



**PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

**2013-14 BUDGET ESTIMATES QUESTIONNAIRE  
DEPARTMENT OF EDUCATION AND EARLY  
CHILDHOOD DEVELOPMENT**

# 1. Strategic priorities

## Question 1

- (a) What are the Department's key strategic priorities underpinning its budget for 2013-14 and over the forward estimates to 2016-17?

The Department of Education and Early Childhood Development's (DEECD's) key strategic priorities underpinning its 2013-14 Budget and forward estimates to 2016-17 are:

### **Maintaining Strong Foundations**

- *Meeting critical demand pressure* – Strengthen and continue delivery of core programs and services to meet increasing demand and enhance opportunities for all Victorians including those with additional needs.

### **Moving to Global Top Tier**

- *Implementing Towards Victoria as a Learning Community and New Directions for School Leadership and the Teaching Profession* – funding to support the reform agenda outlined in the Government's discussion paper and to achieve the ambitious goal of lifting the performance of Victoria's students into the global top tier in the next ten years.
- *Supporting Structural Reform* – supporting the transformation of Victoria's vocational education and training system to financial sustainability.

- (b) If applicable, how do these priorities differ from the previous year?

In 2013-14, priorities remain broadly unchanged from 2012-13 in that funding is targeted to the reform of key service delivery and meeting demand, while remaining cognisant of the current fiscal context. Priorities for 2013-14 are in line with the Government's *Towards Victoria as a Learning Community* position paper and the *Refocussing Vocational Education in Victoria* reforms.

- (c) What are the impacts of any differences in the Department's strategic priorities between 2012-13 and 2013-14 on funding and resource allocation in the 2013-14 Budget?

As above, there are no major differences in strategic priorities between 2012-13 and 2013-14. The focus on lifting Victorian students' performance has seen the funding of the *Lifting School Performance*, *China Immersion* and *National Partnerships Rewards Funding for Non-Government Schools* initiatives.

- (d) Please identify any programs or initiatives (asset or output) over \$2 million relevant to the Department that have been curtailed, deferred, discontinued or completed as a result of changes in strategic priorities between 2012-13 and 2013-14. In describing the programs or initiatives, please use the same names as are used in the budget papers where applicable.

*Cease the Trade Bonus* – Savings will be delivered through ceasing the Trade Bonus paid to eligible apprentices. The Trade Bonus will no longer be paid to apprentices commencing their apprenticeship after 30 June 2013. The payment of \$250 at the 6 month and 12 month stages of an apprenticeship will continue be paid to those apprentices that began their apprenticeship prior to this date. Payments also duplicate incentives such as the Commonwealth Government's 'tools for your trade' payments valued at \$1600.

**Question 2**

Please identify any programs or initiatives that have lapsed in 2012-13 (i.e. will not be continued in 2013-14). For each program or initiative, please indicate the expenditure on this program/initiative in 2012-13 and the impact on the community of the lapsing. In describing the programs or initiatives, please use the same names as are used in the budget papers where applicable.

Program or initiative	Expenditure in 2012-13 (\$ million)	Impact on the community
Targeted Investment to Achieve National Partnership Objectives	6.50	<p>This initiative funded nine different components, the majority of which lapsed after the first year. Two components (Closing the Gap and the Performance Pay trials) lapse at the end of 2012-13.</p> <p>The performance pay trials will conclude in April 2013.</p> <p>Closing the Gap initiative funded two initiatives: coaches; and tutorial assistance. Subject to evaluation findings for Tutorial Assistance Program (which commenced in May 2012).</p> <p>As part of the Government's commitment to improving standards in Koorie education, all Koorie education strategies are being evaluated to ensure resources are being effectively targeted to improve outcomes.</p>
Fee Waivers for Job-Seekers	6.40	<p>Funding was provided to enable training providers to waive fees for job-seekers who meet certain criteria, in order for Victoria to meet its commitments to the Commonwealth under the Intergovernmental Agreement for additional training delivery in Victoria under the Productivity Places Program.</p> <p>This agreement ceases on 31 December 2012.</p> <p>Concessions continue to be available for training in Certificate I to IV courses, an eligible student will pay only 20 per cent of the relevant fee. Victoria has also negotiated a cost sharing arrangement with the Commonwealth so that employment services providers cover training costs where eligible job seekers are referred to subsidised training.</p>
Skills Reform Changes to Eligibility Criteria	2.22	<p>This funding supported changes to Victorian Training Guarantee eligibility (such as the extension to eligible NZ citizens and changes to support apprentices).</p> <p>These have now been wrapped into the <i>Refocussing Vocational Education in Victoria</i> reforms.</p>
Brighter Futures: Working together to improve services for young people (PEBU)	4.11	<p>This initiative was funded for a time-limited period, and is due to deliver findings at the end of the funding. These findings may inform larger reform work in the future.</p>
Equipment for Sight-Impaired Children	2.14	<p>N/A. Funding was provided as a one-off for equipment purchase.</p>

**Question 3**

What are the key Government policies applicable to the Department in 2013-14?

- *Towards Victoria as a Learning Community*
- *Securing Victoria's Economy – Planning, Building, Delivering*
- *Victoria's Vulnerable Children Strategy*
- *2011 Victorian Families Statement*
- *Refocussing Vocational Education in Victoria*

**Question 4 (Department of Treasury and Finance only)**

Please outline how the recommendations made by the Independent Review of State Finances in its April 2011 Interim Report and 2012 Final Report have been reflected in the development of the 2013-14 Budget and forward estimates.

**Question 5 (Department of Treasury and Finance only)**

The VCEC released its final report on its Inquiry into a State-Based Reform Agenda in January 2012. Please outline how the recommendations emanating from the VCEC inquiry have been reflected in:

- (a) strategic priority formulation;

- (b) budget strategies; and

- (c) the development of the 2013-14 Budget and forward estimates.

**2. Budget preparation****Question 6 (Department of Treasury and Finance only)**

Please detail the economic forecasts which had the most significant impact on framing the 2013-14 Budget, detailing for each the major revenue and expenditure items in the budget that have been affected.

Economic forecast	Affected items in the budget

--	--

**Question 7 (Department of Treasury and Finance only)**

In relation to the line item ‘Contingencies not allocated to departments’ (in the note to the estimated operating statement on total expenditure by department) for the general government sector, please explain the reasons for any differences between:

- the amount provided for 2012-13 in the 2012-13 Budget; and
- the amount provided for 2013-14 in the 2013-14 Budget

--

**Question 8 (Department of Treasury and Finance only)**

In relation to the estimated financial statements for the general government sector (estimated operating statement and estimated balance sheet), please explain any variations of more than 10 per cent (or greater than \$100 million) between the estimates for 2013-14 published in the 2012-13 budget papers, and the budget forecasts for 2013-14 shown in the 2013-14 budget papers.

Line item	Reason for variation

**Question 9 (Department of Treasury and Finance only)**

(a) What new features have been incorporated in the budget papers for 2013-14 and why?

--

(b) What previous features have been modified and why?

--

### 3. Spending

#### Question 10

For your department, please explain any variations of more than 10 per cent (or greater than \$100 million) between the revised estimate for 2012-13 and the target for 2013-14 for expenses from transactions (as presented in the Department's operating statement in the Statement of Finances budget paper) that relate to the following line items:

- 'Employee benefits';
- 'Grants and other transfers';
- 'Other operating expenses' in aggregate; and
- the major components of 'other operating expenses' for your department (please supply categories as appropriate).

	<b>2012-13 (Revised estimate)</b>  (\$ million)	<b>2013-14 (Budget)</b>  (\$ million)	<b>Explanation for any variances greater than ±10% (or greater than \$100 million)</b>
Employee benefits	\$6,173	\$6,242	Not applicable
Grants and other transfers	\$837	\$814	Not applicable
Other operating expenses	\$2,978	\$2,836	The variance is primarily due to implementation of productivity efficiencies and decreased National Partnerships funding from the Commonwealth
<b>Major components of 'other operating expenses' (please supply categories):</b>			
Operating supplies & consumables	\$1,658	\$1,595	Not applicable
Other services purchased from external suppliers other than Commonwealth General Govt.	\$782	\$723	Not applicable
Maintenance	\$468	\$446	Not applicable
Operating Leases	\$53	\$54	Not applicable

If the Department is unable to provide estimates for the expenditure on the components of 'other operating expenses' in 2013-14, please explain how the amount of 'other operating expenses' listed for 2013-14 in the budget papers was calculated.

**Question 11 (Department of Treasury and Finance only)**

With respect to the line item 'Net cash flows from investments in financial assets for policy purposes' in the general government sector cash flow statement, please identify:

- (a) the main projects facilitated through this expenditure in 2013-14 and the forward estimates;
- (b) the amount of funding for each of those projects in 2013-14; and
- (c) what policy objectives underlie the choice of investments.

<b>Project</b>	<b>Value of funding (\$ million)</b>	<b>Policy objectives</b>

## 4. Efficiencies and savings

### Question 12

For each of the savings initiatives detailed in the table below, please detail (on the same basis of consolidation as the budget papers):

- what actions the Department will take in 2013-14 to meet the savings targets;
- any impact that these actions will have on the delivery of services; and
- please identify the Department's savings target for 2013-14, with an explanation for any variances between the current target and what was originally published in the budget papers when the initiative was released.

Initiative	Actions the Department will take in 2013-14	Impact of these actions on service delivery	Savings target for 2013-14 (\$ million)	Explanation for variances to the original target
Government election commitment savings (2011-12 Budget)	A range of strategies were implemented commencing in 2011-12 which have already delivered efficiencies. The additional amount to be achieved in 2013-14 will stem from continued implementation of these strategies.	Negligible – efficiencies targeted to areas such as reductions in back office / corporate expenditure and non-frontline service delivery.	71.4	N/A
Measures to offset the GST reduction (2011-12 Budget)	A range of strategies were implemented commencing in 2011-12 which have already delivered efficiencies. The additional amount to be achieved in 2013-14 will stem from continued implementation of these strategies.	Negligible – efficiencies targeted to areas such as reductions in back office / corporate expenditure and non-frontline service delivery.	44.0	N/A
Capping departmental expenditure growth (2011-12 Budget Update)	A range of strategies were implemented commencing in 2011-12 which have already delivered efficiencies. The additional amount to be achieved in 2013-14 will stem from continued implementation of these strategies.	Negligible – efficiencies targeted to areas such as reductions in back office / corporate expenditure and non-frontline service delivery.	20.6	N/A



Initiative	Actions the Department will take in 2013-14	Impact of these actions on service delivery	Savings target for 2013-14 (\$ million)	Explanation for variances to the original target
Maintain a sustainable public service (2011-12 Budget Update)	These efficiencies will be achieved through critical management of attrition and downsizing of non-front line staff. This strategy commenced in 2012-13 and will continue in 2013-14.	All staff impacted by Sustainable Government initiatives are non-frontline service delivery staff.	37.4	N/A
Savings (2012-13 Budget)	<p>These savings will be achieved through ceasing the School Start Bonus from 2013 and removing the school funding portion of the Education Maintenance Allowance.</p> <p>In addition, savings will be made through efficiencies in grants programs and smarter procurement processes including use of contractors and consultants.</p>	A refocused Education Maintenance Allowance will see increased funding directed to eligible parents while the most needy schools will also receive additional support through their Student Resource Package.	55.6	N/A
Efficiency measures (2012-13 Budget Update)	These efficiencies will predominately be achieved through the flow impacts of previous Sustainable Government Initiative reductions and relate to flow on items such as accommodation, information technology, communications and other overheads.	Negligible	14.6	N/A
Any savings or efficiency initiatives in the 2013-14 Budget	<i>Cease the Trade Bonus</i>	Negligible – research has demonstrated limited effectiveness of incentives such as the Trade Bonus. Payments also duplicate incentives such as the Commonwealth Government's 'tools for your trade' payments valued at \$1600.	3.0	N/A

**Question 13**

Budget Paper No.2 for 2011-12 and 2012-13 indicated that funding previously allocated to departments for expenditure in 2013-14 was 'reprioritised or adjusted' to fund new initiatives. Please provide the following information about your department's share of the funding reprioritised and adjusted in these budgets and the 2013-14 Budget:

<b>Budget in which funding was reprioritised or adjusted</b>	<b>What the reprioritised and adjusted funding was initially provided for</b>	<b>How much of the Department's funding was reprioritised or adjusted (\$ million)</b>
2011-12	The Department reviews its overall base budget to reprioritise appropriate funding to BEREC initiatives as part of the budget process.	\$0.15m*
2012-13	Nil	Nil*
2013-14	The Department reviews its overall base budget to reprioritise appropriate funding to BEREC initiatives as part of the budget process (approx. \$6.3m). In 2013-14, \$0.8m of supplementary equipment funding was redirected to the TAFE structural adjustment fund.	\$7.1m*

*\*funding refers to internal reprioritisations in the 2013-14 financial year only*

## 5. Asset and output initiative funding

### Question 14

Please break down the Department's total output funding for 2013-14 (as provided in the Service Delivery budget paper) according to the amounts from:

- (a) output initiatives in the 2013-14 Budget;
- (b) non-ongoing initiatives released in previous budgets; and
- (c) base funding/ongoing funding

Funding for initiatives released in the 2013-14 Budget	Funding for non-ongoing initiatives released in previous budgets	Base funding/ongoing funding <sup>1</sup>	Total output cost (as in Service Delivery budget paper) <sup>2</sup>
(\$ million)	(\$ million)	(\$ million)	(\$ million)
\$79.0m	\$96.5m	\$10,073.1m	\$11,562.2m

<sup>1</sup> Includes ongoing funding provided in the 2013-14 Budget and only reflects annual appropriation (excludes other categories of income).

<sup>2</sup> Total output costs reflect the total controlled expenditure of the portfolio, including VRQA, VCAA and TAFE.

### Question 15

The Department of Treasury and Finance has indicated to the Committee that '*the service benefits delivered through the asset investment are reflected in changes to the Budget Paper 3 Performance Measures*'.<sup>1</sup> Please list all performance measures that have been adjusted in 2013-14 as a result of recently completed asset investment projects.

International research has consistently demonstrated the link between the quality of school facilities and outcomes for students and teachers. Multiple studies in the United States have found higher literacy and numeracy achievement in students learning in new, modernised facilities relative to those in non-modernised school buildings.

While a number of performance measure targets relating to students' NAPLAN achievement have been increased to reflect, in part, additional asset investment, a direct correlation between this investment and increased NAPLAN performance cannot be made.

### Question 16 (Department of Treasury and Finance only)

Please provide details of the estimated amount of expenditure on commissioned PPP projects each year across the forward estimates. For each year, please also indicate all PPP projects for which payments are expected to start in the year.

	2013-14	2014-15	2015-16	2016-17

<sup>1</sup> Department of Treasury and Finance, response on the Committee's 2009-10 and 2010-11 financial and performance outcomes Questionnaire — Part Two, received 24 January 2012, p.9

EMAIL RCVD PAEC 08/05/13

Value of payments for PPP projects (\$ million)				
Projects for which payments will start in the year				

## 6. Revenue initiatives, departmental income (fees, fines, taxation measures, concessions and subsidies) and tax expenditures

### Question 17

In relation to 2013-14, please outline any new revenue-raising initiatives and/or major changes to existing revenue initiatives. For each initiative/change, please explain:

- (a) the reasons for the initiative/change;
- (b) the assumptions underlying the analysis;
- (c) alternative scenarios considered;
- (d) the impact of any changes on service delivery (i.e. please detail all programs/projects that have been revised as a result of changes to existing revenue initiatives);
- (e) any performance measures or targets altered as a result of the initiative/change; and
- (f) the anticipated total value of revenue gained/foregone as a result of the initiative/change.

In describing initiatives, please use the same names as are used in the budget papers where applicable.

Initiative/ change	Reasons for the initiative/ change	Underlying assumptions	Alternative scenarios	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone
There are no new revenue-raising initiatives or major changes to existing revenue initiatives.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

In relation to 2013-14, please outline any new tax expenditures or concession/subsidy initiatives and/or major changes to existing tax expenditures or concession/subsidy initiatives. For each initiative/change, please explain:

- (a) the reasons for the initiative/change;
- (b) the assumptions underlying the analysis;
- (c) alternative scenarios considered;
- (d) the impact of any initiatives/changes on service delivery (i.e. please detail all programs/projects that have been revised as a result of changes to existing revenue initiatives);
- (e) any performance measures or targets altered as a result of the initiative/change; and
- (f) the anticipated total value of revenue gained/foregone as a result of the initiative/change.

In describing initiatives, please use the same names as are used in the budget papers where applicable.

<b>Initiative/ change</b>	<b>Reasons for the initiative/ change</b>	<b>Underlying assumptions</b>	<b>Alternative scenarios</b>	<b>Impact of changes on service delivery</b>	<b>Performance measures or targets altered</b>	<b>Anticipated total value of revenue gained/foregone</b>
Nil	Nil	Nil	Nil	Nil	Nil	Nil

**Question 19**

For the Department's income categories (as appear in the Department's operating statement in the Statement of Finances budget paper), please provide an explanation for any items that have a variance of greater than 10 per cent or \$100 million between the revised estimate for 2012-13 and the budget for 2013-14.

Income category	Explanation
Special Appropriation (+\$8.0m or 43% increase)	The variation is primarily due to timing, which reflects the projected call on the Digital Education Revolution oncost funding from the Commonwealth from 2012-13 to 2013-14.
Grants (-\$13.8m or 17% decrease)	The variation is mainly driven by the Commonwealth payments made directly to TAFE institutes via the Education Investment Fund.

**7. Grants from the Commonwealth****Question 20**

What impact have developments at the Commonwealth level had on the Department's component of the 2013-14 State Budget?

Objectives of the COAG Reform Agenda include developing a long term strategy for economic and social participation and a national economy driven by our competitive advantages. To meet these objectives, a number of agreements and partnerships have been put in place or are being negotiated.

Victoria was eligible for rewards funding under the Literacy and Numeracy, Teacher Quality and Youth Transitions and Attainment National Partnerships.

\$27.0 million of the Literacy and Numeracy and Teacher Quality reward funding was made available to the Catholic and independent school sectors in the 2013-14 State Budget.

The ceasing of Commonwealth National Partnership funding has impacted the Department's 2013-14 budget.

**Question 21 (Department of Treasury and Finance only)**

Please explain how any major changes between financial agreements with the Commonwealth have impacted on the State Budget for 2013-14, e.g. health and hospitals reform.

**Question 22 (Department of Treasury and Finance only)**

What has been the impact of any changes to Victoria's share of the GST pool for 2013-14 and beyond? Please detail any actions that the State Government has taken in response to changes in the value of general purpose grants in 2013-14.

## 8. Net debt

### **Question 23 (Department of Treasury and Finance only)**

In relation to the net debt projections for the non-financial public sector for the 2013-14 budget year and over the forward estimates to 2016-17, please provide a break-down of the spread of net debt between the general government sector (GGS) and each of the main public non-financial corporations (PNFCs) concerned.

<b>GGS/PNFC entity</b>	<b>Net debt, 30 June 2013</b>	<b>Net debt, 30 June 2014</b>	<b>Net debt, 30 June 2015</b>	<b>Net debt, 30 June 2016</b>	<b>Net debt, 30 June 2017</b>

### **Question 24 (Department of Treasury and Finance only)**

What factors or assumptions have led to changes to the estimates of borrowings and net debt for 2013 and the forward estimates between the 2012-13 Budget and the 2013-14 Budget?

--



## 9. Geographic considerations

### Question 25

Please complete the following table for up to five of the Department's largest projects (in terms of expenditure) benefiting:

(a) Regional and rural Victoria; and

Project benefiting regional and rural Victoria	2013-14 Budget Allocation (TEI) (\$ million)	New or existing project?	Purpose of the project	How is the funding to be spent?	What performance measures are in place?	Expected net benefits	Net present value (in 2013 dollars), where applicable
Belvoir Wodonga Special Developmental School (Stage 2)	6.0	New	Modernisation	Relocation to new site and facilities	N/A	Providing students and teachers with new facilities at a new site	N/A
Phoenix P-12 Community College (formerly Sebastopol College)	8.0	New	Modernisation	Construct new facilities	N/A	Providing students and teachers with new facilities	N/A
Golden Square Primary School	6.5	New	Regeneration	Construct new facilities	N/A	Providing students and teachers with new facilities	N/A
<b>DEECD NOTE:</b> Output programs funded in 2013-14 are either of a universal nature and/or delivered throughout the state.							

## (b) Metropolitan Melbourne.

Project benefiting metropolitan Melbourne	2013-14 Budget Allocation (TEI) (\$million)	New or existing project?	Purpose of the project	How is the funding to be spent?	What performance measures are in place?	Expected net benefits	Net present value (in 2013 dollars), where applicable
1. Doreen Secondary College (Stage 1)	11.5	New	Meet critical demand	Construct new secondary school (Stage 1)	N/A	Provision of quality secondary education facilities to meet demand for new services in Melbourne growth areas	N/A
2. Melton North West Primary School	11.5	New	Meet critical demand	Construct new primary school	N/A	Provision of quality primary education facilities to meet demand for new services in Melbourne growth areas	N/A
3. Wyndham Vale South Primary School	11.5	New	Meet critical demand	Construct new primary school	N/A	Provision of quality primary education facilities to meet demand for new services in Melbourne growth areas	N/A
4. Truganina P-9 (Stage 1)	10.0	New	Meet critical demand	Construct new P-9 school (Stage 1)	N/A	Provision of quality education facilities to meet demand for new services in Melbourne growth areas	N/A
5. Emerald Primary School	6.0	New	Modernisation	Replacement of old buildings	N/A	Providing students and teachers with access to state-of-the-art facilities	N/A
<b>DEECD NOTE:</b> Output programs funded in 2013-14 are either of a universal nature and/or delivered throughout the state.							

## 10. Performance measures

### Question 26

For each initiative (asset or output) in the 2013-14 Budget with a total cost over the forward estimates greater than \$20 million (or a TEI over \$20 million), please list all new and existing performance measures in the budget papers related to the initiative. In describing initiatives, please use the same names as are used in the budget papers.

Initiative	Related performance measures
National Partnership Reward Funding for Non-Government Schools	<ul style="list-style-type: none"> <li>• <i>Percentage of students meeting national minimum standard for reading and numeracy in year 3, 5, 7 and 9</i> (existing)</li> <li>• <i>Percentage of Year 9 students in the top two Bands (Bands 9 and 10) in NAPLAN Reading and Numeracy</i> (existing)</li> <li>• <i>Investment in non-government schools (Primary)</i> (existing)</li> <li>• <i>Investment in non-government schools (Secondary)</i> (existing)</li> <li>• <i>School Education – Primary Total output cost</i> (existing)</li> <li>• <i>School Education – Secondary Total output cost</i> (existing)</li> </ul>
Program for Students with Disabilities	<ul style="list-style-type: none"> <li>• <i>Students funded under the disabilities program in government schools as a proportion of the total school population</i> (existing)</li> <li>• <i>Parent satisfaction with special education on a 100-point scale</i> (existing)</li> <li>• <i>Support for Students with Disabilities Total output cost</i> (existing)</li> </ul>
Providing Effective Support for Vulnerable Students	<ul style="list-style-type: none"> <li>• <i>School satisfaction with student support services</i> (existing)</li> <li>• <i>Support Services Delivery Total output cost</i> (existing)</li> </ul>
TAFE Structural Adjustment Fund (output and asset component)	<ul style="list-style-type: none"> <li>• <i>Higher Education and Skills Total Output Cost</i> (existing).</li> <li>• The objective of the TAFE Structural Adjustment Fund (TSAF) is to improve the financial sustainability of TAFE institutes, particularly regional institutes, and transition them towards meeting commercial obligations. TAFE institutes will be invited to submit funding proposals for capital and business transformation projects.</li> <li>• The success of the projects in achieving these objectives cannot be measured over the forward estimates period. Rather, the financial sustainability and ability to meet commercial obligations can only be assessed once projects have been implemented and the benefits are being fully realised.</li> <li>• The Department will undertake an evaluation of the TAFE Structural Adjustment Fund once projects have been implemented by TAFE institutes.</li> </ul>

**Question 27**

Please indicate any changes that the Department has made since the 2012-13 Budget to increase the number of its performance measures that are outcomes-based.

DEECD already has a high number of performance measures that are outcome based. DEECD has not increased this since 2012-13, however assessment is made each year to ensure the targets are updated to reflect government expenditure.

**Question 28 (Department of Treasury and Finance only)**

Please outline any changes since the 2012-13 Budget to the Department of Treasury and Finance's processes of quality assuring other departments':

(a) performance targets in the budget papers;

(b) expected outcomes published in the budget papers; and

(c) the comprehensiveness of performance measures published in the budget papers.

**Question 29**

Please detail the processes undertaken by the Department to ensure that the '2012-13 expected outcome' for each performance measure published in the 2013-14 budget papers is a reasonable estimate.

DEECD has used final results or examined trend data to ensure the 2012-13 expected outcomes published in the 2013-14 budget are reasonable estimates.

**Question 30**

In setting targets for performance measures in the 2013-14 budget papers, to what extent did the Department consider the '2012-13 expected outcomes' that were provided for the 2013-14 budget papers?

DEECD used 2012-13 expected outcomes and trend data to set 2013-14 Targets.

**11. Staffing matters****Question 31**

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2012 and estimates of FTE staff numbers (broken down by the categories listed below) at 30 June 2013 and 30 June 2014 for the Department. Please provide figures consolidated on the same basis as the expenditure for the Department in the budget papers.

EMAIL RCVD PAEC 08/05/13

Grade	30 June 2012 (FTE number)	30 June 2013 (FTE number)	30 June 2014 (FTE number)*
Secretary	1.0	1.0 estimate	
EO-1	3.0	3.0 estimate	
EO-2	42.9	44.9 estimate	
EO-3	29.0	26.0 estimate	
VPS Grade 7 (STS)	12.0	12.0 estimate	
VPS Grade 6	330.6	295.2 estimate	
VPS Grade 5	723.5	555.9 estimate	
VPS Grade 4	367.3	302.8 estimate	
VPS Grade 3	360.0	252.9 estimate	
VPS Grade 2	174.6	94.4 estimate	
VPS Grade 1	11.2	6.2 estimate	
Principal and Teacher class employees	40,927.3	41,180.0 estimate	
Education Support	12,728.0	13,190.0 estimate	
Nurses	186.7	181.5 estimate	
Allied health professionals	599.2	488.2 estimate	
Other	12.0	13.0 estimate	
<b>Total</b>	<b>56,508.3</b>	<b>56,647.0 estimate</b>	

\*Government has historically not provided forecasts of future VPS levels

### Question 32

Please break down the actual staff numbers in your department as at 30 June 2012 and the estimates as at 30 June 2013 and 2014 according to the number of staff that are ongoing, fixed-term or casual

	30 June 2012 (FTE number)	30 June 2013 (FTE number)	30 June 2014 (FTE number)*
Ongoing	43,484.3	43,954.7	
Fixed term	12,997.9	12,684.5	
Casual	26.1	7.8	

<b>Total</b>	<b>56,508.3</b>	<b>56,647.0</b>	
--------------	-----------------	-----------------	--

\*Government has historically not provided forecasts of future VPS levels

### Question 33

Please indicate, for 2012 and each year of the forward estimates, the estimated total number of VPS positions and non-VPS positions that the Department expects to have as at 30 June.

	<b>30 June 2012</b>	<b>30 June 2013</b>	<b>30 June 2014</b>	<b>30 June 2015</b>	<b>30 June 2016</b>	<b>30 June 2017</b>
	<b>(FTE number)</b>	<b>(FTE number)</b>	<b>(FTE number)</b>	<b>(FTE number)</b>	<b>(FTE number)</b>	<b>(FTE number)</b>
VPS positions	2,063.1	1,604.2	1,562.0	1,561.3	1,561.3	1,561.3
Non-VPS positions	54,445.2	55,042.8	55,452.8	55,754.1	56,167.9	56,581.7

### Question 34

Please detail any expected impacts on the Department of changes to staff numbers in 2013-14 and how they will be mitigated.

- As evidenced in Question 33, VPS FTE is forecast to fall by almost 25% as a result of the SGI process. Non-VPS FTE (overwhelmingly Teachers and Education Support staff) are forecast to increase slightly, driven by forecast increases in the population of school aged children in Victoria.
- Allied Health (AH) changes: The reduction in AH staff from 2012 to 2013 is comprised of 58.7 FTE who have been translated to the Education Support (ES) structure as a result of moving to direct school funding. The remainder of the reduction is from resignations and retirement.
- Fixed term changes: In line with government policy, reducing head office fixed term staff has been a focus of the Department and these have decreased from 208 in April 2012 to 55 in March 2013. However, the overall growth in Teacher and ES FTE will drive a small growth in fixed term staff overall.

### Question 35

Please detail the actual amount that the Department spent on contractors and consultants in 2011-12 and the estimated expenditure in 2012-13 to 2016-17 (for a definition on the difference between consultants and contractors, see FRD 22B – Standard Disclosures in the Report of Operations). Please provide figures on the same basis of consolidation for the Department as used in the budget papers.

	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
	<b>(\$ million)</b>	<b>(\$ million)</b>	<b>(\$ million)</b>	<b>(\$ million)</b>	<b>(\$ million)</b>	<b>(\$ million)</b>
Consultants	0.10	0.10	n/a	n/a	n/a	n/a
Contractors	119.11	115.0	n/a	n/a	n/a	n/a

- The Department does not forecast budgets for out-years at this level of detail. However the Department endeavours to minimise expenditure on consultants and contractors expenditure wherever possible in line with whole of government policy and the commitment to reduce expenditure on consultants and contractors in government departments. Reported expenditure does not include TAFEs and schools.

## **12. Previous recommendations**

### ***Question 36***

This question does not apply to your department.