

# GENERAL PURPOSE STANDING COMMITTEE No. 2

Wednesday 15 October 2008

Examination of proposed expenditure for the portfolio areas

## EDUCATION AND TRAINING

The Committee met at 9.15 a.m.

### MEMBERS

The Hon. R. M. Parker (Chair)

The Hon. C. E. Cusack  
The Hon. G. J. Donnelly  
Dr J. Kaye

Reverend the Hon. G. K. M. Moyes  
The Hon. C. M. Robertson  
The Hon. M. S. Veitch

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### PRESENT

**The Hon. V. H. Firth**, *Minister for Education and Training, and Minister for Women*

**Department of Education and Training**

**Mr M. Coutts-Trotter**, *Director General*

**Mr A. Hunter**, *Deputy Director General, Finance and Infrastructure*

**Board of Studies**

**Dr J. Bennett**, *General Manager*

**Teachers Institute**

**Mr T. Alegounarias**, *Chief Executive Officer*

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## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

**Corrections should be marked on a photocopy of the proof and forwarded to:**

**Budget Estimates secretariat  
Room 812  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**

**CHAIR:** I declare open the budget estimates inquiry 2008-09 into Education. I welcome Minister Firth and other departmental staff who are here today. We are going to examine the expenditure of the portfolio of Education and Training. I will just go through some procedural matters. I know that this room is not ideal for the media but most of you probably know the drill in terms of who you are allowed to make the subject of your broadcast. People in the public gallery should not be the primary focus of any filming or photographs. Only members of the Committee and witnesses may be filmed or recorded. Broadcasting guidelines are available on the table by the door.

For the delivery of messages, notes may be passed. Unlike in a school situation we are allowing that today. Notes may be delivered through the secretariat staff or the Legislative Council assistants. Mobile phones interfere with the recording equipment—they make beeping noises if they are close to the microphones. Can you please turn off mobile phones and keep them away from the microphones.

Minister, the Committee has agreed to a timing allowance but we have not divided up this hearing into sections; it is just a broad cross-section of the portfolio. We may stop for a small break for morning tea at 10.30 a.m. There is a requirement that answers to questions on notice be provided within 21 days. You will be provided with those questions within two days. Transcripts will be on the website tomorrow morning.

**TOM ALEGOURNARIAS**, Chief Executive, New South Wales Institute of Teachers, and

**ALISTER HUNTER**, Deputy Director General, Finance and Infrastructure, New South Wales Department of Education and Training, affirmed and examined:

**MICHAEL COUTTS-TROTTER**, Director General, New South Wales Department of Education and Training, and

**JOHN BENNETT**, General Manager, Board of Studies New South Wales, sworn and examined:

**CHAIR:** Minister, I know that parents in the Hunter, where I am from, are concerned about asbestos in schools. Have you got information on how many schools have got asbestos and are you going to make that information available to parents?

**Ms VERITY FIRTH:** Yes, absolutely. As we are all aware, fibro sheeting containing asbestos was a commonly used building product in New South Wales for many years. In fact, many buildings, including schools, built between the 1920s and the 1980s contain asbestos. NSW Health advises that bonded asbestos has a very low likelihood of any fibres being released if it is left undisturbed. However, from time to time, fragments of bonded asbestos, such as asbestos cement sheeting, are uncovered on building sites or in backyards and sometimes at schools.

Whenever fragments are found on a school site, action is quickly taken by licensed contractors to investigate and rectify this issue. Once the work is completed an assessment is carried out to confirm that the work has been conducted in accordance with WorkCover requirements and that the area is safe for school use. These precautionary measures are taken to assure school communities that their school environments are healthy and safe. The New South Wales Government has a rigorous system of asbestos removal and monitoring to ensure that no student's or teacher's health is put at risk.

Addressing your question directly, each school site has a hazardous materials register as part of the school asset maintenance contractors on-site records. This record of hazardous materials that have been identified on school sites helps ensure the safety of students and staff where works are required. Building on the hazardous materials register, the department has prepared an asbestos register for each of its schools and colleges across the State. This is about providing accessible information on what is a common issue in homes and public buildings right around the State.

Managed correctly, asbestos does not have to be a problem. That is the Government's commitment and that is why it has this register. It is being transparent and accountable about the extent of the presence of asbestos and ensuring that all school communities know about what is going on.

**CHAIR:** Will that be on a website?

**Ms VERITY FIRTH:** The register will not be on a website, but each school will have its own register.

**CHAIR:** Why not? How do parents get that information?

**Ms VERITY FIRTH:** Every school will receive its own register with the complete details about asbestos on the property.

**CHAIR:** That is the school. What about the parents?

**Ms VERITY FIRTH:** It contains information about the existence and location of any known or presumed asbestos-containing materials on school and TAFE sites based on advice from experts. The register enables the department to advise any person working on these sites about the likelihood of encountering asbestos-containing materials. Using that information, we are then able to plan works better when we envisage an asbestos disturbance. If the Committee wants more information about the availability of that register, I can refer to my director general. However, everyone should rest assured that the Government is completely open and transparent on this issue. That is why all schools now have their own register.

**CHAIR:** With all due respect, if the Government were open and transparent that would be on a website. Parents should be able to access that information. Surely they need to know, and surely they should be told if their school has asbestos. How many schools are affected in this way?

**Mr COUTTS-TROTTER:** There are two registers at every school site. One is held at the school and the other is an entirely public document available to any student, member of staff or parent in the community to examine.

**CHAIR:** Are they informed that it is available?

**Mr COUTTS-TROTTER:** Yes. We alerted 500 media outlets last week of the availability of these registers. We have communicated directly with principals to explain the register and how it can be used. Our school education directors are talking individual principals through the use of the register, what it contains and how they can make that information available to schools. We are contemplating trying to put an enormous volume of information on the website. If we can do it in a way that is comprehensible to parents, we will do so.

**CHAIR:** Is that a commitment to put it on the website?

**Mr COUTTS-TROTTER:** Absolutely.

**CHAIR:** How many schools are affected and where are they?

**Mr COUTTS-TROTTER:** We know it school by school, because this is where we manage the risk. We manage it classroom by classroom.

**CHAIR:** Can you provide the Committee with that information?

**Mr COUTTS-TROTTER:** I will offer a general estimate. Most buildings built between the 1920s and the 1980s contain asbestos. Most of that asbestos is contained within bonded asbestos cement and is therefore safe.

**CHAIR:** If you were open and transparent you would be able to tell us how many schools are affected, which schools and where they are.

**Mr COUTTS-TROTTER:** I am about offer a broad estimate.

**CHAIR:** No, specifically.

**The Hon. GREG DONNELLY:** Point of order: Madam Chair, you are bordering on badgering the witness. You are entitled to ask questions, as we all are. However, the witnesses are entitled to answer the questions without you badgering them. They are entitled to answer the questions as they see fit. If you want to badger the witnesses, I will continue to take points of order.

**CHAIR:** Thank you for your point of order. The reality is that the question has been asked several times. The Minister has referred to transparency. We have asked specific questions, and when we are not getting specific answers it is appropriate. There is no point of order.

**The Hon. GREG DONNELLY:** Further to the point of order: You do not tell people how to answer questions; they will answer the questions as they see fit.

**CHAIR:** I am sorry. If they are not answering, we are entitled to keep asking.

**The Hon. GREG DONNELLY:** The answers are not being given in the way that you would like, but they are being given.

**CHAIR:** I have ruled that there is no point of order. The question has not been answered. The question asked for a list of the schools and their location. The Committee has not received that information. You are trying to use up the Coalition's time. We will proceed. Mr Coutts-Trotter, please answer the question. If you do we will not have the Hon. Greg Donnelly taking points of order to defend you.

**Mr COUTTS-TROTTER:** Most buildings built in that period contain asbestos. A broad estimate is that probably 60 per cent to 70 per cent of schools were built between the 1920s and the 1980s. One could conclude from that that about 60 per cent to 70 per cent of schools would contain asbestos. If parents are concerned, they can go to the front desk at the school office and ask to see the register. It provides survey results room by room at the school.

**CHAIR:** Will you take on notice to provide the information about which schools and where they are? I know of 300 schools in the Hunter.

**Mr COUTTS-TROTTER:** It is simply a matter of wrestling the most enormous quantity of data. There are 22,000 classrooms and tens of thousands of other spaces beyond that have been surveyed as part of the register. That is a huge amount of information to wrestle into a form that statewide makes sense to a parent searching a website. The first priority was to provide information on a school-by-school basis, and that is what we have done. We will follow up with some advice to the Committee on how we can present that on our website to allow parents, if they cannot get to the school, to search the website.

**CHAIR:** What is the budget for asbestos remediation?

**Mr COUTTS-TROTTER:** I probably need to take that question on notice. The survey cost just under \$3 million. We have a maintenance budget of about \$230 million a year and a school building budget this year of \$674 million. We attend to friable, loosely bound asbestos whenever and wherever we discover it. The point of this register is simply to prevent accidents. There is a massive program of school maintenance and school building going on. Asbestos becomes dangerous when someone drives a drill into it without knowing it is there. The purpose of this register is largely to inform tradespeople coming onto school sites, before you put a drill into that wall know that it probably contains asbestos.

**CHAIR:** And we assume, with Kevin Rudd's computer revolution, that there will be drilling into walls to put new wiring in. So, I assume that those schools where those computers are going in will be affected. Surely you have allowed for that somewhere along the way. Minister, can you give us some information on Kevin Rudd's computer revolution? Was the National Secondary School Computer Fund raised at the last Council of Australian Governments meeting?

**Ms VERITY FIRTH:** Yes, it was. Not in a lot of detail, but yes it was. There was a report back on the digital education revolution.

**CHAIR:** What sort of information did that have for New South Wales?

**Ms VERITY FIRTH:** It was really just a report back. As you know, round one of funding has closed and round two of funding has just recently closed. New South Wales is determined to work with the Rudd Government on the digital revolution. We are determined to make this work. But, as you know also, we are still engaged in negotiations around on-costs involving that. That is what we have said to the Commonwealth, and we are working on that in a cooperative manner.

**CHAIR:** As New South Wales is the only State that did not take part in that second round of funding, did the Premier raise that issue at the Council of Australian Governments?

**Ms VERITY FIRTH:** You would have to ask the Premier that question.

**CHAIR:** Did you advise him to?

**Ms VERITY FIRTH:** You would have to ask the Premier what he raised.

**CHAIR:** But did you ask him to raise it?

**Ms VERITY FIRTH:** I always brief the Premier on the key issues happening in my portfolio. Of course I discussed this issue with the Premier, but you would have to talk to the Premier about what issues he raised at the Council of Australian Governments.

**CHAIR:** So, you do not know whether he listened to you or not?

**Ms VERITY FIRTH:** You would have to ask the Premier.

**The Hon. GREG DONNELLY:** Point of order: This is another example of you not getting the answer you would like so you are asking it again and again. The Minister has answered your question.

**CHAIR:** There is no point of order. Minister, your decision about preventing New South Wales schools from participating in that second round of funding has put New South Wales students at a disadvantage to the rest of Australia, has it not?

**Ms VERITY FIRTH:** Not at all. The thing about New South Wales students is that New South Wales has led the country when it has come to the IT revolution for our kids. We were the first State jurisdiction to enable Internet access for every public school. We have our significant Connected Classrooms initiative, which provides funding for videoconferencing facilities in every school; access in every school for Internet provision. Every school student now has their own online workspace. I think the figure is—I will be corrected if it is not—1.3 million email accounts. Parents now have the opportunity to log on and be able to access information on the Web about their students. We are spending \$1.1 billion over four years on ICT in New South Wales. We have 196,000 computers across 2,400 different sites. We are doing incredibly well in the digital education revolution, and we want to work with the Commonwealth to enhance on our existing efforts.

**CHAIR:** But, clearly, because you have not participated, you do not think the Rudd revolution on digital education is sound policy? Otherwise you would have participated, would you not?

**Ms VERITY FIRTH:** Absolutely to the contrary. We think it is absolutely sound policy and we have all along said that we support the Rudd Government's digital education revolution.

**CHAIR:** What were your reasons for not participating?

**Ms VERITY FIRTH:** As was made very clear at the time in my public statements, the only issue that we are still talking about is the on-costs. So, we are talking about the support costs for the money it is providing for those computers to our kids. We are still talking about that. We are happy to talk about that. Remember, there are rounds three and four to go. We participated in round one. We just wanted to clarify the on-costs issue, and will do so, and we are very happy to continue to talk.

**CHAIR:** We have a State budget now with a hole in it to the value of \$600 million. Do you not think that our children ought to have been advantaged by your participating in that program?

**Ms VERITY FIRTH:** As I said before, the New South Wales Department of Education and Training is the largest ICT user in Australia. We are already comprehensively leading the country when it comes to access for our kids to ICT technology. One of the most recent announcements we did, which was absolutely fantastic, was the announcement of the selective class places for our rural and remote kids via Internet technology, via our videoconferencing facilities. We have this capacity now in our New South Wales system. Of course, there is always opportunity to improve and that is what we plan to do in conjunction with the Federal

Government, but we are spending significant amounts on our Connected Classrooms initiatives and our own digital education revolution.

**CHAIR:** What happens with this? You are going to participate in the next round, is that correct?

**Ms VERITY FIRTH:** We will continue to talk to the Commonwealth about resolving the issues of on-costs. I am confident we will be able to reach a good agreement that is going to mean that our kids get a better deal and that we all work together. It is a lot better sitting in this position with a Federal Labor Government that is committed to putting a bit of spending into education than it was for 10 long, labourious budgets, when the Howard Government refused to provide any real funding increases.

**CHAIR:** But here was your first opportunity with the Rudd Government to participate in a funding program and you have disadvantaged New South Wales schoolchildren by not participating.

**Ms VERITY FIRTH:** As I said, we were the first State to connect every public school to the Internet. We are still actively cooperating with the Federal Government around this issue; did so in round one and will continue to do so. As in all situations, we are just working out the on-costs issue.

**CHAIR:** Is this recurrent funding? What happens after three years when these computers' lives expire, as computers do?

**Ms VERITY FIRTH:** My understanding is at the moment the costings are based around the four-year life of the computer. A computer is assessed to last four years. That is when the warranty period extends to. We recognise that sometimes school students can be a bit more tough on their computers than other users but we have based that into our costings as well. I do not know if there is anything the director general would like to add to any of this?

**CHAIR:** Have you asked the Rudd Government if this is recurrent funding and what happens after that four years?

**Ms VERITY FIRTH:** The ongoing conversation about on-costs is about all these issues. We are talking about upfront capital costs and we are talking about the sorts of on-costs I am sure everyone in this room is aware of.

**The Hon. CATHERINE CUSACK:** Minister, the priority action schools funding list is basically the 75 most disadvantaged schools. But principals say that this is too simplistic. Will you commit to reviewing the way funding is calculated and being distributed?

**Ms VERITY FIRTH:** No, I will not, and I will tell you why. I do not know whether you know but for the interest of the Committee, we have two programs where we fund our economically disadvantaged schools. We have a Priority Schools Program, which consists of two streams of targeted funding. The Priority Schools Funding Program, which is jointly funded with the Federal Government, and the Priority Action Schools Program, which I think is what you are referring to, form a key part of the Government's approach to overcoming disadvantage in New South Wales public schools by carefully targeting extra assistance.

The Priority Schools Funding Program, which is the larger pool of money, provides \$49.5 million per annum to 588 schools in disadvantaged communities across the State. Since 2003 the State Government has also allocated on top of that funding—on top of the \$49.5 million annually—an extra \$16 million per annum to support the Priority Action Schools Program, which is essentially a subset of the 588 schools. These are the 74 schools of greatest need. Between 2009 and 2012, 74 schools participating in the Priority Action Schools Program will receive between \$60,000 and \$370,000 a year to support innovative early intervention strategies in school communities with the most need. These programs represent a significant investment in the future of our children and young people.

The issue of who those 74 schools are: Members can be assured that the process of determining which schools will receive funding under these programs is a detailed one, which makes the best possible assessment of the socioeconomic status of school communities. Priority schools are identified every four years through a detailed survey of families in the school community. The surveys are used to identify schools with the highest number of students from low socioeconomic backgrounds.

We had an enormous return rate on these surveys. Around 128,000 surveys were provided to families in 1,100 schools, with translations. The statewide response rate was 94 per cent. These specialised surveys have been externally validated by academics to talk about the statistical validity of these surveys and refined over many years to specifically meet the needs of New South Wales schools. We also make sure that we consult about the survey to make sure that it is actually meeting the needs of the different stakeholder groups.

We talked to experts, including the Aboriginal Education Consultative Group, the Ethnic Communities Council, the Primary and Secondary Schools Principal Association, the Parents and Citizens Association and, of course, the Teachers Federation. The Teachers Federation's online journal described the survey as "highly regarded as statistically rigorous and reliable". Why do we have survey? As we all know, over time demographic changes in communities will mean that there are changes in which schools receive support. The circumstances of a particular school community may also change relative to other schools and we need to provide fairness and transparency in how we fund. Most importantly when you are talking about public money we need to have evidence-based decision making rather than subjective decision making based on, say, political considerations.

**The Hon. CATHERINE CUSACK:** Is the current level of funding guaranteed?

**Ms VERITY FIRTH:** Absolutely.

**The Hon. CATHERINE CUSACK:** Will it be increased or decreased?

**Ms VERITY FIRTH:** The current level of funding for our priority actions schools program is \$16 million per year. That is what we have locked in for our forward estimates period.

**Dr JOHN KAYE:** That is four years.

**Ms VERITY FIRTH:** That is for four years.

**The Hon. CATHERINE CUSACK:** So it is \$4 million per annum.

**Ms VERITY FIRTH:** It is \$16 million per annum, each. So times that by four. The reason for movement of schools on and off the list is because of all the things that happen in four years. The socioeconomic status of families in school communities can change. The impact of the drought was significant this time round and there is the gentrification of suburbs; the opening and closing of industries.

**The Hon. CATHERINE CUSACK:** The impact of going from number 74 to number 75 has a very dramatic impact on the school as well, has it not, because you lose \$250,000 overnight?

**Ms VERITY FIRTH:** Firstly, that is not true. If you are a school that comes off the list, you continue to receive half the funding that you received the previous year for a year, so you can adjust. As with any government program, there is always going to be the school that comes number 75 or the school that comes number 76. I feel most comfortable as a Minister if I make sure that I make my decision is based on the evidence, based on a survey that basically asks parents and the school community to describe what is happening in their school community because it makes me more comfortable. It is about making your decisions based on evidence rather than making your decisions based on who can create the loudest noise. We have had a devastating drought in rural areas and devastating shifts of real economic need in some areas and we need to be able to respond to that in a clear and transparent manner.

**Dr JOHN KAYE:** Just briefly on the Priority Schools Funding Program [PSFP]—and I take on board your comments that there will always be a school number 589 but my greatest concern is for school number 580 as it turns out. With school number 580, a new housing development can actually lift the average socioeconomic profile of the catchment area while still leaving a significant socioeconomic disadvantage being serviced by that school. I am specifically talking about south-western Sydney where this actual event is happening. I understand that there is a limited pool of money but I would like you to give us your thoughts on those schools that have been on but then come off the PSFP and the consequences to those schools while they are still servicing some hard-core disadvantage but their average has come up because of an upmarket housing development?

**Ms VERITY FIRTH:** I will get the director general to elaborate on some of the detail, but I asked that question myself. What satisfied me about the nature of the survey is that, say, we were to use census data, apart



from the fact that it is two years old, census data provides a whole sweep of the suburb and it may provide information about the catchment area but it does not necessarily provide information about the families who actually attend that school. That is what we get through this survey process—the specific economic stages of the families who actually attend that school.

**Dr JOHN KAYE:** I agree with you on that. The survey is better than using the census because you are catching people who go to the school. My concern is more about schools that fall off the list. We all know of cases of genuine hardship of PSPF schools that fall off. Minister, can I take you somewhere else for a minute. Can we talk about the teaching of intelligent design young and older creationism as part of the science curriculum in some private schools where it is taught as a viable alternative theory to evolution? I understand that violates the Board of Studies curriculum.

**Ms VERITY FIRTH:** I might defer to the Board of Studies for a response to that. I would have thought yes, but they could elaborate.

**Dr BENNETT:** Every school in New South Wales is to teach the courses that are in accord with the board's curriculum. Where schools opt to teach other programs, including things like intelligent design, they must make it absolutely clear that it is not part of the board's curriculum, it is not science, and that no examination questions or other forms of assessment will include it.

**Dr JOHN KAYE:** No assessment for the School Certificate or Higher School Certificate, but other in-school assessments that are not part of the HSC or the School Certificate can include—

**Dr BENNETT:** Individual schools may design their own assessment programs and assess that but they must make it clear to students that it is not part of the science curriculum.

**Dr JOHN KAYE:** Is it true that the board would stop a school or would sanction a school that taught intelligent design or young or older creationism as part of the science curriculum?

**Dr BENNETT:** The board would certainly investigate any report received of a school doing that.

**Dr JOHN KAYE:** Any report received?

**Dr BENNETT:** Absolutely.

**Dr JOHN KAYE:** From whom would you receive that report?

**Dr BENNETT:** It could be from our inspectors inspecting the school for registration. It could be from a complaint from a member of the public.

**Dr JOHN KAYE:** Which you may well receive. How many schools have been subject to such reports in the last 12 months?

**Dr BENNETT:** I could not tell you the exact numbers but I am aware of one particular case—a case that no doubt you have in mind too—that is a matter of ongoing discussion, directly with the school but also through the school sector. The particular school I think you are talking about is part of a school system and our approach there is to contact school authorities for a response in the first instance.

**Dr JOHN KAYE:** Would you say that the practice of teaching non-evolution as a viable alternative to evolution as part of the science curriculum is broad spread amongst a number of certain types of private schools in New South Wales?

**Dr BENNETT:** I do not believe it to be because, as I said at the beginning, schools need to make it clear that it is not part of science.

**Dr JOHN KAYE:** You inspect every school how often?

**Dr BENNETT:** Once every five years for registration.

**Dr JOHN KAYE:** And that inspection is not showing up widespread—

**Dr BENNETT:** No it is not, and I should say that there are other monitoring inspections, visits and so forth through the course of that five years. Schools that are part of a system are inspected by the system and a report is provided to the board's registration committee.

**Dr JOHN KAYE:** And those systems in New South Wales would be the Catholic Education Office system and the Seventh Day Adventist system?

**Dr BENNETT:** The Catholics have multiple systems, and Christian schools.

**Dr JOHN KAYE:** Christian Schools Australia inspect their own schools?

**Dr BENNETT:** Yes, as do the Catholics.

**Dr JOHN KAYE:** Christian Schools Australia report back to you whether or not creationism or intelligent design is taught as a viable alternative to evolution?

**Dr BENNETT:** They inspect their schools and they provide a report to the board as to whether schools are complying with the board's registration.

**Dr JOHN KAYE:** Minister, you are completely confident that Christian Schools Australia is fulfilling its duty in exposing those schools teaching intelligent design or creationism in the science classroom to the Board of Studies?

**Ms VERITY FIRTH:** I am confident that the processes that exist are robust. I think the Board of Studies does a very good job of ensuring that the appropriate curriculum is taught, and taught in the appropriate way. Any of these schools would know that if they are teaching creationism or intelligent design in science, that is not part of the Board of Studies syllabus and that they are not science curriculum because they are not scientific and not evidence-based. So they would be running a very high risk to be doing that, and the Christian Schools Association would be running a very high risk to be not being totally honest with the Board of Studies about that. And I think they would take that very seriously, as would we.

**Dr JOHN KAYE:** Minister, what auditing of Christian Schools Australia's inspection is performed? Is there any spot auditing?

**Ms VERITY FIRTH:** I would need to take that on notice, unless Dr Bennett can answer.

**Dr BENNETT:** Yes, our inspectors do attend some of the inspections that are conducted by those associations.

**Dr JOHN KAYE:** With Christian Schools Australia?

**Dr BENNETT:** Absolutely.

**Dr JOHN KAYE:** Minister, are you aware that the Chief Executive Officer of Christian Schools Australia is a former member of this Parliament and a staunch advocate of the teaching of intelligent design and creationism, and is on the public record as such?

**Ms VERITY FIRTH:** Does he say that it should be in science?

**Dr JOHN KAYE:** Yes.

**Ms VERITY FIRTH:** I was not aware of that. Having said that, however, the Board of Studies and our curriculum are very clear that that is not acceptable and it is not part of how we would view that this should be taught. Again I would say that Christian Schools Australia would be very aware that that was our position, and it would be very dangerous if there were not a sense that they were being totally honest with us. But I do not suggest that they would not be being totally honest with us. We have a good system that enables us to deal with these issues.

**Dr JOHN KAYE:** What sanctions would be applied to a school if it were found to be teaching creationism or intelligent design as part of the science curriculum?

**Dr BENNETT:** Any school that does not comply with registration requirements is likely to be placed on provisional registration or have their registration cancelled.

**Dr JOHN KAYE:** How many schools in New South Wales have been placed on provisional registration in the last five years?

**Dr BENNETT:** I cannot tell you that number off hand. However, we can provide that if you like.

**Dr JOHN KAYE:** If you would, please. Would it be a large number?

**Dr BENNETT:** I do not believe it is very large at all.

**Dr JOHN KAYE:** The Meadowbank Education Trust School [MET] received Federal Government capital funding for two campuses, at Wollongong and Katoomba. I understand that neither of these campuses has ever been registered under the New South Wales registration process. Did the MET school—which operates as a multi-campus school, not as a series of schools—ever receive capital funding from the State Government in respect of either of those campuses?

**Ms VERITY FIRTH:** I would have to take that on notice, unless there is someone here who has that information to hand. I am advised that the Meadowbank Education Trust School is registered in New South Wales for kindergarten to year 12, and accredited for School Certificate and Higher School Certificate courses. It has 19 campuses across the State in locations that have a local Exclusive Brethren community, and I understand that the MET school is run by the Exclusive Brethren for the children of their community.

The board may arrange for a registered non-government school to be inspected by a board inspector at any time if the board has reason to believe that the requirements for registration are not been complied with at the school. As a registered and accredited non-government school, MET is obviously entitled to State funding in accordance with the Department of Education and Training funding formula. However, in terms of capital funding I would have to take that on notice.

**Reverend the Hon. Dr GORDON MOYES:** Minister, I want to raise with you or the Director General the issue of retention rates for trained teachers, particularly those who may suffer disillusionment and are out of training for less than 10 years.

**Ms VERITY FIRTH:** We have a number of programs about retraining teachers, especially in their early years. We specifically want to support teachers in their first year of teaching, because often this is the time that it is the newest and so forth. We have implemented a new program in the first year of teaching. As part of the program, \$31 million is to be spent during the next four years to enhance the quality and retention of permanent new teachers by providing extra support in their first year of teaching. The program started in the non-metropolitan areas, and it includes one hour of relief time for those new teachers to give them time to professionally develop. We are now going to expand the program into metropolitan areas, starting in 2009.

We also have a teacher mentoring program, which has proven to be very successful. We allocate mentors based on the number of new graduate students in each school, so that the more students you have, the larger allocation of mentors you have. We have found that to be very useful as well.

**Reverend the Hon. Dr GORDON MOYES:** With regard to the mentoring program, is the contribution of the more experienced teachers who are doing mentoring acknowledged in any way, and is there any financial remuneration for that mentoring?

**Ms VERITY FIRTH:** I will ask the Director General to respond to that.

**Mr COUTTS-TROTTER:** It is certainly acknowledged. It is highly valued within schools. There are 97 schools that receive this kind of support, and it works. We know it works because the resignation rate among new teachers in New South Wales public schools in their first five years is 11 per cent. That compares with a national rate of 17 per cent. Within that 11 per cent, 4 per cent resign in the first year, and after that a new teacher of any age is no more or no less likely to resign than any other member of the public school workforce.

The Federal Government is working with the States on a range of national partnership agreements. The one that we in New South Wales have been pushing the hardest is a national partnership agreement concerning teacher quality that contains a range of elements, including a proposal to establish national teaching fellows, I think is the terminology.

**Reverend the Hon. Dr GORDON MOYES:** It is a recognition in terminology?

**Mr COUTTS-TROTTER:** But also with money, we hope. Therein lies the meat of the negotiation with the Commonwealth. We are hoping that there could be some Commonwealth money directed towards this.

**Reverend the Hon. Dr GORDON MOYES:** I am asking this particularly—as members opposite know only too well—in light of our discussions with other departments. Thank you for the information about retention rates, because I think that is absolutely fundamental. Dr Bennett, it is the Board of Studies expanding the availability of language courses, particularly classical languages such as Latin and Greek, and also indigenous languages?

**Dr BENNETT:** Certainly we are expanding the access and opportunity for students to study indigenous languages. In terms of classical languages, we are not expanding them. We have classical Greek, Latin and Hebrew. It is really a matter of student demand, of course. Latin still remains reasonably popular.

**Reverend the Hon. Dr GORDON MOYES:** Minister, I turn to vocational skills training, which is rolled out through TAFE colleges. I am anxious that TAFE colleges adjust their vocational skills training to regional specialities—for example, in winegrowing areas, shearing areas, resource boom areas and mining areas, and particularly for the dry country areas.

**Ms VERITY FIRTH:** Are you saying that you want to make sure that that is happening?

**Reverend the Hon. Dr GORDON MOYES:** Yes.

**Ms VERITY FIRTH:** We agree. We need to make sure that our training, obviously, suits the need not just of our economic skills shortage but that that, hopefully, will also be in line with what our students want to do and will provide economic pathways for them. One of the things we have done as part of TAFE New South Wales doing business in the twenty-first century reforms is to look at industry skills units, linked to the National Industry Skills Council replacing our curriculum centres. The new units will provide a more contemporary industry alignment and a clearer focus for the development of TAFE services. They will continue to provide ongoing advice and policy support to institutes so that they can better design and deliver front-line services, most critically in collaboration with local employers and community groups. The skills shortage is obviously one of the most challenging issues affecting the New South Wales economy. My Government is giving the highest priority to reducing industry skills shortages; particularly in the traditional trades like plumbing and construction, we have actually set training to 16 per cent.

**Reverend the Hon. Dr GORDON MOYES:** Minister that was not really the crux of my question. I appreciate that. My particular question was out of concern for regional areas across New South Wales. Are they receiving help in developing new training courses for people living in regional areas and give me some specific examples? I mentioned dry area farming and winegrowing, for example.

**Ms VERITY FIRTH:** The director general has a response for you.

**Mr COUTTS-TROTTER:** We definitely do this. We have a process that labours under the bureaucratic jabberwocky of profiling where we work with regional communities to identify the regional skill demands and we fund TAFE institutes accordingly against that profile. For example, if you go to the Dubbo Rural Skills Centre you will find it specialises and is deepening its expertise in the equine industries, in viticulture, in shearing—some of the best shearing training in the world but none comes out of the Dubbo Rural Skills Centre. There is a very finely tuned process—

**The Hon. CATHERINE CUSACK:** Not in construction on the North Coast.

**Mr COUTTS-TROTTER:** Sorry?

**The Hon. CATHERINE CUSACK:** Not construction on the North Coast. You have closed all our building courses.

**Mr COUTTS-TROTTER:** Well, no—

**The Hon. CATHERINE CUSACK:** I just find that statement ironic.

**Mr COUTTS-TROTTER:** We are happy to provide the Committee with the profile details for the North Coast that show the regional planning that goes into the allocation of funding to different skills areas. It is done very carefully and it not only tries to respond to the needs of the moment but also actually anticipates the needs of the future. We do that by working closely with local councils, by working closely with local employee, and by working closely with other government agencies, including the Department of State and Regional Development.

**Reverend the Hon. Dr GORDON MOYES:** Could I just follow up—and I am happy for you to take this on notice but I do not expect specialist answers on an issue as definite as this. Having spent quite a bit of time in dry areas in the far west of the State and speaking to farmers and others, I have picked up concerns. The whole agriculture section is changing and they need specialist training. Can you give me on notice some information about profiling for those areas and how you are responding?

**Ms VERITY FIRTH:** Yes, we would be happy to.

**Mr COUTTS-TROTTER:** Yes.

**Dr JOHN KAYE:** I return to my line of questioning about the Meadowbank Education Trust School [MET]—and I am sure you are pleased I am going back to that. Minister, the MET school is currently funded by the State of New South Wales as a category 12 school and ironically also by the Commonwealth Government as a category 12 school, which is normally, as I understand it, reserved for schools that have almost no resources whatsoever. Yet, at that level of funding, is it not true that since the MET school was awarded that category 12 funding and had it locked in, it has actually built 18 new campuses? That is hardly the sign of a private school that is badly disadvantage and worthy of a categorisation of 12, would you not say?

**Ms VERITY FIRTH:** I will take the details of that question on notice. What I will say is that New South Wales funds non-government schools on a 12-point scale, as you have outlined, depending on their level of need. All governments in Australia have funding schemes that try to differentiate on the basis of need. There is no unambiguous mechanism to address the issue of differing levels of need. Arguments abound about the finer points of any particular mechanism. What we do reject, however, is any sort of crude political arguments that say that the State arrangements should be rigged to counteract the alleged inadequacies of the Federal funding scheme. That is a recipe for a stable and trivial public policies. I am currently considering, just so that you know, the arrangements that might apply in New South Wales following an internal review of the capacity of the education resource index to continue to provide a reasonable approach to differentiating the funding grants to non-government schools.

The earlier Grimshaw review proposed a number of changes to the regulation of private schools and the Government has legislated to implement a good number of them. However, in relation to the funding of non-government schools—

**CHAIR:** Minister, I hate to interrupt but we are on a strict time limit. The Government members get very upset if their time is used. Are the Government members happy for the Minister to continue?

**The Hon. MICHAEL VEITCH:** No, we get very upset.

**Dr JOHN KAYE:** It is a shame because it is an important policy issue that the Minister is outlining.

**CHAIR:** Minister, would you like to table the balance of that information?

**Ms VERITY FIRTH:** I will just finish what I was about to say.

**CHAIR:** Very well.

**Ms VERITY FIRTH:** In relation to the funding of non-government schools the Education Act puts a cap on the total funds available. Preliminary advice is that the cost of implementing a comprehensive new information regime to replace the former Commonwealth regime would be excessive and, given the cap on funding, of little purpose. I am advised that there will be a comprehensive review of the Commonwealth's funding arrangements in coming years and it would better fit public purposes for the revision of State-funding distributional mechanisms to be considered at that point.

**The Hon. MICHAEL VEITCH:** Minister, would you advise the Committee what the New South Wales Government is doing to recognise quality teachers and teacher leaders in New South Wales schools?

**Ms VERITY FIRTH:** I thank the member for his question and his ongoing interest in recognising quality teaching in New South Wales. The question helps address some of the issues that were raised earlier by Reverend the Hon. Dr Gordon Moyes and I think it is a pertinent question. Teachers are obviously the most important resource in the education of our children. Teachers in New South Wales schools work hard for their students and this is evidenced in the outstanding results of New South Wales students in this year's first-ever national assessment program in literacy and numeracy in years 3, 5, 7 and 9.

Recognising the exceptional work of our teachers, New South Wales is the first State to offer professional accreditation of outstanding teachers. Comprehensive professional teaching standards have been developed for the career stages of professional accomplishment and professional leadership. These standards cover the three crucial domains of professional knowledge, professional practice and professional commitment. At these levels the standards describe not only outstanding teaching but also valuable contributions to the educational communities in which the teachers work. To be accredited at these levels, teachers will undertake a rigorous evaluation of their knowledge, skills, personal attributes and contribution to the education community.

The Labor Government established the New South Wales Institute of Teachers in 2004 to oversee a comprehensive program to improve the quality and the status and standing of New South Wales teachers. The first tasks of the institute were to implement mandatory assessment of initial teacher education programs and mandatory accreditation of beginning teachers against the standards for professional competence. Following the successful implementation of these requirements, the institute has now introduced voluntary accreditation for the State's outstanding teachers.

There has never been a profession-wide system to guide teachers' career paths in such a formal and rigorous way focused on outstanding classroom practice. It puts New South Wales at the forefront of recognising teacher excellence. The professional teaching standards describe benchmarks of excellent teaching and allow every teacher to set a career path for continuing improvement. Teachers need to produce solid evidence of their practice to be accredited at these levels. The evidence includes student outcomes data and the teacher's response to that data. Teachers will also be visited by independent external observers appointed by the institute. The teachers who achieve the higher level standards will be the most outstanding in their profession and will spearhead the profession's continuing improvement. These individuals will be recognised for their work with new teachers, their peers and the broader community. Of the scheme, Maralyn Parker, the *Daily Telegraph* education writer, observed:

By activating these new top levels of accreditation, the New South Wales Institute of Teachers is pioneering the recognition of excellence in teaching across Australia. The Federal Government has talked a lot about it, there is yet another Federal review on it, but has come up with nothing so far. New South Wales is showing how it can be done.

The Government is willing to discuss the accreditation process as part of future salary negotiations. Accreditation at these levels is a two-stage process. The first stage is an online application designed to assist candidates' likelihood of successfully gaining accreditation. The preliminary application went live on Friday 22 August. By Monday morning 16 teachers had commenced their applications. Midway through October 65 teachers are preparing their applications. For our teachers it means that for the first time their great skills and commitment can be recognised both by their colleagues and by the broader community without the need to move from the classroom. The arrival of accreditation for these higher levels is yet another milestone achieved by this Government's unflagging pursuit of excellence in teaching.

**The Hon. GREG DONNELLY:** The Higher School Certificate examinations are under way this week. Could you explain to the Committee what year 12 students will be doing during this, sometimes, difficult time?

**Ms VERITY FIRTH:** Today the 2008 Higher School Certificate [HSC] examinations begin with the Business Studies exam in the morning and the mandatory English exams following on 17 and 20 October

respectively, with the final HSC exams taking place on 13 November. The HSC is a recognised world-class education credential. The HSC is the combination of 13 years of study for many students and they have been preparing for these exams for some time. A record 67,931 year 12 students will sit exams from Mathematics to Latin—Reverend the Hon. Dr Gordon Moyes will be pleased to know—Biology to Personal Development, Health and Physical Education. Some of the key trends in HSC enrolments this year which are interesting are one in three students are studying a vocational education and training [VET] course, almost half of students are undertaking a science course, almost one-third are enrolled in a history course and there are 516 sets of twins and 11 sets of triplets, which makes a total of 1,065 of those students who will sit the exams.

It is encouraging to see so many students undertaking VET courses, in particular, which will support them in trades and other practical occupations. More than 20,000 year 12 students are studying one or more VET courses and most of them will sit an exam in the course, where available. The reason why this is important is that a high percentage of VET students have opted to take examinations as part of their assessment, which makes their course eligible for a UAI ranking, as well as providing them with a nationally recognised qualification and giving them a head start on a trade. For example, 87 per cent of hospitality students have chosen to sit the written HSC exam as well. Traditional trades are also proving popular amongst HSC students, with a 24 per cent increase in the number of construction enrolments since 2004 and a 22 per cent increase in the number of metal and engineering numbers in the same period. This is a challenging time for students and they should remember that 50 per cent of their HSC marks are already locked into the Board of Studies secure system. So they have already done half the work. I tried to make it clear in my public comments exactly that so that our students do not get to stressed out in this period.

**CHAIR:** Until you have an HSC student in your house.

**The Hon. CHRISTINE ROBERTSON:** Half the Committee has been affected by it.

**Ms VERITY FIRTH:** I have talked to a lot of parents going through it as well. We try to tell our students that, of course, we want them to study hard and to make their best attempt at the exams but we do urge them to keep it in perspective. Whatever the outcome, there are many pathways to further education in their chosen careers. It is important to maintain balance, being able to balance commitments with social, recreational and family life in order to achieve a happy and healthy lifestyle. Key ways for students to achieve this balance include having a set of priorities and goals, being as positive as you can, having support networks of people you can talk things over with and being prepared to tackle problems early on and work out ways to manage them. A large number of students are also taking advantage of the Board of Studies new study tour of Students Online to check previous exam papers and read helpful hints on the tests. It is an amazing website, actually. I wish we had something similar when I was at school. It is proving incredibly popular. We have had one million page views at the Board of Studies website in the two weeks of the school holidays alone. Kids can log on, they can see their individualised exam timetable, they can click and get past papers, and they can do pop quiz questions. It is a whole world open to them by the use of Internet technology.

We also have the HSC advice line—13 11 12—which opened last Saturday. It is available Monday to Friday from 4.00 p.m. to 10.00 p.m., on Saturdays from 10.00 a.m. to 6.00 p.m. and on Sundays from 10.00 a.m. to 10.00 p.m. That is so that they can get a real-life person at the end of the phone. For the cost of a local call year 12 students will be able to speak to advisers in 26 major courses leading up to and during exams until 6 November. I would encourage students to try to stay calm, keep things in perspective, and remember there is a lot of help for them out there from our websites and our phone lines and, of course, from their teachers and family members.

**The Hon. CHRISTINE ROBERTSON:** This is a very important issue in my area. As summer is approaching, what is the New South Wales Government doing to cool classrooms in the hottest areas of the State?

**Ms VERITY FIRTH:** I thank the member for her question and her ongoing interest in the welfare of New South Wales students. There is no doubt that learning and teaching in a comfortable environment is vital. That is why I am pleased to announce that \$2.5 million will be spent in 2008-09 on providing air-cooling and air-conditioning to public schools in some of the hottest parts of the State. Working and learning in a classroom on a hot summer's day can be uncomfortable. By having air-cooling installed, students and teachers will be able to learn and teach in a cool environment. When determining the schools to receive air-cooling, we are guided by data that looks at what are likely to be the hottest classrooms in the hottest parts of the State. Using Bureau of Meteorology data we have identified the areas of the State with a mean maximum January temperature of

between 30 and 33 degrees. By 1995 just 167 schools were air-cooled. Now more than 800 are, or over one-third of public schools now have air-conditioning.

We are cooling classrooms across more of the State than the Opposition did when they were in Government. In fact, the Opposition had an air-cooling program that treated 600 fewer schools than this Government's program. We have air-cooled all demountable classrooms and demountable libraries. Schools across the State to benefit from the new air-cooling projects in 2008-09 include 10 schools in the Riverina region, 7 schools in the Hunter-Central Coast region, 6 schools in the Western New South Wales region and 8 schools in the New England region. We will work closely with the principals of the 31 schools to have air-cooling installed in 2008-09 to ensure that they are used environmentally efficiently, which lowers not only our operating costs but also the carbon footprint.

The Government has also been working hard to minimise the environmental impact of installing air-conditioning across the State. We incorporate ecologically sustainable development principles into the design of new and upgraded school facilities to improve comfort and make the best use of the environmental conditions of the site. In new schools these principles include orientating buildings so as to minimise the impact of the sun and providing good ventilation and covered walkways for sun protection. When modular design range buildings are installed on school sites, they are situated to enhance airflow and ventilation, as well as reduce heat caused by the sun.

The 2008-09 Air Cooling Program builds on the Rees Government's commitment to improve school facilities. We have set out the larger school building program in the history of New South Wales. Our Building Better Schools initiative will spend \$2 billion over four years to improve the leading facilities of our students. This financial year alone the Government is spending \$648 million on capital works in our schools and \$230 million on school maintenance. In 2008-09 we are starting 16 new major school building projects, on top of the 42 major projects already under way. The education budget also includes funding for three new schools in 2008-09—primary schools at Elderslie and Middleton Grange and a high school at Rouse hill—which are being delivered through public-private partnerships. We are renovating toilets at 52 schools, erecting 60 security fences, building 20 new school halls and gyms and upgrading the food technology facilities at 8 schools under the Building Better Schools initiative.

**The Hon. MICHAEL VEITCH:** Could you let the Committee know about the operation of DET International?

**Ms VERITY FIRTH:** The New South Wales Department of Education and Training is a world leader in education, attracting students and business opportunities from across the globe. Within the department is a specialised unit called DET International, which manages and promotes the worldwide business activities of the department and TAFE New South Wales. DET International's work is a significant revenue earner for the Department of Education and Training and, of course, for the New South Wales taxpayer. In 2007-08, the unit spent \$18.2 million on expenditure and raised \$103.5 million in revenue.

A key role of DET International is the provision of support for overseas students whilst studying at schools and TAFE in our State. The International Students Program provides significant revenue for the Education Department. This revenue is used to invest in additional local student places and modern up-to-date equipment and facilities for all students. It is important to note that enrolments of New South Wales students in TAFE and schools take priority over international students. This year there was an increase of 24 percent in new enrolments of international students in TAFE courses.

There are currently over 3,750 international students enrolled in a range of vocational courses in 49 TAFE New South Wales campuses. These students pay full fees to study. The majority of international students are enrolled in hospitality programs, followed by accounting, hairdressing, dental technology, children's services and information technology. There has been a strong growth in revenue from international students for the 2007-08 financial year of 36.2 per cent. It is anticipated that the program will continue to grow during the 2008-09 financial year with predicted total revenue of nearly \$50 million. In addition, more than \$8 million in revenue was generated in the 2007-08 financial year from international students undertaking English language courses in TAFE New South Wales institutes.

DET International also wins the business worldwide to provide training, consultation and project management services for commercial business and development projects. Much of the delivery of these services is provided by TAFE New South Wales. Following TAFE's successful provision of event training and planning



for the Sydney Olympic Games, it has since provided similar training for the Athens 2004 Olympics and Paralympics and most recently the Beijing 2008 Games. TAFE, through DET International, has now won a bid to provide a workforce training master plan for the Shanghai World Expo 2010—the third-largest international event after the Olympic Games and the World Cup. DET International will provide a blueprint for the delivery of training to the entire workforce for the World Expo, which is expected to involve more than 180,000 employees, volunteers and service providers.

The resources of government schools and TAFE training have been boosted by the work of DET International since its creation in 2006. The International Students Program in TAFE New South Wales plays an important part in enhancing the position of TAFE New South Wales as a leading provider of technical and further education in the Asia-Pacific region. This growth is, in part, a result of strategic and coordinated marketing of TAFE New South Wales by DET International. As well as onshore delivery, TAFE undertakes major projects with educational institutions overseas. In 2007, TAFE, through DET International, won an international tender to establish the first institute of vocational education and training in Abu Dhabi. The Abu Dhabi Vocational Education and Training Institute is fully funded by the Abu Dhabi Government, with the institute operating day to day under the auspices of TAFE New South Wales.

Education services remain Australia's third largest export behind coal and iron ore and ahead of tourism services. International education activity contributed \$12.5 billion to the Australian economy in 2007, an increase of 17 percent. Over the past decade, education exports have grown at an average annual rate of 15 per cent compared with an average annual rate of 6 percent across all services exports. In 2007, income generated in New South Wales through expenditure by international students amounted to \$4.7 billion. DET International is a unique success story—both as an educational provider and as a business model. We should be rightly proud of its achievements.

**The Hon. GREG DONNELLY:** My question relates to the issue of the national curriculum that we have read about and continue to read about in the press. For the information of the committee, could you explain to us what the impact will be in New South Wales?

**Ms VERITY FIRTH:** New South Wales looks forward to working collaboratively to oversee the development of a national curriculum for all Australian students from kindergarten to year 12. The key learning areas of English, maths, the sciences and history will be a starting point. The New South Wales curriculum is an outstanding model on which to base a national curriculum. Mr Tom Alegounarias, Chief Executive of the New South Wales Institute of Teachers, is the New South Wales representative on the National Curriculum Board. Mr Alegounarias will work to ensure that New South Wales' high curriculum standards are protected as a national curriculum is developed.

New South Wales has a proud tradition of being a leader when it comes to having a high quality, rigorous and world-class school curriculum. In New South Wales, syllabuses from kindergarten to year 12 are developed according to clear quality criteria and benchmarked against the highest national and international standards. New South Wales students have been referring to a detailed common curriculum that clearly prescribes what students should learn. Our syllabuses contain explicit descriptions of the subject content that must be taught and the knowledge and skills that students should develop at each stage of schooling. Student achievement is assessed and reported against these standards. This ensures that all students learn from common material, irrespective of where they live or which school they attend.

This approach must be replicated in the efforts to develop a viable and credible national curriculum. Teachers are central to the development of syllabuses which determine the content of their work. New South Wales syllabuses have been developed with direct input from classroom teachers from each of the school sectors as well as academics, parents and nominees from other key interest groups.

**(Short adjournment)**

**Ms VERITY FIRTH:** I want to correct the record. I realise that I said that the Higher School Certificate exams start today. In fact, they start tomorrow with the Business Studies exam and the English exam will be held on Friday.

**The Hon. CATHERINE CUSACK:** I refer to the budget strategy, particularly in relation to efficiency dividends, pay rises and savings that need to be achieved. In dollar terms, what efficiency dividend does the Department of Education and Training need to produce this financial year?

**Ms VERITY FIRTH:** We need to produce savings of \$78 million this year.

**The Hon. CATHERINE CUSACK:** Is that just for schools or is it across the portfolio?

**Ms VERITY FIRTH:** That is across the portfolio.

**The Hon. CATHERINE CUSACK:** Can you break it down by portfolio?

**Mr COUTTS-TROTTER:** Our 2008-09 budget was framed on the assumption that we could find \$78 million in efficiency savings. The total portfolio budget increase is \$614 million. It would have been \$614 million plus \$78 million but for the fact that we have to find the \$78 million in efficiency savings. It is constrained growth.

Broadly, about \$20 million of that will be found within TAFE and the rest will be found across the agency. We had a \$78-million efficiency target last year, which I am pleased to say we met. We did that by comprehensively redesigning our supply chains. The department is an enormous agency and it consumes a huge amount of goods and services—everything from stationery through to consulting services of one kind or another.

We have been going through a painstaking process of simplifying our supply chains by providing more of our business to a smaller number of suppliers. By doing that we have been able to commit a certain level of expenditure to the market. In turn, the market has been able to give us very substantial price savings that we have, in part, passed on to schools and TAFEs and, in part, taken to meet the department's efficiency savings. That is not so stay that last year we did not also remove some jobs. **We did; we deleted jobs in bits and pieces across the department.**

**The Hon. CATHERINE CUSACK:** How many altogether?

**Mr COUTTS-TROTTER:** I can get that figure, but it would be tens rather than hundreds. This year we have further efficiency savings to deliver. We anticipate that procurement will probably generate about \$45 million of the \$78 million in savings. The rest will be the subject of a variety of initiatives throughout the department.

Of course, our starting point is that front-line staff—that is, teachers, largely, and other staff in schools and TAFEs—are not directly affected by these measures. They are indirectly affected to the extent that we have changed procurement arrangements and they may have fewer choices about from whom to buy. They are also indirectly affected to the extent that by reducing the number of head office staff we do things in 10 days rather than a week. Our priority is to ensure that teachers are not affected by the changes.

**The Hon. CATHERINE CUSACK:** Is the \$45 million in procurement savings across TAFE as well as schools?

**Mr COUTTS-TROTTER:** It is across the department.

**The Hon. CATHERINE CUSACK:** What is TAFE's share?

**Mr COUTTS-TROTTER:** An amount of \$2.5 million is specifically for TAFE. However, one way of delivering up \$20 million in savings in TAFE is to get institutes to make procurement savings. We have a specifically identified target for procurement, but different areas of the department will in turn use the procurement savings that we are not corporately taking to the bottom line to support their own savings measures. All up, there is about \$95 million in procurement savings targeted for 2008-09.

We hang on to some of that and we share some with TAFE institutes and schools. We do that because they need an incentive to cooperate with the new procurement arrangements. There has to be something in it for them. We do that in a very transparent way. They see exactly what the department paid for something and what they paid for it. What they pay for it is more than we pay to buy it. However, taken as a whole, by cooperating in this way, the price we get is better than the price they can get from Bing Lee or the corner store.

**The Hon. CATHERINE CUSACK:** I will focus on the balance of \$33 million that is non-procurement. What is the apportionment between schools and TAFEs and what are the main initiatives?

**Mr COUTTS-TROTTER:** Of the \$78 million, about \$19.5 million relates to TAFE. The balance is then spread across the department. We have allocated that based on an assessment of our operating costs in the various areas of the department; that is, the Office of Schools, strategy planning and regulation and assets and finance.

**The Hon. CATHERINE CUSACK:** Can you repeat those areas?

**Mr COUTTS-TROTTER:** The major areas include the Office of Schools.

**The Hon. CATHERINE CUSACK:** What is its share?

**Mr COUTTS-TROTTER:** It is about \$11 million to \$15 million.

**Dr JOHN KAYE:** When you refer to "Office of Schools", does that mean savings in schools?

**Mr COUTTS-TROTTER:** No. I am sorry to resort to our departmental jargon. It refers to the State office team and the regional teams. That is a significant work force. However, as a proportion of the total work force, it is very low. We have extraordinarily low back-office costs; we have one of the best ratios of non-school staff to school staff in Australia. In fact, 2.74 per cent of our staff are non-school staff compared to the Australian average of 4.1 per cent.

**The Hon. CATHERINE CUSACK:** So that is quite a deep cut for them, then?

**Mr COUTTS-TROTTER:** Absolutely. But we achieved it last year and we achieved it in cooperation with school leaders. We have been incredibly open about the savings we have to make. I have sent emails to every staff member saying we have to make \$80 million in savings. People understand it.

**The Hon. CATHERINE CUSACK:** You have \$11 million to \$15 million in the Office of Schools. Will you continue from there please?

**Mr COUTTS-TROTTER:** I might take the balance of that on notice and give you details.

**The Hon. CATHERINE CUSACK:** Is that the same for the Teachers Institute?

**Mr COUTTS-TROTTER:** The Teachers Institute deals with its issues independently, as does the Board of Studies.

**The Hon. CATHERINE CUSACK:** What is your efficiency saving in dollar terms, and what is your strategy?

**Mr ALEGOURNARIAS:** It was \$50,000 we had to meet within the budget and it was essentially \$50,000 less than the indexation we were expecting. Being a new organisation, we have maintained as much flexibility as we can in terms of permanent staffing. It was temporary staff that accounted for it.

**Dr BENNETT:** The Office of the Board of Studies is of the order of \$1 million with a range of strategies. We have had to make efficiency cuts for a number of years now and have been very effective in meeting those costs—things to do with the departmental procurement and things like that. Some have been voluntary redundancy packages. We are also looking at efficiencies around our operations, things like online publishing, and so on.

**The Hon. CATHERINE CUSACK:** What are you doing this year? What does the \$1 million comprise this year?

**Dr BENNETT:** A number of things. I could give you a breakdown on those general things if you like.

**The Hon. CATHERINE CUSACK:** Yes please. Do you know what they are?

**Dr BENNETT:** I know the general areas but it would be particularly greater efficiencies in the delivery of services, looking at mainly administrative savings.

**The Hon. CATHERINE CUSACK:** Mr Bennett, do you know what the items are that will get you to \$1 million in savings this year?

**Dr BENNETT:** I do not have that information with me, but I could provide that.

**The Hon. CATHERINE CUSACK:** The Premier's announcement yesterday of a 20 per cent cut to the senior executive service, that is obviously to come on top of all these savings? How many SES officers are employed in your department?

**Mr COUTTS-TROTTER:** We have 98 SES positions. There were 124 SES positions six years ago; there has been a 26 per cent reduction. The ratio of SES to staff is one SES to around 1,000 people. We account for about a quarter of the State budget but about 10 per cent of the State's SES. As I understand it, the allocation of those SES savings will be made by the Department of Premier and Cabinet based on the relative circumstances of each agency, and the points I have just made to you will be the points I will make to the Department of Premier and Cabinet. It is an extraordinarily lean organisation and I have enough organisational experience in other places now to know that. We run a very lean senior management team. It is a staff of nearly 100,000 people full-time equivalents. So, we will be responding to the Government's policy, of course, as we should, but we will be making those points.

**The Hon. CATHERINE CUSACK:** How many regions are there in Education?

**Mr COUTTS-TROTTER:** Ten.

**The Hon. CATHERINE CUSACK:** So, you have 10 regional directors?

**Mr COUTTS-TROTTER:** We do. We have 10 institute directors and then, if you want, I can provide you with a description of the balance of 98 positions.

**The Hon. CATHERINE CUSACK:** That would be tremendous, and also the levels?

**Mr COUTTS-TROTTER:** Of course. Most of that is contained within our annual report. Each of those regional directors would have a school network of 220 to 250 schools. In most places in the world that would be a substantial school system of itself.

**The Hon. CATHERINE CUSACK:** Each of those, I guess, would have a chief financial officer?

**Mr COUTTS-TROTTER:** No.

**The Hon. CATHERINE CUSACK:** You have 98 SES staff, 10 of them regional directors. There is you, your chief financial officer. I just cannot imagine organisations operating without those positions.

**Mr COUTTS-TROTTER:** You cannot imagine organisations operating without those positions?

**The Hon. CATHERINE CUSACK:** Where is the discretion to find 20 SES officers out of Education under its current structure?

**Mr COUTTS-TROTTER:** We will work with whatever the Government asks us to work with, of course.

**The Hon. CATHERINE CUSACK:** It will require restructure of the organisation, though, will it not?

**Mr COUTTS-TROTTER:** It may. We will see what the Department of Premier and Cabinet asks of us.

**The Hon. CATHERINE CUSACK:** Minister, is there another organisation in New South Wales that is more restructure fatigued than the Department of Education and Training?

**Mr COUTTS-TROTTER:** Can I just add, when you say restructure, if we had to find a reduction in a small number of SES positions, we would be doing that without turning the place over end. Yes, there might be a small restructure but we think the structures we have in place are very good structures and, as you say, they deserve some consistency because they are delivering, as evidenced by a range of things including the NAPLAN results. They are extraordinarily good for New South Wales.

**The Hon. CATHERINE CUSACK:** With respect, you impressed us all with how lean and mean the machine is already. You have 10 regions plus the head office and within them you have all the equity units. How is it possible to slice 20 SES officers out of your organisation without restructure?

**Mr COUTTS-TROTTER:** You are assuming that our allocation is 20. My understanding is that the allocations between agencies will be based on an assessment of the relative numbers of SES positions within an agency. So, it may not be 20. We have 98 SES positions, I think at the moment, and nine of those are currently unfilled. I think the process is in place to fill two of them. So we have seven SES positions allocated to the agency that are not currently filled.

**The Hon. CATHERINE CUSACK:** In relation to the 2.5 per cent pay rise cap, can you clarify whether that applies to Education or does it not apply to Education?

**Ms VERITY FIRTH:** Yes, it does apply to Education.

**The Hon. CATHERINE CUSACK:** So, there is really no money for teachers beyond the 2.5 per cent this year, is that what you are saying?

**Ms VERITY FIRTH:** No, that is not the case at all. As I have said on the public record a number of times since becoming Minister, teachers want a pay rise, they deserve a pay rise and we need to find a way we can reward them for their efforts while at the same time having a fair deal for New South Wales taxpayers. Negotiations are under way between the department and the Teachers Federation. We are committed to a 2.5 per cent wage increase but we can also provide, of course, as with the other agreements that are being reached around the public sector at the moment, additional increases based on appropriate efficiency gains.

**The Hon. CATHERINE CUSACK:** That is going to be over and above the slicing of up to 20 SES officers, over and above the \$78 million efficiency saving you are already making? You are then going to find further efficiency savings in order to fund teacher pay rises, is that the position?

**Ms VERITY FIRTH:** Yes, that is the position.

**The Hon. CATHERINE CUSACK:** Can I clarify, what is the dollar cost of a 1 per cent pay rise for teachers?

**Mr COUTTS-TROTTER:** It is about \$60 million in schools and about \$8 million in TAFE and the government wages policy requires all agencies, if they want an offer of 2.5 per cent, as the Minister said, to identify employee-related cost savings, we have the Government negotiations with the teacher union, both for the TAFE teaching workforce and the school teaching workforce. We have identified a range of proposals within that negotiation that the unions are considering and responding to that would enable us to offer above 2.5 per cent. The objective of the negotiation of course is, first, to ensure there is no industrial dispute that affects students; second, to give teachers the pay rise they deserve; and, third, to manage that within the Government's wages policy.

**The Hon. CATHERINE CUSACK:** The consumer price index [CPI] is running around 4 per cent at the moment?

**Mr COUTTS-TROTTER:** I do not have the latest CPI figures. I would need to check.

**The Hon. CATHERINE CUSACK:** How much are they talking? If you are talking 1.5 per cent to maintain wages in real terms, that is another \$90 million that you have to find. I struggle to see how teachers can be more efficient. There is not much more they can do.

**Mr COUTTS-TROTTER:** We have put some proposals to the union. We think they are workable proposals and we are in that negotiation at the moment. I do not think our objectives of trying to deliver a pay

rise and do the right thing by taxpayers would be well served by me providing a running commentary on the negotiations, in truth. We are in a process with the union to work that through. I am actually pretty confident that we have a set of proposals that are deliverable.

**The Hon. CATHERINE CUSACK:** What are the proposals?

**Mr COUTTS-TROTTER:** As I say, I really do not think providing a running commentary on the negotiations will help the negotiations that all.

**The Hon. CATHERINE CUSACK:** I am not asking you how it is going. I am trying to get a general feel. It is budget estimates, with respect.

**The Hon. CHRISTINE ROBERTSON:** You are trying to disrupt the negotiations.

**CHAIR:** The Minister might want to answer.

**Ms VERITY FIRTH:** There are examples of a range of savings and offsets that can be considered. When you look at nurses, for example, they make changes to rostering and sick leave arrangements. We will not be providing a running commentary on our current negotiations with the union. That is because we are negotiating in good faith with the union. Teachers around the State have put their faith in the federation to conduct these negotiations on their behalf and we want to deliver the best possible outcome for students and for the taxpayer, but we are happy to sit down with the teachers and talk about these arrangements in detail and in fact are already doing so.

**The Hon. CATHERINE CUSACK:** Minister, you have talked about reducing the number of suppliers to schools and TAFEs. Are you aware of any impacts upon schools and TAFEs in rural and remote areas, particularly in relation to maintenance of equipment like photocopying machines? Are you aware of the impacts upon businesses and jobs in rural and regional areas of this strategy and was a rural communities impact statement undertaken prior to this decision?

**Ms VERITY FIRTH:** As has already been outlined, in terms of our maintenance budget per annum, it is \$230 million—

**The Hon. CATHERINE CUSACK:** I apologise, I am referring to the procurement policy where the director general indicated that \$45 million will be saved this year, mainly by moving to the larger suppliers and our concern is that it will impact on the kids?

**Mr COUTTS-TROTTER:** It is something we were very aware of and for another reason as well. Obviously we want to ensure that a school in Menindee gets an appropriate level of service. The contracts that we have struck are, in the main, statewide contracts but the suppliers we are dealing with in turn have supply chains of their own. In many arrangements we strike there is a common installation fee for a connected classroom. That actually means that schools in the bush effectively enjoy a cross-subsidy from schools in the city because it can be delivered more cheaply in the city but we do not give city schools the full benefit of the real installation costs in the city; we share some of that gain with schools in the bush.

I have had some correspondence with a couple of suppliers in metropolitan and rural areas who were unhappy that they lost. Equally I have had correspondence and conversations with suppliers in rural areas who were happy that they won. There were changes. Some firms benefited and some firms did not, but we have an overriding interest here, which is to provide a decent level of service to public schools students and their staff and that means that the arrangements that we have put in place make changes to our supply chain but it is necessary thing to do.

**The Hon. CATHERINE CUSACK:** I appreciate your comments that you are sensitive to it as an issue but in terms of actually ensuring the system is sensitive to it as an issue, but was a rural communities impact statement undertaken, as is the Government's policy for major initiatives in tackling rural and regional communities?

**Mr COUTTS-TROTTER:** We contemplated in real detail the process of describing the services we wanted to purchase and the process of going to the market. We design services in conjunction with principals

and staff from TAFEs institutes in the city and the bush and we ran a tendering process that had, as an objective, ensuring that we had a consistent statewide service.

**The Hon. CATHERINE CUSACK:** Is this a "no" to my question that there was no impact statement?

**Mr COUTTS-TROTTER:** I am not quite sure of the mechanism you are describing but I am trying to give you a sense that these issues were deeply contemplated.

**The Hon. CATHERINE CUSACK:** So you do not know about that mechanism?

**Mr COUTTS-TROTTER:** I know about that process.

**The Hon. CATHERINE CUSACK:** Well, was it done, yes or no? It is a simple question.

**Mr COUTTS-TROTTER:** I know about that process in respect of major Cabinet proposals and we certainly do that but we are talking here about buying imaging devices.

**Ms VERITY FIRTH:** I also think it should be noted that we will be spending \$121 million for maintenance programs in both rural and regional New South Wales in TAFE colleges this financial year and when one looks at our actual funding split, you will see that while under 40 per cent of New South Wales residents live in regional and rural New South Wales, the region has in fact received over 40 per cent of the resources and we do a lot of the intense resource activity into rural and regional New South Wales to make sure that those people can have equal access to services.

**Reverend the Hon. Dr GORDON MOYES:** Mr Coutts-Trotter, the Premier indicated his desire for departments to spend less money on what was called spin and public relations. **Has your department increased the number of full-time journalists or media advisers in the past 12 months?**

**Mr COUTTS-TROTTER:** I do not think so. I will check the facts and confirm that. We do have media officers and when you are responsible for, in part, what happens in 2,240 schools day-by-day, you need media officers because there is a phenomenal interest from suburban, local and regional media outlets about what is happening in a school, for good or ill. It is quite appropriate that as part of the process of communicating effectively with parents in the community and being open about what we do that you need staff to respond to those queries. I will find out whether the size of that team has changed in the last 12 months. I do not think it has.

**Reverend the Hon. Dr GORDON MOYES:** Mr Bennett, I have been an active member of the Australian College of Education for many years and I have the opportunity to ask you a couple of questions. Has the board published some guidelines for teachers and examiners covering the use of SMS language?

**Dr BENNETT:** Not specifically guidelines, that I am aware of, however we have made it clear on a number of occasions that we expect in examination responses that students will communicate using the Queen's English.

**Reverend the Hon. Dr GORDON MOYES:** Is that true of examiners? Will they take that into account?

**Dr BENNETT:** Yes, indeed.

**Reverend the Hon. Dr GORDON MOYES:** Australian English?

**Dr BENNETT:** Yes, indeed. The marking guidelines are quite explicit in that regard.

**Reverend the Hon. Dr GORDON MOYES:** Minister, I noticed an amazing increase over the last decade of the number of home students being home schooled. Are you also providing similar increases in monitoring of standards and mandatory requirements for home schooling?

**Ms VERITY FIRTH:** That is a good question and in the same way that we make sure that the Board of Studies is appropriately registering non-government schools, home schooling must be in the same way policed. I will outline the process followed to assess applications for registration for home schooling in New

South Wales. In New South Wales parents must have their children aged between 6 and 15 years enrolled in and in attendance at a school, or alternatively registered for home schooling. Registration for home schooling is a valid education option provided for families that choose to educate their child in the home. Families who wish to home educate must first apply to the Office of the Board of Studies.

In the process, an authorised person visits the family home to assess the application, giving consideration to the quality of the educational program, processes for keeping records of learning activities, methods for maintaining records of student achievement and progress, the adequacy of the resources used to support the program, the home learning environment, and the commitment of the parents to home schooling and the capacity to deliver a suitable program. An authorised person prepares a report on the application, with a recommendation to recommend or refuse. Periods of registration vary between three months and two years, shorter periods reflecting identified areas for further development.

**Reverend the Hon. Dr GORDON MOYES:** Minister, could I interrupt you. I understand and appreciate that. My concern is with the growth in the number of home schoolers. Have we seen also a parallel growth in the number of officers that are involved in the monitoring and the mandatory requirements?

**Ms VERITY FIRTH:** I will take that on notice, unless Dr Bennett can assist.

**Dr BENNETT:** The program is well managed, I have to say. I am not sure that there has been such a significant growth. The figures I have here are 1,800 registered home schoolers from just over 1,066 families. That number is around about 1,600 to 1,700 each year. I do not know whether I would call that a large growth. But certainly we provide an adequate number of authorised persons. Those people are quite often retired principals, who are especially trained in this task and do a very, very good job.

**The Hon. CHRISTINE ROBERTSON:** If this demographically the same as previously, or is that changing?

**Dr BENNETT:** I am not aware of any significant changes in demographics. Home schoolers could be in regional areas, or they could even be in inner-city areas.

**Reverend the Hon. Dr GORDON MOYES:** My understanding is that the growth is more in rural areas.

**Dr JOHN KAYE:** Dr Bennett, perhaps you could obtain for the Committee a more detailed breakdown on where home schooling is occurring?

**Dr BENNETT:** Yes.

**Dr JOHN KAYE:** Minister, I want to ask you about the Independent Colleges Australia proposed school at Weston, near Kurri Kurri, which has an intimate relationship with ABC Learning Pty Ltd and triggered the creation of section 21A of the Education Act. Section 21A of that Act purportedly, but probably not in fact, prohibits the State funding of schools operated for profit. Does the Independent Colleges Australia school currently have an active application for registration?

**Ms VERITY FIRTH:** I will have to take that on notice, unless someone else has information.

**Dr JOHN KAYE:** Dr Bennett, do you have such information?

**Dr BENNETT:** No, I do not. I will have to take it on notice as well.

**Dr JOHN KAYE:** Dr Bennett, I understand you might be able to confirm this when you get back to us. The school had an application which was withdrawn, and I understand a subsequent application may or may not have been lodged.

**Dr BENNETT:** I understand there was an earlier application, but I want to check on that before I give you a definitive answer.

**Dr JOHN KAYE:** Minister, can we speak more broadly about the action of section 21A of the Act. It is substantially different to the way the equivalent provision was written in Queensland. A number of



accusations have been made—some of which have come from me—that you could drive a fairly large corporate truck through the supposed web that was created by section 21A to stop the creation of schools operated for profit. In fact, Mr Knowles, who is the head of Independent Colleges Australia, said he had no difficulty with the New South Wales legislation but he did not like the Queensland legislation. Are you taking any steps to review section 21A of the Act?

**Ms VERITY FIRTH:** At the moment I am not taking any steps to review section 21A of the Act, but I am happy to listen to what you have to say and to take that advice on board. I stand by our current processes for how we register non-government schools and how we therefore allocate funding to non-government schools. But I am happy to look at that.

**Dr JOHN KAYE:** Do you share our Federal education Minister Julia Gillard's enthusiasm for the policies advocated by Joel Klein from the New York Education District?

**Ms VERITY FIRTH:** I am interested. I know that the Federal education Minister has been saying a number of things about transparency in schools and so forth. New South Wales has been a leader in using data from student tests. We have also been a leader in providing information to parents. New South Wales introduced A to E report cards, and we were the first State to introduce Basic Skills testing across the board, with comprehensive reports on results to parents. In fact, if you have a child in primary school, annual reports to parents in New South Wales, I would argue, are much better than in other States, in the sense of the sort of information they provide.

In terms of transparent data provided to parents, I believe New South Wales is already leading the way. Like school reporting, it is already a feature of our system. An increasing number of our schools include like-school comparisons in their annual report—

**Dr JOHN KAYE:** I thought they all do.

**Ms VERITY FIRTH:** No, it is not compulsory that they do, but an increasing number of them do anyway. Both the education Minister and the Prime Minister have said that they do not support the crude use of assessment data to make simplistic league tables. We agree with that. In fact, at the recent education Ministers council meeting my move to oppose the use of simplistic league tables as they unfairly label students and schools, received strong support—in fact, it received unanimous support—both from the States and from the Federal Minister.

The point of assessing students' abilities is not so you can rank schools; it is to help the individual students and to better direct government resources. That is my view. We are doing that, and we are happy to assist the Commonwealth to direct these resources.

**Dr JOHN KAYE:** I guess where Mr Klein was headed—and the aspect of Mr Klein that Ms Gillard endorsed that caused a lot of concern—was with respect to the publication of data that allows schools to be ranked. In particular, Mr Klein is in favour of closing down schools that "underperform", or sacking principals. I understand Ms Gillard endorsed the idea that perhaps principals' jobs should be on the line. Can you say unequivocally that that would not happen in New South Wales on your watch?

**Ms VERITY FIRTH:** I would say unequivocally that when you are talking about Ms Gillard's opinion, you obviously need to address the questions to her. What I can say is what New South Wales' position has been on this at all levels, and also in our ongoing consultations with the Federal Government. We understand the need for transparency in data; we understand why we need to ensure that parents continue to have access to a rich source of information on the schools in their community. We are concerned about the simplistic use of this data in a way that simplistically ranks schools or that can provide information that does not necessarily show the true worth of that school.

For example, if you compare Newington with a school in far-western New South Wales, you could argue that the school in far-western New South Wales is delivering a lot more to the students, that there is a sense where the value-added component might not be understood properly in a simplistic league table ranking. That is the view we have put to the Federal Government, and to be honest, it is the view that the Federal Government has agreed with us on; it has said that simplistic league tables is not part of its vision for transparency and data in the Australian system.

**Dr JOHN KAYE:** I guess I was inviting you to state unequivocally that on your watch no school would be punished for underperformance—that it would be assisted but not punished. In other words, no action would be taken against principals, and there would be no attempt to change the management of schools for underperformance as measured by the common testing results of the school.

**Ms VERITY FIRTH:** I would always want to use test results as a diagnostic tool; for example, the national assessment program [NAP] test results, in being able to analyse the performance of our schools and to use that in some sort of constructive manner. You would want to be able to use that to engage with school communities and with teachers as to how we can make better learning outcomes for students. I would definitely never rule that out. That is why we want to be able to analyse what our schools are doing; so that we can help them. My point is that you always need an action component. If you are going to identify how students and schools are performing you need an action component to say, "Let's work together. How can we make this a better outcome?"

I understand that Joel Klein is to visit Australia and I will be meeting with him to directly hear his views—and I am happy to hear them—but the view of the New South Wales Government has always been that we never shy away from transparency and we never shy away from providing this data that shows how our schools and students are performing, but it needs to be diagnostic and it needs to have an action component. We need to be able to work collaboratively with schools to improve performance for the sake of the students; which is what we are ultimately most concerned about.

**Dr JOHN KAYE:** Minister, are you concerned about the impact on schools that serve severely disadvantaged communities from the general application of the principle of transparency?

**Ms VERITY FIRTH:** That is why we just do not support simplistic league tables. That is exactly our concern, and that is why we will not support simplistic league tables.

**Dr JOHN KAYE:** What about sophisticated league tables?

**Ms VERITY FIRTH:** What we support, and what I would argue we are already doing in New South Wales, as a good example of this is the NAP test results. When you look at the NAP test results what we were able to provide schools, teachers and parents with was an individual outline of exactly how their child had answered each individual question and each question contained within it a diagnostic. So if your child got a question right that meant that they were achieving that level of competency but if you went to the next question and they did not get that right that gives an individual teacher a learning plan for that child. What I am trying to say is, never would we support simplistic league tables that say because this school and this disadvantaged community is not doing as well therefore it is a bad school. That is simply not true in our experience and in the experience of the public school system. The truth is that often teachers and students in those schools are doing amazing things. It is about the value-add that is happening to students in those schools, which often cannot be measured, and that is why we are against simplistic league tables. Anything that allows us to have a good conversation with teachers and parents about how to improve learning outcomes of those children we are happy to engage in.

**Dr JOHN KAYE:** Would you say it is a fair statement that the value-added measures that are often used are somewhat crude and subject to statistical noise?

**Ms VERITY FIRTH:** I must admit we are more interested in value-add style mechanisms because that is what you want to measure. You want to measure whether or not the child is improving more than they would have in other circumstances and so forth, and the impact of the teaching. But we recognise that all these measures can be difficult. Part of the problem is developing the science around it, which is quite difficult. What we want to do is try to get the best outcome from this process for our children and our teachers.

**CHAIR:** As there are no further questions by Reverend the Hon. Dr Gordon Moyes, Dr John Kay has more time to continue with questions.

**Ms VERITY FIRTH:** Can I just provide a little bit more information in response to Dr Kaye?

**CHAIR:** Yes.

**Ms VERITY FIRTH:** The Board of Studies latest advice is that there has been no new application for an Independent Colleges Australia [ICA] at Kurri Kurri West.

**Dr JOHN KAYE:** So there is no current active—

**Dr BENNETT:** That is right.

**Dr JOHN KAYE:** Thank you. Minister, I take you to an issue that has raised considerable concern recently about events such as "Big Exo Day", and school curriculum materials such as "Shine" and "Choices of LiFE", materials that come from religious organisations that are being run as events in public schools. Do you feel those three phenomena raise concerns with respect to section 30 of the Education Act which, when paraphrased, gives parents the offer of sending their children to school knowing they will have a secular and non-sectarian experience?

**Ms VERITY FIRTH:** You are correct, the promise of public education in New South Wales is that it be free, that it be secular and that it be compulsory. The Education Act, as you also know, does allow for two types of religious education in our public schools: general religious education and special religious education. That is embodied in the department's religious education policy. General religious education is instruction about the world's major religions, what people believe and how that belief affects their lives. It is taught mainly through the Board of Studies curriculum syllabuses for human society and its environment and the Higher School Certificate studies of religion courses. Special religious education, which is known as scripture to most people, is schooling in the beliefs and practices of an approved religious persuasion by authorised representatives of that persuasion. That is normally what happens for one period a week.

**Dr JOHN KAYE:** But the events I mentioned, for example, Big Exo Day did not happen within the context of either of those, nor did "Shine" or "Choices of LiFE". "Shine" and "Choices of LiFE" were slotted into the general teaching hours and "Big Exo Day" happened in a number of schools in New South Wales as events being conducted at lunchtime.

**Ms VERITY FIRTH:** Yes.

**Dr JOHN KAYE:** They are separate to special religious education and general religious education?

**Ms VERITY FIRTH:** My general view is that in such cases the decisions always have to be in consultation with the principals, the students and, most importantly, the parents in the school communities about the sorts of things they want to happen in their schools. In terms of whether or not these are allowable under the Act, my advice is that the Hillsong Church's "Big Exo Day" involves interested students or teachers organising a voluntary lunchtime event, which involves a concert and lunch for the participants. The band and lunch are paid through fund-raising activities conducted by the organisers. That to me does not sound much different to the sorts of events of my day—I do not know if they are still around—of the Interschool Christian Foundation [ICF]. They used to run similar voluntary-based events, organised by the students themselves in their own time.

I do not believe that breaches the Act, but it is important that it is voluntary. It is important that there is no requirement on any of these children that they feel they have to attend the events. It is important that it is something that is discussed within the school community and that it is felt appropriate by parents. It is also important that there is no sense of outside influence in these events. We will always make sure that we keep an eye on these things but as long as it is not something that students feel that they are forced to attend, or there is some sort of requirement to attend, and as long as it is something that is arising out of the students themselves, I do not believe it breaches the Act.

**Dr JOHN KAYE:** Which in the case of "Shine" and "Choices of LiFE" was not so, because it was part of mainstream teaching?

**Ms VERITY FIRTH:** Yes, and the Department of Education and Training does not recommend or endorse these programs. Decisions about which resources or programs are brought into schools are made by the school principals, who are best placed to determine what adds value to the curriculum based on the needs and interests of the students and the ethos of the community.

**Dr JOHN KAYE:** So you will not be moving to stop "Choices of LiFE" or "Shine" being used in public schools?

**Ms VERITY FIRTH:** I am happy, as I said, to keep a watching brief on this—

**Dr JOHN KAYE:** But you are not currently reviewing—

**Ms VERITY FIRTH:** No, we are not currently reviewing them but I am happy to keep a watching brief. As I said, I do not have a problem with activities that are organised by the students themselves to express themselves.

**Dr JOHN KAYE:** But "Shine" and "Choices of LiFe" are not such activities?

**Ms VERITY FIRTH:** Yes. At the moment there is no review of this but it is definitely true to say that the Department of Education and Training does not recommend or endorse those programs.

**The Hon. CHRISTINE ROBERTSON:** Minister, what is the Government doing to improve literacy and numeracy for those students who are struggling?

**Ms VERITY FIRTH:** The Government is committed to providing school students in its care with the best quality education and an education that is going to prepare them for life. The foundations of that education are strong literacy skills. Students who struggle developing basic reading and writing skills will have difficulties throughout their school life. The building of that skill starts from day one at school—that is a given. From those early days of kindergarten the teachers of our State work hard to inspire and nurture children in reading and writing. Equally important is making sure that our teachers have the skills to identify children who are not thriving and do something about it. This Government understands the importance of early intervention from as early an age as possible. By providing that concentrated support we give each child the greatest chance to realise their potential. Since 1996 the Reading Recovery Program has been established in schools in New South Wales to do just that.

The Reading Recovery Early Literacy Intervention Program identifies children at the end of their first year at school who need support in developing their literacy skills. This year the Government has increased this funding by 8 per cent to \$44.4 million in recognition of the value of the reading recovery program. Currently 1,076 teachers across New South Wales are teaching the reading recovery program and supporting young students with daily individual literacy instruction. In 2008 more than 8,500 students are expected to improve their reading and writing skills through their participation in the scheme. By the end of this year more than 3,500 teachers will have been trained in reading recovery. The skills and knowledge gained through this training helps teachers identify students in need of support. We know that reading recovery works; the statistics prove it. Last year 8,043 students participated in the program and over 86 per cent of them developed literacy skills on par with grade peers. Remember that these are the children who just a year ago were scoring well below their grade average. A recent study of children now in year 5 who completed the program in 2003 shows that they have continued to improve their literacy skills, with 86 per cent achieving results at or above minimum standards.

New South Wales public schools have a strong focus on literacy and numeracy with 50 per cent of learning in kindergarten to year 6 devoted to literacy and numeracy. We are investing in professional development and raising teacher standards so that the teachers at our schools are focused on quality teaching and professional excellence. To provide additional support for children with learning difficulties we have the Learning Assistance Program. These programs and resources are paying off. As I have already said today numerous times, this year's first ever National Assessment Program in literacy and numeracy in years 3, 5, 7 and 9 showed that New South Wales students are above the national average in every subject and in every year level tested. Overall our results were outstanding. In fact, New South Wales students were in the top three nationally in 15 of the 16 tests conducted.

**The Hon. MICHAEL VEITCH:** Minister, earlier in response to a question by the Hon. Catherine Cusack you touched on regional education initiatives. As four of my children are currently being educated in a rural public school, I am keen to know what the Government is doing for education and training in rural and regional New South Wales.

**Ms VERITY FIRTH:** Thank you for your active participation in our schools.

**The Hon. MICHAEL VEITCH:** One of my children has just been elected school captain.

**Ms VERITY FIRTH:** Congratulations, future leadership potential. The Rees Government is committed to education and training in rural regional New South Wales. Public schools and TAFE colleges across rural and regional New South Wales are major beneficiaries of spending in the 2008-09 budget. Schools and TAFEs in regional New South Wales have received over \$4.6 billion in recurrent funding in our education and training budget. The rural and regional funding is part of a record \$11.8 billion of the New South Wales education budget for this year, which is an increase of 5.5 per cent on the previous year. A point I made before, while under 40 per cent of New South Wales residents live in regional and rural New South Wales, the regions in fact are receiving over 40 per cent of the resources. The budget includes \$89 million for incentives, such as distance education programs and rural grant schemes, and an estimated \$121 million for maintenance programs in both rural and regional schools and TAFE colleges.

Country schools will benefit from the Rees Government's extra selective high school places, which I launched with the Premier, with 270 of the positions being in rural and regional New South Wales. This is really important because selective school places offer incredible opportunities for gifted and talented students to gain access to a high level curriculum and to be with a peer group that enables them to expand their talents. We were very committed to making sure that rural and regional kids had similar access to city kids on this issue. An extra 270 of these positions have now been provided in rural and regional New South Wales. Very excitingly, a new virtual selective class will be created for Western New South Wales for 30 gifted and talented students, who will be able to be involved in a selective class while remaining at their local high school. They literally will be able to sit in their class in Broken Hill, or wherever it may be, do the extended curriculum and be taught via videoconferencing facilities by teachers all over the State. It is a real example of how new technology can aid in overcoming the tyrannies of distance. Some of the rural and regional extra selective high school places include 60 places at Gorokan High School on the Central Coast, 30 places at Peel High School in Tamworth and 30 places at Grafton High School on the North Coast.

Schools and TAFE colleges in country and regional areas also share in the \$733 million education and training capital works program for 2008-09. Some of the improvement works in rural and regional New South Wales include new classrooms to replace demountables at Cobargo Public School, Byron Bay Public School, Kororo Public School and Wyrallah Road Public School. Brewarrina Central School near Bourke will have its demountable administration library building replaced with permanent facilities. Ulladulla High School near Batemans Bay will receive a new gymnasium and have its learning facilities upgraded and construction will start on a new hall at Naranga Public School near Coffs Harbour. Ballina TAFE will have its learning facilities for retail marine, information technology and welfare upgraded and tourism and hospitality facilities will be relocated to the main campus at Mudgee TAFE. Metal fabrication and welding and fitting and machining facilities will be upgraded at Tamworth TAFE and a campus upgrade will take place at Temora TAFE in the Riverina.

Rural schools and TAFE colleges will benefit from the rural education and training budget, which includes \$733 million for the construction of new school and TAFE facilities, including the start of 16 major new building programs in schools and 12 in the TAFE sector and increased investment in information technology. A record \$267 million will be spent on public school and TAFE maintenance this year, with more than \$1 billion scheduled to be spent over the next four years. Installation of whiteboards, as I mentioned before, and videoconferencing facilities for our state-of-the-art ConnectEd classrooms initiative will be ramped up in 2008-09, with \$65 million in capital and recurrent funding. We will accelerate our Best Start literacy and numeracy initiative for kindergarten students, with \$19 million provided in 2008-09—more than double the investment from the previous financial year. On top of that we have our \$12.6 million program over four years for the Community Service Begins at School Program. All of these help improve the outcomes and opportunities for our kids in rural and regional New South Wales.

**The Hon. GREG DONNELLY:** Minister, can you provide information for the benefit of the Committee members about the Government's support for children with special needs and disabilities in our public schools in New South Wales?

**Ms VERITY FIRTH:** Yes, I can. Over 80 per cent of school students with disabilities in New South Wales are enrolled in public schools. That represents more than 33,000 students with disabilities accessing special education services in government schools. It is testament to the continuing support that the New South Wales Government provides to students with special needs. This support is underpinned by the \$1,055,000 that the New South Wales Government is spending on special education this financial year. Since 2005 the New South Wales Government has provided more than 730 additional school learning support officers, formerly

known as teachers aids, for students with special needs. This means that since 2007 every special education class has both a teacher and a school learning support officer, who is there for the benefit of the teacher and the students. Students benefit from closer, individualised attention and teachers and staff benefit from a safer workplace.

More than 13,800 students with disabilities across New South Wales are integrated into regular classes, supported by an allocation of more than \$87 million through the Integration Funding Support Program. Students with learning difficulties, including students with a mild intellectual disability, are supported through the \$134 million Learning Assistance Program. This program provides 1,378 specialist support teachers to provide support for students with learning difficulties. The program is school based and resources are allocated every three years according to identified need. During 2006 the Auditor-General conducted a performance review of special education in New South Wales government primary schools. From this report 16 recommendations continue to be addressed by the department in collaboration with key education union and community groups. The establishment and location of special education classes and teacher positions are part of the annual process of regional planning. It involves an ongoing analysis of enrolments and the demand for and location of special education services, as well as consultation with school principals, teachers, parents and the relevant school communities.

In accordance with the recommendations of the Auditor-General's report, a data management system is being developed, which will better inform the regional planning process. It is standard practice that classes with low enrolments are closely monitored. We need to make sure that resources for students with disabilities are located in the areas that require them.

In recent years more children are being diagnosed at younger ages with autism, and there is an increase in the number of children diagnosed with autism spectrum disorders such as Asperger's syndrome. The age of diagnosis can range from approximately 18 months through to adulthood, and some people with autism are not diagnosed until their adolescent years, when behavioural or mental health issues emerge. The New South Wales Department of Education and Training provides an extensive range of services to support students with disabilities, including those with autism, across the State. This includes specialist classes and targeted support through the Integration Funding Support Program for students with autism enrolled in regular classes.

School placement of students with confirmed autism is informed by parent choice, as espoused in the Commonwealth Disability Discrimination Act and its Disability Standards for Education. In recent years the department's services for students with a diagnosis of autism have expanded significantly. From 2005 to 2008 there has been a 52 per cent increase in students with a primary diagnosis of autism, supported through the department's Integration Funding Support Program. In 2008 there are 5,241 students with a confirmed diagnosis of autism in New South Wales public schools who receive funding through the Integration Funding Support Program. This includes students who have autism as their primary disability and students who have another disability—intellectual, mental health or physical—and a diagnosis of autism.

The annual program cost is more than \$28 million. Of these students, 3,589 are enrolled in primary schools, 1,652 in secondary schools and 16 per cent also have a confirmed intellectual disability diagnosis. In addition, there are other students with intellectual and other disabilities who are also being supported through special classes in regular schools or in special schools. A large number of the students also have autism spectrum disorders. These classes have the capacity to support 8,530 students.

In 2008 there are 119 autism specific specialist classes in regular and special schools, each supporting up to seven students with autism. In addition, 48 specialist outreach teacher positions support up to seven students with autism in regular classes. These specialist classes and outreach teacher positions have the capacity to support over 1,100 students. Autism outreach teachers provide specialist support to teachers and schools to address the needs of students with autism in regular classes. The department has increased the number of specialist outreach teacher positions across the State from eight autism outreach positions in 2002 to 30 autism outreach positions and 18 special education outreach teacher positions in 2008.

As the need for specific services arises the department responds accordingly. The establishment of classes and positions, including autism outreach positions, is part of the ongoing analysis of enrolments, demand for and location of special education services as well as consultation with parents and relevant school communities. This annual planning by regions addresses the changing demands for special education services across the State and responds to local needs and parent preference. These programs demonstrate the New South Wales Government's commitment to supporting students with special needs.

I might also add that one of the announcements we made recently was about special-purpose schools and making sure that principals in special-purpose schools do not have a dual teaching load—that they are not also having to teach. We had great consultations with both the Primary Principals Association and, of course, the Teachers Federation on this issue and we agreed with them that this was a problem. So now there will be no principals in special-purpose schools who also have to teach and we are going to provide 40 extra teachers into those schools so that we can make sure that principals can concentrate on those schools, that are often very challenging, in terms of what they need to do in their role as principal.

**The Hon. CHRISTINE ROBERTSON:** Building on the issues that have come up in your answer to that question, can you update us on what the Government is doing to reduce skills shortages in New South Wales education?

**Ms VERITY FIRTH:** Obviously, the skills shortage is one of the most challenging issues facing the New South Wales economy. We are giving the highest priority to reducing industry skills shortages, particularly in the traditional trades like plumbing and construction. As I mentioned before, we have a State Plan target to increase the proportion of the population aged 16 to 64 who are participating in vocational education and training to 16 per cent by 2016. We also recognise that we need to increase the number of students completing year 12 or recognised vocational training. It was good to see that one-third of our kids doing the Higher School Certificate this year are also undertaking vocational education courses.

In March 2007 we announced a range of innovations to support apprenticeships and increase participation in training. Under our \$69 million learn-or-earn package, the New South Wales Government is providing more than 12,580 training places over the next four years. This includes nearly 6,000 TAFE places in skills shortage areas for young people up to the age of 18 who did not complete year 12 and do not have a job—and that is under the new learning guarantee. We are also establishing 25 new trade schools across the State. This will help create more school-based apprenticeships in skills shortage areas for students in years 11 and 12.

These initiatives are building on existing programs to support growth in apprenticeships, including employer and apprentice incentives as well as pre-vocational training. There is also a range of strategies to help apprentices complete their apprenticeships as soon as they demonstrate that they are fully competent. We have things such as reduced term apprenticeships, accelerated adult apprenticeships, competency-based progression and completion, and provision of credit at the start of an apprenticeship for satisfactory completion of pre-apprenticeship or pre-vocational training. Our programs have produced promising results. In 2008 to date, nearly 18,000 people started an apprenticeship in New South Wales, an increase of 5.9 per cent over the same period in 2007. Last year early apprenticeship completions were more than double the number recorded in 2005, which means that 26 per cent of our apprentices completed early.

New South Wales is also driving national growth in apprenticeships and traineeships. An independent report by the National Centre for Vocational Education Research shows that the number of workers beginning and completing apprenticeships and traineeships in New South Wales jumped last year. In 2007, while the national net increase in commencements was 9,900, in New South Wales it was 5,400, which means that New South Wales achieved 55 per cent of the national growth in commencements, and we delivered 41 per cent of the national growth in completions over the same period.

In New South Wales we also recognise the importance of attaining higher-level qualifications, so we are establishing diploma and advanced diploma traineeships and apprenticeships in areas of industry demand. New South Wales welcomes the new training initiatives that are being quickly implemented by the Rudd Federal Government—in particular, the 450,000 additional training places over four years to help industry, such as mining and construction, overcome skills shortages. New South Wales looks forward to working with the new Federal Government in this critical area and welcomes its support. The Government is working closely with registered training organisations to ensure high quality training places are created and delivered in New South Wales. That is because when it comes to addressing skills shortages we really are training the nation.

**The Hon. CATHERINE CUSACK:** Yesterday the Premier had some pretty harsh things to say about spin doctors—he has been saying it for a few weeks now. He was very clear that everyone else was going to be pulling their weight in this regard. I am trying to understand what effect the new practice is going to have on your office and on your organisation. Can you tell the Committee what resources you have by way of media spin in your office?

**Ms VERITY FIRTH:** As you know from yesterday, the Premier has already made his position on this matter very clear: he has cut media staff in his own office and across ministerial offices. I currently have one media adviser. Governments obviously have to communicate certain information to the public, ranging from matters such as public health, transport services and community safety. To do this effectively governments use a variety of channels and media. Agencies may employ staff to carry out media activities to communicate important information—that is, the role of government, including the departments' activities—to members of the public. These staff play a vital role in informing the community of important public issues such as emergency responses, keeping the public aware of emergencies, what to do, what not to do, where to go, whether family or friends are safe, and exotic disease preparedness. The Department of Primary Industries uses its communications experience to keep primary producers aware—

**The Hon. CATHERINE CUSACK:** If I can just stick with education for the moment. What are the "spin doctor" resources across your agencies?

**The Hon. CHRISTINE ROBERTSON:** You have asked that question.

**Reverend the Hon. Dr GORDON MOYES:** No, I asked Mr Coutts-Trotter.

**Mr COUTTS-TROTTER:** And I said I did not know off the top of my head. We will respond on notice.

**The Hon. CATHERINE CUSACK:** Perhaps I can have the information about the Board of Studies.

**Dr BENNETT:** I do not think I would use the term "spin doctors". I have one full-time media adviser and another person who supervises a wider range of functions and who also provides support to the media and so forth. That person looks more generally at communication with schools, the public and so forth.

**The Hon. CATHERINE CUSACK:** Does the Teachers Institute have any resources?

**Mr ALEGOURNARIAS:** No.

**The Hon. CATHERINE CUSACK:** Is there a communications unit in the head office?

**Mr COUTTS-TROTTER:** Yes, there is, and there needs to be. There has been for decades.

**The Hon. CATHERINE CUSACK:** I know. What is the staffing level in that unit?

**Mr COUTTS-TROTTER:** I do not have the figure off the top of my head.

**The Hon. CATHERINE CUSACK:** It does not sound very positive for the Premier because he wants to cut the number of senior executive service officers. There does not appear to be a lot of room for that in the Education portfolio. Can you offer anything by way of following through on his directive to cut the number of spin doctors?

**Ms VERITY FIRTH:** I am obviously not going to start making announcements here. The Premier has asked the director general of the Department of Premier and Cabinet to write to every New South Wales Government department requesting them to decrease the number of senior executive service positions by 20 per cent. This will result in an overall reduction of 171 positions. As a responsible Minister in the Government, I will do as I am told by the Premier. We will be assessing that as it arises.

**The Hon. CATHERINE CUSACK:** It does not appear that you have any scope with regard to spin doctors.

**The Hon. CHRISTINE ROBERTSON:** Are they not called communications officers? What is this?

**The Hon. CATHERINE CUSACK:** I am using the terminology used by the Premier.

**The Hon. CHRISTINE ROBERTSON:** But you are now trying to find out what they are planning to do with their communications officers.



**The Hon. CATHERINE CUSACK:** The Premier has announced that this will generate savings. I am asking what will be the impact of this on the Education portfolio. It is a predictable and reasonable course of questioning.

**Ms VERITY FIRTH:** As I said, I am hardly going to be able to answer that question now. I can take it on notice. The directive from the Premier yesterday was that collectively the Government should reduce senior executive service positions by 20 per cent, which will result in a reduction of 171 positions across government. I will be carrying my weight, as any responsible Minister would do.

**The Hon. CATHERINE CUSACK:** How many senior executive service positions do you have in your office?

**Ms VERITY FIRTH:** In my office?

**The Hon. CATHERINE CUSACK:** Yes.

**Ms VERITY FIRTH:** The ministerial office?

**The Hon. CATHERINE CUSACK:** Correct.

**Ms VERITY FIRTH:** None is my understanding.

**The Hon. CATHERINE CUSACK:** Do you have senior executive service equivalents as temporary employees in your office?

**Ms VERITY FIRTH:** Are you asking whether we have senior executive service equivalent positions in our office?

**The Hon. CATHERINE CUSACK:** Yes.

**Ms VERITY FIRTH:** I will take that question on notice.

**The Hon. CATHERINE CUSACK:** I would like the number and the levels. I understand they are engaged as temporary employees. But they will be in equivalent senior executive service bands.

**Ms VERITY FIRTH:** We will take that question on notice and provide that information.

**CHAIR:** Minister, some time ago you referred to the Higher School Certificate and the advice line. Is that an ongoing service? I understood that it would be ceasing, but you mentioned that it had started up.

**Ms VERITY FIRTH:** The advice line has supported Higher School Certificate students each year since 1995. Obviously it is operating this year. The Board of Studies has presented evidence that, despite widespread promotion of the service directly to students, despite the fact that I have been going on about it and despite the fact that we advertise it through the media, usage has declined over the years. Of particular concern is the statistic showing that fewer than 5 per cent of Higher School Certificate students use it. A disproportionate number of them are city based, and most are from the well-resourced eastern and northern areas of Sydney.

The downturn in the use of the advice line and the continuing increase in visits to the board's websites probably reflect the fact that today's teenagers prefer to get their information online rather than by telephone. I think that is what is happening. I have a preference for dealing with a real person on the end of a phone line. People older than 25 probably do. However, that does not seem to be the case with our students.

In response to this change, the Board of Studies has expanded and enhanced our students' online website. As I outlined, we have a one-stop online study shop for all Higher School Certificate students. It features past papers, notes from the marking centres, practice tests, all course syllabuses, frequently asked questions and key dates and events. Students can also customise the interface to suit their own needs and priorities. I think they find that particularly enjoyable because they can make their own web page. Students, parents and teachers can be assured that the Board of Studies will continue its substantial investment in support for students.

**CHAIR:** That is great, but the specific question relates to the ongoing nature of the advice line. Are you planning to shut it down or are you going to maintain it?

**Ms VERITY FIRTH:** I suppose my answer is that it is a watching brief. Naturally, we have to ensure that our resources are being put to the best use. As I said, I am attracted to the idea of an advice line, but only 5 per cent of Higher School Certificate students use it. The modern world means that they all love going online. They enjoy those resources and they are not using the phone. We will have it as a watching brief to see how many people access the service.

**CHAIR:** As part of that brief, will you take into consideration those students who do not have access to a computer in their home or broadband in country areas? Will you still be providing a telephone contact system for those students if you shut down the general advice line?

**Ms VERITY FIRTH:** As I said, no decision has been made to shut down the general advice line. I am simply outlining the sorts of issues that we are facing in terms of its operation.

**Dr BENNETT:** The advice line has been operating since 1995. It had a bit of a spike in 2001 with the changes to the Higher School Certificate, but since then it has been in decline. As the Minister said, we need to look at the way we are spending resources and the support we are providing to students. We have made some changes this year to the allocation of advisers. However, students can call the advice line during the same hours that it has been operating since it opened in 1995. The only difference this year is that in the early part of a shift—whether it is from 4.00 p.m. to 10.00 p.m. or in the first three hours it is operating—they may well have their details and the nature the inquiry taken and a trained adviser will call them back at an appointed time.

**CHAIR:** What is the cost saving as a result of having someone who is not trained answering the phone during that time?

**Dr BENNETT:** We would need to take that question on notice. We expect that there will certainly be some savings as a result of having a trained receptionist—

**CHAIR:** I assume that that has happened because it is a cost-saving measure.

**Ms VERITY FIRTH:** Not at all. We must adjust to the modern needs of our students and to be sensitive to the sorts of things that they like. That is part of the reason we are implementing all of our information and communications technology initiatives. It is about moving with the times.

**CHAIR:** Reference was made to a spike during the changes to the Higher School Certificate. Is it correct that the proposed changes are expected to result in cost savings to the Board of Studies?

**Dr BENNETT:** The board is considering the proposed changes to the Higher School Certificate. The focus is to finetune and improve the Higher School Certificate. Higher School Certificate program has a great deal of integrity. We in New South Wales can take a great deal of pride in the effects of the changes introduced in 2001. However, as with any good program, it stays good because we keep evaluating it and making changes. The changes are designed to achieve greater consistency and to address student workload and stress. However, we need to be careful that we do not increase the cost of the program.

**CHAIR:** But are you aiming to reduce the cost?

**Dr BENNETT:** The changes may result in some savings. I certainly hope they do.

**Ms VERITY FIRTH:** The proposed changes under consideration in no way lessen the high standards and rigour of the Higher School Certificate. They are practical ideas that aim to reduce stress for students and teachers. I am advised that absolutely no decisions have been made about the changes and that they are subject to wide and lengthy consultation.

**CHAIR:** What is the average annual salary of the president of the Board of Studies.

**Ms VERITY FIRTH:** It is \$253,000.

**CHAIR:** By keeping the position of president of the Board of Studies vacant since March this year, you have made a saving of how much? Okay, you will work that out. Why have you not filled that position?

**The Hon. CATHERINE CUSACK:** Is someone acting in that position at the moment?

**Dr BENNETT:** At the moment, whenever the president is not available or the position is not filled, there is a deputy president, and the deputy president chairs the meetings of the board.

**CHAIR:** Why have you not filled that position?

**Ms VERITY FIRTH:** Professor Gordon Stanley obviously led the Board of Studies which distinction for over a decade. Suffice to say that Professor Stanley has contributed enormously to the high reputation New South Wales has across Australia and internationally for the strength of its curriculum and its school credentials. He has taken up a position as director of Oxford University Centre for Education Assessment, which is a prestigious position that acknowledges Professor Stanley's capacities as well as the strength of the New South Wales system of assessment that he has presided over for more than a decade. We wish him very well.

I can advise that a process to select a new president commenced prior to my appointment as Minister. I have asked for a briefing on the process and the progress so far. It is important to understand that we are at a critical juncture in regard to curriculum in this State and nationally. The Committee will be aware of the developmental work underway around the national approach to the study of English, mathematics, science and history. New South Wales is participating in this work. New South Wales comes to this national endeavour from a position of strength and we will not entertain any new national approaches that are inferior to what we have in place.

**CHAIR:** I do not mean to interrupt, and they are all very valid comments, but the question was specifically about why the position, given it is so important, has not been filled.

**Ms VERITY FIRTH:** I suppose what I am trying to do is outline to you the importance of this position.

**CHAIR:** Yes, I understand that. That is why I wanted to know why it is not filled.

**Ms VERITY FIRTH:** That is right, and we want to make a strong appointment to the position of president of the Board of Studies, to lead New South Wales in our negotiation. I am reviewing the steps that have been taken earlier to conclude this most significant appointment, and I assure the Committee that an appointment will soon be made.

**CHAIR:** Have cuts been made to the budget of the Board of Studies?

**Ms VERITY FIRTH:** Dr Bennett?

**Dr BENNETT:** Yes, indeed. We are subject to the same efficiency improvement program that every government department is. We addressed that before. We talked about \$1 million.

**CHAIR:** Minister, do you believe that you should have a role in setting the curriculum in New South Wales schools?

**Ms VERITY FIRTH:** I believe that the setting of the curriculum should be done primarily by experts and by the Board of Studies and by people who have expertise in this area. At the same time I also believe that does not mean there is not a role for community debate about what it is that we want our kids to learn, what are the fundamental lessons we want our kids to emerge from our education system, whether it be 11 years in or 13 years in. While I believe there needs to be some distance between politicians and the setting of curriculum, I believe it is part of a healthy democratic society to be able to have this debate, a little bit the way we are at the moment with the discussion of a national curriculum on history and Stuart McIntyre's paper. Just the ability for us all to have a discussion about what our kids should be learning.

**CHAIR:** In view of your public comments in support of the Holocaust being part of the New South Wales curriculum, and being compulsory, what other action have you taken apart from speaking to the media to advance that?

**Ms VERITY FIRTH:** I think I should probably clarify the comments I made. I was not saying I thought that the study of the Holocaust should be compulsory. The question I was asked was, what are the sorts of things do you think are important for kids to know, that students should know by the time they finish the HSC, by the time they leave school? My response to that was I believe that in the study of our history it is incredibly important that kids know where some of the fundamental failings have happened in civil society. That is definitely the case with the Holocaust, but it is also the case in other genocides in history. What I was trying to say was if we want our kids to have a proper understanding of how the world works and the mistakes that we have made, especially during the twentieth century with some of the horrors that went on as part of both world wars and the genocides, we need to make sure they understand that looking at the extremes of human experience. The Holocaust is an instance that impresses itself upon us or we should expect people to know about.

**CHAIR:** So, it is your view that that should be mandatory as part of the school curriculum?

**Ms VERITY FIRTH:** No.

**The Hon. GREG DONNELLY:** Do not verbal the Minister.

**CHAIR:** I am just reading a quote. So you say you were misquoted by the *Sunday Telegraph*?

**Ms VERITY FIRTH:** I do not think I was misquoted but I made it clear in my comments to the media—and I can probably provide a press release of that response—that I absolutely recognise that the politicians do not determine curriculum. I was expressing a personal view about the value of these lessons for history. I do think that is an absolutely legitimate role to play. It is a role that has been happening already at the national level and it is a role that all of us in our community should be playing.

**CHAIR:** If your intervention by making comments about the curriculum is a legitimate thing to do, what have you done about intervening in part of the curriculum that has politically partisan materials such as parts of the geography syllabus?

**Ms VERITY FIRTH:** What are your examples of politically partisan material?

**CHAIR:** Linda Burney, for example, in years 9 and 10 geography syllabus, talking about her membership of the ALP, her comments about former Prime Minister John Howard. It is in the curriculum. Have you done anything about that?

**Ms VERITY FIRTH:** I will take that question on notice. You are saying that in the curriculum—?

**CHAIR:** In part of years 9 and 10 geography my understanding is that there is an interview with Linda Burney and she makes comments about her membership of the ALP and other issues.

**Ms VERITY FIRTH:** The director general has a comment.

**Mr COUTTS-TROTTER:** The interview you are talking about, to my understanding, is a resource that was produced by the Centre for Learning Innovation along with a whole range of other resources. I think it was produced in 2000 or 2001, although I could be wrong. It was certainly some time ago. It is one of 20,000 digital resources that are available through a marvellous online site on the department's website, together with interviews with all sorts of other people in all sorts of other contexts.

**Ms VERITY FIRTH:** I would absolutely back in the long-term position of the Department of Education and Training and previous education Ministers that classrooms are neutral grounds for rational discussion and objective studies. Schools are places where students prepare for informed and reasoned involvement in community life by the calm and cooperative study of social issues. So, while we can teach about controversial issues, teachers are given explicit direction through the Department of Education and Training's Controversial Issues in Schools Policy to make sure there is not political bias.

**Reverend the Hon. Dr GORDON MOYES:** I want to go to the opposite spectrum, the age spectrum. Has the collapse of private political providers, ABC Learning, placed increased demand on government provided and run preschools and long day care, particularly in areas of geographic disadvantage?

**Ms VERITY FIRTH:** I will take that on notice. That is a very good question. Is there anyone who has any information they can provide now?

**Mr COUTTS-TROTTER:** No. We will get the information, but we have 100 government preschools.

**Dr JOHN KAYE:** That is 100 DET, as opposed to DOCS preschools?

**Mr COUTTS-TROTTER:** As opposed to DOCS preschools. They are offering three-and two-day-a-week enrolments largely free. I think if someone was able to afford what ABC charges, they probably have a reasonable income—that would be \$70 or \$80 a day in my experience. I would hazard a guess that there is not a big switch in disadvantaged areas but we can find that out for you.

**Reverend the Hon. Dr GORDON MOYES:** I am interested in the increase in the security arrangements covering school buildings for out-of-school hours and locations, plus security fencing, on which there has been huge expenditure in the past decade. Has that significantly reduced the cost of vandalism, theft and fire? Do you have any comparative figures before and after?

**Mr COUTTS-TROTTER:** Yes, we do—and I am just looking at my notes—I think there are 578 of 2,240 schools that now have a fence. By the end of the current Building Better Schools Program we anticipate 730 schools all up will have a fence. There is a direct correlation in some communities between putting a fence around a school or upping 24-hour a day security and incidents of vandalism and damage and therefore the cost of our insurance premiums through the Treasury Managed Fund. Suffice to say, it has been an investment that has pretty much paid its way.

**Mr HUNTER:** Case-by-case there has been a definite reduction in school vandalism.

**Reverend the Hon. Dr GORDON MOYES:** I did suspect that.

**Mr COUTTS-TROTTER:** Yes, and we can get some data for you.

**Reverend the Hon. Dr GORDON MOYES:** Minister, the department funds quite a number of very successful interschool arts and cultural festivals. You are now being hit with cuts from the Treasury and the Premier. Are these activities going to be specifically cut?

**Ms VERITY FIRTH:** As we have all been told by the Premier, everything is on the table and there is nothing that we can say is off the table. We, of course, have a wonderful history in New South Wales education, not just public education but non-government schools too, of providing opportunities for our kids to really shine.

**Reverend the Hon. Dr GORDON MOYES:** I understand that, but arts and culture usually get cut very quickly.

**Ms VERITY FIRTH:** As I see it, in the mini-budget process we will need to maintain maximum flexibility. I need to abide by the ruling of the Premier on this that everything is on the table. Having said that, the amount of talent in our schools is phenomenal. ARTEXPRESS is a good example of what you are talking about.

**Reverend the Hon. Dr GORDON MOYES:** And the Schools Spectacular.

**Ms VERITY FIRTH:** Yes, all amazing talent that exists in our schools that we like to see boosted and supported through various programs.

**Reverend the Hon. Dr GORDON MOYES:** I will keep this in mind and be on your tail about it.

**Ms VERITY FIRTH:** I am happy to have you chasing me.

**Dr JOHN KAYE:** Minister, can I ask you about permanency amongst TAFE teachers. Has the policy of increasing casualisation of the TAFE teacher workforce come to an end?

**Ms VERITY FIRTH:** I will take that on notice unless the director general has extra information.

**Dr JOHN KAYE:** I am not yet asking for a numerical answer. I am asking has the policy of the Department of Education and Training of increasing the number of part-time casual full-time equivalent employees as a proportion of total number of employees come to an end, as a policy; I will talk about numbers in a minute?

**Ms VERITY FIRTH:** I will ask the director general if he had any extra information on that.

**Mr COUTTS-TROTTER:** In truth I do not know if there has ever been a policy either way. What I can report is that we have made some changes recently that, in my mind, reduce a significant disincentive for making people permanent. These are changes to the minimum required qualification to become a permanent teacher in TAFE and Dr Kaye would be very familiar with the background to these but until these most recent changes, if a TAFE teacher who might be working on a casual basis or a temporary basis working 19 hours a week in face-to-face training wanted to become a permanent teacher, their face-to-face training hours would drop to, I think, 12 and they would, as a mandatory requirement, have to undertake either a diploma in education or a bachelor in education.

The effect of that was twofold. First, it imposed on people who often held a certificate IV in training qualification, plus a tertiary qualification, the mandatory requirement to undertake a further tertiary qualification. Many people thought that unnecessary. It had the effect of making it very difficult within the operations of an institute to move people from casual to permanent employment. It actually presented a very significant barrier because of the massive loss of productivity. A person adequately teaching on their own one week would then have to step back their teaching hours and be accompanied in the classroom the next week while they became a permanent teacher. We are the only registered training organisation in the nation doing this.

**Dr JOHN KAYE:** Are you talking about a cost to the organisation or to the individual?

**Mr COUTTS-TROTTER:** I will get to the cost to the individual, but the cost to the organisation in lost productivity was absolutely enormous. The effective cost of moving someone to permanency was really very significant and that did act as a disincentive to moving people to permanent employment. That change is a very significant positive to people seeking permanency. For people who want to undertake further study, we will pay their Higher Education Contribution Scheme [HECS] fees each semester as they work their way through a higher qualification, we will give them two hours a week of professional development time and we will support them with mentoring and a personal development plan. It is not as if we do not want people to undertake that further study should they choose to do so but we have stopped making it mandatory. To your point, I think that is a very significant change that will encourage people to permanency.

**Dr JOHN KAYE:** Are you telling us that the spectacular decline in permanency within TAFE over the last 10 years was a result of the costs of—

**Mr COUTTS-TROTTER:** No, it is a result of a development of an increasingly competitive training market, where the funding available directly to a TAFE that is not contestable is falling, where there are very rapid shifts in demand for particular skills and training that mean, of necessity, a world-class training provider like TAFE New South Wales has to maintain a casual workforce. There is no the way that TAFE can be the largest training provider in Australia without maintaining a casual workforce. It has to.

**Dr JOHN KAYE:** With respect, I do not think anybody ever argued the benefits to TAFE, to TAFE students and the community of part-time casual workers. I would not want that to be taken away from my questions. I was talking about the almost total disappearance of permanent employees such that we have whole departments within specific TAFE colleges where there is no permanent employee. That is what I am talking about. I am quite surprised to hear you align those two issues—the downgrading of teacher qualifications—

**Mr COUTTS-TROTTER:** I do not see it as a downgrading of teacher qualifications at all. There is enthusiastic support for staff who want to take on higher levels of qualification. People working in TAFE have occupational experience and occupational qualifications that they have to obtain as a minimum vocational qualification in adult training. Some of those people will choose to go on and undertake a bachelor in education or a diploma in education.

**Dr JOHN KAYE:** In their own time.

**Mr COUTTS-TROTTER:** No, we will pay their HECS and we will provide them two hours release if they want to do that. By making it mandatory, frankly we shoehorn people, say from a plumbing background, who really did not want to undertake this into a very stressful requirement to take on a higher level of training that, in my mind, in many cases brought nothing additional to the workplace and presented, from an institute's perspective—an institute trying to use its available resources of people, money and time to undertake the right training, the best training and as much training as it possibly could—with inevitably a very invidious choice between a very productive casual workforce and the loss of private activity when you move people from a casual to a permanent basis. So to the extent that these changes have reduced that gap, it will act over time to remove one disincentive to move people to permanent employment, so from that perspective I think it is a very good thing.

**Dr JOHN KAYE:** If we were to accept that that is a policy move towards reducing the rate of increasing casualisation in TAFE, and I am not sure that I do, but inasmuch as that is so, what other steps are you taking—and I note, by the way, that there is no representative of TAFE here; Ms Persson is not here?

**Mr COUTTS-TROTTER:** I am the Managing Director of TAFE New South Wales.

**Dr JOHN KAYE:** You are the managing director of schools and TAFE?

**Mr COUTTS-TROTTER:** Yes.

**Dr JOHN KAYE:** There is no specific TAFE person here; I take your point.

**Mr COUTTS-TROTTER:** I have a different hat on.

**Dr JOHN KAYE:** What other policies or steps do you have in place to reduce the casualisation of TAFE?

**Mr COUTTS-TROTTER:** That will vary from institute to institute. That is a judgement about what they need to do to attract and retain the teachers and other staff they need to provide high-quality public education and training in each of those institutes. It will vary between institutes.

**Dr JOHN KAYE:** So there is no TAFE-wide policy?

**Mr COUTTS-TROTTER:** There is a TAFE-wide workforce development policy; there is a TAFE workforce guarantee, which is a guarantee that you will have a personalised career plan understood by the institute that goes to the kind of professional development and further training and professional development opportunities that those groups of people will together agree offer you a chance of a life-long career, I would have, in TAFE. But in a staff of 16,000 people, that will be as individual as 16,000 people.

**Dr JOHN KAYE:** I will put on notice to you questions regarding casualisation numbers. Can you speak about the Federal Government's announcement yesterday, as part of its \$1.9 billion Skilling Australia for the Future package, of an additional \$190 million for expanding the number of places in its Productivity Places Program? I understand that all of that money is contestable—that is to say, none of it will specifically come to TAFE unless TAFE competes for it. I understand that TAFE is competing for all of that money; in fact, as I understand it TAFE is competing for all of the Skilling Australia for the Future initiative money against registered training organisations. Is that correct?

**Mr COUTTS-TROTTER:** At this stage of negotiations, yes.

**Dr JOHN KAYE:** What that effectively means is that TAFE is competing against organisations that do not have the same commitment to equity, that do not have the same commitment to students with learning difficulties, and therefore have a much easier cost structure in which to put in low-value bids, is that correct?

**Ms VERITY FIRTH:** We believe that TAFE will compete well with all these—and it does compete well. TAFE is a renowned deliverer of vocational education and training in Australia. As I said in one of my previous answers, TAFE helps create New South Wales as the pre-eminent national provider of training in this country and, we would argue, also manages to compete very successfully internationally through our operations through the Department of Education and Training internationally. So we do not fear competition; we believe TAFE will do very, very well.

**Dr JOHN KAYE:** Minister, you will get absolutely no argument from me, or indeed anyone else in this room, that TAFE does a remarkable job and has helped train New South Wales. Our concern remains that where you have TAFE in competition with private providers who do not have the same commitment or obligation to equity, and who therefore have much lower cost structures—straight financial competition, which is what this will do—competing to a minimum set of standards will mean that that minimum set of standards will be delivered and that TAFE will lose out in that.

**Mr COUTTS-TROTTER:** I wish to make the point that around \$270 million a year of TAFE's income is fully commercial income; in other words, it is income we win in a competitive market. About \$75 million of funds that flow through the Board of Vocational Education and Training are contestable between TAFE and other providers, and TAFE wins the lion's share of that.

I share some of your concerns, and that goes to the way a government prices training, the way a government describes the services it wants to obtain, and it goes to a recognition of subtle issues. For example, if someone has been out of the workforce for a long period there will be a good reason for that and the training task may be a very complex one. It might be a training task combined with a whole range of wraparound services necessary to bring that person to a point where they can, first, undertake the training and, second, benefit from the training by moving into the labour market.

These issues are the subject of ongoing negotiations between all States and Territories and the Commonwealth. We are delighted by the additional money; we are delighted by the program. Yes, in a sense from TAFE's perspective it would be lovely if the money were just given to us, but if it is not going to be, so be it; we will work within those policy parameters.

**Dr JOHN KAYE:** Within the New South Wales training sector what has been the growth in the share of Federal Government money going to private providers over the last 10 years?

**Mr COUTTS-TROTTER:** I do not have the figure to hand, but I will find it out. The Federal money runs through, if you like, the State. As I say, of that \$1.7 billion, the cost of running TAFE—or \$1.9 billion all up in vocational training and education—only about \$75 million or \$80 million, as I understand it, is fully contestable.

**Dr JOHN KAYE:** Of the money that TAFE currently gets?

**Mr COUTTS-TROTTER:** If you look in the State Government budget papers you will see that the figure for TAFE and related services—and the related services include contestable funds for training and development—is about \$1.9 billion. That would include some capital grant as well. From memory, on the operating side, only about \$75 million of that is contestable. So I think you will find the answer to your question is not much, but there could be other Commonwealth programs I am not aware of that do not run through the State budget.

**Dr JOHN KAYE:** About 30 per cent of TAFE's recurrent funding comes from the Commonwealth at the moment; about 70 per cent comes out of general New South Wales revenue?

**Mr COUTTS-TROTTER:** It is about two-thirds State Government money and the balance from commercial revenue, a tiny amount from TAFE fees, about 5 per cent, and the balance from the Commonwealth.

**Dr JOHN KAYE:** Do you have any concerns that the balance that comes from the Commonwealth, which currently goes directly to TAFE uncontestedly, in the next funding agreement might become contestable?

**Mr COUTTS-TROTTER:** Yes, absolutely. That is the inexorable movement of Commonwealth policy. Other States, for example Victoria, take a different view to us on this issue. So different TAFEs and different administrations take different views on this. We are, through negotiation, trying to make the case for TAFE's quality, for the benefits in continuing to support this public provider in what we do. But, as I say, for a long time at the Commonwealth level the policy has been moving towards making more and more Commonwealth funding to training fully contestable.

**Dr JOHN KAYE:** Minister, you are a member of the Ministerial Training Council, which is separate from the Ministerial Council for Education, Employment, Training and Youth Affairs, is it not?



**Ms VERITY FIRTH:** Am I a member of the Ministerial Training Council? I think we sent an official to that. I will take that on notice.

**CHAIR:** Do Government members have questions at this point?

**The Hon. CHRISTINE ROBERTSON:** We do not have questions at this time, but we will keep our options open if required later.

**CHAIR:** Unless that is the case, I propose to divide the remaining time between other members of the Committee.

**The Hon. CATHERINE CUSACK:** Minister, what is the target for asset sales?

**Ms VERITY FIRTH:** What do you mean by "target"?

**The Hon. CATHERINE CUSACK:** How much revenue do you need to make from selling properties?

**Ms VERITY FIRTH:** That is not the way we go about these things. The value of school and TAFE land and buildings is approximately \$16.5 billion, so that is the value of our asset base. In the past eight years the department has raised over \$325 million from the sale of surplus land, which has all been reinvested in school infrastructure. So there is no target, so to speak; it is just the way that we operate.

**The Hon. CATHERINE CUSACK:** There is an annual target in the budget which the department aims to achieve. I simply want to know what that figure is.

**Ms VERITY FIRTH:** There is about \$28 million, which is assumed as asset sales.

**The Hon. CATHERINE CUSACK:** Have you identified the properties for sale this financial year?

**Mr COUTTS-TROTTER:** Yes we have, and we can provide a list to you.

**The Hon. CATHERINE CUSACK:** Are there 100 teacher residences in that list of properties?

**Mr COUTTS-TROTTER:** You are referring to the Teacher Housing Authority, which is an independent statutory authority. It is independent of the agency and our teachers' relationship with it is as tenants to a landlord. I understand that statutory authority is selling some housing and it is also buying some housing. I think it operates about 1,500 properties. From an employer's perspective it provides a seriously good service. I know from talking to colleagues in other agencies that people look pretty enviously at the arrangements offered by the Teacher Housing Authority but we would need to ask them for some details on what they are planning to sell and what they are planning to buy.

**The Hon. CATHERINE CUSACK:** Who is the head of the Teachers Housing Authority?

**Mr COUTTS-TROTTER:** I cannot recall, I am afraid.

**The Hon. CATHERINE CUSACK:** It is an officer within your department, is it not?

**Mr COUTTS-TROTTER:** It is statutorily independent though.

**The Hon. CATHERINE CUSACK:** But the Department of Education and Training runs it?

**Ms VERITY FIRTH:** We can provide that information.

**Mr COUTTS-TROTTER:** Yes.

**The Hon. CATHERINE CUSACK:** Thank you. Would you include in that list of Teacher Housing Authority the properties that have been identified for sale as well?

**Mr COUTTS-TROTTER:** Yes.

**The Hon. CATHERINE CUSACK:** And also details of how many of them are tenanted at the moment, if any?

**Mr COUTTS-TROTTER:** Okay. I think their occupancy rate is about 88 per cent. So it could well be that very few of them are tenanted, if at all.

**The Hon. CATHERINE CUSACK:** As to your strategy of a couple of years ago for the inner city schools which involved the closure of a number of schools, including Hunters Hill as one of them, and then there was a big back flip and you were not going to close any of the schools?

**Mr COUTTS-TROTTER:** Yes.

**The Hon. CATHERINE CUSACK:** However, the Government proceeded with the \$100 million capital works strategy. I understand the Treasury made the Department of Education and Training pay back the money. Now a lot of that has been paid back progressively through asset sales, and there was interest accruing on that loan as well. Has that loan now been fully repaid by the Department of Education and Training?

**Mr COUTTS-TROTTER:** We will have to take that question on notice.

**The Hon. CATHERINE CUSACK:** Is it possible to get what the progressive repayments and the interest payments have been for each year you have been paying the loan off?

**Mr COUTTS-TROTTER:** I assume so, yes.

**The Hon. CATHERINE CUSACK:** I know there was still an amount outstanding as at 18 months ago but perhaps that has been completed?

**Mr COUTTS-TROTTER:** Yes.

**The Hon. CATHERINE CUSACK:** In relation to the training budget for teachers. How much money was allocated for information technology training?

**Mr COUTTS-TROTTER:** It comes in a few parts. There is the \$36 million per year for professional development—an average of \$700 per head for every teacher—and that takes place within a framework. So there will be aspects of that training that go to information and communication technology skills. Associated with the rollout of the connected classrooms there is 16 hours of training for every teacher working in a connected classroom. The connected classrooms project provides a single connected classroom in every school with high-quality video conferencing, with an interactive whiteboard and, increasingly, a 10-megabyte broadband link. At the same time schools use either their own State-government funding or the resources of the Parent and Citizens Associations to buy other interactive whiteboards. We have struck a set of arrangements with whiteboard suppliers that mean that with those boards will come free training. That will vary depending on the needs of the school and the agreements we have struck with the different providers, but there is a component of training in that as well.

**The Hon. CATHERINE CUSACK:** Just in relation to the computers, I must say that one of my sons has made the suggestion to get the kids to teach the teachers? My other son said that would embarrass the teachers but my first son said that is what they do all the time. He gets asked all the time for assistance from his teachers. The issue of computer education training for teachers is an enormous one and a big one with the Rudd Government.

**Mr COUTTS-TROTTER:** Yes.

**The Hon. CATHERINE CUSACK:** Can you tell me what are you asking the Rudd Government for in the way of resources for computer training for teachers?

**Ms VERITY FIRTH:** Do you mean a specific dollar amount?

**The Hon. CATHERINE CUSACK:** Yes.

**Mr COUTTS-TROTTER:** From memory it is \$20-something million over the period, but I really should check that figure and provide it to you. We have been working at a real level of detail with the Federal finance department to go through line-by-line and prod and poke at our costing. They are exquisitely worked through, including the training component. We can provide that to the Committee.

**The Hon. CATHERINE CUSACK:** Does the Teachers Institute have any view on this issue?

**Mr ALEGOURNARIAS:** As a result of government policy the institute requires initial teacher education to include a component of technology training.

**The Hon. CATHERINE CUSACK:** I am actually thinking of the thousands of teachers out there who have no idea and really no interest?

**Mr ALEGOURNARIAS:** In addition to that the institute has approved registered professional development on a register of professional development, that has been interrogated by experienced teachers for its quality, and that is disseminated through the department's website materials, as well as to non-government schools, as high-quality professional development available for teachers to access.

**The Hon. CATHERINE CUSACK:** Have you estimated the amount of funding that would be needed to roll that out across schools?

**Mr ALEGOURNARIAS:** There is a range of professional development. It is different types of professional development. It is not just a package that is available for everyone. It depends on their needs, the times of the need, and the different types of teachers. So we have no such calculation.

**The Hon. CATHERINE CUSACK:** Minister, can you refresh my mind as to the figure of the funding for the teacher-mentoring program?

**Ms VERITY FIRTH:** We will take that on notice and provide it to you.

**Mr COUTTS-TROTTER:** I know the aggregate four-year figure is \$237 million for a range of professional development support, but the component for mentoring I would have to pin down.

**The Hon. CATHERINE CUSACK:** \$270?

**Mr COUTTS-TROTTER:** \$237 million.

**Ms VERITY FIRTH:** That is for the range of support.

**Mr COUTTS-TROTTER:** That contains the \$36 million in professional development and a few other things.

**The Hon. CATHERINE CUSACK:** There was a much more relevant figure that you gave earlier.

**Ms VERITY FIRTH:** I think before I gave \$31 million but that was about the extra hour of relief that we give to first-year teachers. That was in relation to that. In terms of the mentoring program—

**Mr COUTTS-TROTTER:** It is support for 97 schools, so that will either be a complete full-time equivalent position or something close to it. So at broadly \$100,000 each we are talking nearly \$10 million.

**The Hon. CATHERINE CUSACK:** So it is one full-time position for 97 schools?

**Mr COUTTS-TROTTER:** Let me confirm those details and provide them to the Committee.

**Ms VERITY FIRTH:** We will give you those details on notice.

**The Hon. CATHERINE CUSACK:** And also the cost of administering the program because that has been a really big issue in the past.

**Mr COUTTS-TROTTER:** Okay.

**The Hon. CATHERINE CUSACK:** With the number of teachers being mentored we are talking \$100,000 or \$300,000 per teacher being mentored on a per capita basis. I know the program was restructured after that was realised.

**Mr COUTTS-TROTTER:** We will check that out.

**Ms VERITY FIRTH:** We can provide that advice.

**CHAIR:** I have a few questions in terms of indigenous staff that you might want to take on notice. How many indigenous staff are employed by your department and what percentage does that represent of your overall departmental staffing?

**Mr COUTTS-TROTTER:** The percentage is about 1.9 per cent; the number I would have to confirm.

**Ms VERITY FIRTH:** We do have programs, of course, to encourage indigenous people into teaching positions.

**CHAIR:** I understand that there are benchmarks in terms of employment of indigenous staff and I am wondering if your department has met those benchmarks?

**Mr COUTTS-TROTTER:** The broader Government-wide benchmark is 2 per cent. We have increased the proportion of staff to 1.9 per cent from 1.7 per cent a year ago. In my view we need to go much further than that. The notion underpinning 2 per cent is that public-sector workforce should, as best it can, reflect the community it serves and in public education, not just in regional and remote areas but also increasingly in the southwest of Sydney, we serve 38,000 Aboriginal children and young people and a further 25,000 Aboriginal young people and adults in TAFE. So we need to enlarge our Aboriginal workforce.

**CHAIR:** You might want to take this on notice because I have run out of time. In terms of the inter-agency plan to tackle child sexual assault in Aboriginal communities following the Breaking the Silence report.

**Mr COUTTS-TROTTER:** Yes.

**CHAIR:** What are your departmental responsibilities and what was the financial cost to your department in the 2007-08 financial year? Also, in the 2008-09 financial year what funding has your department allocated to take care of those responsibilities?

**Mr COUTTS-TROTTER:** I will provide you with the details. Broadly, it is to continue with the Schools in Partnership Program in some targeted communities, it is to continue to work with the Kids Excel and Youth Excel capacity building programs and it is to try to target more additional support for some of the identified community. I can give you the specifics and resources associated with that.

**Ms VERITY FIRTH:** Can I quickly inform the Committee about recent successes of former public school students? I am pleased to inform the Committee that Arivind Adiga, a former James Ruse Agricultural High School student, has today won the Man Booker Prize, one of the most prestigious literary awards in the world. Arivind's first novel, *The White Tiger*, was chosen over 120 other entries, including novels by well-known authors Salman Rushdie and John Berger. At 33 he is the youngest of the finalists and the second youngest ever to win the award. James Ruse Agricultural High School has produced many outstanding students. It is a school that continuously tops the State in our Higher School Certificate. Arivind is reported as saying the four or five years he spent growing up in Sydney where he attended James Ruse Agricultural High School had an important impact on his work.

**Dr JOHN KAYE:** Minister, I refer to the answer you gave to a question by Mr Donnelly about the National Curriculum Board. We are all pleased to hear you say that you will not allow New South Wales's leadership in curriculum to be watered down by the national curriculum process. They are good words, but the political reality is that, presumably, seven other jurisdictions will argue for curriculum that looks more like theirs. Is it realistic to say that we can maintain curriculum leadership and protect the standard of our Higher School Certificate?

**Ms VERITY FIRTH:** Yes, I believe it is. Our position is that we support a national curriculum. At the end of the day, Australia is a nation of only 20 million people and it is a bit silly to have seven different curricula in different State and Territory jurisdictions. So we do support that Federal Government on this issue. Having said that, in a very New South Wales way we are very proud of our existing curriculum. We consider it to be gold standard and we consider our HSC to be gold standard in terms of international recognition and so forth. Yes, we will engage with them and we will do everything we can to engage constructively, but we will not do anything that we feel waters down our gold plate standard.

**Dr JOHN KAYE:** Does that include withdrawing from the process if we are not getting what we want?

**The Hon. CHRISTINE ROBERTSON:** Spitting the dummy?

**Dr JOHN KAYE:** I did not say spitting the dummy.

**The Hon. CATHERINE CUSACK:** Spinning it out. We will agree with it as long as they agree with us?

**Ms VERITY FIRTH:** That would not be the way we want to engage in this process. We believe we have a lot of expertise and a lot of experience to offer the Commonwealth Government when it comes to the national curriculum process. We believe we already lead the way and we will want to engage in that way. History is a perfect example. They are talking about a mandatory study of history from kindergarten to year 10. We already do that in New South Wales. That is the role we believe we can play. We will not water down the gold standard. I will ask Tom if he wants to add anything.

**Mr ALEGOURNARIAS:** It may be worth mentioning that the chair of the National Curriculum Board, Professor Barry McGaw, has made explicit and public statements that the measure that the National Curriculum Board will need to meet will be at least the New South Wales measure and that it would be legitimate for jurisdictions such as New South Wales not to participate in the implementation of a curriculum that was palpably and publicly seen to be a lesser curriculum. That would be a broad community expectation, not just a political expectation. In addition, there is explicit recognition by all members of the board of the quality of the work that has emanated over time on New South Wales. Further to that again, the framework papers that have been produced—and the history one is the clearest example—makes clear that the criteria and the nature of the curriculum will not be one that seeks to achieve a compromised standard somewhere in between New South Wales and the other States.

**The Hon. CATHERINE CUSACK:** No national curriculum, in other words.

**Mr ALEGOURNARIAS:** It will be a fundamental framework that is attractive to the community at large.

**Dr JOHN KAYE:** It is a Herculean task. I wish you the best with it.

**The Hon. CATHERINE CUSACK:** I would wish the Feds the best, if I were you.

**Dr JOHN KAYE:** I want to talk about the maintenance backlog. Giving a single word or number answer, what is your current estimate of the maintenance backlog in public schools in New South Wales?

**Ms VERITY FIRTH:** We are spending—

**Dr JOHN KAYE:** No, I do not want to know what you are spending. I want to know what the backlog is. It is a different question. I know what you are spending.

**Ms VERITY FIRTH:** As you would know, we have a program to address the backlog. It is \$50.8 million now, eliminated within two years. That is part of our process where we are spending it up through extra funding.

**Dr JOHN KAYE:** Would you be prepared to make public the data on which to base that \$50.8 million? Would you be prepared to allow people to interrogate your database so that it can be separately audited?

**Mr COUTTS-TROTTER:** We report annually on it to the Auditor-General because it was his report that identified a \$120 million backlog. I would need to talk with his office.

**Ms VERITY FIRTH:** My advice is that the \$31.5 million that we are going to spend this year—and that is specifically about the backlog, so that is the share of the \$120 million four-year plan to accelerate—will result in about 1,300 extra maintenance projects completed across the State this year.

**Dr JOHN KAYE:** The \$50.8 million is contested. If you take the Vincent number, which I believe was \$200 million, and subtract the additional amount spent over the subsequent years to the Vincent inquiry, you end up with \$86.5 million. There is clearly a contest about the size of the backlog. Anecdotally there are still many schools with demountables that are not air-conditioned and in appalling condition.

**Ms VERITY FIRTH:** As we have just addressed, we have a backlog program that we are dealing with that will result in 1,300 extra maintenance projects. I do think it is important to point out the sheer scale of what we are doing as well. We are spending \$230 million just this financial year on maintenance in our schools. When you break it down that is \$630,000 per day on school maintenance. We have, as I said before, assets, land and buildings worth approximately \$16.5 billion. It is a huge asset base. We also recognise it is our primary responsibility to keep that asset base functioning well for our teachers and students and also, of course, to ensure there is not a decline in value. So we need to keep up that maintenance. We are addressing that issue through a delivery of what is record funding in relation to both maintenance and capital works projects.

**Dr JOHN KAYE:** I take on board what you say. Why then is it the experience of teachers and students that so many public schools are not well maintained? There are old buildings that are not appropriately maintained. How does that gel with what you have just said?

**Ms VERITY FIRTH:** I would say when you have a \$16.5 billion asset base that is always going to be an issue. Having said that, we have gone directly to school principals. We recognise that it is also about information. So we have gone directly to school principals in every school in the State and we have asked them to identify their three top priorities. What we have specifically asked from them is to provide us with priorities that save money. For example, if the issue is that the carpet in the library is damaged but the reason the carpet is damaged is because of a leaky roof, let us know about the leaky roof and we will prioritise that. We are going through a process of, I suppose in a way, also analysing the information we get by going directly to school principals and talking to them about the priority projects for their schools.

**CHAIR:** Will you tell them when they will get their maintenance repairs, as a return of information on their priorities? Will you come back to them and say, "Your three priorities will be done in 2015"?

**Mr COUTTS-TROTTER:** Absolutely. Through my colleague Alistair we convened about 70 or 80 principals and other people from public schools for a workshop at the end of last year to talk about this. We have a range of projects coming out of that. We have a group of people sitting on top of that to make sure it happens. One of the key things that came out was precisely the point you are making: that schools were more certain about what capital works—major works, minor works—and what maintenance was planned for their schools so that they can use their own resources to complement that with the certain knowledge that x, y and z are going to get done.

**CHAIR:** Thank you. There are no further questions. The budget estimates inquiry on Education is now concluded. There are a number of questions on notice. You have 21 days to answer those questions. No doubt there will be further questions on notice from Committee members, which will be provided within two days. Thank you Minister and representatives for your participation and good humour. Thank you Hansard and Committee staff.

**(The witnesses withdrew)**

**The Committee proceeded to deliberate.**

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