that they will focus on the dramatic aspects of the play and put into context for the drama students the nature of the play and the context of its setting.

That is the best answer that I can give you, Deputy Chair. It is not the role, nor should it ever be the role, of politicians to engage in ruling books or plays in or ruling books or plays out. I will undertake to meet with B'nai B'rith and other Jewish organisations. I have a longstanding friendship with many Jewish organisations and many friends in the Jewish community, so I will certainly be engaging with them as Minister for Education and Deputy Premier, but I will also say to them that it is not the role of a politician to rule in curriculum or rule out curriculum in regard to books or plays.

**Mr DIMOPOULOS** — Particularly when you have not seen the play.

**The CHAIR** — Order!

**Mr MORRIS** — Minister, your government has a well-established respect agenda. If the particular piece of literature — alleged literature — was not criticising the state of Israel but was criticising other minority communities which you have rightly championed, the GLBTI community and others, are you still saying you would not intervene — you would just let it sit up there? I would have thought you would be out shouting from the rooftops about bigotry, rightly consistent with the approach of your government.

**Members interjecting.**

**The CHAIR** — Order!

**Mr MORRIS** — Or is it only some communities, is it only some minorities, that do not get your support?

**Mr MERLINO** — Deputy Chair, thank you for the question. That is indeed what I am saying. I am not going to be wedged by any particular questions. It is not the role of politicians to determine what is on or not on the reading lists and the plays for VCE students. We are talking about the VCE; we are talking about the pinnacle of secondary school education — —

**Mr MORRIS** — We are talking about the role of the minister in administering the department, not saying — —

**The CHAIR** — Order! The minister is answering the opposition's question.

**Mr MERLINO** — The curriculum will be determined by experts in the field.

**Mr MORRIS** — No matter how offensive it is?

**Mr DIMOPOULOS** — Have you seen it?

**Mr MORRIS** — No matter how offensive it is?

**Mr DIMOPOULOS** — Have you seen it?

**Mr MORRIS** — No matter how many minorities are offended by it?

**Mr T. SMITH** —

Characters in the play describe Israeli rule as tyrannical. One accuses Israel of leading a 'massacre' of the Palestinian people, questioning: 'What Holy Scripture gave the command, "Thou shall wipe out their villages and scorch their land"?'.

This is not a balanced play.

**Mr DIMOPOULOS** — Have you seen it?

**Mr T. SMITH** — It is one of six. Surely there are better plays you can teach 18-year-olds — —

**The CHAIR** — Order! The time has expired. It is 10 minutes for the government now.

**Ms WARD** — I just apologise for the rudeness of some of my colleagues. I would really prefer to pursue the questioning of the government in a more respectful manner, and it does not help to yell. It really does not.

**Mr RICHARDSON** — It is one side that is upholding democracy in the Middle East; the other one is allowing some sort of rubbish to be perpetuated about it.

**Ms SHING** — Let us just talk about the budget.

**Ms WARD** — Mr Smith, I think you have just proved my point. Thank you.

**The CHAIR** — Order! Ms Ward, your question, please.

**Ms WARD** — Minister, I refer to budget paper 3, page 173 and 172, regarding output performance targets. We have set high targets in areas such as numeracy and literacy — and I note that we have got NAPLAN today; in fact my daughter is sitting one.

**Mr MERLINO** — So is mine.

**Ms WARD** — Snap! In addition to the education state, what is the government doing to make sure that teachers are being supported through this process in how they should be teaching our kids but also ensuring that NAPLAN is not the sole focus of what is being taught?

**Mr MERLINO** — Thank you, Ms Ward, for your question. As I said earlier, there is a focus on both principal leadership training and leadership training identified across our system — around 3000 leaders. There is the \$21 million that we allocated in terms of the new curriculum. So there is not only respectful relationships, but there is coding; there is a focus on STEM and language in the new curriculum. There is over \$20 million provided for that curriculum support. That allows schools to access CRT so teachers, and groups of teachers more importantly, can go away and get that training within their new curriculum.

**Ms WARD** — Thank you, Minister. There is, as I understand it, a significant contribution in the 16–17 budget for laptops for teachers.

**Mr MERLINO** — Yes.

**Ms WARD** — Why is the government doing this?

**Mr MERLINO** — Ultimately, Ms Ward, this is a decision of government that laptops are an important professional tool for our teaching workforce, so out of the 16–17 budget we will be providing \$75.5 million for the 2016–19 calendar years and \$17.4 million ongoing to provide notebooks for 46 000 eligible teachers in Victorian government schools. This represents an additional 23.8 million over five years and 10.7 ongoing. The notebooks will cost approximately \$1100 each, including full ongoing support.

The notebooks will support teachers with planning, assessment and reporting. As I said they are an important — an essential — tool for teachers to deliver lessons, prepare student assessments and reports, communicate with colleagues and families of students and collaborate with other staff. So this is an important initiative. I know it has been most welcomed by our teaching workforce. It will no longer be a payment that teachers individually make to access an essential tool of their trade. I look forward to the rollout of these new laptops.

**Ms WARD** — I want to talk to you about teachers, and I have to put in a disclaimer — I do live with one. I will go back to budget paper 3, pages 173 to 182. It mentions adopting the Victorian curriculum rather than the Australian curriculum. Teachers do have a lot on their plates; they have a lot of work to do. Why is it that the government has decided to introduce the Victorian curriculum?

**Mr MERLINO** — This is an important process that has been a big part of the national dialogue between education jurisdictions, between experts in particular fields. We have had different disciplines getting together and developing the new national curriculum. What we decided to do is ensure that we do not reduce what we best deliver in Victoria. That is why we have announced the new Victorian curriculum. It is an important step to give students the skills they need for work and life: literacy, numeracy, scientific knowledge, skills, resilience, respectful relationships, the use of digital technologies and the capacity for critical and creative thinking.

**Ms WARD** — On respectful relationships, which I think is pretty pertinent for today's meeting especially — still on budget paper 3, pages 173 to 182 — how do you expect teachers to be able to deliver these subjects, such as digital coding and, as I said, especially respectful relationships?

**Mr MERLINO** — We have got the \$21.6 million over three years to help all government school teachers teach the new Victorian curriculum. That includes subjects like digital coding and respectful relationships. There is also the additional funding that we announced as part of the expansion of the respectful relationships program, picking up the additional staff.

The point I would like to make here, Ms Ward, is outside of the family, for 10 to 14-year-olds in particular, it is the teacher, it is the school that makes the biggest difference in their lives. We know all the evidence shows that it is the investment in teaching and improving the quality of teaching — not the quality of teachers, but the quality of teaching — that makes the biggest difference in terms of student outcomes. This focus on professional learning, whether it is special needs, whether it is the new curriculum, whether it is the primary maths-science specialists, whether it is a focus on team coaching, team teaching, collaboration, those are the things that will make the difference in our schools.

**Ms SHING** — I might pick up in relation to the issue of Aboriginal education and outcomes. I take you to budget paper 3, pages 172 and 173, which refers to a number of performance measures designed to assist in better educational outcomes for Aboriginal students across the board. These budget papers in fact show that the government has not achieved targets for most of the performance measures that relate to the specific set of outcomes that were desired to be achieved. What are you in fact doing to make sure that we get better outcomes on these results than are recorded in BP3 in this section?

**Mr MERLINO** — Thank you, Ms Shing, for your question. You are right about the BP3 measures and the fact that we are not meeting the targets that we have set ourselves — not only set ourselves as a state but also the targets that we have set ourselves collectively as a nation in terms of closing the gap. There were discussions, as there always is in the lead-up to each budget, about the BP3 performance measures and whether you need to adjust them or not. We made a conscious decision that we are not going to adjust them down. We are not going to give up on this effort.

**Ms SHING** — Why is that?

**Mr MERLINO** — Because, one, it is obviously the right thing to do. Secondly, because of the size of the cohort of kids that we are talking about, if you can get a small improvement, you can make a big change in these outcomes. What we did in our first year with the education state reforms was talk globally about needs-based. Significant investment in needs-based funding will assist in all students from a disadvantaged background, whether it is rurality, disability, Indigeneity or low socio-economic. That was our first tranche of reform, if you like, and the increase in needs-based funding. A number of schools that have a significant Koori student population will see significant increase in their equity funding.

What I am flagging today as part of the education state contingency to deliver on our Gonski obligations is we will be making some further announcements through the course of the year. One of those things that we will be announcing is the Aboriginal education plan. We have been working very closely with VAEAI, which is the significant education Indigenous organisation, and other organisations. We have been working on this plan in collaboration. We will be releasing it over the coming months, and we will have more to say. But I just did not want to fly the white flag on those performance measures.

**Ms SHING** — So that would include collaboration with communities, because that is a key part of delivering on addressing Aboriginal and Indigenous educational disadvantage I would have thought.

**The CHAIR** — Order! Mr Smith, for 10 minutes.

**Mr T. SMITH** — Minister, I refer to BP3 page 61 and BP3 page 65, the doctors in schools program. I am just interested as to how this program is going to work with regard to particularly young adolescents — for example, accessing the contraceptive pill without, for example, their parents' knowledge? I am wanting to know your thoughts on whether this is appropriate and how this is going to roll out, particularly given criticisms today by the AMA?

**Mr MERLINO** — Thank you, Mr Smith, for your question. You must not have been listening to my answer to Dr Carling-Jenkins.

**Mr T. SMITH** — You did not give an answer. We would actually like one — —

**The CHAIR** — Order! The minister is answering your question, Mr Smith.

**Mr MERLINO** — This is good public policy, Chair, and this delivers on our commitment to provide doctors in schools —

**Ms SHING** — You can ask the health minister about that too.

**Mr T. SMITH** — I will.

**Mr MERLINO** — to 100 secondary schools in the most disadvantaged communities. This is about providing thousands of Victorian students access to health care at no cost to themselves or to their families. These are young people who otherwise might not get the health care and the support that they need. We do not want sick kids at school. We do not want students with mental health issues at school.

**Mr T. SMITH** — No, that is not what I am asking you about.

**The CHAIR** — Order!

**Mr MERLINO** — We want them to access the primary health care that they need.

The point I made to Dr Carling-Jenkins, and the point I will make to you, Mr Smith, is that the GPs will provide the same healthcare support for young people that those young people can access at any GP clinic anywhere in Victoria. The only difference that we are talking about is that this is provided on the school grounds.

In terms of parental consent, as I said, we will be working with and taking guidance from medical experts. We will be engaging with the AMA, we will be engaging with Parents Vic and with the principals association in terms of how we implement this policy. As I said, it was based on the Wellington Secondary College model, and at Wellington secondary parental consent is provided at the start of the year. Parents are informed that this service is provided, is available for their children at the school and parents give their consent at the start of the year. That is one model. Another model is Upper Yarra, and there are other examples. I was speaking to Margaret Uren, who is principal at one of my schools in Monbulk, and she informed me last night at an event that I went to that they also decided to act to provide and engage with a GP to provide GP services at Monbulk College.

**Mr T. SMITH** — But have you consulted with the AMA on this?

**Mr MERLINO** — Of course we have consulted. Of course we have consulted with the AMA.

**Mr T. SMITH** — But they are very concerned about this, Minister.

**Mr MERLINO** — If you actually read the report, they have said there are issues that need to be worked through as we deliver —

**Mr T. SMITH** — Well, that is a polite way of saying there are some problems with it.

**The CHAIR** — Order! The minister is answering the question.

**Mr MERLINO** — the program, and that is exactly what we will do. We will engage with the AMA, we will seek guidance from medical experts, we will engage with the principals' associations — —

**Mr T. SMITH** — So you are engaging or you have engaged?

**Mr MERLINO** — Both, Mr Smith, both — and we will deliver this commitment as we promised. This is good public policy.

**Mr T. SMITH** — That is terrific, but you still have not answered my question.

**Mr MERLINO** — Are you opposed to primary health care in our schools? Is that your position, Mr Smith?

**Mr T. SMITH** — I am asking the questions here, pal, not you.

**The CHAIR** — Order! Mr Smith, you will retreat. The minister is answering your question, Mr Smith. Let him continue with his answer.

**Mr T. SMITH** — Chair, he is not. I have asked a very specific question: would a young teenager be able to access the contraceptive pill without their parents knowing under this program, yes or no? That is the question, Chair.

**The CHAIR** — The minister answered your question.

**Mr T. SMITH** — He did not answer my question, Chair! What part of that question did he answer?

**The CHAIR** — Mr Smith, I know it has been a very long morning. We have not got long to go.

#### **Members interjecting.**

**Mr T. SMITH** — What part of my question did he answer?

**Mr MERLINO** — All of it.

**The CHAIR** — The minister, to conclude his answer.

**Mr T. SMITH** — Can they access the pill, yes or no?

**Mr MERLINO** — Mr Smith, as I have said, the health care that will be provided by GPs for young people will be exactly the same as the health care provided to young people if they access those GP clinics anywhere in Victoria. The doctor-patient relationship is the same. The health care provided is the same. We are working with the AMA, with principals' associations, with Parents Victoria, in terms of how we implement this program. Wellington secondary school has a process where there is parental consent. We will be informed by that model. We will look at other models across the state where schools already have GPs in schools.

We want our children to be happy, healthy and safe at schools. Whether it is accessing primary health care, whether it is accessing the Safe Schools Coalition program, whether it is accessing the Alannah and Madeline program, we want our children to be happy, healthy and safe at schools, and I make no apology for that, Mr Smith.

**Mr D. O'BRIEN** — Minister, no-one argues with any of that.

**Ms SHING** — Well, apparently they do!

**Mr D. O'BRIEN** — No, Ms Shing, do not verbal us; this is a serious question. I want to put it simply: Minister, if my children are at secondary school where there is a GPs in schools program and they seek to see a doctor for whatever reason, will I find out about it? Please inform me if I am silly but if my 12-year-old goes to a GP, I assume that the GP would say, 'Well, hang on, I need to check with your parents first,' but if I am wrong on that — but please, it is a fairly simple question. You seem to be saying that you are looking at other models, so the parents will not necessarily be even told.

**Mr MERLINO** — Thank you, Mr O'Brien, for your question, and that is absolutely a fair and reasonable question. One of the primary issues is whether a student is a mature minor. This is established within the existing medical framework, if you like, whether a child is a mature minor. That is because the law recognises — —

**Mr D. O'BRIEN** — But what does that mean, sorry, Minister?

**Mr MERLINO** — This is the existing arrangement. If a child, if a young person, is accessing a GP in their local community, the question for the medical practitioner is whether that child is a mature minor.

**Mr D. O'BRIEN** — But is that defined by age? Or a judgement call?

**Mr MERLINO** — Not necessarily by age. It is dependent on the child. The law recognises that as children become older, they become more confident and mature to make their own decisions. This is established practice and established law within the medical profession. The GP at the school will approach a young person in exactly the same way as a GP would approach a young person if the clinic was in Main Street, Lilydale.

**Mr D. O'BRIEN** — I think we have got the answer, Minister. You are looking at other options as well.

**Mr MERLINO** — Mr O'Brien, we are looking at how we implement this. So, as I have said, Wellington Secondary College has a particular way in which they engage with their parents. Upper Yarra has a different way in which they engage with their parents. I am going to have a chat with Margaret at Monbulk to talk about how the Monbulk College community engages with their parents, and that will inform us in terms of how we implement this model from 2017.

**Mr D. O'BRIEN** — Chair, if I might just move on. Secretary, budget paper 3, page 178, refers to absenteeism. Could you just advise quickly whether the data that is collected is done on a school or LGA or per departmental region?

**The CHAIR** — Sorry, Mr O'Brien, budget paper 3, page 178, did you say?

**Mr D. O'BRIEN** — Page 178, yes. I am conscious of time too, Secretary. I am keen to get the data perhaps for the last year on that as well, and I appreciate you might not have that with you right now.

**Ms CALLISTER** — Yes.

**Mr D. O'BRIEN** — If we could get that on notice as well.

**Ms CALLISTER** — Yes, I will take it on notice because I am not sure down to what level we collect it. So I am happy to take it on notice.

**Mr D. O'BRIEN** — Okay. Do you know if there are any particular areas that are particular areas of concern — geographic areas — as far as absenteeism, and naturally truancy is where I am getting at?

**Ms CALLISTER** — I could not answer about a geographical area, but we do know that we have a large number of 15 to 17-year-olds. We talk publicly about a number of — 10 000 or so — 15 to 17-year-olds who are disengaged from school, so we have a very strong focus currently, through programs that were funded in the last budget, around how we re-engage and measure that re-engagement of those young people.

**Mr D. O'BRIEN** — Very quickly, Minister, are you aware if any of that 15 to 17-year-old is showing signs gang culture infiltrating our schools? Has anything has been done on that?

**Mr MERLINO** — There is no — —

**The CHAIR** — Order! Time has expired.

**Mr MERLINO** — I am happy to follow up, Danny.

**The CHAIR** — The minister may wish to take that on notice. I would like to thank the Minister for Education for his attendance as well as Ms Callister, Mr Keating and Mr Graham. There were a number of items which will be followed up as questions on notice; the committee will do so in writing. A written response should be provided within 14 calendar days of that request.

**Witnesses withdrew.**