

TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget Estimates 2019–20 (Education)

Melbourne—Friday, 7 June 2019

MEMBERS

Mr Philip Dalidakis—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr Gary Maas

Mr Danny O'Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Ingrid Stitt

Ms Bridget Vallence

WITNESSES

Mr James Merlino, Minister for Education,

Ms Jenny Atta, Secretary,

Mr Tony Bates, Deputy Secretary, Financial Policy and Information Services

Ms Kim Little, Acting Deputy Secretary, Early Childhood Education, and

Ms Katy Haire, Deputy Secretary, School Education Programs and Support, Department of Education and Training; and

Mr Christopher Keating, Chief Executive Officer, Victorian School Building Authority.

The CHAIR: Good evening everybody. I declare open this hearing of the Public Accounts and Estimates Committee. On behalf of the Parliament, the committee is conducting this inquiry into the 2019–20 Budget Estimates. Its aim is to scrutinise public administration and finance to improve outcomes for the Victorian community. The committee will now begin consideration of the portfolio of education. I welcome the minister, the Deputy Premier, the Honourable James Merlino, and officers from the education department. I thank you all for appearing before the committee this evening.

All evidence given is protected by the Parliamentary Committees Act. This means that it attracts parliamentary privilege and is protected from judicial review—although if you do slander somebody you should not repeat it outside, because then you would get no protection whatsoever. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

Minister, I invite you to make a brief opening statement or presentation of no more than 10 minutes. This will be followed by questions, usually insightful, always interesting, from the committee. Minister, over to you.

Visual presentation.

Mr MERLINO: Thank you very much, Chair, and thank you to the committee for the opportunity to present and answer questions at PAEC today. This is an exceptional education budget. There is a lot to go through, so I will endeavour to do that as quickly as possible. The budget delivers on every single election commitment that we took to the Victorian people last year. It continues and extends our government's historic commitment to education reform. Now we are getting into the fourth year of our education state plan—the 10-year plan—and the incredible value of this work is becoming clear.

The government has already invested an unprecedented \$9.7 billion since 2015 in early childhood and school education and, as I said, we are getting into the fourth year of our plan, the successes of which are evident in the fantastic feedback we have received from teachers and principals and their commitment to drive improvement in their schools and classrooms. It is evident, Chair, in our best ever NAPLAN results last year. We have more students in the top two bands and we have more students coming out of the bottom three bands. It is also evident in the significant improvement we have seen for year 12 completion rates of children from socio-economically disadvantaged communities.

In terms of this year's budget, \$3.8 billion builds on the foundations we have laid. It includes \$2.8 billion extra across schools and \$1 billion across early childhood. It includes Victoria's largest-ever investment in school and kindergarten infrastructure. Since 2015–16, and including 2019–20, this brings our total investment across schools and early childhood to \$13.5 billion, and it delivers one of the most profound education reforms imaginable—universal subsidised kindergarten for three-year-old children.

The government is continuing to deliver historic levels of investment in the early years to set our children up for success. It is a wonderful step forward for the education state. This graph—and I will pause on each of the graphs—highlights the real comparative size of our \$1 billion investment in new funding for early childhood education initiatives. The darker red is our previous four-year term compared to the period of the previous government, and the lighter red is the investment in this year's budget. It is quite extraordinary, and our

landmark investment in early learning—three-year-old kinder—will provide a massive boost to children’s cognitive, social and emotional development.

In terms of three-year-old kinder this is an absolute game changer. By full rollout, 2029, three-year-old children across the state will have access to up to 15 hours of the subsidised kinder program every week for 40 weeks per year. We are talking around 90 000 children that could benefit each year. Due to the scale of the reform we will implement it in stages to ensure children are learning in quality environments from qualified teachers, no matter where they live. We begin that work with \$881.6 million to deliver quality subsidised kindergarten to all Victorian three-year-old children. We are also committing a further \$26.1 million to the Australian-first school readiness funding, which is the equivalent of the equity funding in schools. That is what school readiness funding does in our kindergartens, to bring that total up to \$84.3 million.

Of course our skilled workforce—early childhood workforce—will be at the heart of this initiative. The three-year-old kindergarten reforms will create more than 6000 early childhood education jobs over the next 11 years, and to build this workforce the budget includes a \$28 million investment to add two early childhood qualifications to the free TAFE for priority courses list—and I am sure Minister Tierney will speak about that later on this evening. We will be providing support, advice and resources to early childhood teachers, educators and service providers throughout the transition. We are investing \$92.4 million to attract, develop and retain this growing workforce.

In terms of infrastructure, which is the next slide, the government is working alongside service providers to implement this nation-leading initiative—and again, we should pause and have a look at that graph. Again, the darker red is our previous four-year term, compared to the government before us, and the lighter red is the investment in this year’s budget. It really is extraordinary. To achieve universal three-year-old kinder we need to build or upgrade almost 1000 kindergartens across the state, and this budget delivers \$473 million for early childhood infrastructure, which will support the sector to invest new and expanded kindergarten facilities when and where they are needed most.

The budget is focused on ensuring every child has the chance to participate in a high-quality kinder program. It includes \$6 million for an inclusive kindergarten facilities program, \$1.6 million for the kindergarten inclusion support, \$3.4 million for early childhood intervention services and \$49.7 million to continue kindergarten fee subsidy, early start kinder, early childhood teacher supplement and ratio-supplemented programs.

I will now move quickly to schools. For schools this budget is delivering an additional \$2.8 billion, and again the comparative graph is up there on the screen. This record investment is delivering on our Education State agenda, it is tackling disadvantage by funding the initiatives that have the biggest impact on educational outcomes, it is focused on delivering excellence across our system and it is upgrading schools in every corner of the state.

In terms of student outcomes—the next slide—this government’s unprecedented investment in education is paying dividends. Victoria is a top-performing state in national and international assessments. The 2018 NAPLAN results—our best ever—show Victoria continues to be the highest performing state in Australia. Victorian students in years 3 and 5 lead in four out of the 10 NAPLAN testing areas. Victorian year 7 students were the first or second-best performing in three out of five testing areas: reading, numeracy and writing. Year 5 and 9 students saw their average score increase in four out of five of the testing areas: reading, numeracy, spelling and grammar, and punctuation.

In 2018, as I said, more students are in the top two bands and more students are out of the bottom three bands. This data shows our schools and teachers are lifting the performance of Victorian students across different year levels. In 2016, to help with student performance, we invested \$565.6 million over four years and \$170.6 million ongoing in additional equity funding for schools based on their levels of disadvantage. And these improvements are not just numbers; they demonstrate how education changes lives and how strong, well-supported schools give kids new opportunities.

In terms of slide 12, Victoria will be Australia’s fastest growing state over the next decade. Every PAEC hearing I show this graph, which shows the growth—the steady growth—in non-government schools over the last 20 or 30 years, and the graph on the left, which shows a massive spike in public school enrolments from

around 2011. That growth is here to stay for the foreseeable future. Indeed the front page of the *Age* today—we will crack 1 million students next year. We now need to cater for 115 000 additional students over the next five years. And that is why this budget has delivered \$1.82 billion to continue our school building boom.

This is my favourite slide of the presentation and it should stay up there probably for the whole hearing, I would suggest—\$1.82 billion on top of the \$1.25 billion of the previous year. Our yearly average in school infrastructure is \$1.1 billion compared to \$310 million under a previous administration.

Our record infrastructure investment is delivering on the government's commitment to build and open 100 new schools over the next eight years for our growing communities. And our investment means hundreds more schools continue to be upgraded across Victoria, in fact 1400. The budget funds the construction of 13 new schools to open in 2021, with another four opening in 2022. Including our previous budgets and our election commitments, we will now open 14 new schools in 2021 and 13 new schools in 2022. We are also acquiring land for new schools in the municipalities of Hume, Macedon Ranges, Melton and Wodonga, and we are delivering major upgrades at a further 109 schools.

The Victorian government has been rolling out the largest ever dedicated asbestos removal program from our public schools, as per our 2014 election commitment. This budget sees a further \$179.5 million to continue removing asbestos. By the end of next year, as promised, all government schools will be asbestos safe—free of high-risk asbestos and asbestos that may pose a risk in the future. As part of our asbestos safety program, the Yarra Glen Primary School community celebrated the opening of its new \$1.6 million building, including four modern classrooms and a generous common area. The new building replaced buildings identified as containing asbestos that could pose a risk in the future as part of our permanent modular school buildings and asbestos safety programs. These permanent modular buildings are just fantastic—architecturally designed, permanent buildings when there is so much asbestos in the existing building that the best thing to do is to just knock it down. It is wonderful to see both sides of the house—the Parliamentary Secretary for Schools, Mr Richardson, and Ms McLeish, the shadow spokesperson for education—give the two thumbs up to this asbestos removal program.

The budget delivers on our election commitments for programs in schools, including \$7.5 million for community language schools, \$58 million to expand the school breakfast clubs program and \$24.1 million will also be invested to start work on the Child Link register, which will improve information sharing between key professionals responsible for the wellbeing and safety of children.

So, Chair, I am very proud of how far we have come in the Education State. The government's sustained education investment is helping thousands of young Victorians get the skills they need. To achieve our full potential the Victorian government is working to secure a bilateral agreement with the commonwealth, and that is reflected in the budget papers, that we are still to secure that bilateral agreement. This budget funded many initiatives for one year, and while we continue to push for an agreement, that will provide for long-term certainty. When we secure that agreement—both parties are required to secure that agreement by the end of this financial year, so by the end of this month—we will secure the future of the Education State. The government's sustained education investment is helping thousands of young people reach their full potential. Thank you, Chair, and I am happy to answer questions.

The CHAIR: Thank you, Deputy Premier. I may say you went 3 seconds over time, which, given the depth of information that you presented, is a credit to you. Let me move to the first of the government members—to you, Mr Richardson.

Mr RICHARDSON: Thank you, Minister, Secretary, deputy secretaries and the chief executive officer of the VSBA. Minister, I want to take you to budget paper 3, page 31, and particularly your slide around the asbestos removal program. Could you outline, for the benefit of the committee, this investment in this budget that will go towards the removal of asbestos across government schools?

Mr MERLINO: Thank you, Mr Richardson, for your question and this important issue of asbestos removal. As I said in the presentation, for the first time ever a government has a dedicated asbestos removal program—so proactively identifying asbestos and removing it rather than just dealing with it reactively. The government is committed to transforming Victoria. It is the Education State, a place where a high-quality education in a safe

school environment is a right for every child. As part of this vision the Victorian government is continuing to roll out the largest ever removal of asbestos from our schools. The rollout is continuing with further funding in this year's budget: \$179.5 million to continue removing asbestos from our schools via our dedicated asbestos safety program; \$72.8 million—that is budget paper 4, page 33—of this funding will be invested in the planned removal of asbestos that poses a risk in the future from 954 schools; and \$106.7 million of this funding will be the permanent modular school building program, where another 42 buildings—that is, buildings with high levels of asbestos—across 35 schools will be demolished and replaced with new architect-designed permanent modular buildings. This is in addition, Mr Richardson, to the 50 buildings that we have already funded.

The budget also provides \$27.5 million as part of the school upgrades program, where eight more buildings with high levels of asbestos across six schools will be demolished and replaced with new architect-designed permanent modular buildings. Together with the 42 buildings funded in the permanent modular school building program, a total of 50 new modular buildings are funded in the 2019–20 budget. Those schools receiving modular buildings in the 19–20 budget are listed in budget paper 3 on page 32 and include schools such as Edithvale Primary School in your electorate; Sale Primary School in Gippsland South; Terang College in Polwarth, Mr Riordan; Mortlake College P–12, again in your electorate; and Nathalia Secondary College in Shepparton. It is important to note as well we made an election commitment for non-government schools funding. We had a non-government capital program last term. We have got a similar program this term. Both terms have allocated funding for new and upgraded schools, but this term we have got a specific focus on removing asbestos and dangerous cladding as well for our non-government schools.

Mr RICHARDSON: So this is obviously a significant undertaking. Minister, can you detail to the committee when the statewide audit was conducted and what did it find?

Mr MERLINO: Yes. This was an audit that we conducted a couple of years ago. It was a statewide audit of 1712 government school sites, and it found high-risk asbestos at 497 schools. By March 2016—so this was in the first half of our first term—we had removed all of that high-risk asbestos. And we talked about this in previous PAEC hearings. So this means that when we came into government one out of every three government schools had high-risk asbestos. Almost every school had the blue and yellow sticker on them; one out of three had high-risk asbestos contained in their facilities. So we removed all of that, and then since 2017–18 the government has been focused on removing asbestos that, although not classified as high-risk, may pose a risk in the future. This was all about removing asbestos where teachers teach, students learn—asbestos that if disturbed would pose a risk. Around 1200 schools were identified to have asbestos that posed a risk in the future. We have made considerable progress at these schools. We have completed removals from 330 schools already. This funding will acquit our election commitment to deliver this program by the end of 2020.

Mr RICHARDSON: I might, Minister, stay on the high-risk asbestos theme, and the one in three. Can you tell the committee in more detail exactly how much asbestos has been removed from the schools and how many of these schools are in metropolitan and in regional areas in Victoria?

Mr MERLINO: Yes. It is a good question. It is a quite amazing statistic. Through our historic level of investment at the end of the program over 1200 Victorian government schools will have previously identified high-risk asbestos and asbestos that posed a risk in the future removed. That is equivalent to over 168 000 square metres of asbestos. The previous approach to asbestos was reactive. Only when it was disturbed and posing a risk did the education department go in and address it. We are proactively removing by the end of this program 168 000 square metres of asbestos. As mentioned earlier, as part of our planned removal works funded in this budget we are removing asbestos from 954 schools, of these 276 are in regional Victoria and 678 are in metropolitan Melbourne.

Mr RICHARDSON: How does that compare with previous budgets in this program area?

Mr MERLINO: This has been a commitment we made in 2014, and year after year we are making investments to deliver on the promise that we made. Over the previous four budgets the government has allocated \$200 million for the largest ever asbestos removal program for schools. The 15–16 budget, our first, provided \$42 million for a statewide asbestos audit and demolishing 780 relocatable classrooms with high amounts of asbestos and replacing them with 200 new asbestos-free new relocatables. The 2016–17 budget

provided \$28 million—\$10 million to demolish and replace 80 relocatable classrooms and \$18 million to remove asbestos in permanent buildings and school grounds. The 17–18 and the 18–19 budgets—these were the two budgets post removing all the high-risk asbestos—provided a further \$130 million to begin our planned removal works and deliver the first modular constructed buildings. So as the Premier said in his contribution to this year’s PAEC hearings, we have gone beyond what we promised to do. And the best example of that is the permanent modular buildings. That is an example of how we are going above and beyond and in quite an innovative and exciting way, where you have got buildings with high levels of asbestos, quickly replacing them with those permanent modular facilities. And then on to our current budget, the additional \$179.5 million brings the total investment in removing asbestos from our schools to \$379.5 million.

Mr RICHARDSON: I might keep you on that theme in the 45 seconds we have got remaining on the modular construction that we saw recently out at Yarra Glen primary. How many schools have now received funding for new modular buildings and why is the government investing in these buildings rather than just removing the asbestos from existing buildings?

Mr MERLINO: As I said, this is where you find high levels of asbestos, and the best thing to do is to demolish the building completely. I was at the Grove Group today in Pakenham, who have a longstanding partnership with the department building relocatables and also permanent modular buildings. We are rolling out 100 modular buildings across schools to replace asbestos-ridden facilities. By the end of 2020 these 100 new permanent modular school buildings will have been delivered by the government as part of the program.

Mr D O’BRIEN: Good evening, Minister. You said a number of times in your intro and in response to Mr Richardson that you are acquitting your 2014 election commitment about asbestos in schools. Your commitment here—this is the media release from when you did it; I am sure you remember it very well—

Mr MERLINO: I do indeed.

Mr D O’BRIEN: ‘No more asbestos in Victorian schools under Labor’. The first line: ‘An Andrews Labor government will set a goal for all Victorian government schools to be asbestos free by 2020’. You have not met that commitment, and you will not meet it, will you, Minister?

Mr MERLINO: It is like Groundhog Day, Chair, with this particular line of questioning, and I say repeatedly, if we interpret the commitment as you do, Mr O’Brien, we would be ripping up thousands and thousands of school ovals—

Mr D O’BRIEN: It is your press release, Minister. You said, ‘No more asbestos by 2020’.

Mr MERLINO: and every single building, costing billions and billions of dollars. This commitment will be delivered in full by the end of 2020.

Mr D O’BRIEN: That is not what your commitment was, Minister.

Mr MERLINO: In fact we have gone beyond our commitment with the permanent modular buildings, making our schools asbestos safe. This is about making our schools safe, where teachers teach and students learn. We have removed all high-risk asbestos. We did that by 2016. We have now moved to what we call A3 asbestos, which is asbestos that may pose a risk in the future. What we will not do—and what you are suggesting, Mr O’Brien—is to rip up every building and every oval in the state.

Mr D O’BRIEN: It is not me suggesting it, Minister. It is your media release when you were the opposition spokesman. You said, ‘No more asbestos’. So, Minister, we all laud the intention to get rid of asbestos, but let us just not be misleading. You made a very, very clear commitment, and you are now changing that commitment after the fact.

Mr MERLINO: No, we had this discussion—

Mr D O’BRIEN: Can I move on and ask another question about asbestos. Can you tell me what classification of asbestos was Essendon North Primary School?

Mr MERLINO: Okay. In terms of Essendon North Primary School—

The CHAIR: It is a long way from your electorate, Mr O'Brien.

Mr MERLINO: So asbestos-containing materials were disturbed during maintenance works at Essendon North Primary School. This incident occurred during scheduled works in late February. I asked the department to commission an investigation into the matter following concerns that our rigorous asbestos policies were not followed by the school. The department briefed the school community on the findings on this report and the recommendation last week. So this is—

Mr D O'BRIEN: I understand the background, Minister. I am just wanting to know whether it was A1, A2 or A3.

Mr MERLINO: I might ask in a moment Mr Keating, the CEO of the Victorian School Building Authority, to comment further on this. The safety of our school communities remains our absolute priority. It is the nature, Mr O'Brien, as you can appreciate—

Mr D O'BRIEN: I appreciate all that, Minister, and I appreciate the background. We know the background. It is quite a simple question.

Mr MERLINO: If I can finish my sentence, Mr O'Brien, if you look at the building fabric of Melbourne and Victoria—whether you are talking about schools or hospitals, private residential buildings—asbestos is a reality.

Mr D O'BRIEN: Minister, you know I hate to interrupt you, but we have got limited time. I have just got a simple question: is it A1, A2 or A3?

Mr MERLINO: It is certainly not A1, because we removed all high-risk asbestos.

Mr D O'BRIEN: I do not want to know what it is not; I want to know what it is.

Mr MERLINO: Mr O'Brien, if I can please finish my sentence.

Mr D O'BRIEN: No, I am asking you a fairly simple question.

Mr MERLINO: Mr O'Brien, I am happy to answer the question.

Mr D O'BRIEN: You said you were going to hand to Mr Keating. I have got limited time, Minister. I just want to know: is it A1, A2 or A3?

Mr MERLINO: I am happy to finish my sentence. I was answering the question. In terms of classification of asbestos, all high-risk asbestos that was identified as part of the audit a few years ago, all of that asbestos, has been removed. We are now diligently working through all asbestos that may pose a risk in the future. That is classified as A3 asbestos. We have gone through about 300 schools. We are now going into a further 954 schools. As part of school upgrades or planned maintenance or regular maintenance, sometimes asbestos is removed—

Mr D O'BRIEN: Minister, thank you. This is all very interesting background to fill up and filibuster the question. I just want a simple answer to the question: was Essendon North A1, A2 or A3?

Mr MERLINO: Well, I have already answered. It is not A1, and I will ask Mr Keating to—

Mr D O'BRIEN: What is it; not what it is not. Thanks, Mr Keating.

Mr KEATING: At the time that the asbestos incident happened at Essendon North Primary School there was some A3 asbestos there.

Mr D O'BRIEN: A3.

Mr KEATING: Yes.

Mr D O'BRIEN: Thank you. That is good.

Mr KEATING: Subsequent to that that was immediately removed.

Mr D O'BRIEN: Subsequent to that it was.

Mr KEATING: Subsequent to that incident it has been removed.

Mr D O'BRIEN: Right. Can you tell me—and I am happy to give this to Mr Keating—where asbestos has been detected or disturbed at schools, how many children have been placed on the national asbestos register and how many eduSafe reports have been made?

Mr MERLINO: I might ask Mr Keating to answer that question.

Mr D O'BRIEN: I am happy to take that on notice.

Mr KEATING: Every time, if there is an incident, we make sure all students and all staff are captured on eduSafe. I do not know the exact number.

Mr D O'BRIEN: Okay. Can I get that on notice, including students, how many teachers and how many parents? Thank you.

A question to the secretary, if I may. Secretary, with respect to the Our Fair Share advertising campaign, how much money was expended from the education department on that program?

Ms ATTA: Thanks, Mr O'Brien. The department has spent in the order of \$608 000 on that campaign. The details will be reported in the annual report. There might be some final reconciliations, but I am advised it will not vary too much from that.

Mr D O'BRIEN: Okay. And did you sign off on that as secretary?

Ms ATTA: I did.

Mr D O'BRIEN: And where did that \$608 000 come from?

Ms ATTA: So the funding comes from the output funding that the department holds in the total school education budget. Obviously the overwhelming majority flows directly to schools or to school-related programs and a small proportion supports corporate administration overheads for the whole school portfolio, so we have drawn down on that funding that is held to support the overall management, running and support of the portfolio.

Mr D O'BRIEN: So given that it comes from the output funding of the department, what activities, programs or otherwise of the department have been cut to allow for that program to go ahead?

Ms ATTA: Well, no activities or programs have been cut.

Mr D O'BRIEN: It was just excess money?

Ms ATTA: It is from the corporate and administration side of the budget, where there is some flexibility around emerging unforeseen needs, additional costs et cetera.

Mr D O'BRIEN: Thank you. Minister, on the departmental questionnaire, which I do not expect you will have right in front of you, it lists the lapsing programs, and one of those lapsing programs listed on pages 30 and 39 is the Camps, Sports and Excursions Fund, which I noticed today—and I am very rarely looking at the Premier's Facebook page—just a few hours ago in fact, he has actually highlighted the fact that this is something that the government is doing, the Camps, Sports and Excursions Fund. Yet your own department lists it as a lapsing program. Why have you cut this program?

Mr MERLINO: Thank you, Mr O'Brien, and I am happy to answer that question. Firstly, on the Camps, Sports and Excursions Fund, you would recall this was a replacement for the education maintenance allowance, which your government cruelly cut from schools and students. This was a fund—

Mr D O'BRIEN: Your department suggests that this has now been cruelly cut, Minister.

Mr MERLINO: directly to our most vulnerable kids. This was a program that was cut by the previous Liberal-National government.

Mr D O'BRIEN: So you are now cutting that program to the most vulnerable kids.

Mr MERLINO: No, let me finish answering your question. This government introduced the Camps, Sports and Excursions Fund, and this supports our most vulnerable kids to have exactly those opportunities to go on school camps, school sports programs—

Mr D O'BRIEN: Your department says it is a lapsing program that will not be continued after 2019.

Mr MERLINO: As I alluded to in my presentation, Mr O'Brien, and I refer you to budget paper 2, page 63, we have got a bilateral agreement, a negotiation with the commonwealth government, a requirement on both parties to reach agreement by the end—

Mr D O'BRIEN: We have got 3 seconds. Will the CSEF continue?

Mr MERLINO: Well, what I would do is refer you to this page and funding for renewal of some existing—

Mr D O'BRIEN: Can I take that on notice given the time, please, Chair?

The CHAIR: Deputy Premier, we are going to have to take that question on notice.

Mr MERLINO: Yes. So funding for renewal will be finalised post the bilateral negotiations, so I will have more to say about this later.

The CHAIR: I am giving the Deputy Premier some leeway because he is going to help fund the schools in my electorate in the next budget cycle!

Ms STITT: Thank you, Deputy Premier. I wanted to ask you about population growth and new schools in this budget. Obviously Victoria being one of the fastest growing states over the next decade, I think you said in your presentation that we are expecting about 115 000 new students over the next five years. So if I could take you to budget paper 3, page 31, could you outline for PAEC the investment in this budget that will go towards the delivery of new schools?

Mr MERLINO: Thank you, Ms Stitt. This is one of the great challenges in education, and, as we saw from the graph that I showed at the beginning, this has been a challenge for government since 2010–11, where you have seen that massive increase in public school enrolments. This budget has invested a further \$1.82 billion in school infrastructure, which brings the total investment over five budgets to an unprecedented \$5.6 billion. It represents the largest and most ambitious investment in school infrastructure in Victoria's history. Budget paper 3, table 1.8, provides \$647.6 million for new school construction, including \$22.8 million for stage 2 construction of the new Edgars Creek Secondary College and \$624.8 million to build 17 new government schools and campuses, 13 opening in 2021 and four opening in 2022. So the 2021 schools are Armstrong Creek Secondary College, Cranbourne West 7–12 and specialist school, Docklands Primary School, Edgars Creek Primary School, Eynesbury Station Primary School, Greenvale North West Primary School, Merrifield West primary, Pakenham Henry Road Secondary, Rockbank North Primary, Thoroughbred primary in Bass, Timbertop Primary School in Gembrook, Truganina South East primary and Woollahra primary in Werribee, and the 2022 schools are Bass Coast junior secondary, Fishermans Bend secondary in Albert Park, Fitzroy Gasworks new campus and McKinnon Secondary College new campus. So a lot of school building programs.

Ms STITT: Indeed. And how many of those new schools will be rolling out over the next few years, did you say?

Mr MERLINO: We have committed to delivering 100 new schools—building and opening 100 new schools across the state—over the next eight years from 2019 to 26, building on a record investment in government schools for new and upgraded buildings. We have invested heavily over recent years, resulting in 10 new schools opening in 2017 and 11 new schools opening in 2018. Our 100 new schools—so beyond that, the 100 new schools from 2019 to 2026—nine in 2019; 11 in 2020; 14 opening in 2021, 13 with construction funding in this budget, one with construction funding in a previous budget; and 13 new schools opening in 2022, four with construction funding in this budget, nine funded in a future budget. This results in 47 new schools opening by 2022. We announced during the election that we would have 45 new schools opening by 2022, but we have added a further two schools for construction as part of this budget that were not election commitments, those being Thoroughbred Primary School and Timbertop (Officer North West) primary. The remaining 53 new schools to reach our 100 target by 2026 will be announced over coming years.

This budget also includes \$2.5 million for the New School Planning Fund. The New School Planning Fund will ensure that the remaining 53 schools will start to be planned for now in line with the government commitment to open them progressively by 2026.

Ms STITT: Thank you. Deputy Premier, just in relation to those new schools opening in 2020, are they all going to be delivered on time? And can you explain where things are at with the enrolment for those schools and when enrolments will be open.

Mr MERLINO: Thank you, Ms Stitt. As mentioned previously, the government will open 11 new schools next year: Armstrong Creek West, Beveridge, Botanic Ridge, Casey Fields, Clyde North, Craigieburn South, Davis Creek in Tarneit, Keysborough South primary, Lucas, Point Cook South senior secondary and Wyndham South. Construction, as you pointed out, is one step in the process, but there are a lot of other things that are happening in tandem, things like formally naming the school and appointing a principal—we want to do that well in advance of the new school opening—and releasing enrolment zones. The enrolment boundaries for all the 2020 new schools were released on our new findmyschool.vic.gov.au website in April, and over the coming month the department will continue to work closely with schools, parents and students to ensure that they have the tools they need to support enrolment for the 2020 academic year. This includes transition packs for year 6 students entering year 7 in 2020. The principal positions for all schools have been advertised, and at this stage we anticipate all new principals to be appointed in early term 3. All the schools are currently going through the new school naming process now. Regarding construction, I am pleased to inform the committee that the 11 schools are on track to open in term 1, 2020. So we are on track with our existing program. We made a commitment last year to build and open 100 new schools. The commitment, Mr O'Brien, from your side of the fence was four schools. So you think about 115 000 additional students over the next five years—four schools compared to 100 committed to by Labor.

Ms STITT: Thank you, Deputy Premier. Could you just explain a little bit to the committee how the government plans for growth, particularly in established areas?

Mr MERLINO: Thanks, Ms Stitt. Planning is everything when it comes to both early childhood rollout and our school infrastructure. We are aware that enrolment growth pressures are being felt in a number of communities across Victoria. Our response to this demand is to build new schools and expand and modernise existing schools. While a large number of additional places in government schools are in the process of being created or have been created, Victoria's booming population growth means a continual investment in new school infrastructure is required to keep up with that growth. We understand the size and complexity of this challenge, and the department has developed an evidence-based methodology and consultation process to plan for new schools.

To ensure robust planning for growth the department annually reviews the need for new schools using demographic modelling of residential growth, demographic change and enrolment trends at schools across Victoria. The department leverages increasingly sophisticated spatial mapping to proactively manage challenges for planning for schools, including for established areas. The department continues to consult and work with state and local planning authorities to identify and plan for sites for proposed new government schools and to help ensure that enrolment growth is effectively managed. The department will also undertake an analysis of the accuracy of its provision planning model over the short, medium and long-term forecasts. So we are continually looking at making sure we have got the numbers right and engaging particularly with local

government areas and other planning authorities. The department will also undertake an analysis of the accuracy to understand the reliability, as I said, over time. This was a recommendation made by the Victorian Auditor-General as part of its audit on managing school infrastructure.

Ms STITT: Just finally in the time that is left to me, I just wanted to ask you about the relocatable buildings program that is in budget paper 3, page 31. Could you provide some further details for us on how this funding will be allocated and how many students that will accommodate?

Mr MERLINO: Thanks, Ms Stitt. In regard to relocatable buildings, the relocatable buildings program allocates buildings to those schools experiencing the greatest enrolment pressure. Where there is likely to be a spike in enrolment pressure in those schools it provides units for temporary accommodation while capital works projects are undertaken, or where damage has occurred it houses students during the construction and refurbishment of permanent facilities.

The CHAIR: Deputy Premier, I will need you to take the rest of that on notice.

Mr HIBBINS: Thank you, Minister, Secretary and your team for appearing tonight. I want to go to school infrastructure and the transparency around school infrastructure. You would be aware that there have been a number of recommendations from the Auditor-General—I think it is in part of Infrastructure Victoria, and even this committee—around publishing, for example, a five-year pipeline of new schools and upgrades. I think it is upgrades and maintenance to government schools being published as five-year asset management plans, and you generally have agreed to these recommendations. Is that in place now?

Mr MERLINO: I might ask Mr Keating to go to this, and then I will add some further comments.

Mr KEATING: Since the start of last year, and we have got roughly 1500 schools, every year 300 schools are audited. So there are independent auditors going out to inspect the quality of each school. That information is then provided to each school to work with the department to develop a five-year asset management plan. So they know their local funding, the additional funding the government is providing and the other issues they need to manage. We then work with that school over that five-year period to deliver that. We also publish every single investment we are making on the Victorian School Building Authority website—in terms of disclosing that.

Mr HIBBINS: I understand that is part of the budget process, but outside of the budget process Infrastructure Victoria, for example, I think their recommendation was:

Require that the government publish on an annual basis five-year investment priorities for new and upgraded government schools alongside planning data that shows demonstrated need.

Is that something that you are looking to do?

Mr KEATING: We accepted that recommendation, so we are working to put that information together. It is something, clearly, that is available at a school level. Working through the whole system, and obviously it is a very large system, as you work through 1500 schools to get the complete set of information it takes about five years. We accepted the recommendation and we have a complete set for the entire state; it is a five-year process.

Mr HIBBINS: It is a five-year process to get the information out?

Mr KEATING: To gather all the information of every school in the state. That is being shared at a local level with those communities, so they know the condition of their assets and they have got their local school asset management plans.

Mr HIBBINS: Because obviously you have got a lot of schools that are under pressure. Parents are getting up in arms having to wait until budget time to see whether the minister is going to come round and deliver the funds, but there is no transparent or long-term planning to know that the school might be next in line or third in line or what have you.

Mr MERLINO: This is the beauty, Mr Hibbins, of the rolling facilities fund. Members opposite would recall there was a 2012 audit, but that was a moment in time. The beauty of this rolling facilities audit—and you do around 300 schools per year—is we keep rolling through those. Schools understand what the maintenance and capital requirements of their school are, and this informs both capital upgrades that are allocated on a yearly basis through the state budget but also in terms of the maintenance funding that a school is provided with, as well as the planned maintenance program. These are bigger maintenance pieces of work that cannot be funded through a school's SRP. So with that rolling facilities evaluation there is complete transparency with the school community, they understand the works that are required, and this informs directly—whether it is a capital upgrade, planned maintenance or regular maintenance—the works that are done at the school.

Mr HIBBINS: But that still relies on the annual budget process, whether that money is going to come through.

Mr MERLINO: No, no. The capital upgrade program is part of the annual budget process, but in terms of planned maintenance funding this is quite significant allocation of funds to schools. Perhaps Mr Keating can give a few examples of what planned maintenance funding looks like.

Mr KEATING: There are a range of maintenance programs. The planned maintenance program looks at things like replacing roofs, septic systems and toilets—things that schools cannot do in their own right. So you would have projects ranging from \$50 000 sometimes up to \$800 000. It is a very large program that we work across, and the schools can schedule those works alongside the works that they are doing locally, so it creates an integrated plan.

Mr HIBBINS: Just on maintenance funding, and just picking up on the previous Auditor-General's report into it, their asset replacement value was 1.2 per cent for schools yet the industry standard was 2 to 4 per cent. Is it still 1.2 per cent, or has gone it gone up to the industry standard?

Mr KEATING: The level of maintenance funding?

Mr HIBBINS: Yes.

Mr KEATING: So right now if you look at the total spend that is going across the state, in terms of both capital and maintenance, we are well above. Obviously there is a large amount of old stock that needs to be fully replaced rather than just maintained. So if you look at the industry standards in terms of the capital side, we are well above. There is additional maintenance funding provided in this budget to the tune of \$41 million across a range of programs, which brings us closer to that level.

Mr MERLINO: When you think about maintenance requirements at schools it is important not just to look at the maintenance program or the planned maintenance program. With 1400 upgrades you are addressing those maintenance issues as you are upgrading facilities as well. If I can just quickly, Mr Hibbins, go to that VAGO report of May 2017, VAGO noted the department actively responded to the previously identified lack of maintenance planning and developed a 10-year asset strategy and package of asset management reforms. VAGO said that DET improved the objectivity and transparency of the way it allocates maintenance funding and worked with schools to address priority projects from the maintenance backlog. That investment—the doubling of maintenance funding compared to the previous administration—has led to the full acquittal of the maintenance backlog identified by that 2012 audit.

Mr HIBBINS: Okay, so that is completed? Good, thank you, that was my next question. I want to go on to the funding arrangement that still needs to be finalised with the federal government. Historically Victoria has had the lowest rate of funding for public schools in any state of Australia, but I am just interested to know what effect will your legislation that requires that every time you spend \$1 on recurrent funding for public schools, 25 cents needs go to private schools. How will that affect the funding agreement with the commonwealth?

Mr MERLINO: We have not concluded the funding agreement with the commonwealth, so I cannot give you a definitive answer, Mr Hibbins, to that question.

Mr HIBBINS: Will you have to repeal that legislation?

Mr MERLINO: You go back to the legislation, and the reason why we have made this commitment and delivered that change in the legislation was to provide funding certainty to Catholic and independent schools. So the previous arrangement was that every three or four years there would be a process of negotiation between the Catholic sector and the government of the day—the department—and independent schools in terms of what a new funding agreement would look like.

Mr HIBBINS: I kind of know why the legislation was put in place.

Mr MERLINO: It was about funding certainty, Mr Hibbins.

Mr HIBBINS: But I am interested to know, if you are putting a deal on the table that hopefully should put a lot more money where it needs to go into the public sector where the need is, is that then going to trigger suddenly costing us more because we are mandated to spend this 25 cents every time we give \$1 to public schools? Is this legislation going to have to be repealed?

Mr MERLINO: I understand the question, Mr Hibbins, and it will not. Our approach to the bilateral negotiations, and it has been a consistent approach for the last couple of years, is that we want a fair funding deal for all schools and all students regardless of where you go. The funding model proposed by the federal government has an artificial cap in terms of the schooling resource standard of 95 per cent for public schools—non-government schools can go to 100 per cent and beyond. What we have committed to in terms of the bilateral negotiations is that we are prepared to sign a new funding agreement that would commit the state to go to 75 per cent of the schooling resource standard over the next 10 years, which for public schools is billions of additional dollars over the next decade.

Mr HIBBINS: We still would not get to 100 per cent until 2028.

Mr MERLINO: No, and this is the fundamental unfairness of the model that is on the table from the commonwealth government. They are not moving from that. We were holding out for a better deal, and I make no apologies for doing that, but the federal election has been held, they are not changing and both parties understand that we need to reach an agreement by the end of this month, and we will.

The CHAIR: And on that, Mr Hibbins, you will have to put the rest of your questions on notice as we move to Ms Richards.

Ms RICHARDS: Thank you, Deputy Premier, and officials for your time this evening. We have had some terrific contributions about capital and I am certainly looking forward to Cranbourne West SDS and secondary college and other schools. But I would actually like to talk about what goes on inside schools for a few moments. I will refer you to budget paper 3, page 31, and the reference to ‘Essential facilities for mental health in schools’ in table 1.8. I am wondering if you can take the committee through what this funding will be used for.

Mr MERLINO: This is a significant issue and I am pleased to be speaking about it. Mental health is the most prevalent health and wellbeing need in school-aged children. As members you would hear this at your own schools in your own communities. Whether it is talking to principals, teachers, but most importantly students, mental health is the number one issue that is raised with me, with one in seven Victorian children estimated to have experienced a mental health issue. While this prevalence is in line with mental health issues in the broader community the government recognises that more needs to be done for our young people in our schools, and it flows on from this approach with GPs in secondary schools.

What more can we do within the fence of the school to support our young people? That is why we are investing \$51.2 million over four years and \$31 million ongoing to place mental health professionals in Victorian government secondary schools. These mental health practitioners will be in addition to the existing wellbeing teams that are already doing great work within our schools. It will give students more of the support they need with issues like anxiety and depression and hopefully help reduce the number of young Victorians tragically taking their own lives. By 2022 every government secondary school campus will have between one and five days per week of support from a suitably qualified mental health practitioner within their schools. This is an initiative I am very proud of. To facilitate the delivery of high-quality mental health services in schools, schools need facilities that provide appropriate, private and therapeutic settings.

As part of this progressive rollout, this year's budget allocates capital funding of \$3 million in 2019–20 to deliver essential refurbishments to facilities in secondary campuses. There will be a bunch of secondary campuses where the facilities will already be able to be utilised by an additional mental health practitioner. Other schools will need refurbishments or upgrades to provide appropriate facilities. This investment will deliver facility requirements for the new mental health practitioners in schools program to ensure a private therapeutic setting is provided to students during counselling support. Facility upgrades will ensure rooms are acoustically appropriate for the function of accommodating a mental health practitioner and the investment is to ensure the first round of schools taking part in the program have those private and confidential settings.

Ms RICHARDS: Can you expand a little bit on what role the mental health practitioners will play in schools in Victoria?

Mr MERLINO: Thanks, Ms Richards. The program will employ more than 190 qualified mental health professionals across the state including psychologists, social workers and mental health nurses. Every government secondary school will receive, as I said, between one and five days a week of support from a mental health practitioner, and that depends on the school size, their requirements and their existing welfare programs. So there will be an assessment made at each school, but you can appreciate with a larger school, with a big student cohort, you are likely to get three, four, five days a week additional of a mental health practitioner. Importantly, they will offer direct counselling. This was the big feedback we were getting from students and existing wellbeing teams—you know, additional direct counselling. And there will be early intervention services, as well as coordinating support for students with complex needs and then linking in with broader allied community and health services.

They will work flexibly based on the needs and priorities of their school and students. Schools will have some flexibility to determine the role of their mental health practitioner. This may include, as I said, the provision of direct counselling to support students and other intervention services, coordination of supports and, importantly, fostering a whole-school approach to mental health, prevention and promotion.

Other options are being explored to ensure the model can flexibly meet local needs, such as in rural areas where recruitment is particularly challenging or where schools are allocated a lower level of FTE. Possibilities may include practitioners operating across a cluster of schools, for example, or funding a health sector agency to base a practitioner at a school. Schools will also have access to a menu of supports, which will provide guidance on evidence-based best practice and interventions. School-based health and wellbeing teams will be able to access this information online, supporting them to deliver mental health plans and support to students and receive advice on how to interact with allied community and health services.

Importantly—and this again goes to the investment that we are making at a regional level—new mental health coordinator positions will support this new workforce and coordinate mental health and wellbeing activity across the schools. The coordinators will be dedicated regional staff who will support recruitment of the mental health practitioners—so, for example, as a selection panel member—coordinate clinical supervision of mental health practitioners, coordinate professional learning and lead area-level monitoring and reporting.

As you know we have got the royal commission into mental health, and I am hoping that we will see—similarly as we saw out of the Royal Commission into Family Violence—preventative recommendations and findings. What can we do in schools? I am looking forward to what comes out of the royal commission, but we did not want to wait. This is some of our most essential work that we are doing in schools, and this budget allocation will facilitate that rollout.

Ms RICHARDS: How have you chosen the areas where this is going to be rolled out and how are you going to recruit people into these roles—people who are suitably qualified?

Mr MERLINO: To manage coordination and workforce considerations, the rollout of the program will be done over four years. The first tranche of schools has been selected based on school need, readiness and capacity of areas and regions to provide appropriate support. The first 33 campuses will be able to appoint a mental health practitioner in term 3 this year, based in Melbourne's south-east suburbs, from Albert Park College to Frankston high; and then in term 4 this year, we will expand to 21 secondary school campuses in the state's south-west, from Geelong high right through to Colac Secondary College. Areas to receive practitioners

in 2020 are being assessed at the moment, and by 2022, as I said, every Victorian government secondary school campus will have a mental health practitioner.

DET will support the recruitment effort with a recruitment guidance package and support for the recruitment panel. The department will provide advice to schools about the roles and qualifications required of these new mental health practitioners, and there will be flexibility where schools already employ health and wellbeing staff with different areas of expertise. And we will have the dedicated regional coordinators supporting the school recruitment processes. Advice will also include options and support for schools that find it hard to recruit appropriate staff—for example, schools located in some parts of rural and regional Victoria or schools with low enrolment numbers.

Ms VALLENCE: Thank you, Minister and team, for attending today. Probably to pick up, I guess, off the back of discussing a lot about mental health—and that is a very important challenge for our society—I am going to take that forward into behavioural issues and assaults and bullying, so budget paper 3, page 24, is the reference. This question actually I will put to the secretary to start off with. You may need to take this on notice, but can data be provided, please, that shows the total number of student-on-student assaults, student-on-staff assaults, staff-on-student assaults and any other assaults for the last year?

Ms ATTA: Look, we do have some data. I am not sure we have it broken down in exactly that way, but I am happy to take it on notice.

Ms VALLENCE: Please; thank you. So total numbers in each of those categories, please, and also then as that compares to prior years, particularly this time last year and in the prior set of years.

Mr MERLINO: There is probably some information I can impart. It is a significant issue. There is greater awareness, there is greater reporting, but we are seeing, Ms Vallence, at the toughest end—at the most serious end—in terms of assaults we are seeing some improvement. For example, reported assaults on employees and students have both reduced between 2016 and 2018—

Ms VALLENCE: Well, that is good.

Mr MERLINO: For employees it has reduced from 47 in 2016 to 27 in 18, and for students it has reduced from 219 in 2016 to 171 in 2018—so serious incidents of assaults are reducing. At the same time, we are seeing reports of violence or aggression towards students or staff. It is very rare—it is very rare—but across approximately 1550 government schools in Victoria covering more than 600 000 students between January 18 and December 18 there were 2077 reports of violence or aggression.

Ms VALLENCE: Okay. Thank you, Minister, for that—

Mr MERLINO: So the most serious end is coming down, but reports—

Ms VALLENCE: It is a serious issue. It is good to hear that there seems to be a reduction, and I guess if we have that data on notice, then we will be able to see that, so thank you. Also, for the exact same categories please, for bullying, on notice if you would not mind, Secretary. And can the data also be provided where police have had to attend or been called to attend a school, for all of those above incidents, on assaults and bullying where police have been called to the schools—the number of times and also the names of the schools. Can we have that on notice?

Ms ATTA: I am happy to look at what data we have and to provide what we have on notice.

Ms VALLENCE: Thank you, Secretary. How many students have been suspended in relation to physical aggression towards other students in the last year of reporting, and related to abuse or intimidation? I am happy to take it on notice if you do not have that available at hand.

Ms ATTA: I can certainly follow up to see what we have available. Obviously the use of suspension and expulsion is only ever a last resort and reserved for when all other disciplinary measures and support and intervention strategies have not been able to produce a satisfactory outcome. I can look at what data we have to provide for you.

Ms VALLENCE: Yes, please. Thank you. So those questions I have got you will report back on notice, thank you. Under the previously funded protective schools package the government has created an incident support and operations centre. The question is how many schools can be monitored through the centre via CCTV? Secretary, you may be able to assist.

Ms ATTA: So, we have certainly had that incident support and operations centre, which opened in late 2018, and it offers a one-stop solution so that all schools can report through to one place and seek advice in managing incidents that impact staff, student or school operations. Principals making reports—and this is an important part of the model—are able to access immediate expert advice and support on managing incidents and access to social workers, behavioural experts and psychologists. So all schools can access that service around the clock. In terms of the CCTV monitoring for schools and how many schools at any time, I am happy to follow that up for you.

Ms VALLENCE: Thank you. Is there a cost for that program, particularly with the CCTV?

Ms ATTA: That is funded as part of the program. It is part of the budget for the service.

Ms VALLENCE: Okay. Are you able to provide us a figure related to that specific activity?

Ms ATTA: I will see what I can provide, yes.

Mr MERLINO: If I could add, Ms Vallence, as the Secretary said, the incident support and operations centre operates 24 hours a day, 365 days a year, so if there is a critical incident at a school, there is immediate additional support that is provided to that school. In terms of our schools, every school is required to have an emergency management plan. There are various elements to that, and that is a school-based decision. So some schools may decide to have a level of CCTV coverage, other schools have other security measures in place. But in terms of the protective schools package, this was developed with principals, has been warmly received by principals and it is providing a greater level of support to our schools.

Ms VALLENCE: Yes, thank you, and it can be a challenging thing for students involved and of course staff and principals. So there are a lot of things there on notice for us. We will move now to the three-year-old kinder program. I notice, Minister, you had a press release out today I believe on the three-year-old kinder program.

Mr MERLINO: Indeed.

Ms VALLENCE: Specifically we would like to understand, for the committee, has the government carried out an audit of early childhood education centres to assess their capacity to carry out the three-year-old kinder program? When was this audit conducted? At what time did the audit commence and conclude—so over what period? What was the criteria, which we would like to have on notice if you do not have it at hand today? And was asbestos assessment part of that criteria?

The CHAIR: Can I just say, given that there are 2 seconds left, Deputy Premier, if you could take that question on notice, please?

Mr MERLINO: I am happy to take that on notice.

Mr MAAS: Thank you, Deputy Premier, for your time before this committee. I would like to take you to curriculum in our schools, and I would refer you to budget paper 3, pages 145 to 151. Deputy Premier, I would ask that you give the committee an update regarding the government's investment in education and its impact on improving outcomes for students.

Mr MERLINO: Thank you, Mr Maas, for that question. Ultimately what we are here to deliver is improvement in student outcomes and making sure that our kids are as best prepared for the world beyond the school gates as we can. Student outcomes are our number one task, and we know that the greatest impact on student outcomes outside of a child's own family is the quality of teaching that occurs in a school.

Facilities are important, but their importance should complement the teaching and learning that happens in our schools. So our vision to make Victoria the Education State is now under well underway, and we are starting to

be able to measure the positive impact we are having on children's education. And when you think of 1550 government schools, 2200 schools in total, to move that dial in terms of NAPLAN outcomes or other measurements of student performance, it is a big thing to move a system.

There are a number of investments that we have put in place: \$22.1 million over four years for excellence and equity in literacy and numeracy; \$32.9 million over three years for improving science, technology, engineering and mathematics outcomes; and \$23.7 million over four years for lifting the quality of teaching and school leadership. And we are seeing the results flowing through from this significant investment. Victoria is a leading Australian jurisdiction in national and international outcomes. In 2018 Victorian students achieved the state's best ever NAPLAN results in reading and numeracy in both primary and secondary schools. Alongside the ACT, Victoria is leading the nation in NAPLAN in primary years, with Victorian students in years 3 and 5 leading in four out of the 10 NAPLAN testing areas. Victorian students in years 3 and 5 are leading in four out of the 10 NAPLAN testing areas, rising to eight out of ten—year 3 reading, writing, grammar and numeracy; year 5 reading, numeracy, writing and grammar—if the ACT is not included. Year 5 reading results have increased steadily every year from a mean score of 508.3 in 2015 to 519.9 in 2018. Year 3 numeracy results have also seen steady improvement from 409.7 in 2015 to 418.3 in 2018.

Secondary students have also seen improvements. Victoria's year 7 students are the first or second-best performing in three out of five testing areas: reading, numeracy and writing. Compared with last year, year 5 and year 9 students saw their mean score increase in four out of the five testing areas: reading, numeracy, spelling, grammar and punctuation.

While NAPLAN is not the only measure of student performance and progress, it does give us an insight into how the education system is tracking overall. These results are promising but there is much more to be done, and I will be continuing to work with whole-school communities and the teaching profession to ensure Victoria is the best state for kids to receive an education.

Mr MAAS: Thanks for that answer, Deputy Premier. I would like to take you to measures relating to Aboriginal students and their performance in NAPLAN, and in particular looking at budget paper 3, pages 144, 149 and 150. Can the minister step us through these figures and what the government is doing to improve educational outcomes for Koorie children?

Mr MERLINO: Thank you, Mr Maas. This is a really good story. This is showing real progress, and I am really proud of the work the department has done. There are 10 BP3 measures related to Koorie outcomes, which include a range of NAPLAN measures as well as attendance measures applicable at both primary and secondary school levels. Seven out of eight NAPLAN outcome measures for Aboriginal children met the targets, with improvement required for year 7 numeracy. The two school attendance measures, primary and secondary, did not meet the target, so we have still got work to do, but these results mean that more Koorie young people are performing in the top three bands of NAPLAN. Mean NAPLAN scores for Victorian Aboriginal students are above the national Aboriginal cohort in all domains and year levels. All domains and year levels were above where Aboriginal children are across the rest of the country. We also know that Victorian Koorie students had the highest mean NAPLAN scores of their state and territory counterparts in years 3 and 5 reading, writing and numeracy.

While we know there is still much more to be done, this is an encouraging trajectory. The government is investing in and delivering programs and initiatives to support improved outcomes for Koorie learners. These include Education State equity funding, which I mentioned before, which includes funding to target social disadvantage as well as catch-up funding for secondary students who did not meet national minimum standards in year 5, and this provides significant support for Koorie and non-Koorie students. The early years Koorie literacy and numeracy program—the extended Koorie literacy and numeracy program—was expanded in 2018 to provide support for Koorie students in years 4 and 5.

The delivery of cultural understanding and safety training commenced in Victorian government schools in term 2 of last year. The training builds the capacity of all schools to better support Koorie learners and implement more culturally inclusive practices across the whole school and the whole school curriculum. At the end of term 1 this year approximately a quarter of all Victorian government schools had undertaken the cultural understanding and safety training.

Finally, there is a statewide Koorie education workforce of approximately 120 staff who work with schools and early years providers to develop strategies to support improved student outcomes and facilitate strengthened school community partnerships. So this is quite encouraging. We have got the Marrung plan—we are implementing that. We are seeing improvements, and there is more work to be done.

Mr MAAS: As a former state school instrumental music teacher I am very interested—

Mr MERLINO: Is that right?

Mr MAAS: That is right, yes.

Mr MERLINO: I did not know that.

The CHAIR: No. The things you learn.

Mr MAAS: I am interested in your answer to this next question. I would like to take you to the music in schools program, which was—

The CHAIR: It was the double bass, wasn't it?

Mr MAAS: It was drums and percussion as a matter of fact. In output initiatives, table 1.7, budget paper 3, page 21, could you explain to the committee the importance of music in the Victorian curriculum and its contribution to improving student outcomes?

The CHAIR: Deputy Premier, we only have 20 seconds to go, so I think we should use that time wisely—to ask him what his favourite drum rendition is.

Mr MAAS: I am very happy to take that on notice.

The CHAIR: Yes, take it on notice. We will move slightly early to the Deputy Chair.

Mr RIORDAN: Deputy Chair hands to Ms Vallence.

Ms VALLENCE: Thank you, Minister. Just to pick up on where we were before, you said that you would take on notice around the audit of early childhood education, particularly on the period and criteria and asbestos assessment. But I do want to ask in this forum: has the government carried out an audit of early childhood education to assess the capacity? It is a yes or no question. Has an audit occurred?

Mr MERLINO: The answer is in two parts. There is an assessment in terms of capacity, so where we will start the rollout of universal three-year-old kinder. We have identified six local government areas from 2020 and 15 local government areas in regional Victoria from 2021, so they are the—

Ms VALLENCE: When did that audit conclude?

Mr MERLINO: I will ask Ms Little, who is the deputy secretary for early childhood education. There is an assessment of capacity where we want to begin the rollout of universal three-year-old kinder, and then there is a capacity assessment across every single early childhood provider, which will occur through Ernst & Young over the course of the development of this rollout. But I might ask Ms Little to further expand on that.

Ms VALLENCE: Please.

Ms LITTLE: Thank you, Deputy Premier. And thank you for your question. The capacity assessment that has just kicked off across the state is a really critical part of the work to roll out three-year-old kindergarten, as the Deputy Premier has said. It is designed to ensure that we are investing in the right places and the right ways, so every single kindergarten and long day care facility in Victoria will be invited to take part in this survey, commencing—

Ms VALLENCE: Thank you. Every single one. The ones that have been assessed already—when did you conclude that assessment?

Ms LITTLE: Sorry, I will just go on. The assessment has only just commenced. The assessment has commenced over the course of the last week. We were doing some modelling—

Ms VALLENCE: Deputy Secretary, on that basis, if the assessment has only just commenced, how did you select the sites that are in the media release for today?

Ms LITTLE: Around the six LGAs and the 15 LGAs? So we hold data within the department about the licensed capacity of services and we are able to look at that data and look at the demographics of those particular communities in order to assess whether or not there is likely to be spare capacity within that infrastructure in order to accommodate additional three-year-old children.

Ms VALLENCE: So that was based on existing known knowledge, not part of the assessment going forward?

Ms LITTLE: Exactly right.

Ms VALLENCE: Okay, thank you. So in the media release with the small rural six LGAs and the 15 LGAs subsequently, is any of the planned expenditure for the facilities going to go to these particular sites?

Ms LITTLE: This brings me back to the capacity assessment. The capacity assessment process which has just commenced will prioritise looking at those six local government areas and then the 15 local government areas in exactly the way the Deputy Premier has flagged.

Ms VALLENCE: So do we know yet whether they will receive any of the capital funding outlined in budget paper 4, page 25?

Ms LITTLE: That will be something which will come out of a combination of the capacity assessment process plus discussion of course with local government and the other key players in those places.

Ms VALLENCE: Right, so we have identified locations but do not know whether they will need funding to proceed. Is that the case?

Ms LITTLE: No, that is not quite right. As I flagged previously, work had already been done in informing the government's selection of those areas to roll out in, to look at their licensed capacity and the demographics in those areas, and that gave the government a solid base on which to make a view that those were the best areas to roll out initially. I will also flag that part of the reason that those areas were chosen was not simply because they were the areas that were likely to have the strongest infrastructure capacity to support this move but also because we know, and I am sure many members on the panel would know, that the outcomes for children in rural and regional areas are often lower than they are for their metropolitan counterparts, and so—

Ms VALLENCE: Will the capital works that you are outlining here—obviously we do not really know if this first set is going to have the capital works allocated to them—be fully funded by the department?

Ms LITTLE: The department has always taken a coinvestment approach to infrastructure, and it is intended, as is public in all the information, that that coinvestment approach would continue, and that will be worked through with not just local governments but other not-for-profit providers who work in these given areas, and that is always the way that this program has functioned.

Mr MERLINO: If I could add, over 10 years it is around \$1.68 billion for infrastructure. In this year's budget there is \$473 million, and that will be a combination of partnership projects. So we want not-for-profit providers, for-profit providers, local government as well as Catholic and independent schools.

Ms VALLENCE: Okay, that was the answer. Thank you, we have got the answer.

Mr RIORDAN: My question is to Deputy Secretary Haire with regards to recent riots at the Parkville and Malmsbury centres. As a result of these riots how many student education hours were cancelled or not held because of the various lockdowns? Do you have that information or can we take that on notice?

Ms HAIRE: Mr Riordan, we do not have information about the number of the question you asked specifically—

Mr RIORDAN: So the interruption to young people's education, you do not have that recorded?

Ms HAIRE: No, but I would say that, as you may be aware, the provision of education at the Parkville facility is a very different and specific education model and frequently takes place with very small groups of young people and the teachers—

Mr RIORDAN: I appreciate it is unique circumstances, but does it come under the department of education?

Ms HAIRE: Yes it does.

Mr RIORDAN: Okay, but you are not aware of those students who are missing out on an education because of the riots?

Ms HAIRE: I do not have specific information about the question you have asked of me, Mr Riordan, but I can say that what we do work very closely on with the principal of the school is that, whatever the circumstances might be, whether students may be unwell et cetera, the teachers work very flexibly—

Mr RIORDAN: But there is no record keeping on the attendance for those students?

Ms HAIRE: Yes, of course there is. There is—

Mr RIORDAN: So you would have access to the information?

Ms HAIRE: Yes—I apologise, I just do not have that with me right at the moment, but I am describing the model to you.

Mr RIORDAN: Okay, well we will take that on notice. So is the Department of Education and Training responsible for maintenance and repair of the educational facilities within those facilities? So when things go pear-shaped and there is riot damage, is that coming from education department budget or does that come from corrections?

Mr MERLINO: It is not by the Department of Education and Training, Mr Riordan.

Mr RIORDAN: It is not? So you are not responsible for those facilities?

Mr MERLINO: In terms of facilities, that is not a responsibility of DET or the VSBA.

Mr RIORDAN: And the last quick question affects my electorate and many other rural electorates. On Anzac Day we snuck through boundary changes for schools where students are supposed to go to school. In my electorate there are numerous changes that affect communities that currently do not have bus services. So there is currently no indication that there will be transport services, and the only other option is for parents to get conveyance allowance. Is the department dealing with that issue?

Ms VALLENCE: Well what is the response, and can we take it on notice?

Mr RIORDAN: So what approach—

The CHAIR: Sadly, with that, you will have to take that on notice because it is now my turn to ask questions, and aren't we all looking forward to that! Deputy Premier, I am going to start back on what I think—and I am happy for you to correct me—is probably something you would regard as a signature policy from the budget this year, and that is of course the investment into the early childhood sector. I want to focus, though, more about the workforce, not just because my kids have passed that point in time. But obviously with such a significant investment in the sector, it is going to require a significant output in terms of workforce for teachers, and of course we would hope highly trained teachers, and educators. So I guess given that you have already referred to the figures in your presentation at the start of the session, how is it that you are going to—besides the

free TAFE programs—encourage people to either move into early childhood or choose early childhood as a course as they are starting to move through their own schooling?

Mr MERLINO: Thank you, chair, for that question. This is one of the big challenges with this unprecedented reform. It is probably the biggest social policy commitment that we made at the last election. It is reflected in the budget of this year—\$881.6 million for the rollout of this reform, universal subsidised three-year-old kinder. As said in the presentation, this will require—in addition to the existing early childhood workforce—approximately 6000 additional early childhood educators, whether it is around 4000 teachers or 2000 early childhood educators over the next 11 years. So this budget includes \$92.4 million to build the specialist early childhood education workforce, including scholarships, employment incentives, support for preservice teachers, mentoring support, professional development and the promotion of early childhood careers. In addition we are also investing \$28.5 million to add those cert III and diploma courses to our free TAFE list. With these record investments we are ensuring that our early childhood teachers and educators have the training and support they need to give our young Victorians a great start.

So in terms of attraction—how we are going to attract them—thanks to our commitment to deliver universal subsidised three-year-old kinder we know that the early years workforce is set to grow to historic levels. We are investing to increase the early childhood workforce through a number of measures. These include, as I said, the \$92.4 million. It includes a package of about \$40 million for scholarships and incentives to attract and retain early childhood teachers and \$3.8 million already invested in 2018–19, meaning that a total of 700 scholarships and incentives are on offer this year. Coupled with the employment incentives, this money will help cover costs including course fees, study material and financial support in the early years of their career. This will build on the government's existing \$8 million early childhood scholarship program, which opened in October last year and has already offered more than 200 scholarships to eligible students. And we are including the diploma and cert III in early childhood education and care as part of our TAFE reform.

The CHAIR: Obviously it is not just attracting new people into the workforce; it is about retaining as well. I am keen to understand what you are doing to retain the workforce, and I might ask a question also that I expect you to take on notice. Every profession has churn—people that come and go. We see that of course in our emergency services quite a bit. I am keen to find what the level of churn is within early childhood and whether it is above or below the mean or the average and also how it may compare with other jurisdictions, to be able to then be benchmarked. So I am happy for you to take those questions on notice, but I am keen to better understand what we are doing to maintain and keep people that are working in the workforce already.

Mr MERLINO: Yes, and this is going to be a critical element. So when you are looking at a reform program over the next decade which requires around 6000 additional staff, we need to retain as many early childhood teachers and educators as possible so we can deliver on that commitment, and that is making sure that they are being well looked after. We want to ensure that our early childhood teachers and educators are receiving quality training. So when you think about teachers, early childhood educators, it is about the recognition of the profession, the respect it receives and the recognition it receives. And you do that not just through, you know, your EBA negotiations but also through quality professional development—treating the workforce with respect, supporting them in terms of their career path and making sure that their skills are being appropriately valued and recognised, not only within the sector but in the public eye as well. That is why, out of the \$92.4 million investment to build the specialist workforce, it includes \$15.92 million to improve workforce retention by providing expanding support for mentoring and providing end-to-end early childhood teacher support at every stage of their career. I will take your question on notice in terms of churn in regard to early childhood and how it compares to other sectors. But there is an interesting cohort of teachers that are qualified to teach in an early childhood setting as well as in a primary school setting, and it would be great to get those dual-qualified teachers in our early childhood setting. So we are thinking about how we can do that as well.

The CHAIR: Now, I am going to give you a question that I want you to take on notice, not because I do not think you can answer it now but because in the last minute and a half I want to focus on some schools in my electorate—and I think I would have a mutiny with my fellow committee members if I went over time. I just spoke to you and asked you questions about finding the teachers, but I would like you to take on notice about the infrastructure and what is required to be able to both fund and also support new infrastructure—because

obviously those teachers are going to need to teach somewhere, the kids are going to need to be somewhere and we are going to need to have those facilities. So I will leave that with you to take on notice.

Mr MERLINO: Happy to take that on notice.

The CHAIR: In the last minute: I had the opportunity to make an early announcement on the day the budget was delivered, at Sandringham College, of about half a million dollars for the master plan. It is a school that has not received a significant amount of funding from governments of all persuasions in over 60 years, and Sandringham East primary, which is right next door, also has not received funding for decades and decades. So I am keen to understand, from the master plan—we saw in Sandringham East primary that a master plan had led to both stages 1 and 2 being built—what are the expectations not just for Sandringham College but indeed other schools where master plan funding has been delivered?

Mr MERLINO: Thank you, Chair. I am happy to talk about Sandringham because that is a great school and it is an important project—and the message that you can give your community is that we finish what we start. In this budget we have got upgrades at 109 schools and planning at a further 44 schools, and that planning process takes around 58 weeks. Previously, under previous administrations, that time was about 100 weeks, but there will be bricks-and-mortar training, there will be the appointment of the architect and, importantly for Sandringham, engagement with the community—which is the model that they are after—and that will directly inform our future budget decisions.

The CHAIR: Without wanting to upset my colleagues, I will draw a close to myself. I am sure everyone here is desperately disappointed not to hear me speak anymore. So allow me, Deputy Premier, to thank you and your colleagues for appearing.

Mr D O'BRIEN: If only the schedule was longer.

The CHAIR: Well, I am happy to extend the time if you would like, Mr O'Brien, to give myself more time just on Sandringham College. So, Deputy Premier, thank you very much for appearing before the committee today. The committee will follow up on any questions taken on notice in writing, and responses will be required within 10 working days of the committee's request.

Witnesses withdrew.