

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2013–14

Melbourne — 17 May 2013

Members

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Witnesses

Mr M. Dixon, Minister for Education,

Mr R. Bolt, Secretary,

Dr S. Sharp, Deputy Secretary, Early Childhood and School Education Group,

Mr J. Miles, Deputy Secretary, Infrastructure and Finance Services Group, and

Ms S. Christophers, Executive Director, International Education Division, Department of Education and Early Childhood Development.

The CHAIR — I declare open the Public Accounts and Estimates Committee hearing on the 2013-14 budget estimates for the portfolio of education. On behalf of the committee I welcome the Honourable Martin Dixon, MP, minister, and from the Department of Education and Early Childhood Development, Ms Sue Christophers, Dr Sonia Sharp, Mr Richard Bolt and Mr Jim Miles. Members of Parliament, departmental officers, members of the public and the media are also welcome.

In accordance with the guidelines for public hearings, I remind members of the public gallery that they cannot participate in any way in the committee's proceedings. Only officers of the committee secretariat are to approach members. Departmental officers, as requested by the minister or his chief of staff, can approach the table during the hearing to provide information to the minister, by leave of myself as Chair. Written communication to witnesses can only be provided via officers of the PAEC secretariat.

Members of the media are also requested to observe the guidelines for filming or recording proceedings in the Legislative Council committee room. Cameras must remain focused only on the persons speaking. Panning of the public gallery, committee members and witnesses is strictly prohibited. Filming and recording must cease at the completion of this hearing.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the precincts of the hearing are not protected by parliamentary privilege, including any comments made on social media from the hearing itself.

This committee has determined that there is no need for evidence to be sworn; however, witnesses are reminded that all questions must be answered in full, with accuracy and truthfulness. Any persons found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty. All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript for fact verification within two working days of the hearing. Unverified transcripts and PowerPoint presentations will be placed on the committee's web site immediately following receipt, to be replaced by verified transcripts within five days of receipt.

Following a presentation by the minister, committee members will ask questions relating to the inquiry. Generally the procedure followed will be that relating to questions in the Legislative Assembly. Sessional orders provide a time limit for answers to questions without notice of 4 minutes, while standing orders do not permit supplementary questions. It is my intention to exercise discretion in both matters; however, I do request that the minister answer each question as succinctly as is reasonable, recognising that many responses may include a degree of complexity.

I now call on the minister to give a brief presentation of no more than 10 minutes on the more complex aspects of the estimates for the education portfolio. Welcome, Minister.

Overheads shown.

Mr DIXON — Thank you, Chair, members of the committee and others; it is good to be here. I will just start off with our presentation. I would like to point out what our vision for education is, starting with Towards Victoria as a Learning Community. We are totally committed to having an education system here in Victoria that will be up there in the global top tier. Lifting the performance of our students in Victoria gives Victoria economic and social advantages, as well as, obviously, the students themselves. Being in the global top tier is a positive thing for the economy, for society and, as I said, for the individual.

We are targeting a few key areas; first of all, autonomy. We want schools to have more autonomy over the things that really matter, especially curriculum and assessment in the classroom, because we are on about student learning. There is also professional trust, because in the highest performing jurisdictions that we aspire to equal, education reform has been anchored in professional trust in allowing the delivery of education and the development of policies at that local level. It is what makes the biggest difference — relying on the professionalism and expertise of the teachers and leaders.

The third area is accountability and support. We want a greater focus on outcomes than inputs and processes. It is outcomes that we can be judged by. We will be supported by access to excellent data and information about good practice. It is really the role of the department to supply that and give it to the schools so they can then use

it. We want a real focus on accountability at the grassroots level to peers — to the staff, their fellow teachers and the communities more than to the department. The accountability is to each other as professionals and not to me or to the department.

The next slide is looking at the *New Directions* paper and what that is about, which is the other key part of our vision for education. As we all know, teaching has the real impact on educational outcomes and makes a difference between a good and an excellent performance. *New Directions* is about attracting the best people to teaching. To do that you need an attractive set of employment conditions, merit-based progression, reward for effort and peer collaboration. We need to focus on performance management and development, and we want to enable the good people to be able to move in and out of the profession, and I think that fits in with the aspirations of the current generation of teachers.

We also need to create a really high performance culture within the profession, so lots of opportunities for professional development and encouraging teachers to innovate, to share best practice and to develop themselves and each other. That also has to be complemented by a far more robust performance management system that sets clear goals for teachers so they know what they are going to be judged against and so they can reflect on it and improve student outcomes, because that is their responsibility, and ensure that they are accountable not only to themselves but also to their school principals and the school community in which they are teaching. We will be providing — and this document provides — strong direction and support to empower school leaders to lift teacher quality, because that is a clear part of their job, and we think changes have to be made to career structures, the training and management of teachers, professional pay and employment arrangements, and a whole range of regulatory frameworks.

Looking at our achievements to date, we have overhauled the bureaucracy in the department to a large degree. There are some good examples. The regional offices are now working as support agencies, rather than management agencies. We are giving greater autonomy to principals for the management of student support services. That means our services are now far more timely and responsive to school needs. We have also given the control of principals networks back to the principals. They are no longer a management arm of the department. We have also given greater control over capital works to the school communities.

Moving on to the next slide, the reform that we are talking about has been supported by a total of \$944 million of new funding that we have allocated since 2011–12, to not only achieve all our election commitments but also other key priorities. The highlights of that are our \$124 million on the primary welfare officers program, \$232 million of new spending for students with special needs and a continued investment in maths, science and languages programs that totals about \$56 million. We have also spent about \$611 million in upgrades, modernisations, new schools, land acquisitions and very crucial maintenance for our schools, and within that almost \$80 million of capital investment for schools for students with special needs.

In terms of some of the challenges we have in education at the moment, our reform agenda is delivering improvements, and it is underpinned by the recognition of the key challenges that need to be addressed to go to the next level to be in the global top tier. We perform well in Victoria against other states on a whole range of measures, but when you look at the rest of the world and other jurisdictions the gap is widening. One of the other challenges we have at the moment is commonwealth uncertainty, especially in terms of funding streams, school funding reform and a range of programs, such as national partnerships, that we have just found out have been cut, and that will impact on delivery of services in our schools. Growth is a challenge — we have a booming population — as is asset management. As we are aware, there is a \$420 million maintenance backlog that we have inherited which needs to be addressed. We have taken steps to address that with our \$51 million commitment this year.

School education in this budget is the next slide. Key highlights are \$59.8 million for what I call the top-tier initiatives. They include \$15.7 million to lift school performance. That is progressing the agenda that I referred to in *New Directions* and *Towards Victoria As a Learning Community*. There is \$17 million for a China immersion program and also \$71.4 million, as I said, in new funding for students with additional needs. That includes \$38 million for the program for students with a disability, \$20 million for student support services in schools, \$12.7 million for student transport for students who attend our special schools and of course \$203 million in capital improvements.

The next slide is about lifting school performance. Going into the \$15.7 million allocation to support the development of educational capacity and leadership and the capability of our teachers and our leaders to take us to that global top tier, this initiative includes the identification and development of high-potential leaders in the earlier stages of their career, giving them opportunities for school leadership and even encouraging them up to leadership of our schools. This is part of a broader talent identification program and management system that has been implemented by the department as well. At the same time we will be introducing a statewide principal accreditation program, which is going to equip principals with the evaluative skills so that they would work — and these would be top-performing principals — on reviewing other schools. They will not only improve their knowledge but impart their experiences and knowledge to other schools and work on reviewing those other schools. We need to improve the capacity of those top-performing principals and school leaders to work in this area.

The China immersion program is the next slide. What that will see is 1500 students in year 9 undertaking study in China. We have a strong push for languages education here in Victoria and a proud history of that, but we lack a critical mass of students who are China aware and China ready. What this will do is support schools to develop intercultural understanding and Asia literacy and also boost their language proficiency, which we think is very important. It also complements our \$23 million investment in languages education.

Support for students with additional needs: as I said, there is an extra \$38 million for the program for students with disability. That will help a further 1170 students. There will also be \$12.7 million for the transport of students to special schools, and that will affect 7900 students who take up that part of the program, and \$232 million additional money that we have spent on programs for students with disabilities since we came into government.

Providing effective support for vulnerable students: once again, there is \$20 million for the student support services. As you are aware, the control of this program has come out of the bureaucracy and has been given back to the principals and network clusters to provide a more timely and flexible service, and that is working extremely well. Also with the student support services, the sorts of services they offer are psychology, speech pathology and social work, so they are working with a range of students who have a range of issues — speech, language acquisition problems, social and emotional health — and are not engaged in learning.

Our capital pipeline: as you are aware, in our first budget there was \$100 million of additional maintenance support. We have implemented the audit of our schools. A \$420 million maintenance backlog was uncovered there, and we are working to address that; and there is also a long-term pipeline of capital works, and we are working on a system to address that.

The \$203 million that is in the capital works on the next slide will fulfil all of our election commitments and purchase land, upgrade buildings and also purchase portable classrooms and construct more portable classrooms. Obviously we are looking at growth areas; a lot of that money has been spent in growth areas. I have only got one slide to go. So that is a key area, to the north, the south-east and the west of Melbourne, and a total of nearly \$80 million has been spent on new schools and land acquisitions by this government.

Finally, in summary, the initiatives that are set out in *Towards Victoria as a Learning Community* and *New Directions* underpin every dollar that we do spend in education. Our focus is on student outcomes and student learning in everything that we do. It is about a more effective curriculum, better teaching and learning, improved assessment and quality reporting and feedback. These are the key drivers of everything we do and the key drivers of what is in our budget this year.

The CHAIR — We now have 2 hours and roughly 12 minutes for questions, and I will start the ball rolling. Minister, in the context of the 2013–14 budget can you outline to the committee examples of capital infrastructure projects — and you obviously touched on this in your presentation — in the education portfolio which will be either commenced or completed in the coming year?

Mr DIXON — I am happy to do so. In terms of projects that will be commenced this year that have been identified in the budget we have got the stage 1 out at Doreen, at the secondary college out there — sorry, these are new schools — and Melton North West primary school, Truganina P-9 and Wyndham Vale South primary school. So four new schools in incredible growth areas, and they are very, very welcomed I know by those communities.

We have also completed allocations of funding for the schools that were a part of our election commitments, and they are right throughout the state. They include Apollo Bay, Aspendale, Auburn, the special school up at Wodonga, Blackburn, Emerald, Fairhills primary, Ferntree Gully North — I was out there the other day with the Premier, Koo Wee Rup Secondary College, Montmorency, Mountain Gate, Mount Erin, Officer Special School, Phoenix at Ballarat, Pinewood Primary School, Rosebud Primary School, Sandringham, Somerville, Templestowe, Timbarra and Wattle View. So all of those schools will be receiving funding to complete our commitments of funding that we took to the last election.

There is also a range of additional projects, including works at Eastwood Primary School, Golden Square Primary School up at Bendigo, Malvern, Northern Bay — once again I was down there yesterday with the Premier announcing another \$8 million on top of the \$8.3 million, and this is a massive regeneration of the Corio Norlane area of Geelong — Parkdale Secondary College, Scoresby Primary School and Western Autistic School. And what a great thing that is — the first P-12 autism-specific school in the western suburbs. That had never been provided. The north, the south and the east have it but not the west, and we are proudly providing the funding to complete that project.

In terms of projects that will be actually completed this year, we have got a couple of new schools that will be completed this year and ready for the start of next year. There is our special school out at Officer, which I am very, very proud of, and again in a growth area that certainly requires a whole range of educational choices for parents. The special school is a wonderful facility. It is actually adjoining the new Officer Secondary College, which as I said, is literally next door. Also the Doreen South primary school — I was out there recently — is well and truly under construction, and that will be taking students next year, as Mr Ondarchie would be aware.

Other projects that we have funded in previous budgets and will be completed during this year are an \$11 million redevelopment of Colac Secondary College and \$7.5 million at Mirboo Secondary College. Again, I was out there with the Deputy Premier a few weeks ago, and that is a wonderful design for that school. Yarra Hills Secondary College, which is stage 2, so that is \$10 million, will be finished. Leongatha Secondary College is in a massive precinct there, with all the educational facilities — special school, early learning, primary, secondary and TAFE — on the one site.

The secondary college facilities — a \$10 million commitment there — will be completed this year. Once again, that is looking great. So they are some of the projects that will be finished during this year. The two new schools will be up and ready for TAFE students next year, and I am very proud to say that our capital election commitments are all fulfilled through this year's budget.

Mr PAKULA — Minister, could I ask you to turn to page 17 of budget paper 4? Under 'Existing projects', 'School education', it says:

Land acquisitions — Connewarre school precinct, Heather Grove (Cranbourne East), Epping North, Derinya (various) —

then there is a footnote (b), and that is explained on page 20, where it says:

Heather Grove (Cranbourne East) to be substituted for Cranbourne south-west announced in 2012–13.

In your presentation you have made much of the land acquisition for the proposed primary school in Cranbourne south-west, but the budget papers would seem to suggest that what you have in fact done is taken the land acquisition money for a school you promised last year in Cranbourne East and just substituted it for Cranbourne south-west. I suppose my question is: what was the basis upon which that decision was made, and what consultation occurred with the local community about it?

Mr DIXON — Thanks for the question. We have proudly spent more than \$70 million — \$78 million now — on land acquisition since we have come into government, which compares with only \$8 million in the last budget of the previous government. It is very important that we have a process by which we identify the need for land well in advance so that we know when we work with developers, local council and the Growth Areas Authority, plus for our own statistics and data. We plan ahead so that we have got an idea roughly when the developments are coming online, who will be moving into those developments and at what rate the land will be released, so that we can build schools in a timely manner.

Because we work so closely with all those authorities, sometimes there need to be adjustments. We might have a block of land that we are interested in but may not yet have purchased, and we try to keep it as flexible as possible, because sometimes there are changes in actual developments. You might have a whole area or an area within a municipality that is being developed, but the actual land releases by individual developers sometimes chop and change in terms of when they will be delivered and in what order they will be delivered. The bottom line in the end is that we have recognised there is a growing need down at Cranbourne.

There is the old Cranbourne, which has been there for quite a while and has not changed much, but the other areas around Cranbourne are growing quite quickly. In the end we have worked with the council and we have worked with the developers down there, and the bottom line is that there will be two new sites for schools down in that area following this year's budget. There has been a net gain in actual land for new schools in the future. So it is done in conjunction with the developers, it is done in conjunction with the community and it is done in conjunction with the local council.

Mr PAKULA — On a supplementary, you say there will be two sites but this looks like a bit of a pea and thimble trick, Minister. You have got a situation where the budget says clearly that the money that had been put aside for Cranbourne East — and as you say in regard to housing estates there is the Selandra Rise housing estate, which is the estate near Cranbourne East, and people have been buying land there on the basis that there had been a budget last year that said there was going to be a school. Let us just confirm this: the money that had been set aside for that land acquisition has been taken and applied to a land acquisition for Cranbourne south-west, so as we sit here today there is one school that has got money budgeted for it, not two.

Mr DIXON — The bottom line is that the Cranbourne community and that area — the south-west and also the east — will end up with two extra blocks of land in their growth area for schools. The prioritisation has changed, but in terms of the actual allocation, there is money from last year's budget and this year's budget to purchase two blocks of land.

Mr PAKULA — But last year's budget money has just been bestowed on Cranbourne south-west.

Members interjecting.

The CHAIR — Order!

Mr DIXON — Chair, I think I have made it clear that there will be two blocks of land purchased in the growth areas of Cranbourne.

Mr O'BRIEN — It is clearly set out in the budget.

Mr PAKULA — It is clearly set out in the budget that the money has been taken from one and given to the other.

Mr ANGUS — Minister, I refer you to budget paper 2, page 37, and the policy statement *Towards Victoria as a Learning Community and New Directions*. I note that the Prime Minister has said top 5 is our target and you have said top tier is our target, and you have touched on that further in your presentation. Minister, can you advise the committee: what does the phrase 'top tier' mean, and what steps is the government taking to get Victoria there?

Mr DIXON — Thank you for your question. We have said we want our schools to be within the global top tier in the next decade, and again as I said in the presentation, this is all about student learning. This is why we want it: we want this for the students. It is not for our own glory; it is for student outcomes and opportunities. I know the Prime Minister has used 'top 5' by 2025. It is interesting when you put actual numbers on it — for example, the top 5 might just be a range of Chinese city states, given the massive work and investment they are putting into education there. Shanghai is an example, and there are a whole range of other major cities in China that are knocking on the door of Shanghai. It is unrealistic just to say 'top 5'.

Schools are basically grouped in three groups. There is the top tier, or the top group, and we are not in that group. The top tier at the moment is in South-East Asia. It is New Zealand, provinces in Canada, Finland and, as I said, some Asian jurisdictions. The middle group is a large group; it is the largest group. We are at the upper end of that group in general terms. Then there is a lower group. When we say we want to move into the top tier,

we want to move into that top group, whatever it may be, and it will change. It will be different in five years; it will be different in 20 years. We recognise that a range of things will happen. But that is where we aim to be.

If we just look at where Victoria stands at the moment, we offer, as I said, a very high standard of education across all areas. In NAPLAN we are in the top 3. We are just outside of the top tier in the PISA, which is an international study; we are in the second tier in TIMSS, with about 10 systems ahead of us; and we are in the second tier in PIRLS, with about 21 systems in front of us. As I said, we are doing well but we are not doing well compared to a range of other jurisdictions. The sorts of jurisdictions we compete with we also compete with economically, and we need to be up there with them.

We are in a good position, though, on which to build because we have got a very autonomous system. A lot of work was done to devolve that autonomy to our schools in the 1990s. In the last decade a lot of emphasis was put on teaching and learning a common language and understanding around that. Again, that autonomy and the work of the previous 10 years have really put us in a key area.

The area in which we see we need to make the biggest difference is student learning. There are four main drivers of that: there is the curriculum, or what kids learn; pedagogy, which is how children learn and how we help them to learn; assessment, which is fairly obvious; and reporting, which includes feedback amongst the profession, feedback to parents and feedback to the community. That is where we are working. We are going to ask every school to document those and to have evidence-based approaches to all of those areas. That is a given; there will be no leeway on that. From that, we will allow schools to have local responses to all those areas. We provide the models, opportunities and guidance, but how school communities actually address them is up to them, because they know their community, they know the starting point of their community, they know the needs of their community and they know the aspirations of their community and also the current expertise and specialisation of their staff. We trust them to build on that.

If every school identified the best class and the best teacher in the school and then if every class came up to that standard within that school, you would be in the top tier. In simplistic terms that is the challenge ahead of us.

Towards Victoria as a Learning Community sets all this out. At the moment Wayne Craig — who is an eminent educationalist and who was one of our regional directors — is working in this area. He is out there running a series of consultations — we call them roadshows — with school leaders to present the ideas to them, talk to them and open that up. That will then go down to a network level, where schools will be talking about what it means for their individual networks of schools, what it means to their individual school and how they can work with each other to progress this. From there we will see where the gaps in understanding and knowledge are and we will then be addressing those going forward.

It is important that we all have this common language and we all have this common understanding. All schools and school communities know what is expected of them, what we expect them to document and what we expect them to understand. From that starting point we want to give them the opportunities, the tools and the wherewithal to move their school forward in all of those areas — in curriculum, in pedagogy, in assessment and in reporting.

The department, the government, my office, every school and all the regions must have a commitment to student learning and those four key areas, because that is where we will deliver on student learning.

Mr SCOTT — Minister, on 12 February there was an article in the *Surf Coast Times* regarding Reading Recovery that featured a Reading Recovery student, Felix McDonald at Point Lonsdale Primary School. Comments were made about the Reading Recovery program by the principal, who stated:

Reading Recovery is the bee's knees in making a difference for those kids who have fallen behind ...

It is such an intensive program, where you have one-on-one intensive sessions every day.

...

The bottom line is that to maintain the integrity of the system, you have to have access to those expert tutors. It is the government's role to provide those tutors.

Can the minister point to the section of the budget papers which shows where the Reading Recovery tutors or coaches are part of the regional offices and are funded to deliver the Reading Recovery program to any

government school which may want to use it to deliver literacy outcomes for students who need extra help to learn to read?

Mr O'BRIEN — It sounds like a test.

Mr DIXON — I presume the member is asking me to do a search of the budget papers to find that because he cannot find them? I am not sure.

Mr SCOTT — Is it in there?

Ms HENNESSY — Do you have a line item about it?

Mr ANGUS — Have you looked?

The CHAIR — Order!

Mr DIXON — Forgive me for educating the Public Accounts and Estimates Committee, but my understanding of the budget papers is they are not a list of every single ongoing program in every department; they are just ongoing programs that are funded. We have hundreds of line items and hundreds of programs that are funded on an ongoing nature in our schools. There are no changes to Reading Recovery, so there is no reference to it in the budget papers.

I am a great fan of Reading Recovery. I think Reading Recovery is the bees knees as well. In fact I was one of the first principals to introduce it back in the mid-1980s. Government schools have funding within their global budgets to implement early intervention programs in year 1. It is up to schools to decide what programs they run. About 56 per cent of primary schools decide to run Reading Recovery. Obviously part of that undertaking to implement Reading Recovery is that the teachers need to be trained in Reading Recovery and they need to have ongoing formation, and that is the work of the tutors.

We as a department have the responsibility for the development of the tutors themselves. That is ongoing, and we do that. In terms of the tutors and the work that they do, that is patchy. The two main jobs of the tutors are to induct or train up new teachers and then just the ongoing formation and monitoring of the Reading Recovery tutors who are in schools. That varies from region to region as to how many there are, how many new teachers are coming on, how many existing teachers are on or even how many schools have Reading Recovery. So it is not a blanket approach — a one-size-fits-all — because, as I said, it varies from area to area and region to region, and it also varies within schools as to what their needs are at a particular time.

Schools have flexibility within that allocation and also within their global budgets to pool their resources, which they have done in the northern suburbs, where a whole range of schools decided it would be best if they worked together in a flexible way using their flexible budgets to employ a tutor for a certain amount of time. Having a tutor — you might employ one but they may not be needed full time all the time because you might have a critical mass of teachers and you only require monitoring, so you have got to have that flexibility within the system. At different times regions have stepped in to pick up the slack there. As I said, in the northern suburbs we have schools that are doing that; schools have the flexibility and they have the funding to do that.

Going back to the start, there is no reference to Reading Recovery in the budget papers, not in itself, but the early intervention year 1 program is an ongoing program and has an ongoing funding stream for our primary schools. There is no change to that.

Mr SCOTT — Minister, if I can dig through your answer, you seem to be maintaining a position that there has been no change to the provision of Reading Recovery tutors. Can you then give a guarantee that no schools will have to stop offering Reading Recovery due to the lack of a tutor supplied by the education department?

Mr DIXON — I think I have addressed that in my earlier answer. Schools, first of all, make the decision as to whether they want to have Reading Recovery or not, because they have the — —

Members interjecting.

The CHAIR — Order! We are not going to have people engaging in conversations with the minister. A supplementary has been asked, the minister will answer it and we will then move on.

Mr DIXON — We do not believe in a one-size-fits-all. We allow schools to make a choice with the early intervention funding that they receive on an ongoing basis, which has not changed — it actually has a growth component within it — and to make those decisions as to where they would like to spend that money. Reading Recovery is a choice that more than 50 per cent of schools make, and the ongoing nature of the support of that is a joint responsibility of the department and of the schools themselves.

Mr SCOTT — Choice — it is sophistry.

Mr O'BRIEN — You are suggesting something has been cut that has not. It is not listed in the budget as a cut.

The CHAIR — Order! Mr O'Brien!

Mr DIXON — It is the choice of the school. It is the responsibility, as I was saying, of the department and of the school how they work with that, how they train up their new teachers, how they monitor their existing teachers and whether they have the program in the first place or not.

Members interjecting.

The CHAIR — Committee members, we are not going to have another break-out. If you want the opportunity to ask questions, we have now got 1 hour and 48 minutes to go, let us take the opportunity that we have to ask the minister questions and let us listen to the answers. Constantly trying to talk over the top is not helpful. Mr O'Brien, you actually have the call now.

Mr O'BRIEN — Yes, thank you, Chair. I trust those comments are directed to my colleagues who are —

The CHAIR — Those comments are directed to all committee members. Do you have a question or will I move on?

Mr O'BRIEN — Yes, I do. Picking up the important issue of autonomy, which I know you have been an advocate of — principal autonomy, school autonomy — you have committed Victoria to an ambitious goal for school improvement across all schools. I refer to budget paper 3, chapter 2, pages 80 to 85, in particular the reference there to the issue of NAPLAN results. Given this commitment, can you explain to the committee how you plan to hold schools to account for the public funding they spend and the results that you are seeking from them?

Mr DIXON — Thanks for the question. Schools have very important accountability on a number of levels. Obviously we have mandatory expectations of them in terms of accountability, and that is tied up with the relevant legislation and regulations that are part and parcel of education here in Victoria. They manage public funds; they need to be accountable for that. They need to have a proper constitution, school councils, governance of their schools and what have you. They have a legal duty of care. So there is a range of issues there that are indisputable, that are very, very important and that go without saying.

We are starting to look at more of a risk-based approach in terms of some of those areas, so we are getting better at analysing the data and the risks in a whole range of areas of school operations. An example of that is that we have suspended the school compliance checklist, which was literally centimetres thick. In fact in some cases principals employed staff to do this checklist, because it took them away from student learning, which is the core of what they should be doing. We have suspended that, and we have found that there has been no increase in any of the sorts of issues that this compliance checklist was meant to address. We are looking at where the risks are, and we will address those rather than have a blanket approach to all schools.

Our *Towards Victoria as a Learning Community* does mandate certain accountabilities there. Every school will need to develop and they will need to document and then publish a whole range of the basics — such things as the scope and sequence of a whole-school curriculum, why they teach the way they teach, how they understand the way the children in their school learn, what will be their approach to assessment within the school and what is their approach to reporting and feeding back to parents — within their own school accountabilities. So we will not mandate what their approach might be. They have to have an approach, they have to be able to say why they have that approach, how they developed it and this is what it is, so that everybody within the school is

talking the same language and they have the same understandings, and then that school can be held accountable against those documents.

There is a range of other formal accountability processes. We have got the department to the teacher, the department to the principal and also the department to the school; and because that last one falls within my portfolio, it is really important that schools, as you said, are accountable not only to their local community but they are also accountable to the system, and people within the school are accountable to each other. Obviously the main people and the driver of that accountability — the accountability has got to come from the bottom, not the top down.

I think there has been a belief that whole-school accountability to the system is the big thing that changes and makes a difference in the school. We do not believe that. We believe that accountability has got to start from the ground up whereas teachers are accountable to each other, they are accountable to their class and to the parents of the children in their class, and then that permeates up through the school and a range of accountabilities up to the accountability to the system. But, yes, schools will fail and that is the department's job to intervene. We need to intervene in a meaningful way, not just a tick-the-box exercise. We need to get to the root of the problems there, and then address that and support the school with those issues.

It is interesting, when we do have to intervene in schools one of the key areas that they are missing is those basic requirements that I am talking about: having the whole-school approach to teaching and learning, to how students learn, to assessment, to reporting, to curriculum. They are often the holes that are in the school, which leads to the school not operating the way it should. We are there, and that is one of our key roles, not only to work with all the schools that are doing the right thing or those schools that are coasting; we want to lift all schools, but we do have an interventionist role occasionally with schools that are not working well.

An important part of that, that I mentioned in the presentation before, is about schools being accountable to each other. We want principals and school leaders to do the reviews of schools. It is good to have an independent external consultant as part of it, but we really want principals to do that. It may not necessarily be department principals. Principals from other sectors, I think, have got a lot to offer as well. It is great for the principals themselves doing the review, but it is really good for the schools that are being reviewed where we have practising principals, expert principals that can work with them and add value to that school. It is not just a review, it is about: this is where they are, how can we help that school go forward. It reinforces that fact that everybody is accountable to each other in education.

Ms HENNESSY — Minister, I refer you to budget paper 3 page 91, your departmental output around 'Support services delivery' performance measures. You would be aware that on Friday we asked the Premier about this issue, but he gave evidence to this committee that the School Focused Youth Service would be funded in 2013–14 to continue in its current format.

I have here an extract from *Hansard* of 9 May when you stated in the house in response to an adjournment matter that the School Focused Youth Service that received 7.6 million was an ongoing program, that it was not reliant on year-by-year funding. That is the statement that you made in the house.

I have a copy of a letter here from one of the deputy secretaries of your department, from the school education group, to many of the community groups that currently deliver the School Focused Youth Service program. That letter states that it is the intention of the government not to extend their service agreements beyond 30 June this year.

When was the decision made to refund the School Focused Youth Service program, and when was that decision communicated to service providers?

Mr DIXON — What was the reference to the School Focused Youth Service you said was in the budget paper?

Mr ONDARCHIE — You said page 91, Jill.

Ms HENNESSY — Sorry, it is your department's general support services delivery performance measures.

Mr DIXON — There is no reference to School Focused Youth Service there.

Ms HENNESSY — But there is funding on your statement to the house last week within those budget output measures.

Mr DIXON — Thank you for the question. The School Focused Youth Service — and I think you quoted me in the Parliament — is not mentioned in the budget papers because it is an ongoing program. I know the shadow Treasurer actually said in the house that because School Focused Youth Service is not mentioned in the budget we must be cutting the budget for it. That shows a basic misunderstanding — —

Members interjecting.

The CHAIR — Order! The minister will be heard in silence.

Mr DIXON — That was either a total misunderstanding of what budget papers are or it was a lie and meant to scare people, but it was just totally wrong.

Ms HENNESSY — This is your deputy secretary.

Mr DIXON — No-one, I — and in fact I think the member actually in PAEC last week — —

Mr PAKULA — Point of order!

Ms HENNESSY — Yes, can we just tell the truth?

Mr ANGUS — Cut it out.

Mr ONDARCHIE — It is Labor Party, that cannot understand budgets.

The CHAIR — Order! The Deputy Chair on a point of order.

Mr PAKULA — The minister has just accused the shadow treasurer of telling a lie in Parliament and he has done so after having himself been less than honest about Cranbourne.

Members interjecting.

The CHAIR — That is not a point of order.

Mr PAKULA — My point is Ms Hennessy has clearly related her question to correspondence from the minister's own deputy secretary, so for him to come in here and use the opportunity to accuse the shadow treasurer of having lied when we are relying on correspondence from his own department is outrageous, and he should withdraw it.

Mr O'BRIEN — On the point of order, only two days ago the Deputy Chair of this committee accused Minister Mulder of lying and had to — —

Mr PAKULA — And I withdrew it.

Mr O'BRIEN — Disgracefully withdraw — you did not withdraw in good grace, but you did withdraw and you accused him of lying. Then we had yesterday Mr Scott put an inaccurate statement to the Minister for Finance which I sought to politely correct — —

Mr SCOTT — No, I did not. I am very happy to take up that issue.

The CHAIR — Order! On the point of order.

Mr O'BRIEN — Now I am up to my third aspect of it. We then had Mr Scott assert to this minister that aspects were cut when there was nothing in writing. The minister gave his explanation.

The CHAIR — Mr O'Brien, you have made a series of assertions. They may relate to a particular view of some of the proceedings of the committee; I am not sure that I share them, but that aside, they do not relate in any way to the procedural point. If you can link your comment back to the procedural point, it would be helpful.

Mr O'BRIEN — So we have no instance where this minister has misled this committee or accused anyone of lying either in relation to the Cranbourne evidence or what he just said in response to Mr Scott's unsubstantiated assertion; and this is now the third time the opposition have done this and that is why — —

Ms HENNESSY — What are you talking about?

Mr ONDARCHIE — On the point of order, Chair, raised by Ms Hennessy, the spokesperson, can I suggest that the minister did not in fact call anybody a liar, he said 'either/or'.

Mr PAKULA — That is all right then!

The CHAIR — I think there are two points here. One is that the minister is being asked to rely on an assertion from Ms Hennessy, without her tabling the document — —

Ms HENNESSY — I am happy to table the document — —

The CHAIR — If you can make that available to the minister?

Ms HENNESSY — I am happy to table the document from Mr Jim Watterson, the deputy secretary, which states that all of the School Focused Youth Service contracts will not be renewed as of June 30 — —

The CHAIR — If you could simply make the document available to the minister — —

Ms HENNESSY — And my question to the Chair — —

The CHAIR — Order! We are still on the point of order — if the document could be made available. I do ask the minister to withdraw the comment that he made about a person who is not sitting at this table.

Mr DIXON — I am certainly happy to withdraw.

At no stage have I or this government said that the School Focused Youth Service program — which is a series of programs; it is not a program in itself — will stop or will be cut. We have never, ever said that. The only people who have ever said that have been, with due respect, the Labor Party. We have never, ever said that. I would just call that scaremongering. I have never, ever said the School Focused Youth Service will be cut.

Mr PAKULA — Bureaucrats have; your department has.

Mr DIXON — The budget papers have got absolutely no indication at all regarding that because it is ongoing funding and it will continue to fund. In view of the document that that member tabled, 12 months ago, in fact more than 12 months ago, we told all providers that make up the School Focused Youth Service that we would be reviewing the program and the efficiency of the various programs in light of the fact that the program has been going since the late 1990s — it was actually a Liberal program; the shadow Treasurer asserted that it was a Labor program; it is actually a Liberal program from the Kennett government — that it was timely and any government would do that, would review that program, make sure there are no gaps in the services, no overlaps, no duplication, especially in terms of the Cummins inquiry and what school-focused youth services are doing in terms of the recommendations of the Cummins inquiry. So it was timely to do that and any good government should do that.

More than 12 months ago we told all the providers that it would be steady as she goes for the next 12 months and that we would be reviewing the program. Every one of those providers and every one of the stakeholders and the schools involved has been part of that review; they have been physically at the department talking about all those aspects: about duplication, about gaps, about Cummins and how the programs fit in with the understanding of the School Focused Youth Service. Everybody has been aware; everybody has been informed and everybody has been working under the same understanding. It is just some others who have taken the opportunity to say, 'Well, the program is closing'. We have never, ever said that. The funding is there on the table and where it will go and the adjustments that might be made to ensure that the program is meeting the needs of these most vulnerable kids — and the thing we have to focus on here is what are these various programs focused on? It is these very vulnerable children.

It is not about providers and is not about money for the deliverers of the various programs who are worried about their program; it is about the students and what the program was set up for in the first place. That is what I am on about and that is what we should make sure we do with the money we have got. There is no change the funding. We are providing the best possible service; that is what is happening. Any changes that will be made in terms of ensuring that it stays focused on these young people will be announced very soon.

Ms HENNESSY — I have a supplementary. Given that that is what you are ‘on about’ — your words, not mine, Minister — would you not be concerned then that as a consequence of the advice provided by your department to those service providers that their contracts would not be renewed in their present form — and as you said, you were reviewing them — some of those service providers have already terminated the services of some of their staff, meaning a loss of experience and corporate knowledge; and that is particularly played out in some regional areas? When were you made aware, Minister, that the School Focused Youth Service service agreements were not going to be renewed in their current form — using your language? When were you made aware of that?

Mr DIXON — Thanks for the question. I go back to what I said before, that more than 12 months ago we said, and we made it perfectly clear to the range of providers to the School Focused Youth Service, that we would be reviewing the various programs to ensure they are meeting the needs of the students that the program itself is set up for, especially in terms of the fact that the program will have been running for 14 years or so at that stage. We have had the Cummins inquiry and we wanted to pick up on the recommendations it made there and make sure that we did not have gaps, duplication or overlaps in the service. At all times our providers and our stakeholders have been part of that process and have been aware of that; and never, ever have I said or the government said that the program is going to be scrapped and the money is going to be scrapped. So I — —

Ms HENNESSY — Just the service providers.

Mr DIXON — I can hold my head up very proudly and say, ‘We are doing good work in this area. We as a good government should, should always be reviewing programs. They are not there forever; they need to be tinkered with; they need to be readjusted as time moves on and as needs change. Never, ever have I said — I will say it again — that we were going to cut that program. Assertions have been made by others and I am sure the scaremongering that was going on —

Members interjecting.

The CHAIR — Order!

Mr DIXON — The scaremongering that has been going on is what has actually led people to believe assertions that have been made by the opposition.

Mr PAKULA — Scaremongering from your own deputy secretary.

Mr DIXON — We have never, ever said — —

Mr PAKULA — It is Dr Jim Watterson, deputy secretary of the school education group. The minister cannot be allowed to mislead the committee.

The CHAIR — I thought I made this clear on Tuesday, but apparently not. I have made it clear to members that if they continue to interrupt once the Chair is standing, then the hearing will be suspended, so the hearing will be suspended until 10.05 a.m.

Hearing suspended.

The CHAIR — Order! We will resume the hearing. Just before I move on to Mr Ondarchie, I just want to make a comment about a comment that was made after I walked away from the table, indicating that the hearing had been suspended. That comment suggested that I was seeking to protect a witness in taking the action I did. I made it clear to the committee on at least two occasions that if we did not have order once I stood, I would suspend the hearing. That is the action I took in this case, as I did earlier in the week, in each case for approximately 5 minutes. If there is a suggestion of bias of the Chair, then that suggestion should be made.

I do wish, however, to make a couple of observations. The first is that, as I have done for most of the hearings, I did point out at the commencement of this hearing that it was my intention to allow some discretion in terms of the time limits for answering questions and also to provide an opportunity for supplementary questions. I do that because I think it is appropriate that members in the setting of a committee have the opportunity to achieve more than the standard information that you might get at question time in the house. The purpose of these inquiries is to flesh out the budget documents and have the opportunity for members to engage with ministers. In that spirit I think it is appropriate that the 4-minute time limit not necessarily be strictly observed, and most ministers to date have endeavoured to achieve that; indeed, some have frequently answered questions in less than 4 minutes, which is appreciated.

I have also allowed supplementary questions in an effort to allow points that may not have been covered in the initial response to be dealt with. I do make the point that I am not obliged to give that discretion. I also make the point that, as members will have observed, as Chair I ask one question right at the start and then leave it for all other members of the committee, calling alternately from my right and my left, to have the opportunity to ask questions. I contrast that approach with the approach taken in the last Parliament, when questions were taken in strict rotation around the table. This approach gives opposition members considerably more opportunity to ask questions and to flesh out issues than has been available in the past. It was a deliberate decision on my part to provide the best opportunity for all members of the committee to engage and explore the issues that they particularly wish to explore. If there is a preference from committee members for me to stick precisely to the standing orders, of course I can do that, but I do not believe that would be in the best interests of the committee or of individual members.

Mr PAKULA — Chair, can I just make a comment about one aspect of what you just said? In the last Parliament there were five government and five non-government members of the committee. The strict rotation you talked about gave equal time to both government and non-government members. It would be unfortunate if you were to suggest otherwise.

The CHAIR — I am suggesting that the procedure that is being followed now provides greater opportunity for members to explore issues. I am saying that my intention is to continue to pursue the approach we have taken, but I am making the point that if an alternative approach were desired I would be happy to accommodate that.

Mr ONDARCHIE — Do not get grumpy, Marty; you will have your turn. Minister, I love the way you started with ‘It’s all about student outcomes’ today. As you know, your portfolio is very important to me, having been a school council president for nine years. Like you, I believe in developing lifelong learners. I also support your thinking around autonomy for schools and their local governance.

I want to talk about NAPLAN today. It is now common in our schools, and you have identified assessment as a core driver of student learning. But parents are telling me that they are worried about the narrowing of the curriculum, and they have a perception that there is some teaching to the test. You have also called for curriculum reform in Victoria, but we now have a national curriculum that schools can follow. Given there is so much activity already going on in these areas, why are you focusing on more reforms to testing and curriculum, and will these reforms address the concerns that have been raised by parents in my community?

Mr DIXON — Thanks for the question. I could talk for hours about this, but I won’t, Chair.

The CHAIR — Thank you.

Mr DIXON — As you said, the bottom line of what we are on about is student learning, and that is underpinned by four things: curriculum, which is what the kids actually learn; pedagogy, which is how they learn and how we help them to learn; assessment; and feedback and reporting. They are the key drivers of what we are on about. The national curriculum and obviously NAPLAN are very much part of that.

What we need to do to move towards making Victoria a learning community is identify these areas and say what we need to do to have a common language and understanding about all of these areas, the importance of them and where they actually lead. That is why assessment and curriculum are very important elements of that. NAPLAN is a very valuable tool, but it is just one tool. It gives a snapshot of a certain time. Because it has been

happening for a number of years now, we can pick up trends within classrooms and schools and make those sort of general, broad comparisons. That is useful information for the school communities, teachers and principals.

NAPLAN is quite an imprecise tool for students who are not performing well or those who are performing at the top. It does not do a good job in that; it is not a tool that drives towards that. The national attainment levels that we all aspire to and that we are all measured against — when the results come out, that is how we are all measured — are quite low. We think that because we are a top-performing jurisdiction in Australia we need to have a higher threshold to aspire to, so we are doing work on that. We will be saying, ‘That might be the national standard. This is the standard we expect in Victoria, and we are going to measure our schools against that, not against the national standard’. That will be a higher standard. I think that is an important point and an important difference in assessment. The national curriculum is very broad and is not deep. If we took the national curriculum as it is to the letter, we would be doing that all day. There would be no opportunity for movement, innovation, specialisation or giving schools the opportunity to do the things that they need to do and recognise in their particular communities.

Assessment is very important. As I said, it is one of our key drivers. But the sort of assessment we want as well as NAPLAN is that everyday assessment — the assessment that is happening as a matter of course as part of the teaching — so we are getting real-time feedback. NAPLAN is not real time; the teacher gets the feedback months later, on a small section of data. For teachers to be effective teachers they need to have ongoing assessment. I am not saying it is more testing, but the sort of assessments — there are a range of tools out there which we provide. Many of them are online for teachers to use now, and that is where we are going. We quality assure them; they are out there for the teachers to use. So that is the real assessment. That is the assessment that makes a difference to what the teacher is teaching and how the children are actually learning. That is very important.

You talked about the narrowing of the curriculum as well, and yes, this high-stakes testing tends to narrow the curriculum. Numeracy and literacy are very, very important, but by having a broad curriculum you actually enhance — if NAPLAN results are your be-all and end-all, you can get better NAPLAN results by having a broader curriculum and educating the whole child. There are a range of studies out there that show the benefits of children doing phys. ed. and sport and how that helps them physically, mentally, socially and academically.

It is the same with performing arts and the arts; students are involved in that. The Song Room is one that a lot of study has been done on. Students in disadvantaged areas who have an intensive music program, their NAPLAN results have gone through the roof. That is our approach, and that is the sort of work that we should be doing. We have not got a narrow approach to curriculum; we have not got a narrow approach to assessment. It is complex, and that is why it is so important that we all have an understanding of it, we are all talking the same language and all schools are committed to the same sort of assessment tools so that they can compare with each other and across the system.

Mr PAKULA — Minister, we were not intending to continue on this issue of the School Focused Youth Service, but your evidence runs so counter to the documentary evidence that I think we have just got to put some of this stuff on the record. So you have now got in your possession the letter from Dr Jim Watterston, deputy secretary, school education group, dated 5 November 2012. I will read into the record, so that you cannot accuse me of selectively quoting, the full paragraph, which says:

This process of consultation and service design will mean that service agreements with agencies funded to deliver the School Focused Youth Service will not be renewed in their current form as of 30 June 2013.

So much for it being the opposition that was creating the fear. But more recently, an article from the *Maroondah/Yarra Ranges Weekly* of 14 May 2013 — and I am happy to table this as well, Mr Ondarchie.

Mr ONDARCHIE — I am just asking if there is a question coming — —

Mr PAKULA — I am reading a quote, and then I am going to ask a question. This is an article dated 14 May, which says:

The state government conceded last week it has nothing to replace its axed youth suicide prevention and support program, set to close within weeks.

...

A spokeswoman for education minister Martin Dixon said the department was still in the midst of finding replacements for the axed SFYS.

So my question is, Minister: how do you say to this committee that your evidence in response to the last question corresponds with the documentary and written evidence, and the statements from your own spokesperson?

Mr DIXON — Thank you. I have got the same paragraph in front of me, and I think — I will pre-empt my answer with what I said in the previous answers to the questions. At no stage at all have I or the government ever said that the School Focused Youth Service program will be axed. We have never said that — never said that, and there is no evidence of that. As I said, more than 12 months ago we started working with all the providers, with the stakeholders and with the schools. We said that we would be reviewing the program and the funding would be guaranteed in a steady way — or the actual program would continue on for another 12 months to the end of June this year while that review went on. We had more than 100 providers that were part of that review, and they were well and truly on board with that review and appreciated why that review needed to be done. So we have been totally up-front about this review and the implications of the review — and with our providers, and they, all along, have fed back to us that they understood it, they were happy, they were comfortable and they understood the parameters. So that is the bottom line.

In terms of the issues you have just raised, the sentence that you have used talks about that youth services will not be renewed in their current form. That is the idea of a review; you look at each of the individual programs and you say, ‘Are they meeting the needs of the way this program was set up? Are these consistent with the outcomes and the recommendations of the Cummins report? Has this individual program changed its emphasis since 1998?’, or whenever the particular program came on board, because programs have come in and out of the School Focused Youth Service over all that time. There has not been the same — all the programs that were part of the School Focused Youth Service in 1998 have not necessarily continued on. Some have stopped, some have changed, others have come in. It has been in flux all the way along, and I think that is really important to understand. It has not been a constant since 1998. So the snapshot — the letter — refers to the programs that are in place there, and in their current form, as it says, it has always been the case. The current form has changed in these programs and as part of the School Focused Youth Service over the 14 years that the program has actually been in existence.

The newspaper article you referred to says — I just totally refute the article. For example, we did not concede anything, because we have not ever said that we would be cutting out the program. It is an ongoing program, and at every stage I have said it is continuing on. I have never ever said it is going to be scrapped. You do not concede something like that. So that is wrong for a start. And it refers to the program as an axed program. We just did not axe the program. It has never been axed. I have never said it would be axed, and the funding has continued. So the whole basis for that article is just totally incorrect, and it is just based on the innuendo and the scare tactics that have been perpetrated by the Labor Party; therefore it has got no basis in fact at all.

Mr PAKULA — I do not think your spokeswoman, Minister, is connected in any way to the Labor Party, so let me just ask you for absolute clarity which of these two contentions is correct: is it that the School Focused Youth Service is continuing in 2013–14 relatively unchanged, or is the comment of your spokeswoman, who says — —

Mr ONDARCHIE — Asked and answered.

The CHAIR — Order! Members have the right to ask questions and supplementary questions in silence. Apart from anything else, the minister needs to have the opportunity to hear precisely what the questions are.

Mr PAKULA — Thank you, Chair. Only one of these two contentions can be correct: either your contention that it is continuing as it is or the contention of your spokeswoman, not a member of the Labor Party, that the department is in the midst of finding replacements for the service. Are you saying that your spokesperson was wrong, or are you saying that your spokesperson never said that?

Mr ANGUS — Probably misquoted.

Mr PAKULA — Probably misquoted?

The CHAIR — Order!

Mr ANGUS — It is another option.

The CHAIR — Order! Members!

Mr DIXON — Many local papers have contacted us because they have heard accusations of the program being axed, and various members of the community have raised that with local papers and local papers have come to us and asked us for clarification. When the local papers have come to us and we have given them the clarification what we have said consistently to all papers is the program is never going to be axed, we have not announced it is going to be axed, it is a continuing program and the money is there on the table. We have been up-front to every single paper about that. We have also said to these local newspapers and anyone who asks that this review has been going for 12 months. All the parties, all the providers, have been part of it; more than 100 providers have been part of it and discussing the need for changes to their individual programs that might need to be made to refocus to ensure that it is meeting the needs of these students at risk.

That is the consistent message that we have given, and anyone who works at my office has given, to any journalist. How they print and manage to write the article is up to them; I have got no control over that. I think that article is a good example where it talks about the inaccuracy of it and the misunderstanding of the journalist about the program. She talks — he or she, I am not sure who it is — about conceding — we did not concede anything — and uses the word ‘axed’ as if it was a matter of fact. I mean it is just wrong. So I place no credibility in that article at all.

Mr PAKULA — Point of order, Chair. The minister has said that the article is wrong and that he places no credibility on it, and the member for Forest Hill has indicated that perhaps the minister’s spokesperson has been quoted incorrectly and the minister has been quite damning of the article.

Mr ONDARCHIE — How is that a point of order?

Mr PAKULA — The point of order is Danny Tran and David Schout are the journalists — —

Mr ONDARCHIE — How is this a point of order?

Mr PAKULA — I am asking the Chair for guidance — —

Mr ONDARCHIE — I am not sure about that. You are trying to get something — —

The CHAIR — Order! Points of order are heard in silence.

Mr ONDARCHIE — But it is not a point of order.

The CHAIR — Points of order are heard in silence. I will determine whether it is point of order or not.

Mr PAKULA — I am asking, Chair, for your guidance as to what recourse the journalists might have to refute the suggestions that have been made. Their reputations have been damned by both the minister and a member of the committee, and I am asking you as Chair to indicate what recourse they might have in those circumstances.

The CHAIR — Firstly, I reject the assertion that their reputations have been damned. However, as you are no doubt aware, Deputy Chair, if there is concern from members of the public that they may have been misrepresented in either the Legislative Assembly or the Legislative Council, then there is an established process for dealing with those matters.

Mr PAKULA — Same process?

The CHAIR — My understanding is that the same process applies.

Mr PAKULA — Thank you.

Ms HENNESSY — Privileges?

The CHAIR — On that point I will seek specific advice and if I am not correct, I will advise the committee on Monday.

Mr ANGUS — Minister, I refer you to the budget overview document and page 13 — assisting children with a disability to learn and achieve. Victoria currently supports a large families with children with a disability who want to choose from a range of education options. How is this budget helping improve the quality and choice of education options for students with a disability?

Mr DIXON — Thanks for the question. The education of students with a disability is a real priority for this government. I think we have set a very, very high standard and our schools, whether they be special schools or mainstream schools — and we have autism specialist schools — through the support we give them and the support they give their communities really do deliver a top learning program for these young people. Basically we give a range of choices to parents who have a student with a disability. There is a range of specialist facilities, there is a range of programs within mainstream schools, and I think that choice for parents, for their student children, rather than one-size-fits-all or very black-and-white choices, is a feature of education here in Victoria.

Once again, the reason we have choice here is because it is about student learning. It is about: what sort of learning does that child need? How do they learn? What sort of support do they need, that individual child, to reach their full potential? Probably the best example of that approach is the ABLES program, and work started under the previous government on that and finished under us. Melbourne University was the main researcher there, with a lot of input from practitioners, and that is for the students who would be achieving below VELs 1 level — so they are at a very low level. It is about their ability, not their disability and what the program does is identify what that individual child knows, what they understand, what is their capacity and how do they learn.

Then an individual program is produced. It is a set of criteria that is actually mapped out and it is put into the mix, and from that an online program comes out with a set of steps and a set of curricula and learning style that the child needs to take to progress them. So you cannot get more individual attention than that. That is not only for young people that are in our specialist schools, but it is also for students with a disability in mainstream schools and even students who are just struggling in mainstream schools. It is a very flexible program and, I think, is very symptomatic of the great work that is being done in our schools.

We are doing a range of other programs. We have got a national partnership to assist especially in the area of autism. Unfortunately we have just found out that national partnership will be cut and will no longer be available after next year. That is autism, and because we had suspicions that it would not be ongoing, we have made it the sort of program where we are giving one-off skills and education and support to mainstream teachers and to specialist teachers. It is about resources, it is about coaching and it is about upgrading these teachers. The aspect of it that has been the most popular has been how to work with children with autism who are in mainstream schools — understanding autism, understanding the spectrum and understanding how to work with those young people in the classroom. Some really good practical work has been going on there.

We are proud of our record. In a very tight financial situation we have increased this funding for students with disabilities by \$230 million over the last three budgets. That is nearly a quarter of a billion dollars for these very special kids. Consequently there are absolutely no waiting lists at all for the program for students with a disability. We have got the public transport program. We are not just resting with that. We are looking at better and more flexible ways of using the money that we have got there for transport for students with disabilities that provide and give more choice for the parents involved. If they are in the program, their child gets to the special school. We are looking at a range of options that might suit families better, because their situations are very different — the child is different, where they live, how far away they live from the school and the work options for the family. We are piloting a number of new ways of using that money in a way that will have a far better outcome for the student and obviously for the family at the same time.

On our capital works, once again the first budget was the largest single investment in special and autistic schools in more than a decade, and we have continued that on with land for special schools, with new special schools opened, the office of special schools, which will be opening next year, the second stage of Belvoir up at Wodonga, the first autism-specific P-12 in the western suburbs provided by this government. We finished off the Broadmeadows regeneration started by the previous government, and the only two schools that had not been part of that were two special schools. We have funded those, and they are under construction now. Whether it is

students in mainstream schools, whether it is special schools, whether it is capital works, whether it is support and choice for families and working with our fantastic teachers who work with these kids, I think we are doing a great job, and it is one I am very proud of and one that we always seek to improve, because these kids really do need that sort of support.

Mr SCOTT — Minister, I refer you to budget paper 3, page 74, the output summary for school education — school education primary and secondary — which outlines an increase in funding of 1.5 per cent in total dollar terms. I also refer you to the questionnaire that your department provided, question 12, which outlines by my account over \$200 million of efficiencies and savings. We would call them cuts, but let us not get into a semantic argument about that.

I also refer you to budget paper 2 — and you made reference to it in your presentation — population growth is forecast for 1.7 per cent, and consumer price index is forecast for the coming financial year of 2.5 per cent and wage price index of 3.5 per cent.

The increase in funding for education in primary and secondary schools is listed there as both at 1.5 per cent, which is below population growth and not even factoring into account inflation or wage inflation. From the figures that you have provided us, schools are having a real cut when you factor in simply population growth, let alone when inflation is taken into account, so why have you cut school funding in real terms?

Mr DIXON — Thanks for the question. We have increased funding in this budget in real terms in primary and secondary schools and in school education by \$149 million.

Ms HENNESSY — It is nominal, not real.

Mr SCOTT — That is nominal. That is not real; real has a specific meaning.

The CHAIR — Order! The minister has been asked the question; he will now respond.

Mr DIXON — The 1.5 per cent that the member is referring to does not include the support. If you look at the same table on page 74 of BP3, support for students with disability, it shows an increase of 8.5 per cent. That money there combined with the money that is in school education primary and school education secondary actually amounts to an overall increase on the ground in our schools of 1.7 per cent. I want to correct the premise of your question.

In terms of growth, this is real growth, this is real funding, this is real new money. Again, that money does not include the \$203 million that we are spending on capital works right throughout the state. Growth is patchy; it is not in all the same areas. Obviously you might have a school in an area where there is a falling population, so the money reflects that, whereas you have got to average it out across the system. When you look at capital works, for example, the land that we have purchased, the new schools that we are building, we are catering for growth in those growth areas. You just cannot apply a one-size-fits-all mentality to this. You say population growth is whatever the percentage was that you talked about, but that is a growth averaged out across the state; we are not experiencing that growth in every single suburb and town of Melbourne.

Where there is growth in terms of student numbers, we are providing that in terms of capital works or land purchases in the first place, because when families move in or if they move in without children, it is five years before they come to our schools, so we have a margin there. We are providing for growth of a capital nature, and we provide always, if schools have an increase in population and they are established schools, the money that the student attracts. If there are more students, they attract more money.

So we are providing for growth in our schools. The definition of growth is very different from school to school, and in fact the common understanding of growth suburbs does not apply in Victoria because you have the outer suburbs of Melbourne, which are growing, but we also have other suburbs in Melbourne which are rejuvenating and growing, and we have to address growth in those areas, and that might be above-average growth. Therefore we have to put our resources into that area as well, and we are doing that.

Mr SCOTT — I am very happy to take the minister through some figures, because while he was speaking he indicated that for output funding, once you factor in support for disabilities — and I checked; the figure there

is an increase of \$44.9 million — the output for school education, once you total school education, primary, secondary — —

Mr O'BRIEN — Point of order, Chair. Page reference?

Mr SCOTT — I am saying page 74. When you total those figures with support for students with disabilities, the figure is over \$8 billion. An amount of \$44.4 million represents an aggregate of just over 0.5 per cent across those areas. Inflation is running, by the figures — and 'real terms' usually refers to inflation; however, in school funding you also have to factor in population growth — at 1.7 per cent. So you get to a figure perhaps of just over 2 per cent for the entire department on the figures that you quoted back to us, and I am happy to take you through the figures if you really need me to repeat that. Therefore you have not met inflation, not even factoring in population growth. Minister, do you still contend in terms of output funding that you have increased funding in real terms?

Mr DIXON — The budget papers do not predict population growth. They are not based — —

Mr SCOTT — They do, actually.

The CHAIR — Order!

Mr DIXON — No. Budget papers do not predict population growth in terms of the figures that are in there, so any figures that are there are real new spending. So our extra funding is 1.7 per cent across primary and secondary schools. We then monitor the population growth, and if there is a growth in individual schools or across the system, which there will be at the figures you are talking about, then the extra funding goes into schools. The individual student resource package for each individual child is then increased to meet that population growth.

So what we have here is growth in programs and growth in new spending output initiatives. As I said it does not include capital works spending, which is \$203 million as well, and the figures in the budget do not actually take into account population growth. That is extra money that is taken into account at the end.

Mr O'BRIEN — If I could just ask you in relation to further elaboration on the support for vulnerable children, I refer to your slide headed, 'Providing effective support for vulnerable children' and also the budget overview. I was wondering, Minister, whether you could inform the committee of the work the government is doing to help vulnerable students stay in school and keep learning.

Mr DIXON — That is another group of students where the work we are doing is very important. As I said, we have other high-needs students, and they are students who face real difficulties, whether it be socioeconomic, they might have learning disorders, behavioural problems or mental health problems — they bring a whole range of issues to school. They may not necessarily be classified as or qualify for the program for students with disabilities, and we are doing a lot for these young people.

As you are aware, we have made a commitment of \$124 million for extra primary welfare officers in our schools, and we are on track to deliver that. So by next year an extra 300 primary schools will have the services of primary welfare officers. We also promised at the election that we would review the funding of disengaged students so that the funding would actually follow the student to the setting where they might go — out of the mainstream — and we have delivered on that. We are also redirecting our money in Koori education into programs that actually work and make a difference, and we are seeing results there as well.

We have \$20 million in the budget, as you have picked up, for student support services, and those student support services include psychiatric, speech pathology, behavioural support and other support services. That is the range of services that we provide. What we have seen and what we have committed to do was that the 400 staff that deliver those services have come out of the bureaucracy and have gone into clusters of schools, and that is tens of millions of dollars out of the bureaucracy and into the front line, into the schools. That was a difficult thing to change and for schools to understand, but what they have seen is a massive difference. It has really relieved the workload on teachers and made the response far more timely. Therefore it is far better, and it is delivering what was meant to be delivered by these specialists in our schools.

We have an extra slide and a handout which shows the satisfaction ratings. This is with the change in the student support services. The dip in the graph indicates where, under the previous government, the system was changed, where it became far more centralised and you had to fill out a 10-page form to get a student support officer out to your school. You never got the same one, it was never, ever a timely service and no relationships were built up between the support service officers and their actual clients — the schools, the parents and the individuals — and those relationships are so important.

Then you can see that the satisfaction rate turned around as soon as we changed the system. The system has been implemented, great work has been done by the department in working with our schools on this and also with the principals and school leaders in those networks who have worked together, and what we see is the satisfaction rate for our student support services that we actually offer coming right back to the levels where it was. So this is a decision we made because I knew we needed to have those services close to the children that receive those services. I knew that having it centralised and out of the schools was not going to work and was going to affect the service, and that is why we changed it. We had some opposition to it, we worked hard, we persuaded, we worked with our schools and we can see now that that has borne through. As well as that, we have \$20 million in the budget for student support services.

I mentioned Indigenous students as well. A couple of the great statistics, which I will finish up on, indicate that some good work is happening there. We now have 38 per cent of our Koori students in year 12 going on to university, which is a record number. That is a fantastic figure. The retention rate from years 7 to 10 is now 100 per cent. The programs we are offering, the work we are doing and the work our teachers are doing are making a real difference to the students that are at risk — through the SSOs — whether they be Indigenous students or students who have become disengaged from education.

Ms HENNESSY — Minister, if I could just refer you to budget paper 3, page 91, and the performance measure for the provision of the EMA, which is of course a support package that your government cut by \$14 million last year. This performance measure shows a further cut of \$7 million in EMA payments for the forthcoming financial year. Last year you tried to justify this cut by saying that parents were receiving a minor increase in their payment overall, which they were, but only due to the fact that you scrapped the schools component of the EMA. Obviously that left a lot of schools in the unenviable position of having to claw back money from cash-strapped parents to cover the cost of things like school books, excursions et cetera. Given there is no longer any EMA funding flowing to schools, where is the \$7 million in cuts for the 2013–14 budget being taken from? Is it a reduction of the allocation of funds for the parents component of the EMA?

Mr DIXON — Thanks for your question. In last year's budget we announced the combining of the School Start bonus and the education maintenance allowance. We also announced changes to the school component of the EMA, and we announced the increases in the EMA payment to parents in primary and secondary — larger amounts in primary and secondary — and also a special loading for parents who have students in year 7 and also in prep. Those were part of last year's budget, and there have been no changes at all to the arrangements that were announced last year. What you are seeing is the flow-through effect of the changes made last year, and there have been no further changes at all to that program. The parents whose children are eligible to receive the EMA are receiving their increased allowance — more so in prep and year 7.

When you say that schools have lost the school component, over four years we are actually redirecting \$61 million of that school component back to our most needy schools. All schools are eligible to attract an equity component according to the socioeconomic status of the students and a whole range of other factors, and they attract some equity funding. The schools most in need — the ones that are in areas where there is really quite entrenched disadvantage — will, over the next four years, enjoy an extra \$61 million in equity funding to that they have received in the past. There are no changes to the announcements that were made in last year's budget, and we are just seeing the flow-through effects of that within the budget papers.

Mr O'BRIEN — Capital funding for western Victoria — —

The CHAIR — Order! Ms Hennessy has the call.

Ms HENNESSY — Let us make it crystal clear, Mr O'Brien: in 2011–12 — —

The CHAIR — Order! Ms Hennessy, it would be helpful if you would address the question through the Chair to the minister. If we can return to normal?

Ms HENNESSY — Certainly, Chair. In 2011–12 there was \$63 million, last year there was \$48.4 million and this year there is \$41.2 million. There has been a \$7 million cut. Where does it come from? You are using language like, ‘This is just a flow-through’. Take the committee very clearly through where that \$7 million comes from.

Mr DIXON — I will go back to my original answer.

Ms HENNESSY — That did not help.

Mr DIXON — We announced changes to the EMA — to the school component and to the amount that parents receive — in last year’s budget. The effects of that are flowing through. It was announced last year, and it is flowing through into this year and into this coming financial year — the school year and the financial year at the same time. It is a flow-through. There is absolutely no change at all to the policy that we announced last year. I say again that \$61 million of the school component is being redirected to our most needy schools — —

Ms HENNESSY — The budget papers say a \$7 million cut, Minister.

The CHAIR — Order!

Mr DIXON — It is \$61 million over four years as extra funding for those schools that most need it. Schools that have the highest equity need are receiving extra funding. The parents who receive the EMA are receiving extra funding. There has been no change at all to the figures or to the amounts we announced in last’s budget. The outcome of the announcements in last’s budget are just flowing through the budget papers, through this financial year and the next financial year.

Mr ONDARCHIE — Minister, I refer you to budget paper 4, page 15, where we talk about capital projects in your portfolio. Victoria’s population boom continues unabated. This has an impact on a whole range of universal services, including education, of course. In my area alone the population is growing hugely, and the people out there tell me they have been ignored in terms of services for 10 to 12 years. As a result, we need some support in the education portfolio around these growing areas of Victoria. Could you outline for the committee how your portfolio is responding to that population growth and meeting the needs of those Victorian families?

Mr DIXON — Thanks for your question. As I mentioned in one of my earlier slides, one of the challenges is the population growth and keeping up with population growth in Melbourne and in Victoria. As I said, it is not just in the typical growing outer suburbs; we also have population growth and pressures within some of our inner suburbs.

In terms of the growth areas around Melbourne, since we have come into government we have invested more than \$200 million in new schools and land purchases in those areas. We have a very, very good process whereby we use ABS statistics, we use developer information and we use local government statistics, Growth Areas Authority statistics and our own statistics, so that we can work out where the population will be settling, where it is coming and when it will be arriving, and therefore when we need to buy the land, when the land is available and when do we need to construct the schools. We now have a really good system where everybody, all parties, agrees on the figures. There is no disparity or argument about where the growth is coming; there is agreement about that. It used to take up a lot of time and energy, so it does not now. We are all focusing in the same direction.

I have also said there is growth in areas outside of Melbourne. I think a good example of it is down at Torquay. The previous government insisted on having just one school in Torquay. There is a massive growing population, and the secondary school kids had to go up to Geelong, they just left their community, under pressure. The primary school was made into a P–10, I think it was. Numbers were just massive. We said in the 2006 and the 2010 elections that we would build a stand-alone secondary college down there, and we have done that. It is under construction. There is room for the existing Torquay primary school to expand, because in 2014 the secondary school students that are there will be going to their new stand-alone college, Surf Coast Secondary College, just out of town. Also recognising that we have bought another block of land, because there

will be the need for another primary school in the area. We have done that. It is an area where you would not think of it, but the population growth is quite incredible. It is not just confined to the outer suburbs of Melbourne.

I have talked about the west, which has done very, very well out of this government with the new schools and the land purchases that we have announced not just in this budget but also in previous budgets. The north has also done well. Mr Ondarchie was out there with me when I announced funding for the first stage of a secondary school in Doreen. In fact we were standing on the site of the new primary school that is actually under construction, paid for by this government, looking at the block of land next door, paid for by this government, on which the new secondary school, paid for by this government, will be constructed. The community out there, as I think you know, is very, very happy with that.

In terms of special education, we are providing special education for those growth areas as well. A good example, as I have mentioned before, is the Officer special school where students will be starting next year, which is very exciting for that community, which has been fighting for that for a long time.

In terms of inner Melbourne, we are also increasing capacity in two areas: South Melbourne and Coburg. We are expanding the current senior secondary college in Coburg, which will become a 7–12 secondary college, because there is a gap. There is work that we did, studies that we did. It is not just anecdotal; we do not work like that. We work on the real figures, real trends, and with the community — it was a very active community group. We worked with them, established that there was a need and we are fulfilling that need at Coburg. Again, South Melbourne, you would not expect population growth there, but the primary schools' numbers are really building up. In the short term we are helping them with double-storey portables, but in this year's budget we have announced money for the purchase of land in South Melbourne in Ferrars Street. There will be money there to not only purchase the land but also demolish the existing buildings on the land, prepare the site and also do the design work for a new school in that area.

Wherever the growth is happening, we are there, we are watching it and we are careful. As I said, it is not just the building; it is the land purchases. We have spent \$79 million, nearly \$80 million, on land purchases since we came into government. We have 14 blocks of land that we have purchased. We have a land bank out there, anticipating growth, but anticipating growth that we know will occur because we worked with all the agencies to establish where that growth will occur. We are ahead of the game there. We lost ground because there was only \$8 million in the last budget of the previous government. We have made up that ground, and we are now building for growth.

Mr PAKULA — I have a copy of this week's *Bayside Leader*. It is a good example of spin butting up against reality. On one page here you have the nice paid advertising feature, with your photo and Minister Lovell's and Minister Hall's photos, about your vision for education to become the best. Three pages on is an article headed 'Enrolments to cease at Beaumaris campus', which says:

Sandringham College will not enrol year 7 students at its run-down Beaumaris campus next year and school leaders say they are 'not in a financial position' to sustain it.

Then from the principal of the school, Allen McAuliffe:

We are not in a financial position to sustain the Beaumaris campus and we are unable to enrol students into the campus at year 7 in 2014.

This is in response to the statement that:

... Education minister Martin Dixon refused to fund a stand-alone school at the Reserve Road Beaumaris site.

Minister, you have spoken a lot in this hearing about your commitment to autonomy. You have a situation here where despite a stand-alone school being supported by the local community, by the school council, by the school principal and by local government — that is the autonomous decision that they have made — you have rejected that decision and as a consequence enrolments are now ceasing and the principal says that the school is in a financially unsustainable position. How do you marry up your rhetoric about autonomy with the decision that you have made in regard to this school and the consequences for it?

Mr DIXON — Thanks for your question. I think you live in that part of Melbourne, so you know the schools pretty well.

Mr PAKULA — Yes, I do know it well.

Mr DIXON — What we have found is that we have seen falling enrolments. First of all, Sandringham College has three campuses, one of which is in Beaumaris. No government money was spent; it is years since any money has been spent on that school. Very little maintenance money has been spent on that campus of that school for a long, long while. There has been an issue of a perception in the community that the school was uncared for and numbers were leaving that school.

It came to a head where the school council said to us that they wanted to look at, or they were looking at, divesting themselves of the Beaumaris campus. They just wanted to have a two-campus school. They wanted Sandringham College to have two campuses. So what I said I would do is undertake an independent demographic study and an independent feasibility study on the need for education in that area, and specifically the Beaumaris campus. That independent study has been done. What it found was, first of all, that if Sandringham College were going to divest themselves of it the sequitur of that was that it would need to continue as a stand-alone school. So a very thorough demographic study and a very thorough feasibility study was done in that area about students — how many lived there, where they went to school, where their parents were saying they would send their children to school. They talked to all the primary schools, talked to a range of community groups, talked to the local council. It was a very, very thorough study and looked at future possible projections, future possible developments that might be in the area. It found that there was absolutely no case for a stand-alone college at Beaumaris. It just would not be viable.

We have got to have a certain critical mass to establish a new stand-alone secondary school so the students at that school have actually got the subject choice and also the pathways choice that a larger school provides. That just was not going to happen in the short to medium term, with the work that had been done, which was pretty thorough work. At the same time I was not prepared to just close Beaumaris. It could not operate as a viable stand-alone secondary school, that would not have been fair on those students — and there are only 120 there this year. I was not going to sell the school. There were certain sections of the community that were accusing us that we might be doing that, and I just was not prepared to do that. Therefore the only other option was that the status quo remain: that Sandringham College would retain the three campuses and we would support them with that.

I notice you did not mention that this budget actually allocates \$6 million for works at Sandringham College, and in the true spirit of autonomy we are not directing how or where that money should be spent. It is the school council's decision as to how they spend that money, what share over what campuses and how they do that. We have also over the next two years guaranteed the school an extra \$1 million in workforce bridging finance. Because of the particular problems in running that third campus — and there are obviously the staffing issues with that, because it is a burden on the school, and we have recognised that — they will be receiving that funding as well.

In the spirit of autonomy we have said to the school council, 'Given that we are not going to sell the Beaumaris site, given that it is just never going to be in the short to medium term viable as a stand-alone secondary school, your school is your three campuses, as it has been for a few years now. We will support you in what you do, how you decide to organise and work on that campus, how you see the future of that campus working into the future'. The school council made the decision not to have year 7 enrolments at that school. I am not going to override that decision because they are autonomous and they have made that decision.

But we are working with the school. There are some possibilities of a whole new look at Beaumaris campus as part of Sandringham College — new directions, new specialisations — and I will be working very closely with the school, with the community and some outside partners on a possible exciting future for the Beaumaris campus.

Mr PAKULA — Minister, just so we are clear, in an environment where all of the local primary schools — Beaumaris, Beaumaris North and Black Rock — are full, and where the number of families in the area has trebled, you say it is completely unviable for that to be a stand-alone school. But you say also that — —

Mr O'BRIEN — It is nice to see the former member for Melbourne Western Metropolitan is more concerned about — —

Mr PAKULA — It is nice to see you focus more on me than on the families that are affected by this, Mr O'Brien.

The CHAIR — Order! We are not going to have a conversation. The deputy has the call to ask a supplementary.

Mr PAKULA — I am trying to understand what the minister's vision for the future of this campus is, where the minister says on the one hand that it will not be sold and on the other hand where the principal of the school — not me, Mr O'Brien; the principal of the school — says that they are not in a financial position to sustain the campus. So what are you saying, Minister, is going to become of that campus, given that you will not let it be a stand-alone school and the principal of the school says it cannot be sustained in its current form?

Mr DIXON — I go back to my original answer once again: that it is not viable. I do not know if you are questioning the fact that the demographic study that has been done is wrong. It has been an independent study. It has done a lot of work and has looked at all the aspects that might throw up figures about future enrolments and future need for secondary schooling in that area and it just does not stack up. The numbers just are not there, and the intentions are not there from the parents. It is qualitative and quantitative work that has been done, and it is not fair; we do not establish schools that are not going to be viable, are not going to offer the pathways choices and the subject choices for students. We are not going to sell the block of land.

Therefore the school — Sandringham College — will have a three-campus school. How they work those three campuses is up to the school to make the best of that. As I said, we want to support them in possible new directions and new partnerships for that campus, or for the whole school for that matter. We will certainly work with them, and I want them to pursue that path. We are supporting them financially. We are supporting them with \$6 million of capital works which can be used how they see fit, according to the priorities across their three campuses. We are also supporting them with recurrent funding, with \$1 million worth of workforce bridging over the next two years. So the certainty is there for the school; they, the principal and the community know what the future of their school is in terms of the campuses and the future of the campuses. They have got the financial security that they were after, and they also have my support and that of my department to forge what I think could be a pretty exciting direction forward.

Mr ANGUS — Minister, I refer you to budget paper 3, pages 7 and 8, the output initiatives there. I note that the government has made a commitment to internationalising Victorian education and in particular to giving every student a language education up to year 10 by 2025. Can you outline for the committee what action the government is taking to achieve these goals?

Mr DIXON — Thanks for the question. That is a very important aspect of our vision for education. As we all know, Melbourne — and Victoria — is the multicultural capital of Australia and one of the great world leaders in multicultural society, and that is a great asset and a point of difference for our economy and also for our society. We have also led the way in Victoria with languages education. More students undertake languages education in Victoria than in any other state, but the actual percentage has been slipping.

What we have seen is in 1999 nearly 89 per cent of primary schools were teaching a language other than English, and in 2010 that had slipped to 69 per cent, so 390 separate primary schools had discontinued it during that time. That is a real concern given Victoria's former status and the importance of multiculturalism and education to this state. Also, I think what has been recognised by both the federal government and our government is the importance of engaging with Asia, the importance of Asian languages and of understanding Asia and all the aspects related to that culturally and economically. We have said that by 2025 we would like every student in Victorian schools from prep to year 10 learning a language as well as English, and we would like 25 per cent of our senior students taking another language as part of their VCE subjects. That is a major challenge, and we are investing in building up the capacity of our teachers and in scholarships for our teachers so that we have got the wherewithal on the ground to actually deliver that program.

A lot of work has been done, and I would just like to outline some of the work that we have been doing. The sort of work is under four headings: on participation, on the quality of languages education, on the diversity of it

and in collaboration. Our work has been centred on that. We have already invested in language immersion training for teachers so they can teach a subject in another language. For example, all the science or maths might be taught in German, or geography might be taught in French, and the kids are totally immersed in that. That is a great way of learning a language, and that is happening in some of our schools.

We have also been piloting better ways of establishing language programs from scratch for schools that have never had language programs. As I said, 55 scholarships have been handed out to teachers to up their capacity, so that is for teachers who have another language and need teacher training or current teachers who have a language ability but need education in the language education, if you know what I mean: how to teach languages in an effective way. About 14 clusters have been established where primary schools, secondary schools and non-government and government schools work together on language provision in their area.

In our remote schools a lot of languages education now is starting to be delivered by videoconferencing. About 600 of our most remote schools now have videoconferencing facilities. I have been in schools — Ballarat High School I think was delivering VCE German to three small secondary schools in that area, the Grampians region. There were three students in one and four in another, all interacting with the teachers in real time. We have got to look at clever ways of delivering languages education.

The final area which is covered in the budget as well is the China immersion program. That will involve 1500 year 10 students spending probably about a term over in China, and that is a great way of literally immersing our students in another culture and another language. All the benefits from that — not only to those students but to the future of our state and future relationships between us and Jiangsu Province, which is our sister province in China — are really immeasurable. This has never been done on that sort of scale before. I was in China earlier in the year talking to them about that, and they are very excited. They have never seen a commitment from any government around the world for that sort of program.

Mr SCOTT — Minister, I went through your presentation and other material in the budget, but I could not find reference to the Coatesville Primary School in the Bentleigh electorate, which I understand you had visited previously. I understand that it has buildings from the 1950s which are in a very poor state of repair and that classes cannot be held in some of them. In at least one case a floor collapsed underneath the weight of a junior class. I think it was a grade prep to 2. The school has completed its master planning and was eagerly awaiting funding in this year's budget. There was a promise made by the member for Bentleigh that it would be her 'first priority in Bentleigh electorate'. That promise was made prior to the last election. The school is very disappointed not to have received funding in the budget, yet the member for Bentleigh told the local paper that the planning stage still had a way to go before capital funding could be allocated.

This is strongly disputed by members of the school community. I note the principal said funding had been allocated for the school to complete its master plan for renovations in last year's budget but that this had not been done. Could you clarify whether the school is, as they consider, waiting for funding to go to tender or, as Ms Miller suggested, the school has not finished its planning stage?

Mr DIXON — Thank you for the question. Yes, there are buildings at Coatesville that have been neglected, over a long time actually. I do not think that all the windows started to automatically rot and the leaks started to appear on 26 November 2010. It is a school that suffered from years of neglect under the previous local member and the previous government. That is why the school needs some major work spent on it — because of the neglect it found itself in when it was forgotten by the previous government. The previous government actually reduced maintenance spending, would you believe? It reduced maintenance spending over its time in government. Coatesville is a good example of the outcome of what happens when you reduce maintenance spending.

Anyway, the school was granted funding to start doing its planning. When I came into the job I found that under the previous government there were about 220 schools in the pipeline that had received planning money. They had master plans done- —

Members interjecting.

The CHAIR — Order!

Mr DIXON — Some even had their tender documentation finished. The idea was to keep them quiet for a few years and keep them busy with planning. More than 200 schools came to us and said, ‘We were promised money if we did all the planning. Where is it?’. And it was not there. More than 200 schools were led up the garden path. They were given the planning money, but there was no money for the actual construction. We are reaping the lack of benefits from that issue. I just wanted to put that in context.

This is one school that received planning money in a previous budget from this government. Yes, the master plan has been done. My understanding is that it has not got to the stage where it is ready for tender documentation, which is the final stage. You have a range of stages within planning. Master planning is literally just a master plan. Tender documentation is a folder this thick, which goes right down to the number and colour of the power points so that it is ready to go out to tender to builders. My understanding is that it has not got to the stage of tender documentation. Once it has done that, it is then ready for a capital bid.

Mr PAKULA — Right. So what the member for Bentleigh said is not true?

Mr DIXON — I can assure the members of that community and all Victorians that if we hand out planning money for a project for a school, we intend to finish that project in a very, very timely manner and we will allocate money in a timely manner for that project. That is what we will do in Coatesville. We will not be following the lead of the previous government and have 200 schools out there, with all their planning done, waiting for money that is not going to be there.

The CHAIR — Mr Scott on a supplementary.

Mr SCOTT — Considering the time, and to facilitate further questions, I am happy to move on to the next question.

Mr O’BRIEN — I thought he was looking for Mr Swan’s surplus.

Mr ANGUS — That is Gonski; do not worry about that.

Members interjecting.

The CHAIR — Order! Mr O’Brien, do you have a question?

Mr O’BRIEN — Yes, I do. I would like to ask you, Minister, about the importance, as a result of sound economic management, of having new capital projects and land acquisition undertaken in a timely manner. Some concerns have been raised about the cost effectiveness of Victoria’s investment in school capital work and capital assets. Could you please outline for at least some members of the committee or the Victorian public how you will ensure that Victoria will get the maximum benefit from the capital investments listed in these very soundly put together budget papers?

Mr DIXON — Thanks, Mr O’Brien. As you are aware, the budget covers a whole range of areas, such as new schools, land purchases, upgrades for schools, portable classrooms — —

Mr O’BRIEN — Particularly in the west, which our members — —

Mr DIXON — In the west, of course, and also our specialist schools. It is important, and we have been talking a lot as a government about the need for improved school maintenance. When you are in a tight financial position and the dollars are not around and you are losing your revenue from the federal government, you have to make the most of the money that you do have and you have to maintain your assets. In the end it is the students who benefit from this, so if you are maintaining your assets well, you have a safe and productive work environment for the students and their teachers and you are freeing up money. You are not throwing good money after bad. You are allowing money to actually be spent on programs for students. It has that flow-down effect literally right through to the classroom.

We have seen billions of dollars invested by the federal government in the BER. We have seen the previous government’s capital program, yet at the same time what beggars belief is that when all these billions of dollars have gone in, why do we still have a maintenance backlog of \$420 million? It is just incredible.

In fact I have a couple of quotes here from the Auditor-General in regard to that. He found, and I quote:

... a long legacy of government underinvestment in the maintenance of school buildings.

He also concluded, and I quote:

Completing and implementing a robust long-term asset management strategy is overdue and is critical to DEECD effectively managing school buildings.

He also noted that we were doing something about that:

DEECD is currently in the process of developing a comprehensive asset management strategy ...

That is what we are doing. I remember Brad Orgill, who followed up on some of the BER fiasco that we had, saying that it was questionable value for money —

Mr O'BRIEN — Yes, a total fiasco.

Mr ANGUS — Absolutely. What a rip-off for the taxpayers.

Mr DIXON — and there were delayed projects and a whole range of missed opportunities.

Mr PAKULA — Go out to Hampton Park Secondary College and tell us it is a fiasco. You are a disgrace.

Mr ONDARCHIE — You are a clown.

The CHAIR — Order! We have 8 minutes left of this session. Do you really want to lose 5 of them?

Mr O'BRIEN — I would like to hear more of the minister's answer.

The CHAIR — Order! The minister, without assistance from any members.

Mr DIXON — We found that under the Victorian schools plan of the previous government the school was modernised and fixed if \$300 000 was spent on it. That was the definition right back to 2000, which just illustrates the point. Many of those schools are the ones that have the highest capital need. You cannot say that because we have spent \$300 000 on a school or even in some cases \$1 million on a school, that school is fixed. It is not, and the figures have shown that.

What we have done is addressed maintenance in a way where we have needed to get that snapshot. We have had the audit. It was the independent audit that found the maintenance backlog of \$420 million. What we are now doing is working through that so that the buildings with the greatest need, those that were in poor condition, are all being upgraded. That is over 500 buildings in 200 schools that are being upgraded with the \$51 million that we have allocated in maintenance funding for this year.

That is an important start in that program, but what it does illustrate is the fact that on the maintenance side we have a pipeline system that is based on need. What we are also saying is that schools need clarity regarding where they fit in with the capital need. One of the things we have learnt is that maintenance and capital cannot be seen in isolation; we have to work together and they have to complement each other. You get to a tipping point where it is no longer worth spending more money on maintenance when it becomes a capital project. We have that pipeline in place now for maintenance, and we are also working on a pipeline now for capital works so that schools know where they are, what their needs are and what is going to happen in the future.

We have to get better value for the money we are spending on capital works and on maintenance, and we have to avoid the maintenance backlogs that we have seen. As I said, the maintenance funding was cut by the previous government, and we have been lumbered with that — —

Mr ANGUS — Disgraceful.

Mr PAKULA — Not true.

Ms HENNESSY — That is just not true.

Mr PAKULA — It is not true.

Members interjecting.

Mr PAKULA — I am not going to have the minister mislead the committee over and over again. Over and over again; second year running.

The CHAIR — Order!

Mr DIXON — We have increased the ongoing maintenance money that schools receive by about 40 per cent — —

Ms HENNESSY — There is no maintenance in my electorate. It is a pork barrel.

Mr DIXON — And we also have that \$51 million this year for maintenance in our schools. So that we are clear, it is targeting the buildings that are in poor condition.

Mr ANGUS — Terrific.

Mr O'BRIEN — Pork-barrelling in the western suburbs that we thought you would be grateful for.

Ms HENNESSY — Despite my instinctive temptation, Mr O'Brien, I am going to leave that alone.

The CHAIR — Thank you, Ms Hennessy.

Ms HENNESSY — Minister, there are rumours about the future of the LLENs program. Can you guarantee that funding will exist beyond December?

Mr DIXON — Which budget reference were you referring to here?

Ms HENNESSY — Pick any out of the education or departmental outputs.

Mr DIXON — You pick one.

Mr ANGUS — You have to be specific.

Ms HENNESSY — Certainly. That is a good start. Overall departmental funds, where do you want to start? Do you want start around capital? Do you want to start at student support services again?

Members interjecting.

Mr PAKULA — On a point of order, Chair, for the benefit of members of the committee and for the benefit of the minister, there is not a requirement that a member have a budget reference as long as the question relates to the forward estimates and expenditure from departmental allocations over the forward estimates period. There does not need to be a budget paper reference.

Ms HENNESSY — To save us time — —

Members interjecting.

The CHAIR — Order! I will rule on the point of order. Yes, the Deputy Chair is correct. There is no need for a specific budget reference as long as it relates to the subject of the hearings, which today is the budget estimates for the portfolio of education. As long as it is related to the portfolio and it is involved with expenditure or capital expenditure, then it is an allowable question. That is why I will allow the question.

Mr DIXON — I was just a bit taken aback by the reference to a rumour, not to the budget papers. Anyway I am happy to answer.

Mr O'BRIEN — On a further point of order, Chair, while Mr Pakula's point of order is correct in itself, there is also another convention that if a question is related to a specific line item expenditure, as a matter of common courtesy and convenience for not just the minister but also members of the committee and members of the public, a budget reference is conveniently provided — a page reference, as has been done by — —

The CHAIR — Order! Thank you, Mr O'Brien. I am sure all members would agree with that. In the case of the question asked by Ms Hennessy, there was not a specific reference. It was, however, entirely within the parameters of this inquiry, which is why I allowed the question.

Mr DIXON — Thank you for the question. The LLENs do a great job around Victoria and we have looked into them, as we do and any government should do, to ensure that any of the organisations that impact on student learning and on our schools are doing the right thing and are doing a good job. That review has found that the LLENs are doing a great job. There is nothing at all in the budget papers or in my mind or in my thoughts or in my documents to indicate a change in the funding allocations to LLENs. But there is a threat to the future viability of our LLENs — that is, they are partly funded from the federal government and are part of the National Partnership on Youth Attainment and Transitions, which we have been told by the federal government is one — do not quote me yet around the circles — for which funding will run out at the end of next year.

Also we have specific concerns regarding workplace coordinators, which are in all the LLENs and are funded by the federal government. I have written a specific letter to Peter Garrett, the federal minister, to seek clarification on the future of the funding for those placements and the personnel who are part of our LLENs here in Victoria — that is the structure in which they operate. I have not received an answer from the minister regarding the future of those people who are doing great work in our LLENs, notwithstanding the fact that that national partnership will be finishing at the end of next year. We are seeking clarification from the federal government regarding their future. That is where the threat is; there is no threat from us.

Ms HENNESSY — Just to clarify then, Minister, in your output funding there is funding from the start of the forthcoming financial year to financial year end, to support LLENs in its current form, irrespective of the intersection with the national partnership issues that you spoke of?

Mr DIXON — In terms of what is in the budget papers and, as I said, my thoughts and in terms of any policy decisions, I am not making any changes to the funding in terms of the quantity of funding to our LLENs.

Ms HENNESSY — No review?

Mr DIXON — As I said, the threat is from the federal government, not from the state government.

Ms HENNESSY — Thank you for your thoughts.

The CHAIR — Thank you, Minister. That concludes consideration of the budget estimates for the education portfolio. I do thank the minister and the departmental officers for their attendance here today. I do not believe there were any questions taken on notice, so there should not be any need to follow that up. That concludes this hearing; all broadcasting and recording equipment should now be turned off.

Witnesses withdrew.