

# VERIFIED TRANSCRIPT

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into budget estimates 2010–11

Melbourne — 13 May 2010

#### Members

Mr R. Dalla-Riva  
Ms J. Graley  
Ms J. Huppert  
Mr W. Noonan  
Ms S. Pennicuik

Mr G. Rich-Phillips  
Mr R. Scott  
Mr B. Stensholt  
Dr W. Sykes  
Mr K. Wells

Chair: Mr B. Stensholt  
Deputy Chair: Mr K. Wells

#### Staff

Executive Officer: Ms V. Cheong

#### Witnesses

Ms B. Pike, Minister for Education,  
Professor P. Dawkins, Secretary,  
Mr P. Linossier, Acting Deputy Secretary, Office for Children and Portfolio Coordination,  
Mr D. Fraser, Deputy Secretary, Office for Government School Education, and  
Mr J. Rosewarne, Deputy Secretary, Office for Resources and Infrastructure, Department of Education and Early Childhood Development.

**The CHAIR** — I declare open the Public Accounts and Estimates Committee hearing on the 2010–11 budget estimates for the portfolio of education. On behalf of the committee I welcome the Honourable Bronwyn Pike, MP, Minister for Education, Professor Peter Dawkins, Secretary of the Department of Education and Early Childhood Development, Mr Paul Linossier, acting deputy secretary, office of children and portfolio coordination, Department of Education and Early Childhood Development, Darrell Fraser, deputy secretary, office for government school education, Department of Education and Early Childhood Development, Mr Jeff Rosewarne, deputy secretary, office resources and infrastructure, Department of Education and Early Childhood Development, departmental officers and members of the public. The media also are welcome.

According to the guidelines for public hearings I remind members of the public they cannot participate in the committee's proceedings. Only officers of the PAEC secretariat are to approach PAEC members. Departmental officers as requested by the minister or her chief of staff can approach the table during the hearing. Members of the media are also requested to observe the guidelines for filming or recording proceedings in the Legislative Council committee room.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act and is protected from judicial review; however, any comments made outside the precincts of the hearing are not protected by parliamentary privilege. There is no need for evidence to be sworn. All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript to be verified and returned within two working days. In accordance with past practice the transcripts and PowerPoint presentations and other material circulated will then be placed on the committee's website.

Following a presentation by the minister committee members will ask questions related to the budget estimates. Generally, the procedure followed will be that relating to questions in the Legislative Assembly. I ask that all mobile telephones be turned off. I ask the minister to give a brief presentation of no more than 10 minutes on the more complex financial and performance information that relates to the budget estimates for the portfolio of education.

**Overheads shown.**

**Ms PIKE** — Thank you very much, Chair, and good morning, committee members. It is good to be with you today and to talk about what is our government's no. 1 priority. That of course is the education of our young people. Members will know that through our *Blueprint for Education and Early Childhood Development* we are driving reforms in our system. We are doing that through enhancing partnerships with parents and community members and through reform of our workforce. Of course we are also in the middle of what is the biggest ever infrastructure rebuild in our state's history.

Regarding infrastructure, there are of course two very important elements. In 2006 we committed to the Victorian schools plan, which was \$1.9 billion of redevelopment and new-build funding. That now has been enhanced by the \$2.5 billion investment in Victorian schools through the Building the Education Revolution.

Providing these two programs in tandem has really allowed us to develop world-class facilities. This budget ensures that the \$1.9 billion of the Victorian schools plan — — would you like me to stop, Chair?

**The CHAIR** — Keep going.

**Ms PENNICUIK** — Can we get a copy?

**Ms PIKE** — Yes. I am happy to make that available.

**Ms PENNICUIK** — Not now though?

**Ms PIKE** — Well, it is a presentation on the screen.

**The CHAIR** — Continue, Minister.

**Ms PIKE** — We are ensuring that the \$1.9 billion Victorian schools plan is delivered. In fact we have exceeded our commitment, and 553 schools have been funded in this term of government. When you look particularly at this budget you will see that the areas that are covered are modernisations, work around the

outcome of the bushfires, continuing regenerations, work in rural areas and making sure that we can plan for the future.

We did bring forward money from this budget and made announcements around November so we could actually maximise the opportunities through the Building the Education Revolution as well. When it comes to the Building the Education Revolution, the BER will deliver 2904 projects worth \$2.5 billion here in Victoria. It is a huge program.

Out of that, 1581 schools have undertaken minor refurbishment and maintenance works. Then there is the primary school program for 1253 schools, and the program for science and language centres in 70 government schools. Regarding maintenance — the National School Pride Program — at the start of May, around 97 per cent of this money had already been spent by schools. All of the completion dates that you see there have been agreed with the commonwealth.

The BER is progressing very well in Victoria; 84 per cent of projects are underway or completed, with a further 16 per cent in the pre-contract stage — that is, they are awaiting the finalisation of their tender. All P21 and science and learning centres are on track, and 15 per cent are forecast for completion by the end of June 2010.

This is a program that has very strict guidelines and we certainly adhere to all of them as determined by the commonwealth. It is a very strong value-for-money program. The commonwealth provided an additional \$38 million for the program administration which equates to 1.5 per cent of the total funding. We have used that money to develop a dedicated BER team with 20 extra staff and for external program managers, and support for the Victorian coordinator-general and reporting accountability.

The commonwealth also indicated that project management fees needed to be less than 4 per cent; those project management fees include things like design, architecture et cetera, tendering and contracting administration and liaison with schools are all under 4 per cent, and the remaining 96 per cent of funds is for school building projects. We have adopted a very rigorous tender strategy and benchmarking strategy here in Victoria.

We want to make sure that we deliver buildings with very high quality outcomes. As you can see there, we have developed a suite of 34 best-practice design templates. These have been developed over the last five years; they are award-winning designs, many of which are already within the Victorian repertoire. They reflect intensive practical research about these kind of learning environments. We were ready to go with those, and they have now accounted for about 55 per cent; the remaining 45 per cent have been developed as individual site outcomes. That has been done in consultation with schools.

Of all schools, 66 per cent submitted submissions to the value of their indicative cap, 14.5 per cent submitted over their indicative cap, and nearly 20 per cent were under their indicative cap. We were able to work with schools to get them the right project for their environment.

I also want to remind people that we have made progress on the bushfire-affected communities. Marysville Primary School is now open, and new schools are being built in Strathewen and Middle Kinglake. This budget is also providing an additional \$41 million to increase the bushfire resistance of school buildings in high-risk areas.

I want to show you one of our contemporary school designs that have been built; this building is in the electorate of Hastings and is the kind of quality of building that is being provided here in Victoria under the BER program. I think most people looking at this would find it difficult to agree with Barnaby Joyce that it is a glorified tin shed; they are very substantial, high-quality buildings and in fact they are commensurate with the buildings that we have been erecting in our schools already. I have to say that schools are absolutely delighted with these outcomes. These buildings are providing fantastic contemporary spaces.

### **Video played**

**Mr RICH-PHILLIPS** — There is no Henry Grossi.

**Ms PIKE** — I will talk about Henry Grossi later, if you like, when I have finished my presentation.

I will move on to discuss the other initiatives in the budget. People will remember that last year I spoke about blueprint for education and early childhood development, which included 42 initiatives to be implemented. We

released the 'One year on' document announcing a further 23 initiatives for implementation in 2010, and all of these initiatives have been delivered or are underway.

Some of those things include the energising science and mathematics education in Victoria strategy, commencement of the Teacher Australia program, and the extension of the accountability and transparency agenda, which, I think, everybody universally agrees is the best and most comprehensive data set that is available for schools and the community. It is on our very own website, and the school performance summaries have been very warmly received.

The Bastow Institute for Educational Leadership is underway, but we have in fact already commenced the programs run by the institute. I have copies of the suite of programs that are being offered just this year. We already have very strong enrolments, and I have a list of the programs offered if anybody would like to avail themselves of an educational program. There have been very strong enrolments for new and experienced principals, leadership teams, rural school leaders, business managers and early childhood professionals.

Last week Croydon Hills Primary School and Ringwood Secondary College received ultranet lead-user training and were the first schools to be switched on as leaders in the rolling out of the ultranet. The ultranet is an absolutely transformative IT solution for our schools. The government has committed \$60.5 million to this and we will be rolling this out within our schools throughout this year, and from the end of September release 2 will provide parents with access to the ultranet.

On top of that, our Netbook trial, 10 000 devices out there in schools for grades 4 and 5 students, consolidation in the ISP area from a four-supplier panel to a single provider, now operating and saving schools \$10 million. So free internet access has been provided to our schools. There is a range of other initiatives in the IT space.

I also announced last year that we would be providing a massive boost of \$287 million over five years to non-government schools. We worked very closely with the non-government school system in developing this package. The head of Catholic Education in fact said 'We believe this is a substantial funding lift' and of course recognised that this was done in the time of the global economic crisis and really covered a range of very important and significant areas.

Let me just let the committee know that Victoria continues to punch above its weight in national testing results. We have provided a significant amount of additional funding from the state government budget over the last four years to enable the implementation of our blueprint strategies, and these are all designed to improve outcomes for our students. As I said, Victoria has performed strongly with in excess of 90 per cent of students at or above the national minimum standards in all domains and all year levels.

We do collect data from our students around their feelings of self-worth and connectedness and their aspirations about schooling. Opinion data shows that over the last four years there has been improvement across the board on how students feel and what they like about schools and their sense of belonging to schools.

In conclusion, there has been an absolutely massive investment in education since 1999, providing unprecedented support for Victorian families, children and young people. We have certainly met or exceeded our commitments that we made in 2006, but when you see those resources and you recognise that there are over 10 000 new school-based staff in our system over the last 10 years and look at the results, then I am sure you will agree that our government school education system is in good shape and is on the improvement trajectory, which of course is what we want, because we want every single child to thrive and learn and grow and shine.

**The CHAIR** — Thank you very much, Minister. We have until about noon for questions.

**Ms PIKE** — So, Chair, I have for members of the committee a copy of information that was contained in the presentation, which is in this format. It is a full description of the Victorian schools plan and then a full description of the Building the Education Revolution, including the information and data that was contained within my presentation around the rollout of the BER here in Victoria. Any questions of course I am happy to answer, but a number of issues I think are clearly dealt with there.

**The CHAIR** — Thank you. We are not actually inquiring in the BER; we are inquiring into the budget estimates in order to deal with the appropriations in terms of Parliament.

Minister, the budget aims to allocate funds in 2010–11 and subsequent out years for stated government priorities and outcomes to be achieved. Could you please advise the committee of the medium and long-term strategy or strategies and plans upon which the budget for your portfolio — in this case, the education portfolio — is based, and has this changed from last year?

**Ms PIKE** — Thank you, Chair. I think committee members will know that in fact we have based a range of our strategies, both in the past and into the future, on the substantial policy work that has been done within the department on the development of the blueprints. So in 2003 we released our first education blueprint containing improvement strategies for government schools, and over five years that strategy did produce real benefits and outcomes here in Victoria. Then in 2008 Minister Morand and I released the *Blueprint for Education and Early Childhood Development*, which was a strategy to continue the school improvement journey but also encompassed non-government schools and the early childhood sector.

That blueprint has three very key elements: system improvement, including the performance of all schools, and a number of strategies and initiatives are there to sustain the improvement within the system as a whole; the second area, partnerships with parents and communities, engaging parents and the broader communities around the education enterprise; and the third area is workforce reform, which is the Bastow Institute of Educational Leadership, the plethora of programs that we offer within the department and then areas like Teach for Australia and other initiatives.

We have also now partnered with the commonwealth, and many of those partnerships require state government contribution, around the national partnership to improve teacher quality, literacy and numeracy and the partnership on low socioeconomic status school communities.

Our funding, coupled with the commonwealth's funding and much of that expressed in these budget papers, is leading to tailor-made strategies that networks have developed for schools in these networks to drive improvement in outcomes, particularly in those low socioeconomic areas.

I also outlined in my presentation the strategic work that had been done in the development of the Victorian schools plan. In 2006 we made a commitment to the commencement of that school plan. We clearly articulated the framework for that — including the development of the Building Futures program, the Better Schools Today program and other programs — so when the commonwealth announced the Building Education Revolution funding we were incredibly well placed to maximise the benefit of that funding and to couple it with the resources and the plans we already had in place. I think we have been able to derive very appropriate outcomes for the Building Education Revolution because of the plans and strategies upon which our portfolio is based.

You asked had there been change: I think we have set in place a transformative agenda through our blueprints — the first and the second blueprints — and we are building on those consistently. The work that you see in this budget continues to contribute to that school improvement agenda.

**The CHAIR** — Thank you, Minister. Last year you gave us copies of the blueprint and other documents —

**Ms PIKE** — Yes.

**The CHAIR** — You mentioned some new ones with the federal government? If the department could give the committee copies of those, that would be helpful.

**Ms PIKE** — What I have here is a copy of the blueprint — —

**The CHAIR** — Yes, which you gave us last year.

**Ms PIKE** — Since then, I also have copies of the transparency and accountability agenda papers in government schools and across all schools. I also have further information about the ultranet. This is the first, hot-off-the-press guide for teachers in the rollout of the ultranet. This is the 'One Year On' paper that I referred to, which is our accountability statement.

I also have some specific strategies that have been developed in the school improvement agenda, all of which I am very happy to make available to the committee members, should you choose.

**The CHAIR** — Thank you. You also mentioned those two underpinning federal agreements. It would be good to have those two.

**Ms PIKE** — Yes.

**The CHAIR** — That would be very helpful for us in following up on any longer term strategies. Mr Dalla-Riva?

**Mr DALLA-RIVA** — Minister, I will go to the issue about the Building the Education Revolution program, which was in your presentation and is also through the budget papers — page 10 of budget information paper 2 mentions it. It is also mentioned in budget information paper 1 on page 5. In your presentation you talked about how progress is going on P21 and SLC.

I understand that there has been an issue broadly around the other states about the project costs, the blow-outs and the potential blow-outs. Can you give a commitment to the committee now that you will release the details of those project costs for each of the BER projects in a similar vein to New South Wales?

**Ms PIKE** — The feature of Victoria's approach to the Building Education Revolution has been the tender strategy that we have implemented. All projects have been tendered to pre-qualified builders so that we have been able to derive the benefits of a competitive bidding process. Contracts have not been awarded unless we were sure that they offered value for taxpayers' money.

In fact we have re-tendered around 15 per cent of the projects, because we believed and we knew that the prices offered by the markets were too high. In some cases, schools have said, 'My project is delayed', and they have raised concerns about that. We have been very clear, that we did not want to reduce the scope for those schools because their projects had come in over tender, and that it was more responsible and fairer to those schools to re-tender.

We have taken constant soundings through this process from the market to monitor the capacities. Tenders have also been progressively released, because the robust state of the Victorian building sector — largely because of the work that the government did during the global economic downturn — has meant that we have needed to work very closely with them.

All of the project funds provided by the commonwealth will be spent on school projects. We are in the middle of the tendering process, so I am sure you would understand that it is not possible to release detailed budget information while you are tendering, because that would be an absolute sure way of ensuring that you do not get good value for money and you would completely negate the whole value of the tendering process. I expect that you would understand how the market works in that way.

We will release costing information once the tendering process has been completed. We will not release information which breaches commercial-in-confidence rights of contractors, but we will release information once the contracting process has been completed. I am sure you understand why that is a value-for-money proposition and why any sensible person would progress in that manner.

**Mr DALLA-RIVA** — I'm glad you consider me to be a sensible person.

**Ms PIKE** — I am assuming you agree.

**Mr DALLA-RIVA** — I may not be, because the question I am about to clarify, Chair — —

**The CHAIR** — A clarification, quickly.

**Ms HUPPERT** — You have had your question, haven't you?

**Mr DALLA-RIVA** — The reason I am asking that is because the minister is responding with, 'Trust me, it is all in hand'. I think in forward estimates we need to be assured about the money and the value for money. We have had evidence from other ministers — —

**The CHAIR** — That is fine, but what is the clarification you are seeking, because she has given an answer, so you need to — —

**Mr RICH-PHILLIPS** — Not to the question.

**Mr DALLA-RIVA** — In my view, it has been a non-answer. As I have outlined — —

**The CHAIR** — If you have no clarification, I will move on to the next question.

**Mr DALLA-RIVA** — This is an issue about two — —

**The CHAIR** — We do not want a speech; we want a question. If you have got a clarification, please, Mr Dalla-Riva?

**Mr DALLA-RIVA** — On page 5 — that is where I went to — on budget information paper 1 there is a TEI of \$2.374 billion. I think it is incumbent upon us as a committee to ensure that the minister is able to detail that we are getting value for money, as we have had that from other ministers.

**The CHAIR** — I hear what you are saying, and I appreciate the statements. What are you looking for in terms of a quick clarification?

**Ms HUPPERT** — That is not clarification; that is re-asking the question.

**Mr DALLA-RIVA** — I want some surety that the money that has been spent has been spent correctly, because we know in New South Wales the money has been blown out of proportion.

**The CHAIR** — I think the minister has given you that assurance, but if the minister wishes to add to that in response to that so that we can move onto the next question?

**Ms PIKE** — I do and draw your attention to this document that has been provided for you.

**Mr DALLA-RIVA** — The ‘trust me’ document.

**Ms PIKE** — If you refer to the Building the Education Revolution side of the document, you will see that, as I said, there are 2904 projects to the value of around \$2.5 billion. They are the sums, as you see — 24, 204, 2.21, 137 — that have been allocated to the projects. They are the completion dates that have been agreed with the commonwealth. You will see that we are progressing well.

If you have a look, you will see that we have adopted a program-wide approach around achieving value for money, ensuring equity across all schools and meeting commonwealth time lines, because we wanted to make sure that schools got the best possible projects that they could, and the contestable and transparent tender approach has been fundamental to our delivery of the whole program.

**Mr DALLA-RIVA** — Absolutely; if you could put on notice what they did in New South Wales. Thank you.

**Ms GRALEY** — Minister, I know you have visited Berwick Chase Primary School and seen what a fantastic new school it is. It has won a prize for its environmental design. I know that students and schools are very interested in environmental protection as well. I refer to budget paper 3, which talks about protecting the environment for future generations. I would like you to advise the committee how this commitment is demonstrated in school design and building, now and in the future.

**Ms PIKE** — As you correctly point out, building schools to high environmentally sustainable standards not only sets high benchmarks for our performance more broadly as a government in this area but saves on future power and water and other energy uses, but of course it is also critical for young people as they develop their knowledge and understanding of sustainability issues within the educational environment.

Our designs, whether they be the template designs or whether they be architecturally-driven individual solutions or whether they be, as you describe, projects in your community that have been built under the PPP program, all incorporate design features which address environmental issues. Extensive environmental analysis and modelling is undertaken and has been undertaken to maximise performance and minimise running costs of the schools.

Template designs and other designs have active and passive design features. We have a very strong focus on promoting positive environmental initiatives. Obviously there are water tanks to harvest water for toilets and other uses, computer-controlled building management systems to measure and display temperature, water, gas usage, electric power and light use and then allow people to make adjustments around that. Let me say the children love that, because that then becomes an educational tool for them.

There are energy efficient light fittings and fluorescent lamps, daylight sensors and perimeter zones, motion detectors which turn lights on and off and then of course ventilation. All standard designs allow for openable windows, high-level extraction, which, as you know, are those windows that open in the evening and purge out all the hot school air and kids' lunchbox air. In many contexts that is an automated system.

We also have increased roof and wall insulation, high-performance window glazing, shading devices, natural cross ventilation, and we use environmentally sustainable materials. I have been to a number of schools now where the decking, which looks like wood, is in fact compressed garbage cans or some other recycled material. Schools really are at the forefront of this.

I was very proud to be with Mr Rosewarne at the Sustainability Victoria awards, where our department was nominated for one of the awards. We also sponsored an award.

**The CHAIR** — Did you win?

**Ms PIKE** — No, we did not win, but a very worthy person did. We thought it was a pretty big honour to be given that nomination. This is an area that is very important. I am very proud that we are reaching very high standards in this area. Water going through hot rocks and all sorts of things are very much the feature of our schools and their design.

**Mr RICH-PHILLIPS** — I would like to ask the minister about Building the Education Revolution matters, and I will refer to some Berwick schools as examples. I first refer to St Michael's Catholic Primary School which received \$2.5 million under the program. That was administered locally; they engaged their own contractor and architects. From that grant they got a new sports centre, a full-size basketball court, retractable seating, foyer, toilets, kitchen, storage area and secure car park.

I contrast that with two Berwick state schools: Berwick Primary School and Berwick Lodge. In the case of Berwick Primary School, they received a multipurpose hall but the department of education has refused to detail costings of that project to the school other than to say that it took the full amount. The school was granted \$2 million but the school council principal has said there is no way it cost \$2 million: the building is no bigger than his house, and there is no transparency in the process.

In the case of Berwick Lodge, which received a great deal of attention, they wanted and were ready to progress with a library and a classroom and were told they had to have a gym, even though they already had a gym. It took the intervention of the Deputy Prime Minister to get progress on that matter. Since then they have not been told how much the building has cost, how much funding is remaining and whether they can have access to any leftover funding for other projects for the school.

What I want to ask the minister is why is there such a disparity in the value for money that is received by independent Catholic schools through this program versus the value for money that state schools are receiving, and has this matter been subject to investigation? I use the Berwick schools as a good example of that.

**The CHAIR** — Minister, as it relates to the estimates.

**Mr NOONAN** — As an example.

**Mr RICH-PHILLIPS** — There is \$2 million through the estimates for this. I think it is very relevant.

**Ms PIKE** — The Building the Education Revolution program has involved the delivery of 2904 projects within Victorian government schools. I have outlined to you the value-for-money process the state government has been undertaking in the delivery of these projects. I have also, I think, made it abundantly clear that it would be extremely foolish and economically unwise for anybody to release the costings in an open tender process.

**Mr DALLA-RIVA** — New South Wales has.

**Ms PIKE** — The member intervenes. Let me make it very clear that New South Wales undertook a completely different process for rolling out of the Building the Education Revolution funding than did Victoria. New South Wales did not competitively tender each project. They went to the marketplace with fully costed projects and invited the building companies to say, ‘Yes, I will build that’; so any comparison with New South Wales is a meaningless comparison and an ill-informed comparison, because their method of building these projects was completely different from Victoria’s.

Our process has been ticked off and agreed with the commonwealth. It fits within the framework that has been agreed by our Department of Treasury and Finance, and I think members would understand that in any government capital program you will get the best value for money if you subject that project to a rigorous external tender process and ensure the marketplace is able to compete and deliver within our specifications in the most appropriate way.

I hope that I will not get another question about releasing tender information, because that would be an economically irresponsible approach, and I hope I will not get another question about comparisons with New South Wales because they are not realistic comparisons.

The second part of your question is around this issue as to whether there is a view that the non-government sector achieved better value for money overall in the projects than the government school system. I would put to you that one or two examples by the media in a \$1.1 billion program do not validate the assertion — —

**Dr SYKES** — How many more would you like, Minister?

**The CHAIR** — Without assistance, please.

**Mr NOONAN** — One or two individual examples.

**Ms PIKE** — And in fact they are not tested in any meaningful way by any independent auditor or any process.

I want to speak about what we have done in the government school system, because what we have sought to do is ensure that five critical outcomes are achieved; remember we are a government school system. We have responsibility for 1555 government schools where 548 000 children attend, and I want the system to be fair and reasonable for every one of those children. Whilst individual schools will put special cases for their schools, my responsibility is the whole system.

I want to give you a couple of examples of where we have sought to remove uncontrollable risk from schools, regardless of their location or site-specific problems. For example, St Arnaud Primary School, a very good school, was allocated \$2 million for their project. They had it all designed and all worked out. They began work on that project and discovered contaminated soil which would cost \$450 000 to rectify. Under your model that you have hailed as being superior, that cost would have been borne by — —

**Mr RICH-PHILLIPS** — Chair, the question to the Minister was about the Berwick Primary School.

**Ms PIKE** — No, this is relevant.

**Ms GRALEY** — Don’t you want to hear about St Arnaud Primary School?

**Mr NOONAN** — It goes beyond the — —

**Ms GRALEY** — It is a very good school; you should hear about it.

**The CHAIR** — The minister, to continue.

**Mr RICH-PHILLIPS** — I would like the minister to address the matter raised in the question, instead of going on about St Arnaud.

**Ms PIKE** — I am giving you — —

**The CHAIR** — The minister is addressing the question. She is doing so. The minister, to continue.

**Ms GRALEY** — You have given a few examples.

**Mr RICH-PHILLIPS** — I would like the examples in the questions to be addressed.

**Ms PIKE** — I will turn to Berwick Lodge in a moment as an example as well. I am giving you the decision-making framework that informed the process that the government school system undertook. So \$450 000; if that was a stand-alone independent school, their \$2 million project would have been a \$1.5 million project, but in the case of the government schools system we were able to deal with those issues within our overall program and give them the \$2 million project that they wanted.

**Dr SYKES** — Why would you not do the same for a Catholic school?

**Ms PIKE** — Excuse me. In the case of Dromana, Dromana Primary School was allocated \$3 million for a project. The initial work determined that, because of the flood plain that the school is built on, \$360 000, 12.7 per cent — —

**Mr RICH-PHILLIPS** — The question was about the botching of the program in Berwick, not Dromana, not St Arnaud, Berwick.

**The CHAIR** — The question, in terms of the estimates, it is about the process and the comparisons, and the minister is answering.

**Mr RICH-PHILLIPS** — It is about the value for money in Berwick and why the Catholic school gets so much — —

**The CHAIR** — The minister to continue. Ignore interventions.

**Ms PIKE** — In that case, 12.7 per cent of their BER allocation would have gone to rectifying that groundwater issue and the structural design features that then would have needed to follow that, but because we managed the program, leveraging economies of scale, going to the market in packages to ensure that all projects were delivered with value for money in a timely way that met the commonwealth's very tight time lines for commencement and delivery, I am confident that government schools in fact got the most appropriate outcome. They got the projects and we were able to ensure that.

If we take Berwick Lodge as an example, Berwick Lodge believed that they have an indicative entitlement. What if Berwick Lodge had hit rock? What if Berwick Lodge had hit contaminated soil? What if other acts of God or nature — —

**Mr RICH-PHILLIPS** — But surely you could manage them on a case-by-case basis.

**The CHAIR** — The minister to answer, without assistance.

**Mr RICH-PHILLIPS** — Like you did with St Arnaud, like you did with Dromana.

**The CHAIR** — The minister, without assistance, please.

**Mr RICH-PHILLIPS** — She needs plenty of assistance.

**The CHAIR** — That is most unfortunate.

**Ms PIKE** — Exactly what we did was as a government we managed these projects within the whole budget exactly as you said; you are exactly correct. We had a total budget and we managed each project on a case-by-case basis to ensure they actually got the project. In the case of Berwick Lodge Primary School, where the principal has been a very vocal commentator, Berwick Lodge sought quotes themselves, on their own initiative. I have already been advised that some of those quotes, for example, included construction over a sewer line and a drain, which would not have been approved by the water authority. So there are questions about the validity of those quotations. As I have said to you, we are able to release our data once our rigorous value-for-money process has been completed. I am confident that we will be able to provide value-for-money outcomes for Berwick Lodge, the Berwick Primary School and all those other schools. I will add one more comment here.

**The CHAIR** — Quickly, Minister; you have been going for nearly 10 minutes on this.

**Ms PIKE** — What you will hear are some comments from people within school communities who will say, ‘Look, I’ve got a mate and my mate’s got a business’ or ‘He’s got a trailer’ or ‘He’s got a concrete mixer’ or ‘He can do this cheaper’. I heard one media commentator say, ‘I can buy a prefab house for \$350 000’. What I know is that that prefab house would not have walls three times thicker than normal walls, would not have concrete specially designed for a school specification, would not have the fire, security, occupational health and safety and all of the other elements that are absolutely essential in the construction of a school project. We have undertaken this as a complete program and we have sought to derive value for money in every single project, and I am confident that that will be delivered.

**Mr RICH-PHILLIPS** — Chair, the question related to — —

**The CHAIR** — I think we will move on to the next question. We have spent 12 minutes on this. Mr Scott?

### **Members interjecting.**

**Mr RICH-PHILLIPS** — On a point of order, Chair, the minister may have spoken for 12 minutes. She did not address the substance of the question, which was the value for money between locally delivered projects in the independent and Catholic sector and the value for money in projects delivered through the state sector. That was the nature of the question. The minister has not addressed it. She may have spoken for 12 minutes, but it certainly was not on that issue. I would like an answer.

**The CHAIR** — I am happy to rule on the point of order. The minister has answered the question insofar as it relates to Victorian government schools and Victorian government schools responsibility. In terms of the wider issue that you raise, this is probably something that needs to be taken up in Senate estimates rather than here in terms of comparison between this and another sector which is actually not part of the Victorian government. In terms of the Victorian government responsibilities, the minister has — —

**Mr RICH-PHILLIPS** — So you are happy for the Victorian state department to waste the funds that it has been allocated?

**The CHAIR** — I am not making a comment on what the minister has said. I am just understanding what the minister has said in responding to your question.

**Mr SCOTT** — I refer the minister to budget paper 3 — —

**Mr RICH-PHILLIPS** — You are happy to see those funds wasted, compared to what the independent sector has delivered?

**Mr SCOTT** — You have had your go. I refer to budget paper 3, page 22, which relates to the government’s investment in facilities for students with a disability or developmental delay. Minister, could you please provide some detail on the investment in the new campus for the Northern School for Autism?

**Ms PIKE** — Thank you very much. I was in fact very pleased to join the member at campus 1 of the existing campuses for the Northern School for Autism and to identify that they really will benefit greatly from new facilities when they relocate the campus in Preston to the new site in Reservoir.

We made a commitment, as you know, in 2006 to rebuild, renovate or modernise 500 schools in this term of office. We are surpassing that by more than 50, and this budget provides capital funding for a number of schools for children with disabilities to ensure that we continue to upgrade their facilities, and the Preston campus of the Northern School for Autism is one of those facilities.

It is a commitment of \$10 million to support the relocation, as I said, on the former Burbank Primary School site. There will be approximately 100 students enrolled at the Preston campus, and some features of the new campus will be 24 classrooms, a large multipurpose room and specialist play areas. Anyone who has worked with children who are autistic will know you have to have specially designed, contained and separate play areas, often with sensory issues dealt with et cetera and an arts workshop as well. The students will be able to stay where they are for now, and they will be able to relocate to the new site.

Individual transition plans are being developed for every student, and the travel arrangements that surround that will be dealt with as well. It is a very exciting time for the Northern School for Autism, but as I said, it is one of a number of projects in this year's budget to assist students with disabilities. We have allocated some \$4 million funding for the development of specialist programs within schools — outplacements of schools for students with disabilities, and satellite classrooms.

We are also upgrading the school in Noble Park and there are a number of other initiatives. There will be \$4.4 million for the satellite units for students with intellectual disabilities and inclusion support programs for students with autism in mainstream schools. There is a whole range of initiatives about which we are obviously very pleased. I have to say everyone at the school for autism was very excited about their new facility to be built.

**Dr SYKES** — I have a question regarding the value for money, but can I just clarify my understanding of your last answer to Mr Rich-Phillips. In relation to unforeseen costs, for non-government schools those costs are borne by the schools, whereas for government schools unforeseen costs are met from the pool; that is correct?

**Ms PIKE** — Yes, and to expand on that, it further reinforces that the comparisons are meaningless, because you have been able to identify one particular project. You have not identified 100 others where such unforeseen costs would have resulted in reduction of scope et cetera. The commonwealth funding was made available to the government school system, to the Catholic system and then to individual non-government schools, and the comparisons are not realistic. An individual non-government school will have built their own project, they will have worn all of the risk on design and they would have — —

**Mr RICH-PHILLIPS** — So it is unrealistic for state schools to expect to get the same value for money as independent schools?

**Ms PIKE** — Risk is an absolutely essential element of deriving value for money. If you are not able to manage and cover the risk, then your value for money is diminished and there are only two places to go. You either reduce scope or you get extra funding from another source. There are only two choices if you have a costs blow-out.

**Dr SYKES** — My interpretation of that is it is unfair and discriminatory.

**The CHAIR** — Your question, Dr Sykes?

**Dr SYKES** — But if we can move on to a question in relation to value for money, I draw the minister's attention to Tallangatta Valley Primary School. The school has 26 students; it received BER funding of \$850 000 to pay for new classrooms, toilets and an administrative office. The builder's margin out of the total was \$140 000, which included the design. Is that value for money?

**The CHAIR** — Insofar as it relates to the estimates, Minister?

**Ms PIKE** — I do not have information on that particular school, so I will take that question on notice and get back to you on the details of that school, but the specific costings, as I said, will be released after the tender process has been concluded. We are still in the process of concluding that, so we will take that one on notice.

**Mr NOONAN** — Minister, I want to ask you about regeneration projects. I note on page 21 of budget paper 3 there is an investment of \$162 million for regeneration projects. You will well appreciate that one of those significant projects is in my electorate, at Bayside College, and it would be remiss of me not to place on record the thanks of the college and the community for the investments that have been made over the last three years, including this year in that regeneration project.

My question relates to the Bendigo regeneration, the Bendigo education plan, which is also referenced on page 37 of budget paper 1. It is a substantial investment as part of this budget. I just wonder whether you can advise the committee on the status of the Bendigo education plan and the plans for that region going forward.

**Ms PIKE** — Regeneration has been and continues to be a very important policy direction of this government, because we know that when it comes to schools, our responsibility is not just to rebuild schools or provide high-quality buildings; it is also to reinvigorate and re-energise and regenerate the teaching and learning that happens in those buildings; and that these two things go hand in hand.

The Bendigo education plan, as one example of this, has involved a huge amount of work by the school leadership in the Bendigo area and the regional leadership, as they really thought about those elements of education that would be able to be driven forward through rethinking the way students learn and the way the resources could be brought together to enhance that learning. It really is around transforming our secondary education in Bendigo.

We have now committed \$91.1 million to the establishment of four new secondary schools through that plan. Parents have also been engaged with the school communities, because the needs of Bendigo's young people are absolutely core and central. It is not about creating a structure and then slotting the kids into it; it is about identifying the needs and making sure the resources and the buildings actually flow.

The key components of the plan have involved building new schools on the existing sites of Weeroona College and Eaglehawk Secondary College, and then the creation of two new schools through the regeneration of Flora Hill Secondary College, Golden Square Secondary College and Kangaroo Flat Secondary College. Those two new schools are Bendigo South East 7-10 and Crusoe 7-10, which is located on the Kangaroo Flat Secondary College site. The construction of these four schools has commenced, and additional funding of \$27 million was made available through this budget to complete stage 2.

For the Bendigo education plan to actually meet its objectives, these four new state-of-the-art facilities have been built. The kind of teaching and learning spaces that are incorporated really do cover the breadth of educational opportunities that need to be made available to young people. It is not just the academic stream; it is the inquiry-based learning, it is the opportunities for VET and VCAL and all of those things. As a department, we have invested enormously in professional development, so the teachers and leadership teams from all the schools are participating in the professional learning opportunities because they do not want to do same old same old, either. They want to transform their current teaching and learning practices to work in harmony with the redesigned and newly delivered facilities so that we can really create a climate of opportunity for students in Bendigo.

At the heart of this is believing that every single child can grow and learn and needs to be given the very best chance. This commitment in Bendigo, but also, as you said, in Altona Bayside, in Springvale, in Corio-Norlane and in places right around our state — the Knox regeneration which was funded in this budget — are all similar opportunities, as is the Broadmeadows regeneration, to really give our kids the best chance for a good education.

**The CHAIR** — Thank you, Minister.

**Ms PENNICUIK** — Minister, I just wanted to ask a very broad question. According to the latest Productivity Commission *Report on Government Services*, Victoria is still the lowest in terms of real recurrent expenditure per government school student in the country. Given that you started your presentation saying, as you always do and as the Treasurer always does in the other house, that education is still no. 1 priority, why are we still languishing down at the bottom of the Productivity Commission's tables as the lowest in terms of real recurrent expenditure per government school student, and what plans do you have to lift Victoria's performance in this area?

**Ms PIKE** — I will take the last comment first. Performance is related to in fact how students perform: how students perform in national literacy and numeracy tests, how students are engaged within their learning, how Victoria is rated internationally in key measures — for example, in our work in professional development — how many students complete year 12 and what our results are. Performance, as people will understand, is not just about the resources that you put in, because you can put in a lot of money and get very poor performance; it is about what you do with that money and how you ensure that it delivers the best possible outcomes for our students.

In fact, the chair of the Productivity Commission has complimented Victoria because of those varying outcome measures that we have achieved. We are in fact a very efficient spender of resources, and that is really a compliment to the way in which we have shaped our education system. As I said, our educational model involves lower costs — it does, and those figures are on the public record — whilst continuing to produce high and very high performance.

The other factor is that we are a very small and densely populated jurisdiction, and obviously you would expect that the costs of delivering education in a small and densely populated jurisdiction are not the same as having to fly people to Mount Isa or to Karratha or to Broome or to Alice Springs. There are examples, of course, where you do have those sparsely populated areas and you are not able to realise the economies of scale that we are here in Victoria.

As I said, we have the best participation rates in the country in education for students. You might compare that: for example, in 2008, 85.3 per cent of 15 to 19-year-olds were participating in education and training compared to 78 per cent in New South Wales, 74 per cent in Queensland, and in fact the national average of 78 per cent.

I think it is important to measure results, and on virtually every single measure Victoria outperforms other jurisdictions; we have the best results. But I also might again remind you we have lifted our expenditure on education by \$8.65 billion, so additional funding since 1999 of \$8.65 billion, and we have reinstated 10 000 staff in our schools. When you consider that when we came to government thousands of teachers had been sacked, we have been rebuilding and growing the system and enhancing its performance.

The OECD identifies Victoria, as does the Committee of Governors in the United States, as one of the three best performing education systems in the world, and that is because of our investment and our strategic approach to building educational opportunities.

**Ms PENNICUIK** — Chair, if I can just do a follow-up on that. It is about one of the measures, Chair. One of the measures in the budget papers is about — —

**The CHAIR** — Is this about productivity or is it a separate question altogether?

**Ms PENNICUIK** — It is about the performance that the minister was telling us we are the best at.

**The CHAIR** — I think you can follow that up with a separate question.

**Ms PENNICUIK** — I will put it on notice.

**Ms HUPPERT** — I would like to ask you if you could outline for the committee the status of the government's investment in the two specialist schools — the Maribyrnong sports school and the John Monash Science School — which are line items in the table on page 273 of budget paper 3.

**Ms PIKE** — The Maribyrnong sports school will be the first of its kind in Victoria. The site is currently being transformed into a state-of-the-art sports and education centre with terrific high-quality architectural design and very innovative teaching and learning spaces. Let me say that it has also involved partnerships with the Victorian Institute of Sport, with the Western Bulldogs and with Victoria University, and it aligns physically with the Maribyrnong Aquatic Centre, with Whitten Oval, and as I said, with the Footscray campus of Victoria University, so it is in that sports triangle precinct, if you like.

Stage 1 of the redevelopment will realise \$10 million of iconic indoor and outdoor sports facilities. The intention of the college is to expand its program into netball and other areas. Currently AFL, athletics, basketball, cricket, netball, soccer, swimming, tennis and volleyball, badminton, baseball, boxing, diving, gymnastics, hockey, handball, lacrosse, rugby and tae kwon doe are the sports areas. But this is fundamentally about recognising that there are students who have the opportunity to really shine and develop in certain areas and certain disciplines. Sport is one of those areas where sometimes in the past kids had to trade off their sporting prowess with their academic achievement, and this really seeks to bring these things together and allow students to excel in these areas while still keeping their eyes on their academic performance into the future.

The John Monash Science School focuses, as you would expect with that name, on science, but we really have been concerned about the decreasing numbers of students studying science, mathematics and technology at secondary and tertiary levels, and that means also that there is a continuing shortage of qualified science, mathematics and technology teachers, so the school really aims to address these challenges by developing very innovative pedagogy and curriculum to really engage students but also teachers who are there to up their skill levels in the science and technology area and really to be a beacon, if you like, for science education right around the state. This will be something that has very obvious benefits to the students who enrol there, but also a benefit to the whole state.

I guess the other element is the partnership with Monash University. Students at this school will have access to the resources of Monash University. There will be shared teaching positions between the university and the school, and the vision is for the John Monash Science School to be nationally and internationally recognised as a centre for excellence and innovative research. We are well on the way to achieving that, and I would encourage anybody to go and have look at the John Monash Science School. It is an absolutely outstanding architecturally designed school, and it is going to really make a significant contribution to education into the future.

**Mr WELLS** — Minister, I refer you to page 22 of budget paper 3 which states under the heading ‘Supporting students who are most in need’:

The government is committed to fostering an inclusive early years and schooling system that values diversity and meets the needs of all children and young people. The vision is that all Victorian children and young people with a disability or developmental delay will actively participate, enjoy and learn alongside their peers in education and care settings while preparing for an active adulthood.

I draw the minister’s attention to Broadmeadows Special Development School and the Hume Valley School, which were led to believe they would receive funding from the government in order to conduct a \$6 million facelift. Why, given the government’s stated commitment to children with disabilities, has neither of these schools received any funding in this year’s budget?

**The CHAIR** — Minister, in relation to the estimates.

**Ms PIKE** — As Mr Wells will know, this budget in fact does contain a very substantial increase in funding to support the needs of students with disabilities. That goes to the increase capital for a number of schools — the \$4.4 million that I talked about to establish satellite classrooms for students with intellectual disabilities and inclusion support programs for students with autism to be located at mainstream schools. It also includes the \$10 million of funding that I described for the Northern School for Autism and funding for Noble Park Special Development School, for Frankston Special Development School, for Sunshine Special Development School, for Yarraville Special Development School and for the Wantirna Heights school, which is a redevelopment of the Eastern Autistic School.

This budget not only contains those initiatives in the capital sense, which you have drawn our attention to, but also provides a significant boost to funding for programs for students with disabilities, funding for early intervention services for students before they go to school and additional funding for the transport system for students with disabilities.

The schools you mentioned are in the Building Futures program, which means that work is being done with them to ensure that into the future they will receive capital as they require it. Clearly we work on an annual basis within the budget parameters. We make priority decisions about schooling, and then we continue to work with schools to meet their capital needs into the future

**Mr WELLS** — I have a follow-up question.

**The CHAIR** — It has to be a clarification rather than just a separate question.

**Mr WELLS** — It is a clarification, then.

**The CHAIR** — If it is separate question, I will rule it out of order and move on to the next one, because everyone needs to have a go.

**Mr WELLS** — For clarification, Minister — in regard to the two schools that I mentioned, in which financial year over the forward estimates will they receive funding?

**Ms PIKE** — They are in the Building Futures program. We work with the department to evaluate all of the schools that are in that program within the capital envelope that we determine is appropriate and financially sound. We will make those decisions prior to the next budget.

**Ms GRALEY** — Minister, in your presentation you spoke about the \$1.9 billion Victorian schools plan. In budget paper 3 on page 20 there is reference to it also. I was just wondering whether you could advise the committee about the current status of the VSP and going forward.

**Ms PIKE** — Just to remind the committee, in 2006, as part of our election commitment at that time, we announced that the government would over a period of time rebuild, renovate or modernise every single Victorian government school. This is an absolutely massive commitment because schools are of every shape and size and cover the whole state. However, we felt that it was very important that we continue to upgrade the facilities in schools so that they would have 21st century learning environments in which teachers could work with children on new forms of teaching and learning which would be able to utilise the huge changes in information technology that are having a big impact on our schooling.

We committed \$1.9 billion. I think the achievements are quite remarkable really. We said that in this term, 2006 to 2010, we would fund 500 schools. In fact we have funded 553. We will continue that commitment beyond this term. You do not have to travel too far across our state before you will find a school that has brand-new buildings, brand-new facilities and has been renovated or upgraded. These are great opportunities for schools, and schools have seized upon these opportunities. As I said, to enter the program they have had to give very thoughtful consideration to what is the educational program they want to drive with these physical changes to their school. It is the nexus between that work and the transformation of that school that has made this program so special.

In this budget we are providing, as you can see, a total of \$334 million. That funding will see fire reinstatement; land acquisition; the modernisation of existing schools; the building of new schools in growth corridors; the regeneration, as we described before, of large school communities; replacement schools; a huge school improvement program; and, last but not least, the continuing program to secure the future of small schools.

I have had the opportunity to open some of the small schools that have been rebuilt, and I must say that it is very important that schooling is still available in some of these small rural communities, and that program has been terrific as part of the overall Victorian schools plan.

**Mr DALLA-RIVA** — I refer you, Minister, to budget paper 3, pages from the compulsory years, and it relates to the issue of NAPLAN testing, which is indicated in the forward estimates. My question is: how can you claim Victoria is doing well in NAPLAN when there are a smaller proportion of Victorian students completing NAPLAN testing than any other state?

We have the lowest participation rate of any other state in every single one of the 20 categories across every one of the four year groups. Before you move on to the issue of exemptions for NAPLAN, which is about the same as other states, the issue of absence or withdrawal which is not based on special needs or migrant status, Victoria has significantly more students not sitting the tests than each one of the other states. We have the largest proportion of students absent or withdrawn than any other state in spelling, grammar and numeracy in all year groups, and reading and writing in all year groups except year 3.

What investigations have you conducted or would you conduct as to why so few Victorian students completed NAPLAN who are not within the exemptions rule, and what are the results of those investigations to ensure we get an accurate reading of our NAPLAN results in the forward estimates?

**Ms PIKE** — NAPLAN is topical, of course, because our students are sitting their NAPLAN tests this week. The NAPLAN test is very important, and our government takes it very seriously. It is our aspiration that students do participate in the test, and we have worked very hard to try and make sure that as many as possible do.

I want to deal with the issues, obviously, that you have raised. I think it is important that we understand that, for example, year 3 students in reading, that in fact 95 per cent of students do participate in the test. To make the comment 'so few students participate in the test' when 95 per cent actually do is not an accurate representation of the participation. The lion's share — nearly all students — do participate in the test, and it is those smaller numbers that are not, and we need to understand why that is happening.

The second comment that you made is that our exemption numbers are in fact in line with other jurisdictions.

**Mr DALLA-RIVA** — I said that; yes.

**Ms PIKE** — That is actually not borne out by the statistics that I have before me, which is the NAPLAN summary plan 2009. For example, in the year 3 student area for reading, our exemptions are 3 per cent, New

South Wales is 1.3 per cent and Western Australia 1.3 per cent. We do have a higher number of exemptions than other states, but I do point out that when it comes to the recording of the results of NAPLAN in fact the exemptions are included in the reporting of the results.

The 95 per cent is added to the exemptions of 3 per cent, so our recorded results are in fact comparable with every other jurisdiction, because those two numbers are brought together. In fact the Australian exemption is 1.9 per cent for that particular category. I will ask Professor Dawkins to add some comments here.

The other issue that you talked about was investigation. We are seeking to lift participation in NAPLAN. Professor Dawkins will talk about some of the initiatives in that area, but the other thing I want to inform you of is that there has been some concern raised nationally about generally this issue of participation figures. There is a view in fact that some of the other jurisdictions are not collecting the data in the way that Victoria is, which may in fact indicate that there are higher levels of non-participation in other jurisdictions.

**Mr DALLA-RIVA** — ‘It is the other states’ — it was obvious.

**The CHAIR** — Without assistance!

**Ms PIKE** — The national body is in fact about to commence a major piece of work to validate participation across every jurisdiction, and we will be keen to participate in that. I would have thought we would be all committed to making sure that Victoria is treated fairly, and I think that is a commitment we share, isn’t it?

**Mr DALLA-RIVA** — Yes. That is why I asked the question.

**The CHAIR** — Professor, to further elaborate?

**Ms PIKE** — Professor Dawkins can add some more information on this.

**Mr DALLA-RIVA** — You can talk about the absent or withdrawn issues.

**Prof. DAWKINS** — I confirm that Victoria does have the highest percentage of exempt students. Students must meet criteria to be counted as exempt, which is that they have been one year or less in Australia or have a diagnosed learning difficulty. If you are in the exempt category, then you are deemed to be below the minimum standard.

**Mr DALLA-RIVA** — I understand that.

**Prof. DAWKINS** — There is no benefit to the measured outcomes for students, for Victoria’s outcomes, for them to be included in the exempt category. Having more in the exempt category actually depresses the apparent outcome for Victoria; it does not improve it at all. That is the main reason why Victoria’s participation rate is below the national average just by a small amount.

**Mr DALLA-RIVA** — Minister, I did refer to the issue of students absent or withdrawn. Whilst the responses have been predominantly about exemptions, I indicated in my question that I was talking about absence or withdrawn, which is not based on special needs or migrant status — I understand that. The report I have here is from the NAPLAN national reports, which I am happy to table.

**The CHAIR** — I think it might be the same report.

**Mr DALLA-RIVA** — For 2009 it clearly shows, as I said, apart from the year 3 figure, that Victoria predominantly leads — in fact does lead — every other state in the reporting. My question was related to that impact on the measurement of the forward estimates, not the exemptions, Minister. Maybe I was probably not clear in my question.

**Ms PIKE** — I am not sure how it relates to the forward estimates, but I am very happy to answer the question. If I take you back to the tables, what is done is then the exemptions are added to the participation rate. In the case of year 3 students in reading, we are then measured on 98 per cent. I think in the case of New South Wales, it is 98.4 per cent — —

**Mr DALLA-RIVA** — That is exemptions, Minister.

**Ms PIKE** — Yes, so the residual, which in our case is 2 per cent, are the absent or withdrawn. So our residual in this category is 2 per cent; the residual in the case of New South Wales is 1.7 per cent. In the case of Western Australia, if you add their 96.3 per cent to their 1.3 per cent exemptions, that makes 97.6 per cent, so in fact their absent or withdrawn figure is higher than Victoria's. So you do need to see the three categories together: participation, exemption, and absent or withdrawn. The absent or withdrawn are the residual when you have taken the overall participation and exemptions into account.

More broadly in response to the question, I will say that I think it is incumbent upon us to continue to drive participation. Of course as you will know, Victoria's school system is much more highly devolved than any other school system, and I think members of the opposition get vocal when they think that we are actually asking our school leaders to do something. We are asking them to do something; we are expecting them to participate and we are sending very strong messages that they need to do so, and we will continue to act very strongly in this area, because we want as many students as we possibly can to participate in these really important tests.

**Mr DALLA-RIVA** — I wish to table that 2009 national report about the percentage of students absent or withdrawn from NAPLAN.

**The CHAIR** — I think we can get the full report from the minister's office and give that to the secretariat.

**Ms PIKE** — Yes, we are happy to provide the full report.

**The CHAIR** — Minister, you also said that Professor Dawkins would give us some information regarding strategies to increase participation. We will ask you to take that on notice; that will give us some information to assist members and our secretariat in looking at this issue.

**Mr NOONAN** — Minister, on page 57 of budget paper 3 you refer to some of the significant challenges facing the department over the medium term and one of those is continuing technological change and the growing need for technology literacy among both students and education providers. I note towards the end of the same budget paper, on page 273, there is a listing of investments in both the ultranet and computers over the forward estimates period. I wonder whether you can provide the committee with some more details about the Netbook project, and how that is contributing to the challenges that have been outlined in the budget paper.

**Ms PIKE** — It is absolutely true that information technology is transforming education. I am a former teacher, but have not taught for 20 years. When I came back into the classroom as education minister I was absolutely dumbfounded at the way that information technology is changing the teaching and learning process. We are very fortunate in Victoria to have, I think, some real leadership in this area. Again we have been recognised internationally for our leadership in the utilisation of information technology and the adaptation to information technology.

You mentioned the ultranet. Of course the rollout of the ultranet — the physical work of the ultranet plus the ultranet coaches and the way that we have lifted our capacity in that area — is just growing and growing moment by moment. One of the things that we have been really committed to doing is putting technology in the hands of students so that they can use it both within the school environment and beyond the school environment, because it is so much part of their everyday lives. When it is focused into the cores of education, then obviously it has huge benefits. So the Netbook project involved over 10 000 middle-year students across 396 government schools. For people who do not know what a Netbook is, it is a very small — —

**The CHAIR** — It is not an iBook, is it?

**Ms PIKE** — No, it is not an iPad. It is a very small, compact, light-weight, portable device with all the features of a regular laptop, but at half the price and of course half the size. As a result of this trial these students are now working with their teachers on a specialised program where they take the Netbooks home with them. It becomes part of their workspace, and it really gives them a range of opportunities and access to resources that they never would have had before. We have particularly targeted students in low-income areas. We have also a cohort of year 5 deaf and hard of hearing students in the Netbook trial. We are working with families to develop their capacity to be able to deal with these things as well.

On top of that, as I said previously, we have now moved to a single provider for the internet, saving the schools \$10 million a year. We are working with the commonwealth's digital education revolution, which is rolling out thousands more computers into the system. All schools are connected to VicSmart. We have now provided notebooks to teachers in this program. We have also invested \$30 million in wireless within our classrooms. I might just ask Mr Fraser if he might like to tell us a little bit about some of the early outcomes of the program, because they are really very inspiring.

**Mr FRASER** — Minister, you might like to refer to the software image which is on the Netbooks, which includes over 74 application pieces that students have access to. This is typically software that young people would not have access to at home. It includes the full Microsoft Office suite and 3-D design tools. These tools are basically available to students 24 hours a day.

What we are finding from the evaluation being undertaken by the University of Melbourne is that some of these children have never had access to a computer in a home before, and it is having quite a profound impact on their level of engagement with their learning. Some of the principals of the schools were a bit cynical about a one-to-one solution, because they had had experience of it before, but they had not factored in the quite significant investment that we made to support these devices, such as the upgraded wireless environment, the broadband upgrade and the free ISP that makes the cost of data a non-event for schools. It has been well supported and the outcomes are starting to accrue around it. Anecdotally student engagement in literacy and numeracy has increased quite substantially with the programs that we have included on that device. This is a two-year evaluation, but we believe we will get quite some quite remarkable outcomes from this project.

What has happened as a result of the 10 000 devices that we have invested in as a government and as a department is that many more of these devices are now being bought. Schools are actually supporting students in other year levels to acquire them. You would have many examples, Minister, where some schools are starting to put these devices on book lists. Students who have this device then have access to fairly rich digital content and to tools that have not been typically available to them before.

The department has a new software image — a standard operating environment. Every device, whether it is a notebook, desktop or Netbook that is purchased through our panel arrangements, has this image on it. It is quite a deliverable into families. It reduces the cost of provision of those sorts of resources for the individual family.

**Mr NOONAN** — Just a clarification.

**The CHAIR** — Yes, go on.

**Mr NOONAN** — How do you ensure students are only accessing appropriate content through these devices?

**The CHAIR** — I think we will put that one on notice. It seems to be a separate question.

**Mr NOONAN** — I am happy to put that one on notice.

**The CHAIR** — Thank you for this list. It is better than what the Parliament has.

**Ms PIKE** — It is — a lot better.

**The CHAIR** — I will pass this around to members for their education, because it is rather surprising that the students actually have better programs than the Parliament.

**Mr RICH-PHILLIPS** — Why is that surprising?

**Ms PENNICUIK** — That would not be hard.

**Mr RICH-PHILLIPS** — Minister, I would like to go back to the issue of Victoria's NAPLAN performance. The national NAPLAN report contains the data from the 2008 and 2009 NAPLAN tests. The report covers the five disciplines at the four year levels, so there are 20 measures that are reported on. Of the 20 measures that are compared between 2008 and 2009, Victoria showed no statistically significant improvement in 17 of the 20, a statistically significant decline in three and a statistically significant improvement in three. My

question is: why is there no overall statistically significant improvement between the 2008 and 2009 NAPLAN results? What does that say about the government's investment in literacy and numeracy programs?

**The CHAIR** — We have commented on this as a committee in our most recent report, but try to look at this, Minister, in terms of what funding you have got and how you are achieving this performance measure in the future.

**Ms PIKE** — I think the first thing to note is that Victoria's results indicate that we are in fact one of the highest performing jurisdictions already. We are starting from a very high point. Obviously we are working hard to make sure we maintain that position and we continue to drive improvement in our system. The other thing to say is that this is now the third year of collection of the NAPLAN data. Experts say that you need a reasonably long period of time — actually a number of years data — to really discern trends, because there will be some minor fluctuations over the periods of time in year on year, so actually you do need to evaluate trend data over a longer period of time.

The mean scores achieved by Victorian students are above the Australian average across all year levels in the domains of reading, writing and numeracy. The proportion of students achieving at or above national minimum standards is higher than the Australian proportion in these domains for all year levels.

What I would say is we are performing very well. When you perform at that level, the next lift up is in many ways a really challenging thing to be able to achieve. A whole range of student strategies and investments that we are putting in as a government have brought us to this point, and now we will continue to drive further improvement. We will obviously need to be looking over a longer period of time to really get a meaningful trend line.

**Mr RICH-PHILLIPS** — I take the minister's point about Victoria's performance relative to other states. We would frankly expect Victoria to be better than the Northern Territory or Queensland et cetera. What I am interested in is the trend improvement within the Victorian data, given these literacy and numeracy programs have been in place for some time. In what sort of time frame would you expect to see that trend improvement emerge?

**Ms PIKE** — In fact the NAPLAN has not been in place for a very long time.

**Mr RICH-PHILLIPS** — No, the literacy and numeracy programs.

**Ms PIKE** — The programs have been in place, and I think we were able to get to the point that we were when we actually came to compare ourselves nationally for the first time two years ago because of the significant investment that had been put in. We are continuing to invest, and over time we will be able to get meaningful trend lines. We will continue to adjust our programs, invest in certain locations and places as much as we possibly can and make sure that we continue to improve our performance.

One area where there has been a significant improvement has in fact been in the area of indigenous education. We are investing a huge amount in indigenous education, and we are seeing improvements, particularly in literacy, and that has been a very pleasing outcome.

**Ms HUPPERT** — Minister, I want to continue on the theme of ICT in education. In your presentation and also in your previous answer to Mr Noonan you touched on the launch of the ultranet project. This is listed as a line item in the table on page 273 of budget paper 3. Could you advise of the status of the ultranet project and what you hope it will achieve during the estimates period?

**Ms PIKE** — The ultranet will be delivered to all Victorian government schools in two releases from now. We have commenced release 1 of the rollout at Ringwood Secondary College and Croydon Hills Primary School this week and it will run until September 2010. It is a \$60.5 million project, and it is on time and on budget. Release 1 of the ultranet provides users with access to the collaborative spaces which can be used for a variety of purposes such as curriculum, planning, professional dialogue, enabling students to collaborate and communicate and co-create knowledge in their school and across all government schools.

The other thing that the ultranet will provide is access to high-quality digital learning content. You can just see some of the resources that are already available within our school system. When you add to that the FUSE

content, which is the program that continues to build a body of curriculum and resource material, it really will provide huge resources to our teachers and students.

From the end of September release 2 will provide parents with access to the ultranet. This is a very powerful thing, because all the research shows that the more parents are engaged, the more knowledgeable they are about what is happening within schools, the more they can have access to their student's work space, their student's learning, the curriculum content, the feedback from teachers et cetera, the more beneficial it will be for them. That part of the rollout is just as important as all the rest.

The ultranet coaches, which are funded, have already been working in our schools and now with additional resources will continue to deliver professional learning to lead users in Victorian government schools. Just this week Mr Fraser and his team had a major conference with the lead user schools around the rollout of the ultranet and worked with them to make sure this rollout happens in the most effective way.

As I said, this is about improving responsiveness to individual learning needs. It is about providing better information to parents, to the school system and to government and improving the efficiency of the learning environment, assisting the school administration and really creating a collaborative learning environment in a safe context. I liken the ultranet in some small way to learning how to use a catalogue in a monster library. You can be surrounded by books and papers and journals and things, but if you do not actually know how to work your way through the mire of information and catalogue it into a meaningful form and access it, then it is just a blur. The ultranet will really assist teachers and students in that task.

I want to say that we have had a lot of national and international interest in the ultranet. It is a world first for a system as large as ours to have a system-wide solution to a whole range of elements. The paper that I made available gives a pictorial representation — and this will obviously be part of the look and feel of the ultranet — of the elements that the ultranet will deal with as it is progressively rolled out in Victoria.

**Mr DALLA-RIVA** — Minister, I refer you to pages 65 and 66 of budget paper 3 which relate to the issue of NAPLAN testing. I note with interest the performance measures and the outcomes, the target, the expected outcomes and then the future targets actually drop — for example, under 'Percentage of students meeting the national minimum standards for reading in year 3' the target for this financial year was 91. You are expecting an outcome in 2009–10 of 95.2, which is an increase, but then the target in the forward estimates has dropped. If you go down to each of those you will see where the target has been exceeded in each of the areas, but then in the forward estimates it drops. This is represented on the top of page 66 as well.

I put it in the context of trying to achieve better than what has been achieved, given that the Auditor-General in his 2009 report on literacy and numeracy achievement indicated there had been no statistically significant improvement in literacy and numeracy in Victoria since 1997. He stated that the overall report card for 10 years to 2007 was disappointing. He also made the observation on page 5 that efforts to improve literacy achievements over the last 10 years had done little to improve the average achievement of students across the state. Given that even your own performance measures have dropped from the expected outcome, is this not another example demonstrating that there has been really no statistically significant improvement in literacy and numeracy, according to the NAPLAN tests, and does it not mean that for the entire time the government has been in power there has really been no significant improvement in literacy and numeracy and that is reflected in the forward estimates where you have actually dropped the target measures against what you expect this financial year?

**Ms PIKE** — Can I ask you to tell me the page number and the line you were referring to, Mr Dalla-Riva?

**The CHAIR** — It is page 65 of budget paper 3. You will find a number there under the early years heading. You will find the third and fourth one. Across on page 66 you will find the first and the second one.

**Mr DALLA-RIVA** — One, two, three, four, five, six.

**The CHAIR** — Down through — the first six, isn't it?

**Mr DALLA-RIVA** — Yes, it is, Chair.

**The CHAIR** — And then there are the other ones; and you will find there are some further down. On the next page, page 67 — Mr Dalla-Riva did not mention that — it is the same idea in terms of bands 9 and 10.

**Ms PIKE** — My reading of the budget papers is that targets have either stayed the same or gone up. I am not sure what column you are referring to, but the target is in the shaded column at the beginning — the 2010 target. For example, if you look at the top of page 66, ‘Percentage of students meeting the national minimum standard for reading in year 5’, the target for 2009–10 is 90 per cent and the target for 2010–11 is 93 per cent, so I put it to you that you are misreading the table.

**Mr DALLA-RIVA** — Thank you very much for the maths lesson, but the facts are that the expected outcome, with due respect, is 94.3 into this year, which is a good achievement. I am saying that for you. What I am asking is: why are you not therefore, for the target for this year to better improve, having it at 94 per cent or 95 per cent? What I am saying is that you have achieved your target for 2009–10 — —

**Mr NOONAN** — You are reframing the question.

**Mr DALLA-RIVA** — You have achieved it at 94.3, which is 4.3 above the target; but now you are going to drop it by 1.3, and that is reflected across the whole area. And that is in light of the Auditor-General’s report about performance.

**The CHAIR** — We have had the — —

**Mr DALLA-RIVA** — It just reflects the Auditor-General’s report, Chair.

**The CHAIR** — I know you have given an answer to that — it was a long one — but Mr Dalla-Riva was looking for a comparison between those two columns, not the others.

**Ms PIKE** — Sure. As you will see, there has been some upward adjustment in the targets, and over time we do adjust targets on the basis of evidence. That is the common practice; we are working within the common practice of the normal budget process. We have adjusted targets up, and on the basis of evidence we will continue to adjust them up. Our aspiration is that students — —

**Mr DALLA-RIVA** — Adjust them up then down.

**Ms PIKE** — I think the evidence is that Victorians are performing at or above the national average. We have adjusted them up or they have remained the same in every instance. If you have a look at the top of page 66, they have gone up from 91 to 94, 66 to 87 and 76 to 88. I think we have adjusted them in a responsible way. We look over time. We look at the trend lines. We have adjusted the targets up.

**Dr SYKES** — No, they are low-achieving targets, Minister. Your expected outcome for each — —

**The CHAIR** — Thank you. If you wish to ask a question, you will have your chance to do so at the appropriate time.

**Mr SCOTT** — I refer the minister to budget paper 3, page 57 and the dot point immediately under the heading ‘Other trends include’, which describes the environment for continuing technological change. Could you describe how VicSmart, the new wide area network, ensures that government schools keep up with this change?

**Ms PIKE** — Under the \$89.3 million VicSmart high-speed broadband initiative, our government schools are in fact being able to surf the internet at lightning speed. Our commitment to making sure that that can happen is very profound. In 2009 our schools were upgraded to speeds of 10 megabits per second. In February this year I announced a series of additional upgrades for 338 of Victoria’s largest schools: 259 large government schools have had their internet speeds increased from 10 to 20 now, and 79 schools with more than 1000 students will have their broadband internet speed increased from 10 to 50 megabits per second by mid-year. This means that 338 Victorian government schools will have their broadband internet speeds doubled or increased fivefold. This is about providing universal access to broadband services for all Victorian schools, and it is fantastic to see schools from the remotest areas to the bigger city areas enjoying that same access.

This year we are investing more than \$150 million in information and communication technologies. As I said, we are providing free internet access. This is really significant for schools and it really is making sure that equity is there in access to the internet. That is saving the schools \$10 million. They now have \$10 million of extra funding in their bottom line that they were previously using for internet access.

I have spoken about the ultranet and the Netbook trials. When you couple with that the work we are doing with the commonwealth on the digital education revolution, we really are equipping and enhancing our schools' access to information technology and the utilisation of that within our schools. We are also undertaking trials with the use of iPhones and other handheld devices in a particular context.

**The CHAIR** — BlackBerrys.

**Ms PIKE** — BlackBerrys, I do not know. We have not got BlackBerrys in schools, I do not think. Some of these devices have special application for certain student groups and they are really very effective and useful. It is a revolution and it is taking place in our schools as we speak.

**Ms PENNICUIK** — Minister, notwithstanding your answer to my previous question about Victoria being the lowest spending state, I am sure you did not mean by that answer that Victoria's performance in education is perfect and there is no room for improvement, particularly in light of page 58 which says that one of the challenges confronting the department is that 'some students from low socioeconomic status backgrounds are overrepresented among low achievers and underrepresented among high achievers'. While that still remains the case, there is always room for improvement, and obviously that could be assisted by more resources.

I want to go to the issue of class sizes. On page 64 of budget paper 3, the first line item under 'Early years (schools)' talks about average class size per year from prep to year 2. The expected outcome was 20.5 and the target for this particular budget year is 21 in years prep to 2. I am just wondering about targets for other years, because we know that students of all ages benefit from smaller class sizes. I certainly hear of much larger class sizes than that in other primary school years — for example, one that was brought to my attention just last week was Selby Primary School, where the grade 3 class has 34 students and the grade 4 class has 29 students. In terms of resourcing and class sizes in primary schools, what are the targets and what is the government doing about reducing class sizes, because that is a very important area for lifting achievements, especially in low socioeconomic areas.

**Ms PIKE** — More generally on the issue of initiatives for students in low socioeconomic areas, you will know that under the blueprint system improvement area that the government has provided significant extra resources to commence our school improvement strategy, which is generally targeted to those schools. That has helped to provide teaching and learning coaches, literacy and numeracy support, additional welfare support, extra funding for SSSOs et cetera. Then because we had already commenced that work through our network plans, when the federal government provided funding under the national partnership we were already well on the way to what is an absolutely unprecedented rollout of additional funding for students in low socioeconomic areas.

That funding is moving into schools, and all those additional resources are there and the quantum of that funding is enormous. While I talk about class sizes I will actually give you the data on the national partnership in the low socioeconomic areas. But talking about class sizes, I want to say two things. First of all, trend data regarding primary school classes since 1999 has shown that in all primary school levels class sizes have reduced overall on average. Overall in 1999 in the all-primary area the average primary class size was 25.4; it is now 22. In prep to year 2 it has gone from 24.3 down to 20.5 and in years 3 to 6 it has gone from 26.2 to 23.2.

**Ms PENNICUIK** — But not in every school.

**Ms PIKE** — There has been an average reduction in class sizes, and that has been a commitment of our government. But it does need to be borne in mind that research shows that, whilst there is improvement for children in a reduction in class sizes to a certain point, the quality of teaching in those classes has by far the much more powerful impact, and that is borne out in all the research.

McKinsey did their major evaluation of the best performing school system in the world. About two or three years ago, they did a comprehensive analysis of the ways that funding had been spent, the areas in which it had been spent and where the best results were derived. By far the most success came in the areas where there had

been significant investment in the quality of teaching and learning. So whilst we remain committed to appropriately small class sizes and we have reduced our class sizes, we have coupled that with a huge effort in developing the professional capacity of our teaching workforce with a huge array of offerings.

We believe, based on evidence, that our best efforts are putting in all of that additional resourcing. When we talk about resourcing, \$275 million of extra facilitation funding in low socioeconomic schools through the national partnership — so that is the commonwealth and the state working together — is going into our schools, 27 in literacy numeracy, 24 going to 89 in teacher quality, and we are required to provide \$309.59 million in matching funding for all these things. When you put this money together you cannot say there has not been a huge investment. There is a huge investment going in, it is about reducing class sizes, but it is fundamentally about improving teacher quality.

**Ms PENNICUIK** — Can I have a clarification on that?

**The CHAIR** — Yes.

**Ms PENNICUIK** — I am aware of all that research, Minister, so you are not telling me something I do not know.

**Ms PIKE** — It might help some of your other colleagues.

**Ms PENNICUIK** — I understand that up to a certain level, but I am pointing out to you a particular grade 3 that has 34 students in it, which is way above, so I am asking you what is the department doing about those particular schools that are not complying with the average and their class sizes are way above the average? Any amount of teacher quality is not going to make up for that.

**Ms PIKE** — The figures I have given you are average primary class sizes. Of course because they are an average there will be some above and some below, and we do — —

**Ms PENNICUIK** — Mainly above.

**Ms PIKE** — Sorry?

**Ms PENNICUIK** — I am interested in the ones that are above, way above.

**Ms PIKE** — Some above and some below, yes. We of course provide the level of resourcing through the student resource package to schools to be able to configure their classes in the way that maximises the educational opportunities for their students. If you have specific examples that you would like to draw to my attention, our regional network leaders can have a look at those circumstances. Sometimes there are issues around the way classes are configured et cetera, but these are the average figures. There has been a very significant reduction in class sizes, which means overall there are significant reductions both at the upper and the lower level, and we continue to provide the resources to get the optimum outcomes for kids. But I am happy to take that specific issue on notice.

**Ms PENNICUIK** — Thank you.

**Ms GRALEY** — Minister, last year I had the great fortune of being involved in a white ribbon luncheon in my electorate. The students came along from numerous schools and participated and this year they are running their own. I think it is a fantastic example of how young students are interested in matters to do with community affairs and especially family violence in their neighbourhoods. I refer you to page 28 of budget paper 3 where we are talking about promoting respect and the respect agenda. It describes the government's commitment to promoting respectful behaviour through strategies such as *A Right to Respect — Victoria's Plan to Prevent Violence Against Women*. I was hoping you would be able to advise the committee of detail of how the Respect in Schools strategy promotes respectful relationships and behaviour in schools now and in the future.

**Ms PIKE** — There are huge opportunities within our schools for students to talk about issues of respect and be given guidance through the kind of programs that promote harmonious behaviour and respectful relationships. I must say that as I go into schools I am very impressed by the values that are developed within those schools and the ways in which those schools impart those values and educate children around those values. We invest \$116 million every year in a whole range of programs to promote positive behaviour, and of

course we also have student support services as part of that — school nurses, welfare officers and school-focused youth services. But the Respect in Schools strategy that we have developed in the department is there to add additional support to schools to promote positive behaviour. Those values of tolerance, empathy, fairness and respect are incredibly important and teachers are very focused on them.

The first element is working with our antibullying policy, particularly an increased focus on cyberbullying and how to deal with unacceptable behaviour in a cyber environment and then taking that further into all forms of violence. We have had a number of student-led conversations and initiatives around these issues. We are also rolling out the No Regrets program, which is an alcohol-related violence program. It has really been initiated by young people themselves to say to their peers, ‘Don’t do things that you are going to regret in later life. Step back and think about the kinds of things you are getting involved in, because a silly choice can sometimes ruin not just your life but somebody else’s’. These are really important programs. The other thing is an agenda-based violence program, which you spoke about, which has recently commenced in conjunction with the Royal Women’s Hospital.

Through the Victorian essential learning standards, which of course is our Victorian curriculum, we have developed a respectful relationships dimension. We are providing professional learning for teachers in this area, and we are evaluating a whole range of strategies.

The Minister for the Respect Agenda and I have also held some round tables with young people who have given us some very helpful ideas about how you can help to promote respect within schools and within the broader community. We also have education for global and multicultural citizenship within our schools, which helps to deal with issues such as prejudice et cetera.

We had some research undertaken by VicHealth and a lot of the elements of the strategy have flowed from that research. We believe teachers and schools have a very crucial role to play in this work, and we are trying to enhance the resources and their capacity to do that.

**Dr SYKES** — Minister, following on the topic of bullying, how many payouts has the government made to students who have suffered from bullying and intimidation since 2000, and how much money has been involved in those payouts? What are the reasons for the payouts? Is it because schools have not been able to protect students? Finally, in relation to a specific — Kerang Technical High School — what changes have been made to bullying and intimidation procedures at that school following a payout of \$290 000 to a victim of bullying earlier this year?

**The CHAIR** — Thank you for the question. Many aspects of the question relate more to performance and financial outcomes, but in the context of the estimates and the policies and the performance guidelines, could you answer the question.

**Ms PIKE** — We take bullying very seriously within our schools, and as I said in my previous answer, we are constantly providing additional support and resources to schools to deal with aspects of bullying. Bullying can be a very complicated issue that sometimes involves families, and in small communities it can be very complex. Sometimes the police need to be involved, and wherever there is any evidence of criminal behaviour then we actively engage with the police. We seek to resolve these issues at a local level, but sometimes there is legal action that takes place.

I do not have the figures around payouts here, and there are some elements of this that are obviously subject to confidentiality arrangements. I will take that aspect as well as the specific issues about the Kerang circumstance on notice, and where I am able within legal and confidentiality bounds I will get back to you.

Generally, as I said, we are very committed to the safety and wellbeing of students in our schools. I would have to say that we want to make sure we deal with these effectively, but we also do not want to create the impression that our schools are not safe. By and large they are very safe places. Most students are very happy at school. Teachers work incredibly hard to reduce the incidence of this behaviour and to establish and strengthen positive relationships between schools and their community. We have our Safe Schools are Effective Schools policies, and we seek to implement them. Mr Fraser heads up government schools. Do you want to add anything at all to that?

**Mr FRASER** — I think you have covered it pretty well. There has been a lot of work done around bullying over the last decade within Victorian schools, and the minister referred to Safe Schools are Effective Schools. There are very high expectations around duty of care in relation to students being safe and secure within the schools. The student wellbeing engagement guidelines have been an additional investment we have made to look at strategies to support children who may be subject to bullying within their school. We have changed our expulsion and suspension guidelines to make sure more and more children are included and not excluded from our schools. I think we are doing quite well in relation to that.

The student critical incident advisory unit is another mechanism through which we actively monitor the impact of any major incidents that children experience in schools. There is a protocol surrounding the way in which every school, every principal and every teacher must react in the face of such incidents, and I believe that is being adhered to pretty uniformly across the system.

**Dr SYKES** — I am happy to take the answers to my questions on notice because I think they are straightforward and do not ask for specific details. Just in relation to the notion of safeness, I understand through FOI the *Leader* newspapers noted that in 2009 there were 2265 criminal acts in schools, of which 1521 involved aggressive behaviour, so in the words of the government there is more to be done.

**Ms PIKE** — I do not have access to the figures that you have in front of you, but I would have to say that I think our schools are very safe places. I think it is unfortunate when people focus on isolated incidents and somehow create the impression that that is the norm, because I think it is important not to talk down our schools and the excellent work that is being done by teachers and schools in that area. These are often very complex behavioural issues. Students do not come to schools as blank pages — they bring a lot of issues in their personal lives et cetera. Working with teenagers and young people is complex work, and I am incredibly proud of the achievements within our school system in this area.

**The CHAIR** — Thank you, Minister, and I thank Professor Dawkins, Mr Linossier, Mr Fraser and Mr Rosewarne for attending.

**Witnesses withdrew.**